November 21, 2025

California Law Revision Commission
c/o Legislative Counsel Bureau
925 L Street, Suite 275
Sacramento, CA 95814

Dear Members of the California Law Revision Commission:

On behalf of the undersigned organizations representing a broad spectrum of industries and businesses across the United States, we write to express our concerns regarding any potential efforts by California to establish a legal standard for merger review that impedes, contradicts, or otherwise departs from the standard set by federal law. Such a move would risk disrupting national commerce, creating unnecessary regulatory burdens, and undermining the efficiency and predictability that businesses rely upon to operate and grow.

For decades, the federal statutory framework for merger review, as administered by the Department of Justice (DOJ), Federal Trade Commission, and state attorneys general has provided a consistent, transparent, and effective process for evaluating mergers and acquisitions. This legal framework has enabled rigorous competition fostering an environment where businesses can innovate, grow, and contribute to the economic vibrancy of our nation, while ensuring that mergers that could harm consumers are appropriately scrutinized and when necessary, modified or blocked.

Should any state attorney general lack confidence in the federal enforcement approach of a given administration, current federal law allows the state attorney general to independently take enforcement action.

Introducing a separate legal standard for merger review in California law would create significant challenges for businesses operating across state lines. A state-specific law would likely lead to conflicting standards, increased compliance costs, and delays in transactions that are critical to business growth and innovation. Moreover, such a law could deter investment and stifle economic activity, particularly for smaller and mid-sized businesses that lack the resources to navigate multiple regulatory regimes.

We are particularly concerned that a separate California merger law with a divergent legal standard would lead to a patchwork of state-level regulations. This fragmentation would not only harm businesses but also consumers, who benefit from the efficiencies and innovations that mergers often bring.

We urge the California Law Revision Commission to consider the potential negative consequences of establishing a divergent legal standard for merger review. We recommend instead that California continue to rely on the well-established federal legal framework, which the California attorney general can enforce, and which has proven effective in balancing the need for competition with the benefits of economic growth and innovation.

Thank you for your attention to this important matter. We stand ready to work with the Commission to ensure that California's policies support a competitive national economy.

Sincerely,

ACT | The App Association
American Coatings Association
American Council of Life Insurers
American Investment Council
Associated Industries of Massachusetts
Association of Washington Business
Biotechnology Innovation Organization (BIO)
Computer & Communications Industry Association
Connecticut Business and Industry Association
Consumer Brands Association
Consumer Technology Association
CTIA – The Wireless Association
Engine
Illinois Chamber of Commerce
Information Technology Industry Council (ITI)
International Franchise Association
Metals Service Center Institute
Michigan Chamber of Commerce
Minnesota Chamber of Commerce
Motion Picture Association
NACS | Advancing Convenience & Fuel Retailing
National Association of Manufacturers
National Retail Federation

National Venture Capital Association (NVCA)
NetChoice
New Jersey Chamber of Commerce
Oregon Business & Industry
Pennsylvania Chamber of Business and Industry
PhRMA
Retail Industry Leaders Association
Software & Information Industry Association (SIIA)
The Business Council of New York State, Inc
U.S. Chamber of Commerce
U.S. Telecom Association