

Date of Hearing: March 17, 2026

ASSEMBLY COMMITTEE ON JUDICIARY
Ash Kalra, Chair
AB 1752 (Lackey) – As Introduced February 9, 2026

PROPOSED CONSENT

SUBJECT: EMINENT DOMAIN: APPRAISALS

KEY ISSUE: SHOULD A PUBLIC ENTITY BE REQUIRED TO REIMBURSE A LANDOWNER THE FULL REASONABLE COST OF AN APPRAISAL IF THE PROPERTY BEING APPRAISED IS THE SUBJECT OF EMINENT DOMAIN PROCEEDINGS BECAUSE THE PROPERTY IS NECESSARY FOR SPECIFIED PUBLIC WORKS PROJECTS?

SYNOPSIS

When the government seeks to obtain private property for public use through eminent domain, existing law requires the government to reimburse a private landowner for the costs associated with obtaining an independent appraisal of their property. However, existing law also caps the level of this reimbursement at \$5,000. The existing cap has not kept pace with inflation forcing many property owners to pay for a portion of the appraisal or for the appraiser to agree to do the work for the statutory limit.

This bill would remove the cap for appraisals related to eminent domain actions stemming from the Sacramento-San Joaquin Delta tunnel project or the construction of California's High Speed Rail network. The measure is a more modest version of the author's AB 1033 (Lackey, 2025) which would have lifted the cap for all eminent domain-related appraisals in California but was held in the Senate Appropriations Committee due to cost concerns.

This measure is sponsored by the Appraisal Institute of California who note that the existing statutory cap no longer reflects the actual cost of obtaining an appraisal for the purposes of eminent domain, especially for complex takings in which an existing property may be subdivided. This measure has no known opposition.

SUMMARY: Requires a public entity to pay the full reasonable costs of an independent appraisal ordered by the owner as a part of eminent domain proceedings for specified public works projects. Specifically, **this bill:**

- 1) Requires, if a public entity offers to purchase property under a threat of eminent domain related to construction of facilities for the isolated transfer of water across the Sacramento-San Joaquin Delta or for high-speed rail purposes, the public entity to pay the full reasonable costs of an independent appraisal ordered by the owner.

EXISTING LAW:

- 1) Provides that private property may be taken or damaged for a public use and only when just compensation, ascertained by a jury unless waived, has first been paid to the owner. (Cal. Const. art. I, Sec. 19.)

- 2) Provides that the power of eminent domain may be exercised to acquire property only for a public use, and that where the Legislature provides by statute that a use, purpose, object, or function is one for which the power of eminent domain may be exercised, such action is deemed to be a declaration by the Legislature that such use, purpose, object, or function is a public use. (Code of Civil Procedure Section 1240.010.)
- 3) Requires all actions for eminent domain to be filed in the superior court for the county in which the property is to be taken. (Code of Civil Procedure Section 1250.020.)
- 4) Provides that any person who claims a legal or equitable interest in the property described in the complaint may appear in the proceeding. (Code of Civil Procedure Section 1250.030.)
- 5) Provides that a defendant may object to the plaintiff's right to take, by demurrer or answer, as specified. (Code of Civil Procedure Section 1250.350.)
- 6) Provides that the grounds for objecting to the right to take includes:
 - a) The plaintiff is not authorized by statute to exercise the power of eminent domain for the purpose stated in the complaint;
 - b) The stated purpose is not a public use;
 - c) The plaintiff does not intend to devote the property described in the complaint to the stated purpose;
 - d) There is no reasonable probability that the plaintiff will devote the described property to the stated purpose within seven years, or ten years where the property is taken pursuant to the Federal Aid Highway Act of 1973, or such longer period as is reasonable;
 - e) The described property is not subject to acquisition by the power of eminent domain for the stated purpose;
 - f) The described property is sought to be acquired pursuant to excess condemnation, condemnation for compatible use, or condemnation for more necessary public use but the acquisition does not satisfy the requirements of those provisions;
 - g) The described property is sought to be acquired pursuant to condemnation for more necessary public use but the defendant has the right to continue the public use to which the property is appropriated as a joint use; or
 - h) Any other ground provided by law. (Code of Civil Procedure Section 1250.360.)
- 7) Provides that in addition to the grounds for objection specified in 6), grounds for objection to the right to take where the plaintiff has not adopted a resolution of necessity that conclusively, as specified, includes:
 - a) The plaintiff is a public entity and has not adopted a resolution of necessity that satisfies the requirements of existing law;
 - b) The public interest and necessity do not require the proposed project;

- c) The proposed project is not planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
 - d) The property described in the complaint is not necessary for the proposed project; or
 - e) The plaintiff is a quasi-public entity, as specified, and has not satisfied the take requirements of existing law. (Code of Civil Procedure Section 1250.370.)
- 8) Requires a public entity to pay the reasonable cost, not to exceed \$5,000, the costs of an independent appraisal, conducted by a licensed appraiser, ordered by the owner of a property that the public entity offers to purchase under a threat of eminent domain, at the time the public entity makes the offer to purchase the property. (Code of Civil Procedure Section 1263.025 (a).)

