## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

AB 62 (McKinnor) - Bureau for Descendants of American Slavery: racially motivated eminent domain

**Version:** August 18, 2025 **Policy Vote:** JUD. 13 - 0

Urgency: No Mandate: No

**Hearing Date:** August 29, 2025 **Consultant:** Liah Burnley

**Bill Summary:** Requires the Civil Rights Department to evaluate applications from persons who claim their property was taken because of racially motivated eminent domain.

## \*\*\*\*\*\* ANALYSIS ADDENDUM - SUSPENSE FILE \*\*\*\*\*\*\*\*

The following information is revised to reflect amendments adopted by the committee on August 29, 2025

## **Fiscal Impact:**

- Cost pressures (General Fund) to the Civil Rights Department to process, investigate, and make recommendations on claims of racially motivated eminent domain. Actual costs will depend on the number of claims submitted and level of staffing needed to handle the claims. Actual costs will also depend on the nature of future proceedings and the amount of workload those proceedings generate for the department. Costs may be higher in the short term, possibly in the low millions of dollars annually, with costs potentially tapering off over time once historical claims are resolved.
- Costs (General Fund, special funds) of an unknown but likely significant amount to state entities to compensate dispossessed owners. Actual costs will depend on the number of claims substantiated by the Civil Rights Department, and the value of real property or monetary compensation ultimately awarded. State entities will likely also incur significant to in litigate cases alleging racially motivated eminent domain and to transfer real property or other compensation to dispossessed owners. Taken together, these costs may be in the tens of millions to hundreds of millions of dollars.
- Likely non-reimbursable costs to local government entities to compensate dispossessed owners and litigate cases alleging racially motivated eminent domain.
- Costs (Trial Court Trust Fund, General Fund) of an unknown but potentially
  significant amount to the courts to adjudicate claims for compensation based on
  racially motivated eminent domain that are rejected by government entities. Actual
  costs to the courts will depend on the number of cases filed and the amount of time
  needed to adjudicate each case. Although courts are not funded on the basis of
  workload, increased pressure on the Trial Court Trust Fund may create a demand
  for increased funding for courts from the General Fund.

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• The California Natural Resources Agency (CNRA) estimates of impact of approximately \$14 million annually, ongoing to account for the creation of a new department or a division within an existing one. Funding would support staffing and operations which would require high-level legal/attorneys; real estate appraisal & title expertise; and administrative expertise. Size of organization would depend on the number of claims submitted. Each claim would carry with it significant workload and review time.

Fiscal impact would require legal and land use consultants to do the following: 1) review of regulations by a new entity that would require evaluation of lands and possible claims to it, 2) participation in proceedings that would potentially impact the Park and dispossess the Park of those lands, 3) impacts to leases and NDA obligations, 4) impacts to parkwide operations and parking flow/safety, and 5) direct and indirect staff needed to adequately manage this bill. Note that this may impact operations for significant parkwide planned events such as the Olympic and Paralympic Games in 2028 and the 2026 World Cup.

The entities listed below within CNRA report an unknown, potentially significant fiscal impact:

o State Parks: The Department cannot comply with the requirements of this bill within existing resources and has identified the need for twelve PYs with annual ongoing General Fund implications of \$2.5 million. The State Park System, which encompasses over 1.6 million acres, began during an era of systemic discrimination. The Department proposes a team comprised of staff with expertise in history, archives, research, property, and law to locate, authenticate, and contextualize relevant historical documentation to ensure an objective evaluation and interpretation of historical sources regarding property within the State Park System. The expertise and credibility of this team will be crucial during efforts to reach consensus with affected parties as well as representing the Department in potential litigation. In addition to personnel costs, fiscal implications resulting from claims could be in the tens of millions to hundreds of millions. For context, Los Angeles County paid the Bruce Family \$20 million to retain the small neighborhood park for recreational purposes. (See table below)

Classification	BY	BY+1+
Archivist I (1)	\$164,000	\$153,000
Associate Governmental Program Analyst (1)	\$176,000	\$165,000
Attorney IV (2)	\$588,000	\$568,000
Legal Secretary (1)	\$121,000	\$111,000
Research Analyst I (1)	\$163,000	\$152,000
Senior Right of Way Agent (4)	\$972,000	\$926,000
State Historian II (1)	\$193,000	\$181,000
Supervising Right of Way Agent (1)	\$281,000	\$267,000
Total	\$2,658,000	\$2,523,000

- Department of Water Resources: AB 62 could cost DWR upwards of \$5 million to search records that may be responsive to requests from persons who believe that DWR, or the CVP (which we have operating agreements with), has records that would show whether or not land was subject to the eminent domain process for racially motivated reasons. In addition to personnel costs, fiscal implications resulting from claims could be in the tens of millions to hundreds of millions. Additionally, DGS would charge approximately \$12k per transaction for their services in the unlikely event that land was required to be returned.
- Department of Fish and Wildlife: The Department anticipates costs of \$2.382 million per year to cover increased workload and litigation. The Department would need staff support for each region and at headquarters to coordinate, identify lands to offer as suitable compensation, and help the Department understand and trouble-shoot the potential fallout of transferring any property. These staff would also be involved if another government entity transfers property that the Department relies upon in some way, for example property with a conservation easement:
  - 8 Staff Services Manager I (1 for each region + 1 for HQ) = \$1.615 million;
  - 1.5 Attorney IV = \$517,000;
  - Estimated annual litigation costs = \$250,000; and,
  - In addition, there would be unknown but highly significant costs to compensate dispossessed owners, should the Office conclude that there is a dispossessed owner involving land currently owned by the Department.

**Author Amendments:** Strike all references to the Bureau for Descendants of American Slavery, and replace them with the Civil Rights Department, and make technical conforming changes.