
THIRD READING

Bill No: AB 62
Author: McKinnor (D), et al.
Amended: 8/29/25 in Senate
Vote: 21

SENATE JUDICIARY COMMITTEE: 13-0, 7/15/25

AYES: Umberg, Niello, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern, Valladares, Wahab, Weber Pierson, Wiener

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/29/25

AYES: Caballero, Cabaldon, Grayson, Richardson, Wahab

NOES: Seyarto, Dahle

ASSEMBLY FLOOR: 57-4, 5/29/25 - See last page for vote

SUBJECT: Civil Rights Department: racially motivated eminent domain

SOURCE: Author

DIGEST: This bill establishes a procedure by which (1) the Civil Rights Department (CRD) can accept applications from dispossessed owners, as defined, of property that was taken as a result of racially motivated eminent domain and determine the validity of the claim; and (2) by which an owner with a claim certified by the CRD can obtain or seek compensation from the government entity that wrongfully took the property.

ANALYSIS:

Existing constitutional law:

- 1) Prohibits a governmental entity from taking private property for public use without just compensation. (United States Constitution (U.S. Const.), 5th & 14th Amends.; California Constitution (Cal. Const.), Article (art.) I, § 19.)

- 2) Provides for equal protection under the law. (U.S. Const., 14th Amend., § 1; Cal. Const., art. I, § 7.)
- 3) Provides that all persons are by nature free and independent and have inalienable rights, including acquiring, possessing, and protecting property. (Cal. Const., art. I, § 1.)
- 4) Provides that the State shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting. (Cal. Const., art. I, § 31.)
- 5) Provides that the Legislature does not have the power to make any gift or authorize the making of any gift of public money or thing of value to any individual, municipal, or other corporation. (Cal. Const., art. XVI, § 6.)

Existing state law establishes the Eminent Domain Law, which establishes the procedures by which a court may determine the right to possession of a property and the value of a property within an eminent domain proceeding. (Code of Civil Procedure (Code Civ. Proc.), pt. 3, tit. 7, §§ 1230.010 et seq.)

Former state law established the Task Force to develop reparations proposals for African Americans, with special consideration for African Americans who are descended from persons enslaved in the United States, and provided that the Task Force statutes would remain in effect until July 1, 2023, and as of that date be repealed. (former Government (Gov.) Code, §§ 8301-8301.7, repealed by Gov. Code, § 8301.7.)

This bill:

- 1) States the following:
 - a) The Legislature finds and declares that is in the public interest to compensate victims of racially motivated eminent domain, which deprived persons of just compensation for their property due to racially discriminatory motives. The unjust taking of land without fair compensation destroyed communities, forced many from their historical neighborhoods, deprived those persons of the fair value of their property, and, in many cases, prevented the accumulation of generational wealth. Providing compensation to these victims of racial discrimination will restore the value of wrongfully taken property to dispossessed owners and hold government entities responsible for those wrongful discriminatory acts.

- b) The provisions set forth below shall govern the procedure by which dispossessed owners and their descendants may seek a determination that they were the victims of racially motivated eminent domain and seek the return of the taken property, other property of equal value, or financial compensation.
- 2) Defines the following terms:
- a) “Dispossessed owner” means a person who has had property taken from them by the state, county, city, city and county, district, or other political subdivision of the state without just compensation as a result of racially motivated eminent domain, or a direct descendant of the person whose property was taken.
 - b) “Publicly held property” means property that is owned by the state or local agency that took possession of the property that is the subject of an application submitted pursuant to 4).
 - c) “Racially motivated eminent domain” means when the state, county, city, city and county, district, or other political subdivision of the state acquires private property for public use and does not distribute just compensation to the owner at the time of the taking, and the taking, or the failure to provide just compensation, was due, in whole or in part, to the owner’s ethnicity or race.
- 3) Provides that, upon appropriation, the CRD shall accept applications from persons claiming to be a dispossessed owner and decide those claims using the process set forth in 4)-9).
- 4) Requires the CRD to accept applications from persons who claim they are the dispossessed owner of property taken as a result of racially motivated eminent domain and:
- a) Review and investigate the applications.
 - b) As part of its review, request submission of additional information supporting the application that is reasonably necessary to verify the application, to determine whether the applicant is a dispossessed owner, or to determine whether the application was racially motivated. If the CRD makes a request for any additional documentation, it shall communicate that request to the applicant with a notice of the additional information required, and consider any additional information provided by the applicant within 30 days of the receipt of the notice.

