

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: October 20, 2025

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso
Chief Legislative Analyst

Council File No.: 25-0002-S76
Assignment No.: 25-09-0749

SUBJECT: Resolution (Lee – McOsker) to SUPPORT Senate Bill (SB) 84 (Niello).

CLA RECOMMENDATION: Adopt Resolution (Lee – McOsker) to include in the City's 2025-2026 State Legislative Program, SUPPORT for SB 84 (Niello) to provide small businesses with a mandatory 120-day "notice and cure" period to fix disability access violations before penalties are issued.

SUMMARY

Resolution (Lee – McOsker), introduced on August 12, 2025, states Title III of the Americans with Disabilities Act (ADA) requires public accommodations and commercial facilities to make their buildings and services accessible to people with disabilities. The ADA allows disabled individuals who encounter barriers to access in public accommodations to file lawsuits to compel these facilities to remove any barriers to access. The Resolution further explains that in California, ADA violations also violate the State's Unruh Act, which allows plaintiffs to recover up to \$12,000 in statutory damages if an inaccessible condition persists.

The Resolution states that there was a dramatic increase in ADA lawsuits filed in the U.S. District Court for the Northern District of California in 2021 against small, immigrant-owned businesses in San Francisco. The San Francisco District Attorney claimed that many of the lawsuits were fraudulent and predatory, targeting small business owners with limited English proficiency and access to lawyers, who were pressured to enter into cash settlements. The Resolution states that many of the lawsuits caused small businesses to close and did not increase ADA access, as ADA compliance is not enforced when settlements are reached.

The Resolution states that currently pending in the State Senate is SB 84 (Niello), which would provide small businesses with 50 or fewer employees a 120-day mandatory 'notice-and-cure' period to repair construction-related deficiencies before penalties are issued. SB 84 would also require plaintiffs seeking damages to serve defendants with a letter detailing all alleged violations and prevent them from framing disability access claims as general discrimination violations under the ADA. The Resolution states that SB 84 would offer small businesses a fair opportunity to address ADA violations before facing lawsuits, prevent fraudulent accessibility-related complaints, and increase accessibility for individuals with disabilities in California. The Resolution therefore requests that the City support SB 84.

BACKGROUND

The ADA is a 1990 civil rights law that prohibits discrimination against individuals with disabilities in areas such as employment, public accommodations, transportation, and government services. The ADA guarantees equal opportunity and access, requires employers to provide reasonable accommodations, and ensures that public and commercial facilities are accessible. Enforcement of the ADA is complaint-driven and requires individuals to file complaints for instances of limited accessibility. The Department of Justice enforces the ADA for state and local governments, as well as public accommodations.

Individuals with disabilities in California are also protected by the California Disabled Persons Act (CDPA) and the Unruh Civil Rights Act to ensure their equal opportunity and reasonable accommodations in employment, public places, and housing. The CDPA and Unruh Act are enforced by the California Civil Rights Department or by filing a private lawsuit in a State court. These Acts also allow disability access plaintiffs to claim statutory damages up to \$12,000, plus attorney fees in ADA lawsuits. In most states, plaintiffs are only entitled to injunctive relief, or the repair of the disability access issue. As a result, California is the leading state for ADA lawsuits nationwide.

State legislation related to construction-related accessibility also include Chapters 11A and 11B of the California Building Code that determine accessibility requirements for public buildings and housing, and the Construction-Related Accessibility Standards Compliance Act (CRASCA), which governs how accessibility inspections are conducted for businesses and facilities. Under the CRASCA, a Certified Access Specialists (CAsp) can perform inspections and prepare reports detailing accessibility violations and recommended corrections. While these inspections are voluntary, business and facility owners who pay for a CAsp inspection report can enjoy legal protections, including 120-day grace periods to correct violations, and avoid certain statutory damages in case they are found in violation of the ADA.

SB 84 seeks to provide small business owners with 120 days to correct construction-related accessibility violations, from the service date of a letter from a plaintiff specifying all alleged violations. SB 84 would also provide that a small business owner is not liable for statutory damages, the plaintiff's attorney's fees, or other costs for an alleged violation that is corrected within 120 days. Further, SB 84 would prohibit a plaintiff from seeking general discrimination damages from small businesses for construction-related accessibility violations. The bill was introduced in response to a surge of ADA lawsuits filed across California in 2020 to 2021, with two plaintiffs filing more than 1,000 lawsuits combined. According to reports, small businesses were sued for bathroom mirrors being one and a half inches too high or handicap signs on restrooms being the wrong shape or color. Average settlement amounts for these types of cases were reported around \$14,000, not including legal fees. Many businesses settled out of court for amounts far greater than it would have taken to repair the violation.

