Date of Hearing: July 15, 2025

ASSEMBLY COMMITTEE ON WATER, PARKS, AND WILDLIFE Diane Papan, Chair SB 630 (Allen) – As Amended June 23, 2025

SENATE VOTE: 34-1

SUBJECT: State parks: real property: acquisitions and leases

SUMMARY: Exempts the Department of Parks and Recreation (State Parks) from certain Department of General Services (DGS) and State Public Works Board (SPWB) processes for the acquisition of specified properties. Specifically, **this bill**:

- 1) Permits the Director of DGS to waive approval for all of the following:
 - a) 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;
 - b) Leases that State Parks enters into to lease out property included in the state park system; and
 - c) Leases of property that State Parks determines necessary or proper for the extension, improvement, or development of the state park system.
- 2) Permits the Director of DGS to waive review and approval of any appraisal conducted by State Parks, including appraisals for leases such as agricultural leases.
- 3) Increases the threshold value at which the Director of DGS may waive their approval for state real estate acquisitions or conveyances from \$150,000 to \$1,000,000.
- 4) Provides State Parks does not need approval from the Director of the Department of Finance to receive gifts of real property or approval from the Director of DGS for any contract for the acquisition or hiring of real property in fee or in any lesser estate or interest for transactions that meet the following requirements:
 - 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 one million dollars (\$1,000,000); and
 - c) Capital improvement or additional resources needed for the property to be acquired do not exceed the budget provided by State Parks for the acquisition.
- 5) Provides that State Parks does not need SPWB approval to acquire properties that meet the requirements in #3.
- 6) Makes various technical changes.

EXISTING LAW:

- 1) Creates DGS to provide centralized services including, but not limited to, planning, acquisition, construction, and maintenance of state buildings and property; purchasing; printing; architectural services; administrative hearings; government claims; and accounting services. Requires DGS to develop, institute, and enforce policy and procedures to assure effective operation of all functions performed by DGS and to conserve the rights and interests of the state (Government Code § 14600).
- 2) Requires, among other things, that DGS approve every contract for the acquisition of real property of the state, unless exempted by the Legislature (Government Code § 11005).
- 3) Permits the Director of DGS to exempt from their approval or the approval of DGS any state real estate acquisition or conveyance that is less than \$150,000, if the Director judges that the state agency has the necessary real estate expertise and experience to complete the transaction competently and professionally while protecting the best interests of the state (Government Code § 14667.1)
- 4) Establishes the role of SPWB to select and acquire, on behalf of the state, and with the consent of the relevant state agency, the fee or any lesser right or interest in any real property necessary for any state purpose or function (Government Code § 15853).
 - a) Requires that all land and other real property be acquired by SPWB on behalf of or for any state agency, except for the Department of Transportation, the High-Speed Rail Authority, the Department of Water Resources (DWR), the Central Valley Flood Protection Board, the Department of Fish and Wildlife, the Wildlife Conservation Board (WCB), and several others.
 - b) Requires that SPWB shall acquire, on behalf of State Parks, any interests in real property, including options to purchase, which have been appraised, selected, and settled through purchase negotiations by State Parks.
- 5) Establishes the California state park system and vests State Parks with control of the state park system and responsibility for administering, protecting, developing, and interpreting state parks for the use and enjoyment of the public [Public Resource Code (PRC) § 5001 *et seq.*].
- 6) Allows State Parks to receive and accept any gift, dedication, devise, grant, or other conveyance of title to or any interest in real property, including water rights, roads, trails, rights-of-way, buildings, facilities, and other improvements, to be added to or used in connection with the state park system (PRC § 5005).
- 7) Declares that it is vital to ensure public confidence in amounts paid, and procedures used, for the acquisition of property by state agencies that spend taxpayer or bond funds and that it is important to ensure that an acquisition agency act expeditiously to purchase critically needed conservation lands for their preservation and protection (PRC § 5096.500).
- 8) Provides that State Parks, with the consent of the Department of Finance, may acquire the title to or any interest in real property that State Parks deems necessary or proper for the extension, improvement, or development of the state park system. All real and personal property acquired by State Parks for the state park system shall be under the jurisdiction of State Parks immediately upon transfer of title to the state (PRC § 5006).