- c) After reviewing all of the relevant materials, determine whether the applicant is a dispossessed owner of property taken through racially motivated eminent domain.
- 5) Provides that, if the CRD determines that an applicant has established that they are a dispossessed owner under 4), the CRD shall determine all of the following:
- a) The present-day fair market value of the property that was taken by the state, county, city, city and county, district, or other political subdivision of the state as a result of racially motivated eminent domain.
 - b) Whether issuing property or just compensation to that dispossessed owner would serve to redress past acts of racial discrimination, prevent future acts of racial discrimination, and benefit the whole of the community and its general welfare.
- 6) Provides that, if the CRD determines that providing property or just compensation is warranted under 5), the CRD shall certify that the dispossessed owner is entitled to the return of the taken property if it is still in possession of the public entity that did the taking, other publicly held property of equal value, or financial compensation.
- a) If just compensation is warranted, the compensation from the state or local agency shall be in the amount of the fair market value of the property, as determined under 5), minus the amount paid at the time of the taking, adjusted for inflation.
 - b) If the CRD determines that the dispossessed owner is entitled to other publicly held property of equal value, it shall solicit and select from the state or other jurisdiction, as applicable, a list of recommendations of publicly held properties that are suitable as compensation. If no publicly held property is suitable as compensation, the CRD shall determine an amount of just compensation pursuant to (a).
- 7) Provides that, if the state or local agency that took property by racially motivated eminent domain rejects the CRD's determination under 5) and 6), the dispossessed owner may bring an action to challenge the taking or the amount of compensation under the relevant provisions of the Eminent Domain Law.

- a) An action brought under 7) shall not be subject to the Eminent Domain Law's statute of limitations, whether the action was brought before or after the enactment of this bill.
 - b) Nothing herein shall be a basis for disturbing or invalidating the title to any property taken by racially motivated eminent domain, other than the procedures set forth in 2)-9).
- 8) Provides that, if the CRD determines that an applicant is not a dispossessed owner or that issuing property or just compensation is not warranted under 4) or 5), the CRD shall notify the applicant of the finding.
- a) The applicant may appeal the determination within 60 days of receiving the notice and provide additional information to support their claim.
 - b) The CRD shall consider the appeal and any new information provided and issue a determination on the appeal within 120 days.
- 9) Requires the CRD to prioritize processing applications for reparations related to racially motivated eminent domain for claims made by the individual or individuals who held legal title to the affected property at the time of the taking.
- a) If the original property owner is deceased, priority shall be given to their heirs.
 - b) In cases where there are multiple heirs, eligibility for reparations may be determined jointly, or awards may be apportioned proportionally based on agreed-upon documentation or instruments, or, in the absence of such agreements, in accordance with laws governing intestate succession.
 - c) The CRD shall adopt equitable procedures to resolve disputes among multiple eligible claimants and ensure fair access to reparative relief.
- 10) Provides that every finding, decision, or other official act of the agency to be determined is subject to judicial review in accordance with law.
- 11) Prohibits the Attorney General from modifying the structure of the CRD or its work.

Comments

This bill requires the CRD to accept, and to rule on, applications from persons whose property, or the descendants of people whose property, was taken without

just compensation, in whole or in part, because of the property owner's ethnicity or race. This bill establishes the process by which applications can be submitted, allows the CRD to seek additional information if needed, and requires the CRD to determine whether the property was, in fact, taken through racially motivated eminent domain. If the CRD determines that the property was taken through racially motivated eminent domain, the CRD must also determine the present-day fair market value of the property taken as a result of racially motivated eminent domain, and whether issuing property or just compensation to the dispossessed owner would serve to redress past acts of racial discrimination, prevent future acts of racial discrimination, and benefit the whole community and its general welfare. This bill also provides guidance to the CRD on how to handle claims from the heirs of persons whose property was taken through racially motivated eminent domain, to ensure that any recovery is fairly apportioned among heirs and that double recovery is not awarded.

