SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1947 (Ta) - Surplus land

Version: June 8, 2026
Urgency: No
Hearing Date: August 3, 2026

Policy Vote: G.O. 14 - 0
Mandate: No
Consultant: Janelle Miyashiro

Bill Summary: AB 1947 adds specified information to the annual report a state agency must submit to the Department of General Services (DGS) regarding surplus land, and explicitly requires the Department of Transportation (Caltrans) to submit this report.

Fiscal Impact:

- Caltrans estimates ongoing annual costs in the tens of millions of dollars to appraise its entire inventory of approximately 1,800 parcels. The department notes that an individual appraisal takes an average of 140 hours to complete, which would require approximately 252,000 additional staff hours (equating to 143 PYs) annually.

  Staff notes that actual ongoing costs are unknown, but potentially range in the millions of dollars. While the upfront workload to review properties and establish baseline appraisals for the department's entire inventory will be significant, ongoing costs may decrease. In subsequent years, the department would likely update existing data rather than conduct full appraisals for all parcels.

- Unknown costs, ranging from absorbable to millions of dollars, for DGS to appraise, review, and catalogue additional properties in its State Property Inventory (SPI) database.

- Unknown costs for all state agencies to include additional information regarding unutilized land, including land held for highway purposes, in their annual reports. To the extent this workload can be incorporated into current inventory and reporting activities, these costs may be minor.

Background: To strengthen oversight of its real property holdings, California law requires state agencies—subject to limited exceptions including land held for highway purposes—to submit annual reports to DGS identifying the land under their control.

DGS uses these self-reported data to maintain the SPI, a centralized database cataloging the State's real property portfolio. Reporting agencies must provide information including each property's size, location, and any major structures situated on it.

In addition to maintaining the SPI, state agencies are required—with certain limited exceptions—to report the extent to which they are using, or anticipate using, the properties they possess. Agencies must identify to DGS any property that is not in use, which existing law defines as "excess property." Upon receiving such a report, DGS determines whether another state agency has a need for the property and, if so, may transfer possession accordingly. If no alternate use is identified, DGS includes the property in its annual report to the Legislature, which may then designate the land as "surplus property" and authorize DGS to sell or lease it.

Proposed Law:

- This bill requires a state agency, including Caltrans, to identify and report to DGS the market value of unutilized or underutilized land in the state agency's jurisdiction, regardless of whether the agency is currently prepared to dispose of the land.

- Removes the exception that state agencies must not report "land held for highway purposes" over which a state agency has jurisdiction and report those lands to DGS. By removing the exception, state agencies, including Caltrans, would now be required to report land held for highway purposes to DGS as part of the annual report.

- Requires DGS to submit a report to the Legislature by January 1, 2031, containing the information described above. Makes the new reporting requirements mandated by this bill inoperative on January 1, 2035.

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