

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 630 (Allen) – As Amended July 16, 2025

Policy Committee: Water, Parks and Wildlife

Vote: 10 - 3

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill streamlines the acquisition of certain properties by the Department of Parks and Recreation (State Parks) and increases the monetary threshold for certain state real estate transactions for which the Department of General Services (DGS) may waive its approval.

Specifically, this bill, among other things:

- 1) Exempts, until January 1, 2031, the acquisition by State Parks of real property in fee or in any lesser estate or interest for park purposes when specified conditions are met from the existing requirement that (a) every gift or dedication to the state of personal property, or every gift to the state of real property in fee or in any lesser estate or interest, be approved by the director of the Department Finance (DOF), and (b) every contract for the acquisition or hiring of real property in fee or in any lesser estate or interest, entered into by or on behalf of the state, be approved by the director of DGS, unless the approval is waived by the director.
- 2) The conditions referenced in 1), above, are as follows: (a) the acquisition is not for creating a new unit of the state park system, (b) the consideration to be paid by State Parks for the acquisition does not exceed \$1 million, (c) at the time of the acquisition, the property does not require capital improvements or additional resources that cannot be absorbed within existing resources available to State Parks, and (d) State Parks has provided public notice and held a public meeting, as specified.
- 3) Exempts, until January 1, 2031, acquisitions set forth in 1) and 2), above, from the existing requirement that all land and other real property to be acquired by, or for, any state agency, be acquired by the State Public Works Board (SPWB), except as specified.
- 4) Requires State Parks, rather than DGS, to conduct specified appraisals of lands proposed to be leased by State Parks. Permits the director of DGS to waive its approval of certain State Parks leases and appraisals, as specified.
- 5) Increases the threshold value at which the director of DGS may waive their approval for any state real estate acquisition or conveyance from \$150,000 to \$500,000, as specified.

FISCAL EFFECT:

- 1) State Parks anticipates cost savings of an unknown amount for each real estate transaction it undertakes utilizing the streamlined process authorized by this bill (General Fund, State Park and Recreation Fund). Currently, each transaction takes up to two or three years, and State

Parks pays DGS a minimum of \$90,000 to review each transaction. By allowing DGS to delegate its review to State Parks, each delegated transaction will likely result in time- and cost-savings.

In addition, State Parks expects a vast majority of the acquisitions affected by this bill to be in-holdings (areas within a state park that is owned by a private landowner). Many state park units experience operational, resource management, or land use challenges associated with these privately-owned lands located within or adjacent to park units. For example, an in-holding can create a situation where landowners encroach into the park with incompatible uses, such as vehicle storage and built structures, or an in-holding can require park staff to travel longer distances within the park because they must go around an in-holding. Therefore, acquiring in-holdings is a priority for State Parks, and the streamlined process authorized by this bill is likely to save the department time and money in managing its park units. Finally, State Parks notes the public notice and meeting requirements are absorbable within existing resources.

- 2) DGS reports minor and absorbable costs. The committee notes that to the extent exempting the acquisition of property by State Parks from the SPWB process or DGS review results in increased costs to the state, these costs would likely be borne by the General Fund. However, these costs are speculative and the bill includes guardrails (see bill summary #2) to ensure the streamlined process in the bill is used to acquire properties that are low- to no-cost and low-risk.

COMMENTS:

- 1) **Purpose.** According to the author:

The standard acquisition process for State Parks is complex and routinely takes multiple years to complete, due primarily to onerous and oftentimes duplicative requirements and review by [DGS] and [SPWB], which face significant backlogs in processing acquisition packages from many state departments...[This bill] creates a streamlined approval process for low-cost and low-risk property transactions after a due diligence process. [This bill] would allow State Parks to be more efficient and effective in meeting operational needs, reducing state costs and creating efficiencies for both State Parks and DGS. Importantly, it would allow State Parks to be more responsive in working with local agency and nonprofit partners to address pressing needs for park access, infrastructure, and operations.

- 2) **Background.** For direct acquisitions of real property by most state agencies, current law provides an approval role for both DGS and SPWB. With limited exceptions, the Property Acquisition Law vests SPWB with the authority to acquire land and real property on behalf of state agencies. Specifically, the selection and acquisition of land or real property requires SPWB's approval. DGS, which staffs SPWB, also plays a role, reviewing the site selection and acquisition process. Further, any contract for the acquisition of real property by the state requires the approval of the DGS director.

The Property Acquisition Law and State Parks' authorizing statutes provide a unique process for the acquisition of land and property for the state park system. In particular, State Parks,

with the consent of DOF, and subject to the Property Acquisition Law, may acquire real property for the extension, improvement, or development of the state park system. Under this process, State Parks may select and appraise property for acquisition, but the appraisal and contract for acquisition requires DGS review and approval. SPWB is responsible for acquiring any interests in real property, which have been appraised, selected, and settled through purchase negotiations by State Parks.

Concerns with the SPWB process for acquiring land for State Parks or other conservation purposes is not new. A 2007 Legislative Analyst's Office report identified various challenges state agencies face when conducting appraisals for purposes of making land acquisitions for resource conservation, including the lack of recent sales of comparable property, resolution of land use and environmental permitting issues, and the "one of a kind" resource values that are integrally related to the public interest in the property. Over the years, there have been numerous efforts to try and improve the efficiency of state resource land acquisition transactions for state entities that are subject to the jurisdiction of SPWB, like State Parks.

Writing in support, a coalition of environmental organizations notes there is a large backlog of projects currently on State Parks' acquisition list, and that many of these lands were "acquired at the bequest and with the support of State Parks and have been held by the undersigned land trusts for decades in anticipation of transfer to State Parks to complete existing parks for the benefit of all." The coalition writes that currently, even the simplest transactions "take multiple years and cost State Parks considerable expense for redundant reviews even though both State Parks and land trusts have experienced real estate professionals," and that this bill streamlines government processes, reduces costs, relieves burdens on nonprofit partners, and allows DGS and SPWB to focus on larger projects and investments.

- 3) **Related Legislation.** AB 679 (Pellerin) exempts State Parks from using the SPWB process to acquire land for Big Basin Redwoods, Año Nuevo, and Butano State Parks until January 1, 2031. AB 679 is pending in the Senate Appropriations Committee.

As part of its May Revision for the fiscal year 2025-26 budget, the administration proposed trailer bill language (TBL) addressing State Parks' property acquisition process that significantly overlaps with this bill. The June budget agreement deferred action on this TBL in light of this bill and AB 679 (Pellerin) moving through the policy process.

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