Date of Hearing: August 27, 2026

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT
Juan Carrillo, Chair
SB 716 (Durazo) – As Amended August 26, 2026

SENATE VOTE: 29-8

SUBJECT: Local government: ordinances: penalties for violation: nonresidential structures

SUMMARY: Authorizes enhanced penalties for violations of local ordinances that pertain to nonresidential structures with a floor area of 20,000 or more square feet and pose a threat to health and safety. Specifically, **this bill**:

1) Provides that, notwithstanding specified limitations in existing law, a violation of a city or county ordinance where the violation pertains to a nonresidential structure with a floor area of 20,000 or more square feet and the violation poses a threat to health and safety is punishable by the following:

   a) A fine not exceeding $1,000 for a first violation.

   b) A fine not exceeding $2,000 for a second violation of the same ordinance within five years of the first violation.

   c) A fine not exceeding $5,000 for each additional violation of the same ordinance within five years of the first violation.

2) Allows the fine amounts described above to be increased by a factor of 10, up to a maximum of $50,000 per violation, if the violation results in a declaration of a state of emergency by the Governor or a federal disaster declaration. Further provides that:

   a) Where a nonresidential structure subject to these increased fines is leased, in whole or in part, to a tenant or other third party under a written lease or occupancy agreement and the violation arises from a condition, activity, equipment, or process that is within the possession, operation, or contractual control of that tenant or third party rather than the owner, the fine shall be assessed against the tenant or other party in operational control of the violating condition, except as provided in b), below.

   b) Provides that a), above, does not limit the liability of an owner for a violation arising from a condition within the owner's own possession or control, including, but not limited to, the structural, core, shell, or common-area elements of the property, or from the owner's own failure to maintain the property consistent with applicable ordinances.

   c) Specifies that nothing in 2), above, relieves a tenant or other party in operational control of a violating condition from liability for a fine assessed under 2), above.

3) Clarifies that county boards of supervisors may impose fines, penalties, and forfeitures for violations of ordinances and fix the penalty by fine, imprisonment, or both. Specifies that a fine shall not exceed $1,000 and that imprisonment shall not exceed six months, with the exceptions specified above.

4) Specifies that nothing in the provisions outlined above shall limit the authority of a county or city to establish fines or penalties under any other provision of law.

5) Contains an urgency clause.

FISCAL EFFECT: None

COMMENTS:

1) **Author's Statement**. According to the author, "As the State Senator representing Boyle Heights, unincorporated East Los Angeles, and the surrounding communities affected by the Lineage Logistics warehouse fire, it is urgent that we hold the company accountable for the ongoing rotting stench and infestation created by this facility and deter future public health and environmental emergencies.

   "My constituents have endured overwhelming odors, pest infestations, and the daily indignity and hazard of living beside decomposing, fire-damaged materials. These are not minor inconveniences. Residents have been unable to open their windows or spend time outdoors, and many have been forced to run air purifiers and air conditioning around the clock, at their own expense, to keep their homes livable. Reports of escalating use of mobile clinics and emergency department visits, alarming health conditions, including respiratory illnesses, headaches, bloody noses, and nausea affecting small children have worsened. These conditions fall on communities already burdened by decades of environmental injustice. Boyle Heights and unincorporated East Los Angeles should not have to bear the continued and potentially long-term costs, health risks, and disruption of a private company's failure to promptly and fully remediate this site."

2) **Lineage Warehouse Fire**. On June 17, 2026, a fire ignited at a cold storage facility leased and operated by Lineage Logistics in the Boyle Heights community of the City of Los Angeles. The fire burned for eight days within a heavily insulated, approximately 491,000-square-foot structure that contained refrigeration systems, rooftop solar panel infrastructure, and other industrial equipment and hazardous materials (such as ammonia) that led to periodic flare-ups and required constant firefighting operations by the Los Angeles Fire Department and mutual aid partners. A shelter-in-place order went into effect June 18 and on June 20 Los Angeles Mayor Karen Bass issued a Declaration of Local Emergency and Governor Newsom declared a State of Emergency for Los Angeles County. The fire was fully extinguished on June 24, 2026. While Lineage Logistics released a statement indicating the fire likely started on the roof while subcontractors were servicing a solar array, the cause of the fire remains under investigation.