This bill is entirely race neutral: anyone, no matter their race, can apply for and receive compensation if they were the victim of racist state action, i.e., the taking of their land as a result of racist motives. This bill therefore does not appear to conflict with Equal Protection principles of Proposition 209.¹ This bill also appears consistent with the constitutional limits on when public funds may be provided to an individual.² The procedure is roughly modeled on the California Victim Compensation Board, and this bill makes findings and declarations relating to the Legislature's determination that providing restitution serves an important public purpose. Additionally, this bill requires the CRD to determine that each specific award of compensation will serve the public purposes of preventing discrimination and benefitting the community as a whole, which is intended to ensure that individual inequitable awards are not made.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee, the fiscal impact of this bill is as follows:

- 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,

¹ See U.S. Const., 14th Amend.; Cal. Const., art. I, § 19.

² See Cal. Const., art. XVI, § 6.

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.
- 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:

- 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.

SUPPORT: (Verified 8/29/05)

Advanced Consulting, LLC
Alliance for Reparations, Reconciliation, and Truth
Alliance San Diego

Asian Americans and Pacific Islanders for Civic Empowerment
Asian Law Alliance
Bay Area Regional Health Inequities Initiative
Black Equity Collective
Black Women Organized for Political Action
California Black Power Network
California Civil Liberties Advocacy
California Faculty Association
Catalyst California
CFT – A Union of Educators & Classified Professionals, AFT, AFL-CIO
Chinese for Affirmative Action
Church State Council
Coalition for Justice and Accountability
Congregations Organized for Prophetic Engagement
Courage California
Don Tamaki, former Task Force Member
Dr. Cheryl Grills, former Task Force Member
Equal Justice Society
Faith in the Valley
Greater Sacramento Urban League
Impact Fund
Imperial Valley Equity and Justice
Japanese American Citizens League
Japanese American Citizens League, Eden Township Chapter
Japanese American Citizens League, Florin-Sacramento Valley Chapter
Japanese American Citizens League, San Jose Chapter
Lisa Holder, former Task Force Member
Live Free California
Multi-faith ACTION Coalition
NAACP California-Hawai'i State Conference
Oakland Privacy
Prevention Institute
San Francisco Bay Area Black & Jewish Unity Coalition
San Francisco Board of Supervisors
Santa Monica Democratic Club
Western Center on Law and Poverty
Where Is My Land
Two individuals

OPPOSITION: (Verified 8/29/25)

None received

ARGUMENTS IN SUPPORT: According to the Alliance for Reparations, Reconciliation, and Truth:

Eminent domain allows governmental entities to take private property for public use—provided that the property owner receives just compensation. While this power has been useful in building infrastructure and public access, it has also been inappropriately used in ways that have harmed minority and marginalized communities. Historically, the construction of public infrastructure disproportionately displaced and fractured African American communities across the country throughout the 20th century. As documented in Chapter Five: Housing Segregation, in The Final Reparations Task Force Report, the state of California and local governments built its cities over the bones of the African American neighborhoods, torn apart through eminent domain, building the highways, cities, and parks that which enabled the State of California to become one of the largest economies in the world.

Existing eminent domain laws do not currently provide mechanisms for redress or reparative justice for these victims. In the spirit of the U.N. principles of restitution and compensation, AB 62 acknowledges the injustices experienced by descendants and works to provide greater pathways for redress, whether through the return of property or equitable compensation.

ASSEMBLY FLOOR: 57-4, 5/29/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Gallagher, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Stefani, Valencia, Wallis, Wicks, Wilson, Zbur, Rivas

NOES: DeMaio, Ellis, Hadwick, Macedo

NO VOTE RECORDED: Alvarez, Bryan, Castillo, Chen, Davies, Dixon, Flora,
Jeff Gonzalez, Hoover, Lackey, Nguyen, Michelle Rodriguez, Sharp-Collins,
Solache, Soria, Ta, Tangipa, Ward

Prepared by: Allison Whitt Meredith / JUD. / (916) 651-4113
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**** **END** ****