FISCAL EFFECT: As currently in print this bill is keyed fiscal.

COMMENTS: Eminent domain is a constitutionally provided power that enables the government to acquire private property and put such property to a public use. When utilizing the power of eminent domain the government is required to provide just compensation to the owner of the property to be acquired by the government. Under existing law, a property owner is entitled to an independent appraisal of their property as soon as it becomes a target of eminent domain. The existing law requires the government entity to compensate a property owner for “reasonable costs” of the appraisal. Existing law caps “reasonable costs” at five thousand dollars (\$5,000). This bill would increase that cap to cover all reasonable appraisal costs for potential takings stemming from the Sacramento-San Joaquin Delta tunnel project as well as land needed for high speed rail. In support of this bill the author states:

This bill provides a fair, reasonable, and necessary update to the reimbursement structure for property owners facing eminent domain actions related to the California high-speed rail project or the delta conveyance project. AB 1752 provides fairness so that property owners can secure independent licensed appraisals without bearing undue financial burdens.

A broader bill, that applied to all eminent domain actions, was proposed in 2025, AB 1033 (Lackey) however the costs associated with the bill were significant. In response, AB 1752 is taking a narrower approach specifically focused on two major projects that will likely include eminent domain actions by state agencies.

The power of eminent domain and the right to a fair appraisal. Recognizing that governments must act in favor of the public interest, both the state and federal constitutions permit the taking of private property for a public use through a process known as eminent domain. The California Constitution permits the taking of property only when the private property owner is provided “just compensation.” (Cal. Const. art. I, Sec. 19.) In addition to the high-level requirement that an owner is compensated for the property taken for public use, as provided in the constitution, the Code of Civil Procedure provides extensive detail guiding the legal proceedings surrounding the use of eminent domain. (Code of Civil Procedure Section 1263.010 *et seq.*)

One aspect of the eminent domain process designed to protect private property owners from government overreach is the provision that requires the government seeking to obtain property to assist a property owner in receiving an independent appraisal of the property as soon as the land becomes a candidate for eminent domain. Seeking to protect both the finances of the property

owners as well as the taxpayers, the existing law enables the property owner to seek reimbursement for the “reasonable” cost of the appraisal. The existing law statutorily caps these “reasonable” costs at five thousand dollars. However, the author and proponents of this measure note that the appraisal cost cap has not been increased in nearly twenty years.

Although prior legislation to increase the appraisal caps was deemed too costly, this bill seeks to increase the cap for a narrow set of properties impacted by two high-profile state infrastructure projects. Recognizing that the statutory cap on appraisal reimbursements for eminent domain actions had not been raised in nearly 20 years, last year, the author of this bill introduced AB 1033 (Lackey, 2025) to adjust the cap to reflect inflation. That bill was ultimately held on the Senate Appropriations Committee’s Suspense File when it was noted that the annual cost to the state may exceed \$3.5 million based on an examination of the historic use of eminent domain throughout this decade. Part of that cost analysis reflected the fact that in 2024, approximately 1,300 parcels were subject to eminent domain-related approvals. (Sen. Com. on Appropriations, analysis of Asm. Bill No. 1033 (2025-26 Reg. Session) as amended May 23, 2025, p. 1.)

Seeking to lower the total number of parcels implicated by this bill, and thus potentially reduce the measure’s cost impacts, the author narrowed AB 1033’s provisions to only apply to eminent domain-related appraisals of land impacted by the proposed Sacramento-San Joaquin Delta tunnel project and the state’s construction of high speed rail in the Central Valley. While it is still unclear how many parcels of land may be needed to complete these projects, or if some of the projects will ever be undertaken, one must surmise that the total properties implicated by this bill will be far less than 1,300 parcels per year.

ARGUMENTS IN SUPPORT: This bill is sponsored by the Appraisal Institute of California. In support of the bill, they write:

Under current law, property owners may obtain reimbursement for an independent appraisal when a public entity seeks to acquire property through eminent domain. However, the existing reimbursement limit of \$5,000 can leave property owners responsible for significant out-of-pocket costs when securing a professional appraisal necessary to evaluate the government’s offer.

AB 1752 addresses this issue in a targeted manner by requiring full reimbursement of appraisal costs for property owners whose property is subject to eminent domain proceedings associated with the Delta Conveyance Project or the California High-Speed Rail Project. These projects involve complex acquisitions affecting a wide range of property types, where accurate and independent valuation is essential.

Obtaining a credible appraisal is a critical step for property owners seeking to protect their constitutional right to just compensation. By ensuring full reimbursement of appraisal costs in these specific circumstances, AB 1752 helps ensure that property owners are not discouraged from obtaining independent valuations due to financial constraints.

REGISTERED SUPPORT / OPPOSITION:

Support

Appraisal Institute of California (sponsor)

Opposition

None on file

Analysis Prepared by: Nicholas Liedtke / JUD. / (916) 319-2334