A coalition of groups who support the civil rights of the disabled community state that SB 84 limits disability access and the enforcement of civil rights laws by increasing barriers for people with disabilities to bring private lawsuits. They further state that SB 84 eliminates the disability community's primary tool for holding non-compliant businesses accountable, disincentivizes proactive compliance with the law, and increases disability access barriers.

In May 2025, the Senate Appropriations Committee reported that approval of the bill may increase the workload of State trial courts and create a need for increased funding for the courts from the General Fund. This bill could also result in increased workloads for State and local agencies related to monitoring complaints, performing inspections, and handling dispute resolution responsibilities.

DEPARTMENTS NOTIFIED

Department on Disability

BILL STATUS

1/17/25	Introduced, referred to Senate Committee on Rules
1/29/25	Referred to the Committees on Judiciary and Appropriations
4/2/25	Amended, re-referred to Committee on Judiciary
4/23/25	Passed, re-referred to Committee on Appropriations
5/23/25	Passed as amended
6/4/25	Ordered to the Assembly
6/16/25	Referred to the Committees on Judiciary and Appropriations
6/18/25	Amended, re-referred to the Committee on Judiciary



Susan Oh
Analyst

Attachments: Resolution (Lee – McOsker)

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council; and

WHEREAS, Title III of the Americans with Disabilities Act (ADA) requires public accommodations and commercial facilities to make their buildings and services accessible to people with disabilities; and

WHEREAS, the ADA allows disabled individuals who encounter barriers to access in public accommodations to file lawsuits to compel owners of these facilities to remove the barriers to access; and

WHEREAS, in California, ADA violations also violate the State's Unruh Act, which allows plaintiffs to recover up to \$12,000 in statutory damages if an inaccessible condition persists; and

WHEREAS, in 2021, there was a drastic increase in ADA lawsuits filed in the U.S. District Court for the Northern District of California against small, immigrant-owned businesses in San Francisco; and

WHEREAS, the San Francisco District Attorney claimed that many of these lawsuits were fraudulent and targeted small business owners with limited English proficiency and access to lawyers, who were then pressured to enter into cash settlements; and

WHEREAS, these lawsuits caused many small businesses to close and did not increase ADA access, as ADA compliance is not enforced once a settlement is reached; and

WHEREAS, currently pending before the State Senate is Senate Bill (SB) 84 (Niello), which would provide businesses with 50 or fewer employees a mandatory 'notice-and cure' opportunity to fix construction-related deficiencies that violate disability access provisions before penalties are issued; and

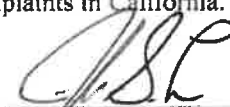
WHEREAS, SB 84 would require plaintiffs seeking damages for disability access-related claims to serve defendants with a letter detailing all alleged violations and provide defendants 120 days from the date of service to correct the violations; and

WHEREAS, SB 84 would also prevent plaintiffs from framing disability access claims as general discrimination violations under the ADA and ensure that ADA deficiencies are fixed and accessibility is provided; and

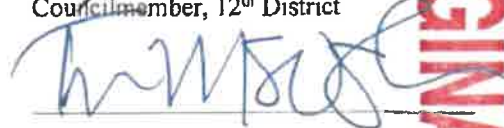
WHEREAS, SB 84 would offer small businesses a fair opportunity to address ADA violations before facing lawsuits, increase accessibility for individuals with disabilities, and prevent the filing of fraudulent accessibility-related complaints in the State;

NOW, THEREFORE, BE IT RESOLVED, that by adoption of this Resolution, the City of Los Angeles hereby includes in its 2025-26 State Legislative Program, SUPPORT for Senate Bill 84 (Niello) to clarify the notice requirements of disability access-related complaints, allow defendants an opportunity to fix any barriers to access, and prevent the filing of fraudulent accessibility-related complaints in California.

PRESENTED BY:


JOHN LEE
Councilmember, 12th District

SECONDED BY:



ORIGINAL