   In addition to the shelter-in-place order for neighboring residents, the incident resulted in extended air quality advisories, notices of violation, and an abatement order from the South Coast Air Quality Management District (SCAQMD). An estimated 88 million pounds of frozen food products that were stored in the facility subsequently spoiled, resulting in a significant public nuisance consisting of foul odors, rats, insects and other pests in and around the facility and the surrounding residential neighborhood. Clean-up did not commence until July 7 and has not yet been completed. An August 25 article by ABC7 News reports, “Lineage has already missed two deadlines to completely clear the site of rotting food following the fire. As it stands now, the highest fine the city can issue is about $2,000 per violation. Last year, Lineage had revenue of more than $5 billion.” The article also notes that Lineage has indicated the cleanup will be completed by August 30.

According to an August 5 article by CBS news, “The massive food warehouse fire that blanketed parts of Los Angeles in smoke in June was not an isolated event, but one in a long run of fires at properties tied to one of the world's largest cold storage companies…Federal records show that in the past decade there have been at least 63 fires of varying severity at properties run by Lineage, a company that operates temperature-controlled warehouses around the globe. The firm said it was aware of 34 fires at its various warehouses, including one in Finley, Washington, that burned for nearly two months.” The article also notes, “Unlike many industrial facilities located far from neighborhoods, cold storage warehouses are often built close to homes, schools and businesses to speed up food distribution.”

3) **Report on Health Impacts**. Among other responders to the health hazards posed by the Lineage fire and its aftermath was St. John’s Community Health (St. John’s), which is a network of community health centers serving over 150,000 people in Los Angeles. St. John’s deployed 3 mobile health clinics to the area and distributed thousands of air purifiers and tens of thousands of masks. St. John’s recently issued a report on the health impacts that their clinics treated between the start of the fire and July 31st. While far from exhaustive because it is limited to data from St. John’s Clinics and not other places that individuals may have been treated, this report noted that:

- 348 patients were diagnosed with toxic effects of smoke.
- 320 patients were diagnosed with contact or exposure to hazardous substances.
- 46 patients were diagnosed with eye disorders.
- 20 patients were diagnosed with respiratory conditions due to inhalation of chemicals.

Other conditions treated included anxiety and other behavioral health conditions arising from environmental exposure, sleep disruption and insomnia, housing instability, lease termination requests, relocation concerns, ongoing uncertainty regarding environmental safety, and psychosocial distress associated with displacement and recovery.

4) **Ordinance Violations**. A county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws. This “police power” provides the right to adopt and enforce zoning regulations, as long as they do not conflict with state laws.

Current law allows counties and cities to establish ordinances, and makes violations of ordinances misdemeanors, unless the county or city makes them infractions. The violation of an ordinance may be prosecuted by county or city authorities in the name of the people of the State of California, or redressed by civil action. Current law outlines the following fine structure for ordinance violations, and for building and safety code violations, that are determined to be infractions:

Number of violations within specified time periods	**Amount of fine for ordinance violations that are infractions**	**Amount of fine for building and safety code violations that are infractions**
First violation	Fine does not exceed $100	Fine does not exceed $130
Second violation within one year of first violation	Fine does not exceed $200	Fine does not exceed $700
Third violation within one year of first violation	Fine does not exceed $500	Fine does not exceed $1,300

For building and safety code violations that are infractions, the fine can be increased to $2,500 for each additional violation of the same ordinance within two years of the first violation, if the property is a commercial property that has an existing building at the time of the violation and the violation is due to failure by the owner to remove visible refuse or failure to prohibit unauthorized use of the property.

The law also includes additional provisions for violations of event permits and short-term rental ordinances that are infractions and violations of ordinances regulating activities related to cannabis, as well as a process for granting a hardship waiver in specified instances where the fine would impose an undue financial burden on the responsible party.

