


**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: March 16, 2026

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

FROM: Sharon M. Tso 
Chief Legislative Analyst Council File No.: 26-0002-S8
Assignment No.: 26-02-0135

SUBJECT: Resolution (Hernandez – Blumenfield – Jurado – Padilla – Rodriguez – Soto-Martinez) to SUPPORT AB 1633 (Haney).

CLA RECOMMENDATION: Adopt Resolution (Hernandez – Blumenfield – Jurado – Padilla – Rodriguez – Soto-Martinez) to include in the City’s 2025-2026 State Legislative Program SUPPORT for AB 1633 (Haney), which would create the Private Detention Facility Tax Law and thereby curb corporate profiteering from ICE-funded immigration detention centers in California.

SUMMARY

On February 13, 2026, a Resolution (Hernandez – Blumenfield – Jurado – Padilla – Rodriguez – Soto-Martinez) was introduced in support of AB 1633 (Haney), which would create the Private Detention Facility Tax Law, aiming to curb corporate profiteering from ICE-funded immigration detention centers in California. The Resolution notes that private detention corporations receive lucrative Immigration and Customs Enforcement (ICE) contracts funded by federal tax dollars, raking in profits in the hundreds of millions with no accountability as people housed in these locations endure dangerous conditions.

The Resolution also acknowledges that California is home to seven ICE-funded private immigration detention facilities operated by for-profit corporations with a documented history of unsafe and inhumane conditions, including substantial medical care and repeated health and safety violations. The Resolution, therefore, seeks an official position of the City of Los Angeles to support AB 1633 (Haney), which would create the Private Detention Facility Tax Law and thereby curb corporate profiteering from ICE-funded immigration detention centers in California.

BACKGROUND

In California, several privately operated detention facilities house individuals in federal immigration custody, generating significant revenue for private operators and raising debates regarding the role of corporate profit in civil immigration detention and the impacts on local communities. In response to these concerns, AB 1633 (Haney) proposes to establish the Private Detention Facility Tax Law and the Due Process for All Fund.

Specifically, beginning January 1, 2027, AB 1633 (Haney) would impose a 50 percent annual tax on a private detention operator’s gross receipts from ICE and other federal contracts to operate detention facilities in California, and require those funds to be reinvested into the Due Process for All Fund which would provide immigration related services, reducing incentives for corporate

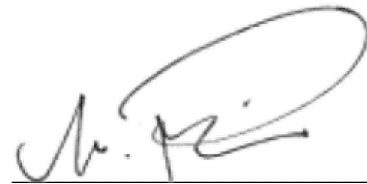
profiteering while helping the state respond to the harm caused by mass immigration detention. The tax imposed by the bill would apply regardless of whether the contracting agency is federal, state, or local.

The California Department of Tax and Fee Administration (CDTFA) would administer and collect the tax pursuant to the State's Fee Collection Procedures Law, which provides procedures for the collection of certain fees and surcharges. Under existing law, a violation of the Fee Collection Procedures Law is a crime. By expanding the application of the crimes associated with the Fee Collection Procedures Law, the bill would impose a state-mandated local program.

Through these provisions, AB 1633 (Haney) seeks to address concerns regarding private detention operations, including reducing fiscal incentives for corporations to operate immigration detention facilities; holding private detention operators financially accountable for the impacts associated with detention operations; generating funding to support immigrants and communities affected by detention policies; and providing additional state-level policy tools to respond to federal immigration enforcement practices.

BILL STATUS

01/26/2026	Introduced.
01/27/2026	From printer. May be heard in committee February 26.



Monét A. Padilla
Analyst

Attachment: Resolution (Hernandez – Blumenfield – Jurado – Padilla – Rodriguez – Soto-Martinez)

RESOLUTION

REG. ELECTIONS, INTERGOVERNMENTAL RELATIONS

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, private detention corporations receive lucrative Immigration and Customs Enforcement (ICE) contracts funded by federal tax dollars, raking in profits in the hundreds of millions with no accountability as people housed in these locations endure dangerous conditions; and

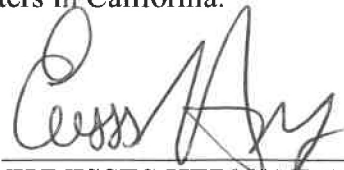
WHEREAS, California is home to seven ICE-funded private immigration detention facilities operated by for-profit corporations with a documented history of unsafe and inhumane conditions, including substantial medical care and repeated health and safety violations; and



WHEREAS, recent inspections by the California Department of Justice confirmed that the largest detention center in the state, maintained in Kern County, subjugates individuals to "dangerous living conditions" and has a "lack of adequate medical care," including too few doctors, inadequate access to food and water, and insufficient hygiene products; and

WHEREAS, AB 1633 (Haney) would be precedential in enacting legislation to hold for-profit corporations accountable for operating ICE-funded private immigration detention facilities in California by taxing their extensive profits and reinvesting the revenue; and

WHEREAS, beginning January 1, 2027, AB 1633 (Haney) would impose a 50 percent annual tax on a private detention operator's gross receipts from ICE and other federal contracts to operate detention facilities in California and require those funds to be reinvested into a new fund that would provide immigration related services, reducing incentives for corporate profiteering while helping the state respond to the harm caused by mass immigration detention;

NOW, THEREFORE, BE IT RESOLVED, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2025 - 2026 State Legislative Program SUPPORT for AB 1633 (Haney), which would create the Private Detention Facility Tax Law and thereby curb corporate profiteering from ICE-funded immigration detention centers in California.

PRESENTED BY: 
EUNISSES HERNANDEZ
Councilmember, 1st District

SECONDED BY: 


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