

ASSEMBLY THIRD READING  
AB 1947 (Ta)  
As Introduced February 13, 2026  
Majority vote

## SUMMARY

This bill adds information to the annual report a state agency must provide to the Department of General Services (DGS) regarding surplus land.

### Major Provisions

- 1) Expands the requirement for state agencies, including Caltrans, to annually report land not currently being utilized, currently being underutilized, or not being used by a state agency, regardless of whether the agency is currently prepared to dispose of the land by sale or otherwise. The report would also be required to include the market value of each property reviewed.
- 2) Requires DGS to submit a report to the Legislature with the information regarding land reported by state agencies under this measure, by January 1, 2031, as defined.
- 3) Sunsets the requirements for DGS to submit a report on January 1, 2035.

## COMMENTS

### *Background.*

The DGS acts as the business manager for the state of California. DGS helps state government better serve the public by providing services to state agencies, including procurement and acquisition solutions, real estate management, leasing and design services, environmentally friendly transportation, and architectural oversight and funding for the construction of safe schools.

California Government Code Section 11011 governs the disposition of surplus state-owned real property. Each state agency is required to annually review all proprietary lands under its jurisdiction to identify and report to DGS any land that is excess to the agency's foreseeable needs. Once a property has been identified as excess by the state agency, DGS must determine whether another state use for the property. If an agency expresses interest, DGS assists by preparing the necessary transfer-of-jurisdiction documents to complete the change of control. If there is no state use, it may be included in the omnibus surplus property bill sponsored by DGS, which seeks legislative authorization for DGS to dispose of the property.

*State Property.* The State owns over 3,100 properties, encompassing more than 44,000 parcels of land. Altogether, these holdings span approximately 2.9 million acres—an area comparable in size to Los Angeles County. State agencies possess this land and use it for a variety of purposes, including maintaining office space for state operations, providing parks to the public, and furnishing campuses for higher education. The agencies that possess the largest percentage of the State's acreage are the Department of Parks and Recreation, the California Department of Fish and Wildlife, and the California State Lands Commission. In addition, Caltrans maintains numerous land holdings that serve as components of the State's transportation system.

The Legislature empowers the DGS with overseeing the administration of certain centralized services for state agencies, including the leasing and purchasing of real property. Acting as the State's property manager, DGS acquires and disposes of property for the State after legislative approval or approves property leases as necessary for state agencies to conduct their business. DGS also provides planning, construction management, and other services to state agencies to support the use of the properties those agencies possess.

*Excess and Surplus Property.* To strengthen the State's oversight of its real property holdings, California law requires all state agencies subject to limited exceptions—to submit annual reports to DGS detailing the land they control. DGS uses these self-reported data to maintain the State Property Inventory (SPI), a centralized database cataloging much of the State's real property portfolio. When reporting to the SPI, agencies must provide information such as the property's size, location, and any major structures situated on it.

As part of their duties related to the SPI, state agencies must also report, with certain limited exceptions, the extent to which they are or anticipate using the property they possess. Existing law requires state agencies to identify for DGS any property they possess that is not in use, and it defines such property as excess property. Once an agency reports excess property, DGS determines whether another state agency may be able to make use of it. If DGS identifies such an agency, it may transfer possession of the property to that agency. When DGS is not able to identify an alternate use for the property, it includes the property in an annual report it issues to the Legislature, which may declare the land surplus property. DGS may then sell or lease the property. Since 2009, state law has set a preference for DGS to sell or lease surplus property in a manner that supports affordable housing development, when possible. Between 2010 and 2020, DGS sold, leased, or transferred 64 surplus properties, and seven of these properties ultimately went on to support affordable housing, providing more than 500 units of affordable housing.

It should be noted that not all state-owned property is suitable for development. For example, the SPI indicates that the California State Lands Commission possesses about 460,000 acres of state property, but the commission's mission is to protect and enhance those lands as well as the public's access to them.

### **According to the Author**

According to the author, "Californians do not pay taxes so that the state can be a landlord. Governments do not collect taxes on properties the state owns. The state also loses money on property it holds, as real estate is an appreciating asset and the state remains liable for its maintenance and upkeep. By optimizing management of state-owned land, AB 1947 will ensure that these assets are used effectively."

### **Arguments in Support**

None on file

### **Arguments in Opposition**

None on file

**FISCAL COMMENTS**

According to the Assembly Committee on Appropriations analysis,

- 1) "Costs of an unknown, but potentially absorbable amount, across all state agencies, including Caltrans, to report additional information regarding its unutilized or underutilized land.
- 2) One-time costs of an unknown, but potentially absorbable, amount to DGS to prepare an additional report regarding unutilized or underutilized land for the Legislature. However, since the primary purpose of this bill is to create a report, this bill qualifies for this committee's suspense file consistent with committee rules."

**VOTES****ASM GOVERNMENTAL ORGANIZATION: 22-0-0**

**YES:** Blanca Rubio, Davies, Alvarez, Berman, Bryan, Carrillo, Dixon, Fong, Gabriel, Gallagher, Gipson, Macedo, McKinnor, Nguyen, Pacheco, Ramos, Michelle Rodriguez, Solache, Soria, Ta, Valencia, Wallis

**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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