5) **Bill Summary**. This bill establishes enhanced fines for specified nonresidential structures. It provides that a violation of a city or county ordinance where the violation pertains to a nonresidential structure with a floor area of 20,000 or more square feet and the violation poses a threat to health and safety is punishable by the following:

   a) A fine not exceeding $1,000 for a first violation.

   b) A fine not exceeding $2,000 for a second violation of the same ordinance within five years of the first violation.

   c) A fine not exceeding $5,000 for each additional violation of the same ordinance within five years of the first violation.

   These fine amounts may be increased by a factor of 10, up to a maximum of $50,000 per violation, if the violation results in a declaration of a state of emergency by the Governor or a federal disaster declaration. If a nonresidential structure subject to these increased fines is leased to a tenant or other third party and the violation arises from a condition, activity, equipment, or process that is within the possession, operation, or contractual control of that tenant or third party rather than the owner, these increased fines shall be assessed against the tenant or other party in operational control of the violating condition. This provision does not limit the liability of an owner for a violation arising from a condition within the owner's possession or control or from the owner's failure to maintain the property consistent with applicable ordinances, nor does it relieve a tenant or other party in operational control of a violating condition from liability for an increased fine assessed pursuant to this bill.

This bill also clarifies that county boards of supervisors may impose fines, penalties, and forfeitures for violations of ordinances and fix the penalty by fine, imprisonment, or both. A fine shall not exceed $1,000 and imprisonment shall not exceed six months (with exceptions for higher fines that are provided by this bill and existing law).

This bill specifies that nothing in the provisions outlined above shall limit the authority of a county or city to establish fines or penalties under any other provision of law. This bill contains an urgency clause.

This bill is sponsored by the author.

6) **Related Legislation**. AB 817 (Mark Gonzalez) prohibits a city or county from approving a building permit for a cold storage facility unless the owner or operator of the facility establishes and maintains a contingency fund, and excludes from gross income settlement for claims relating to the 2026 Boyle Heights fire incident, as specified.

   SB 1272 (Menjivar) provides that the reasonable period of time for a property owner to correct or otherwise remedy a violation of structural or zoning issues that do not create an immediate danger to health or safety on owner-occupied residential properties containing four units or less shall be no less than six months, and up to 12 months, if certain conditions are met.

7) **Previous Legislation**. AB 632 (Hart) of 2025 would have allowed a local agency, upon the exhaustion of administrative and judicial appeals and specified noticing procedures, to obtain a final judgment and impose liens to enforce administrative fines and penalties for violations of specified cannabis laws, housing laws, and fire hazard laws. AB 632 was vetoed with the following message:

   > "I recognize the challenges local governments face in enforcing code violations for illegal cannabis grows, which is why I signed AB 1684 (Maienschein, Chapter 477, Statutes of 2023) to strengthen local penalty and enforcement authority for unlicensed cannabis activity. However, I am concerned about expanding local authority to place liens on private property. Balancing the due process rights of homeowners with a local government's authority to levy nuisance abatement fines is crucial. I believe existing law strikes the right balance. For these reasons, I cannot sign this bill."

   SB 757 (Richardson) of 2025 would have allowed, until January 1, 2035, counties and cities to collect fines for specified violations related to nuisance abatement using a nuisance abatement lien or a special assessment. SB 757 was vetoed with the following message:

   > "I appreciate the author's intent to provide local agencies with additional tools to efficiently enforce health and safety violations. However, I am concerned about this bill's expansion of local authority. Balancing the due process rights of homeowners with a local government's authority to levy nuisance abatement fines is crucial. I believe existing law, which mandates judicial approval for imposing a lien for unpaid fines, effectively achieves this balance. For this reason, I cannot sign this bill."

AB 491 (Wallis) of 2024 would have made several similar changes to a local agency's ability to collect administrative fines or penalties. AB 491 was held in the Senate Judiciary Committee.

AB 1448 (Wallis), Chapter 843, Statutes of 2023, originally contained several provisions similar to AB 491, including provisions removing a petition for a writ of mandate to challenge cannabis violations, allowing local agencies to collect specified civil penalties as administrative penalties, and granting the ability to use a special assessment lien to collect fines and penalties. These provisions were removed from the bill, leaving only changes that redirected some civil penalties to local treasuries when a local prosecutor brings an action for unlicensed cannabis activity.

