

ASSEMBLY THIRD READING

AB 1752 (Lackey)

As Amended May 18, 2026

Majority vote

SUMMARY

Requires a public entity to pay the full reasonable costs, not to exceed eight thousand dollars (\$8,000), of an independent appraisal ordered by the owner as a part of eminent domain proceedings for specified public works projects.

Major Provisions

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.

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 increases 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.

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." (California Constitution Article I, Section 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) of the current legislative session 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 Assembly Bill 1033 of the current legislative 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.

According to the Author

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.

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.

Arguments in Opposition

None on file

FISCAL COMMENTS

According to the Assembly Appropriations Committee, costs of an unknown, but potentially significant, amount to state entities for increased appraisal reimbursements. For high-speed rail, costs would be borne by the High-Speed Rail Authority from the High-Speed Passenger Train Bond Fund (Proposition 1A) and the Greenhouse Gas Reduction Fund (cap-and-trade proceeds). For the Delta Conveyance Project, costs would likely be borne by the Department of Water Resources (DWR), funded by State Water Project revenue — derived from participating public water agencies and repaid through water contractor charges, not the General Fund; costs for habitat or flood management acquisitions have historically been funded by the General Fund or general obligation bonds. The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year beginning in the 2027-28 fiscal year.

- 1) The High-Speed Rail Authority (HSRA) estimates it will need approximately 150 parcels per year in the near term as it enters an aggressive acquisition phase for the Merced-to-Bakersfield extensions. Assuming reimbursement costs range from \$5,000 to \$8,000 per parcel, the HSRA estimates annual costs of \$750,000 to \$1.2 million for appraisal reimbursements alone — up from the current maximum of \$750,000 under the \$5,000 cap. Costs could grow as acquisition expands toward San Francisco and Anaheim.
- 2) DWR estimates approximately 1,100 appraisals over a five-year period related to the Delta Conveyance Project. Assuming an appraisal cost of \$8,000 — \$3,000 more than the current \$5,000 cap — total additional costs will likely be in the low millions of dollars.

VOTES**ASM JUDICIARY: 12-0-0**

YES: Kalra, Macedo, Bauer-Kahan, Bryan, Connolly, Dixon, Harabedian, Pacheco, Papan, Sanchez, Stefani, Zbur

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

UPDATED

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CONSULTANT: Nicholas Liedtke / JUD. / (916) 319-2334

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