

GIBSON DUNN



Antitrust & Competition Update

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California Adopts Premerger Notification Law

With the passage of SB 25, California becomes the third state to pass a state-level “mini-HSR” regime, joining Washington and Colorado, which enacted similar legislation in 2025. The Act applies to HSR notifications filed on or after January 1, 2027.

On February 10, California Governor Gavin Newsom signed SB 25 into law.^[1] SB 25—the California Uniform Antitrust Pre-Merger Notification Act—requires certain Hart-Scott-Rodino (HSR) filers to submit a copy of their federal premerger notification materials to the California Attorney General. Unlike the HSR Act, a California State filing does not trigger a waiting period that suspends the parties from closing their transaction, but the filing is mandatory and designed to create an early, streamlined avenue for state review and coordination. With the passage of SB 25, California becomes the third state to pass a state-level “mini-HSR” regime, joining Washington and Colorado, which enacted similar legislation in 2025. The Act applies to HSR notifications filed on or after January 1, 2027.^[2]

The bill is based on model antitrust legislation published by the Uniform Law Commission and is designed to align state practice with federal HSR procedures rather than create a wholly independent state review regime. While the California Law Revision Commission has advanced broader antitrust proposals on single-firm conduct and concerted action,^[3] and continues to consider broader reform on mergers and acquisitions, SB 25 instead focuses narrowly on premerger notification procedures tied to HSR filings. SB 25 therefore seeks to improve process and coordination, not to redefine substantive merger standards.

California Attorney General Rob Bonta previously endorsed SB 25, emphasizing that the measure would provide “upfront access to federal merger filings,” “facilitate early information sharing and coordination,” and include “strong confidentiality provisions,” with the stated aim of streamlining merger evaluation for both the California Department of Justice (CA DOJ) and businesses. This endorsement suggests the state plans to coordinate, not duplicate, federal merger review.

SB 25’s Requirements, Protections, and Penalties

SB 25 requires HSR filers to submit a complete electronic copy of the HSR form to the CA DOJ when either of the following is true:

- A. The person has its principal place of business in California; or
- B. The person (or a person it directly or indirectly controls) had annual net sales in California of the goods or services involved in the transaction of at least 20% of the prevailing federal HSR filing threshold.[\[4\]](#)

The filing party must also submit a complete electronic copy of the HSR form to the CA DOJ contemporaneously—at the latest, within one business day of the federal filing. If the filing party’s principal place of business is in California, the submission must include a complete electronic copy of any “additional documentary material” filed with the HSR form. And if the obligation to file is triggered by meeting the California sales threshold (rather than by maintaining a principal place of business in California), the CA DOJ may request the additional documentary material, and the filer must provide it within seven days of the request.[\[5\]](#)

SB 25 enables the Attorney General to impose filing fees of \$1,000 if the filing person has its principal place of business in California or \$500 if the filing person had annual net sales in California of the goods or services involved in the transaction of at least 20% of the prevailing federal HSR filing threshold. The fees are deposited into the Attorney General’s antitrust account.[\[6\]](#)

The Attorney General must provide a secure means to receive and store submitted materials. [\[7\]](#)

SB 25 provides robust confidentiality protections that prohibit the CA DOJ from making any component of the HSR form public; exempt these materials from disclosure under California’s public-records law, aligning with HSR confidentiality norms; and permit disclosure only under protective order in an administrative or judicial proceeding where the proposed merger is relevant.[\[8\]](#) However, SB 25 does allow the CA DOJ to share information with the Federal Trade Commission, the United States Department of Justice, and with other states that have adopted the ULC’s Uniform Antitrust Pre-Merger Notification Act (or substantively equivalent legislation) and that provide confidentiality assurances at least as protective as those in the uniform act.[\[9\]](#) For reciprocity-based disclosures to other states, the CA DOJ must provide at least five business days’ advance notice to the submitting party before making a disclosure.

After written notice and a three-business-day cure period, the Attorney General may impose or seek to impose civil penalties of up to \$25,000 per day for failure to submit the required materials or to respond timely to a request for additional documentary material.[\[10\]](#)

Practical Implications for Transactions

Transacting parties that already file HSR materials and either have a California principal place of business or meet the California sales-based nexus will need to implement a parallel process to transmit a complete electronic copy of the HSR form to the CA DOJ within one business day of the federal filing. This is largely an administrative alignment task rather than a new analytical requirement.

Parties with a California principal place of business must include any HSR “additional documentary material” in their California submission at the outset, which effectively mirrors the federal submission package. And parties that qualify solely under the sales-based nexus should prepare to produce additional documentary material within seven days if requested by the CA DOJ.

Prior to enactment of this legislation, the California Attorney General already could investigate merger activity by issuing subpoenas for HSR information, from the Federal Trade Commission or the U.S. Department of Justice but CA DOJ was not automatically notified of filings that may be in the state’s interest.

Takeaways

SB 25 is intentionally tethered to the federal HSR framework, avoiding an independent California notification regime with novel thresholds, forms, or substantive presumptions. The bill requires only a copy of what the HSR already demands, on a synchronized timetable, and leverages existing federal confidentiality norms, federal definitions, and federal threshold calibration.

Because SB 25 is integrated with HSR timing and form requirements, parties should expect earlier, more routine outreach from the CA DOJ in transactions with a California nexus. The aim is explicit: to “facilitate early information sharing and coordination between state and federal antitrust officials,” reducing the need for ad hoc negotiations or subpoenas to obtain HSR materials of interest. This early access may allow the CA DOJ to participate more actively in merger assessments that affect California markets, while preserving uniformity and confidentiality.

The bill’s reciprocity provisions also anticipate information-sharing with other states that have enacted the uniform act or a substantively equivalent statute, but only with confidentiality assurances that meet or exceed the uniform act’s standards.

Gibson Dunn attorneys are available to discuss how this legislation and other state mini-HSR laws may apply to your business, affect your legal compliance policies and address any other questions you may have regarding the issues discussed in this update.

[1] Governor Newsom Signs Legislation 2.10.26, <https://www.gov.ca.gov/2026/02/10/governor-newsom-signs-legislation-2-10-26/>.

[2] *Id.* at Section 16787.

[3] See [December 23, 2025 Client Alert](#); [June 23, 2025 Client Alert](#).

[4] SB 25, Uniform Antitrust Pre-Merger Notification Act, Section 16782(a).

[5] *Id.* at Section 16782(b-c).

[6] *Id.* at Section 16782(e).

[7] *Id.* at Section 16782(d).

[8] *Id.* at Section 16783(a-c).

[9] *Id.* at Section 16783(d).

[10] *Id.* at Section 16785.

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Gibson Dunn lawyers are available to assist in addressing any questions you may have regarding the issues discussed in this update. Please contact the Gibson Dunn lawyer with whom you usually work, the authors, or any leader or member of the firm's [Antitrust and Competition](#), [Private Equity](#), or [Mergers and Acquisitions](#) practice groups:

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