AB 1684 (Maienschein), Chapter 477, Statutes of 2023, expanded upon AB 2164 to also include the unlicensed manufacturing, processing, distribution, or retail sale of cannabis.

AB 2164 (Cooley), Chapter 316, Statutes of 2018 allowed local agencies, via ordinance, to immediately impose administrative fines or penalties for the violation of building, plumbing, electrical, or other similar structural, health and safety, or zoning requirements if the violation exists as a result of, or to facilitate, the illegal cultivation of cannabis.

SB 1416 (McGuire) of 2018 would have allowed cities and counties to recover fines through nuisance abatement liens and special assessments until January 1, 2024. SB 1416 was vetoed with the following message:

> "I am returning Senate Bill 1416 without my signature. This bill allows, until January 1, 2024, cities and counties to recover fines related to nuisance abatement through liens and special assessments. I vetoed a similar bill in 2011 because I was concerned that allowing local governments to collect fines by assessing them against an owner's property reduced important due process protections. My thoughts on the matter have not changed."

AB 345 (Ridley-Thomas) of 2017 would have expanded nuisance abatement liens and special assessments to include administrative penalties, and would have increased the maximum administrative fines for violations of city building codes and safety standards. AB 345 was subsequently amended for an unrelated purpose.

AB 129 (Beall) of 2011 would have allowed local governments to use special assessments for unpaid fines or penalties after following specified procedures. AB 129 was vetoed with the following message:

> "I am returning Assembly Bill 129 without my signature. At a time when property owners are struggling to pay their mortgages, this bill would weaken the due process requirements for local building departments to obtain property liens. Local governments already have a fair process in place, and I see no reason to change it."

AB 2317 (Saldana) of 2010 would have allowed local governments to use nuisance abatement liens and special assessments to collect administrative penalties, with a sunset date of January 1, 2014. AB 2317 was vetoed with the following message:

"I am returning Assembly Bill 2317 without my signature. It is important that the due process rights of homeowners are balanced against a local government's right to collect a nuisance abatement fine. The current system that requires a local government to seek judicial approval to impose a lien properly balances these opposing interests. For this reason I am unable to sign this bill."

8) **Arguments in Support**. The Rural County Representatives of California (RCRC), California State Association of Counties (CSAC), Urban Counties of California (UCC), League of California Cities (Cal Cities), and California Association of Code Enforcement Officers (CACEO), in support of the August 20 version of this bill, write, "Counties are responsible for adopting and enforcing local ordinances that protect the health, safety, and quality of life of their communities. In most instances, existing enforcement mechanisms are sufficient to achieve compliance. However, serious or persistent violations at large commercial and industrial facilities can have significant consequences for surrounding communities, and existing penalties may not always provide a sufficient incentive for a property owner or operator to take timely corrective action.

"Recent warehouse fires in different parts of California demonstrate the potentially significant impacts incidents at very large facilities can have on surrounding communities. In June, a fire destroyed an approximately one-million-square-foot medical supply distribution warehouse in Tracy, generating significant smoke, prompting shelter-in-place precautions, and resulting in debris and cleanup activities in surrounding areas. Days later, the Lineage Logistics warehouse fire in Los Angeles County similarly demonstrated the significant public health and community impacts that can result from incidents involving large industrial facilities.

"The aftermath of the Lineage fire provides a particularly relevant example of the need for additional enforcement options. Nearby communities experienced prolonged odors, pest infestations, and other public health and nuisance conditions as approximately 88 million pounds of spoiled food remained at the facility. Despite inspections, citations, and the imposition of maximum allowable fines, violations and nuisance conditions persisted. In circumstances involving large commercial operators, existing penalties may simply be insufficient to compel timely corrective action.

"SB 716 provides counties with another tool in the code enforcement toolbox that they may choose to use when circumstances warrant. The bill's graduated penalty structure allows enforcement consequences to increase when violations persist, providing counties with greater leverage to secure compliance while preserving local discretion over whether and when enhanced penalties are appropriate. The bill also provides additional penalty authority in extraordinary circumstances when a violation results in a state or federal emergency or disaster declaration.

