



Antitrust & Competition Group

California Passes “Mini-HSR” Act

February 17, 2026

By Fiona Schaeffer, Adam Di Vincenzo, Rich Parker, Grant Bermann, Alexis Brown-Reilly and John Ceccio



California Passes “Mini-HSR” Act

By Fiona Schaeffer, Adam Di Vincenzo, Rich Parker, Grant Bermann, Alexis Brown-Reilly and John Ceccio

What's New?

On February 10, 2026, California Governor Gavin Newsom signed Senate Bill No. 25 into law, otherwise known as the California Uniform Antitrust Pre-Merger Notification Act. Under the new law, starting on January 1, 2027, parties submitting HSR filings to the Federal Trade Commission (FTC) and Department of Justice (DOJ) must also submit materials to the California State Attorney General's office when:

1. A party has its **principal place of business** in California, or
2. A party has annual net sales in California of **at least 20%** of the HSR transaction filing threshold (currently \$26.78 million).¹

The California Act builds on narrower California notice regimes in the health care² and retail grocery and pharmacy sectors³ by extending state-level notification to a broader set of HSR-reportable transactions. Importantly, unlike the federal HSR statute, which includes a mandatory waiting period, parties to a transaction that requires notice under the California new law are not required to suspend the transaction pending California review. California will become the third state to adopt a uniform pre-merger notification regime after Washington and Colorado. But given the sheer size of California's economy, this new law likely will increase significantly the number of transactions subject to state-level filings. Its passage is also in line with a broader trend of more assertive antitrust enforcement at the state level, particularly involving M&A, which traditionally has been dominated by federal antitrust enforcers (DOJ and FTC).

New California “Mini-HSR” Requirements

Beginning in 2027, parties to an M&A transaction that submit an HSR filing must also submit the same filing and its attachments to the California Attorney General (AG) **within one (1) business day of submission** if the conditions below are met:

California HSR Disclosure Thresholds and Requirements	
Who must file?	Either: <ol style="list-style-type: none">1. The party has its principal place of business in California; or2. The party or a subsidiary it controls registered annual net sales of at least 20% of the HSR transaction filing threshold (currently \$26.78 million⁴) of goods or services related to the transaction in California.
What must be filed?	The HSR form; and <ol style="list-style-type: none">1. <i>If the party's principal place of business is in California</i>, then it is mandatory to share additional documentary materials filed with the HSR form.2. <i>If the party meets the California sales threshold (20% of HSR)</i>, then additional documentary materials must be shared only by the AG's request.⁵

¹ The text of S.B. 25 can be found here: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB25.

² Cal. Health & Safety Code §§ 127500 et seq.

³ Cal. Corporate Code §§ 14700 et seq.

⁴ Based on new 2026 filing thresholds. The current HSR transaction size threshold is \$133.9 million. [Milbank Antitrust: FTC Announces Annual Adjustments to HSR Act Fees and Thresholds](#).

⁵ Upon AG request for additional documentary materials for a sales threshold filer, the filer must provide the materials no later than seven business days after receipt of the request.

Milbank Insights

Are the filings confidential?	Yes. The statute provides that the submitted materials (and related information) are confidential and exempt from disclosure under the California Public Records Act.
What is the filing fee?	The AG's office may impose the following fees: <ol style="list-style-type: none"> \$1,000 (if the party's principal place of business is in California); or \$500 (if the party meets the sales threshold).
What is the penalty for failure to file?	\$25,000 per day (after a written notice from the California AG and three (3) business day grace period).
Is the transaction subject to a separate pre-close waiting period?	No. The transaction is only subject to the federal HSR Act waiting period (30 days, unless granted early termination or extended by a Second Request).

Current State-Level Mini-HSR Requirements

In addition to the federal requirements for HSR filings, parties now have another state-level antitrust authority to share their information with. Washington and Colorado adopted their own versions which became effective in July and August of 2025, respectively.⁶ There are subtle differences in each "mini-HSR" act, which are compared to California's new requirements below:

State	Threshold	Timing	What to File?	Fee	Fine	Waiting Period?
California	Principal place of business; or In-state net sales 20% of HSR threshold / \$26.78M	Within one (1) business day	Place of Business: Form AND Attachments Net Sales: Form (Attachments if requested)	Place of Business: \$1,000 Net Sales: \$500	\$25,000 per day	No
Colorado	Principal place of business; or In-state net sales 20% of HSR threshold / \$26.78M <i>*Same as CA</i>	Contemporaneous	All filers: Form AND Attachments	None	\$10,000 per day	No <i>*Same as CA</i>
Washington	Principal place of business; or In-state net sales 20% of HSR threshold / \$26.78M Also: Any HSR filing where party is a healthcare provider conducting business in-state	Contemporaneous	Place of Business: Form AND Attachments Net Sales: Form (Attachments if requested) <i>*Same as CA</i>	None	\$10,000 per day	No <i>*Same as CA</i>

⁶ [Milbank Antitrust: US HSR Filings and Antitrust Merger Review Update: Federal Shutdown, 2025 Year-End Calendaring, and Washington/Colorado "Mini HSR" Acts.](#)

Milbank Insights

Similar legislation is pending in the District of Columbia, Hawaii, Indiana and West Virginia. Indiana's "mini-HSR" law was passed by its State Senate and awaits a vote by the House, and New York is considering a broader revision of its antitrust regime that might include "mini-HSR" requirements.

Takeaways and Recommendations

- **Add possible state filing requirements to the deal checklist.** Plan to check for state-level "mini-HSR" filing requirements before signing and filing HSR. It is generally good practice to prepare the proper submissions with California, Colorado or Washington (if required) on the same day as the federal-level HSR filing.
- **No extra waiting period, but real exposure.** A missed notice can now cost \$25,000 per day in California and \$10,000 per day in each of Colorado and Washington, so it is good practice to verify the AG's receipt of the notice.
- **Mind confidentiality and consistency.** Although filings stay nonpublic, AG's can share them with other state AGs under reciprocity if a similar "mini-HSR" law has been enacted.
- **Evaluate local and state-specific antitrust issues.** State AGs focus more on transactions involving local or state-specific concentration and tend to focus on healthcare and other industries that have a greater impact on consumers, employees, or other stakeholders in their respective states.
- **Plan for future state filing requirements.** Bills in other states (including DC, Hawaii, Indiana, New York and West Virginia) are working their way through legislatures. Adopting a repeatable "copy to AG" protocol now avoids last minute scrambles later.
- **Merger-agreement impact.** Ensure the regulatory filings and related "best efforts" covenants in the merger agreement or LOI cover state "mini-HSR" notices and ensure the parties are committed to filing any such notices on time.

Contacts

Fiona Schaeffer, Partner
+1 212.530.5651
fschaeffer@milbank.com

Adam Di Vincenzo, Partner
+1 202.835.7510
adivincenzo@milbank.com

Richard Parker, Partner
+1 202.835.7530
rparker@milbank.com

Grant Bermann, Partner
+1 202.835.7515
gbermann@milbank.com

Alexis Brown-Reilly, Special Counsel
+1 202.835.7548
abrownreilly@milbank.com

John Ceccio, Associate
+1 202.728.1278
jceccio@milbank.com

Please feel free to discuss any aspects of this Client Alert with your regular Milbank contacts or any member of our Antitrust & Competition Group.

This Client Alert is a source of general information for clients and friends of Milbank LLP. Its content should not be construed as legal advice, and readers should not act upon the information in this Client Alert without consulting counsel.

© 2026 Milbank LLP

All rights reserved. Attorney Advertising. Prior results do not guarantee a similar outcome.



Milbank Insights