"These enhanced penalties are not necessary or appropriate for every code violation. However, when serious or persistent violations threaten public health and safety and responsible parties fail to respond quickly enough, counties should have meaningful enforcement options available to encourage prompt remediation. For operators of large commercial and industrial facilities, relatively modest fines may not provide a sufficient incentive for timely action. SB 716 provides counties with an additional option to address these exceptional circumstances while leaving decisions about its use with local officials who are best positioned to understand the needs of their communities."

9) **Arguments in Opposition**. A large coalition in an "oppose, unless amended" position on the August 20 version of this bill state, "Our concern is not with the goal of the bill, but with its reach…The 20,000-square-foot size threshold sweeps in far more than industrial and logistics buildings, and it should be narrowed to match the hazard the bill is meant to address. This is not a request to reduce the fine amounts themselves. It is a request to narrow which structures the enhanced tier reaches in the first place. A nonresidential structure of that size is common and well outside the kind of facility involved in the Lineage fire. It also captures large-format retail stores, supermarkets, and hotels, uses that make up a substantial share of nonresidential buildings at that size and that generally have no connection to the fire or life-safety risk this bill was written to address.

"SB 716 stacks new enforcement layers on top of ones that already exist, without coordinating them. The same issue shows up at two different levels: the type of regulation involved, and the level of government enforcing it…

"The fine structure itself needs several corrections. Independent of the scope issue above, we have identified structural problems with the new fine tier that should be fixed:

- The five-year lookback period for repeat-violation escalation is inconsistent with the rest of the statute, which uses a one-year lookback elsewhere. We recommend adhering to statutory precedent and amending to a lookback of one year.

- The bill sets a $50,000 per violation cap during a declared emergency but no aggregate cap. Without an overall ceiling added to the bill, repeated violations tied to a single ongoing condition could compound into fines with no reasonable relationship to the underlying infraction.

"The bill has no remedy or access process for situations where a property is legally off-limits. As drafted, SB 716 has no mechanism to address the situation where a responsible party is legally barred from accessing or remediating a property...Fines, and the lookback clock that escalates them, continue to run regardless of whether the owner is permitted to set foot on the property to fix the underlying condition. A penalty structure that continues to run against a party for noncompliance it is legally barred from curing does not give that party a genuine opportunity to comply…There is no force majeure, good-cause, or legal-impossibility provision anywhere in the new fine tier that would otherwise excuse or pause accrual during a period of legally restricted access. It also does not incentivize the underlying goal of the bill: faster, safer remediation..."

REGISTERED SUPPORT / OPPOSITION:

Support

Barrio Action Youth and Family Center (prior version)
California Association of Code Enforcement Officers (prior version)
California State Association of Counties (CSAC) (prior version)
Central City Neighborhood Partners (prior version)

City of Los Angeles Mayor Karen Bass (prior version)
Clean Water Action
Dolores Mission Church and School (prior version)
Eastmont Community Center (prior version)
League of California Cities (prior version)
Legacy LA Youth Development Corporation (prior version)
Los Angeles County (prior version)
Los Angeles Unified School District (prior version)
Miguel Contreras Foundation (prior version)
Natural Resources Defense Council (NRDC)
Proyecto Pastoral at Dolores Mission (prior version)
Rural County Representatives of California (RCRC) (prior version)
The Wall Las Memorias (prior version)
Urban Counties of California (UCC) (prior version)

Opposition

All opposition letters are "oppose, unless amended"to the August 20 version of this bill.

Agricultural Council of California
Almond Alliance
Association of California Egg Farmers
BOMA California
California Business Properties Association
California Business Roundtable
California Chamber of Commerce
California Fuels and Convenience Alliance
California Grocers Association
California Hotel & Lodging Association
California Manufacturers & Technology Association (CMTA)
California Pear Growers Association
California Retailers Associaiton
California Seed Association
California Self Storage Association
California Trucking Association
Commercial Real Estate Development Association (CREDA) California
Consumer Brands Association
Dairy Institute of California
Family Business Association of California
Global Cold Chain Alliance
Inland Empire Economic Partnership (IEEP)
International Warehouse Logistics Association
Pacific Coast Renderers Association
Pacific Egg & Poultry Association
Pacific Merchant Shipping Association
San Diego Working Waterfront

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