- a) Allows State Parks to perform their own property appraisals, use the Real Estate Services Division (RESD) of DGS, or contract with an independent appraiser to assist in property
- b) Allows State Parks to select real property it has appraised and submit purchase offers and negotiate a purchase agreement with the owners(s) of the property and implement and process the purchase agreement and conveyance of title to the state. State Parks may use the RESD of DGS or contract with other state agencies to assist in negotiating purchase agreements and conveyance of title.
- c) Provides that, regardless of all other law, all appraisals conducted by State Parks shall be reviewed and approved by DGS or, at the discretion of DGS, a competent professional appraiser approved by DGS. Real property shall be appraised and appraisal review completed before commencement of purchasing negotiations.
- 9) Permits State Parks to lease state park properties if the lease is compatible with state park purposes and lease properties for the extension, improvement or development of the state park system, for fair market value. Requires DGS to appraise the lands approved to be leased (PRC §§ 5003.17, 5006.5, and 5063).

FISCAL EFFECT: Unknown. This bill is keyed fiscal.

COMMENTS:

appraisals.

- 1) Purpose of this bill. According to the author, "[State Parks] has more potential to protect communities and the environment than is currently being realized. 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. With limited funds available to purchase critical lands needed to meet our 30x30 goals and increase outdoor access, the state should be removing bureaucratic barriers to help stretch every dollar. [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**. There are 280 park units (beaches, historic sites, museums, off-highway vehicle recreation areas, parks, etc.), over 340 miles of coastline, 970 miles of lake and river frontage, 15,000 campsites, and 5,200 miles of trails in the state park system. Millions of people visit the California state park system annually.
 - State Parks partnerships. Partnership is not new to State Parks. From their inception, California's state parks were forged in partnership with community leaders and organizations. Among a collection of concession businesses, volunteers, and others supporting State Parks, nonprofits are invaluable partners that amplify the reach of State Parks' own community engagement efforts, foster ongoing connection to parks with added programming and events, leverage public investments with additional sources of funding, and build on-ramps that increase park access to ever more Californians. Land transactions are

a typical example, where the nonprofit secures a critical piece of wildlife corridor, watershed, or cultural resource to be later incorporated into the park system.

Land acquisitions by the state. For direct acquisitions of real property by most state agencies, statute provides an approval role for both DGS and SPWB. First, with few exceptions, every contract for the acquisition of real property entered into by or on behalf of the state must be approved by the Director of DGS (see Existing Law #2). Second, as a general rule, both real property site selection and acquisitions made by state agencies must also be approved by SPWB (which is staffed by DGS for this purpose), unless the acquiring agency is exempt from the SPWB process (see Existing Law #4). Before site selection or acquisitions are approved by SPWB, they are reviewed and approved by DGS, again as a matter of practice, rather than because of an explicit statutory requirement. For land acquiring agencies outside of the SPWB process, statute sometimes explicitly requires DGS to review and approve an appraisal. Of SPWB exempted agencies, WCB is most aligned with State Parks in mission (i.e., conservation and access), and as is guided by further requirements for property acquisition and public notice (Fish and Game Code § 1348 et seq.).

As noted above, SPWB is required to both select the site of acquisition and acquire the property. State Parks is exempt from the requirement that SPWB select the property and is able to select properties on its own behalf to develop a cohesive state park system that achieves the mission of State Parks. As such, State Parks has developed a robust structure for evaluating and ranking priority properties. The figure below presented by State Parks outlines the typical acquisition process:

PWB Close of Acquisition DGS Acquisition Due Diligence/ **Document Prep** Review Planning Approval Escrow · Planning and Policy • State Parks conducts Department of State Public Works · Execute purchase Development General Services due diligence by agreements with Board (PWB) gathering, (DGS): landowner Two-step process: • Project Identification researching and and Evaluation analyzing Reviews and · Title company closes information 1. Site Selection approves the transaction acquisition package · Assessment and 2. Acquisition · Prepare analysis of Ranking Update State information and Property Inventory Recommends documents for DGS · Project Approval acquisition approval Records Acquisition Review · Budget Process*

Challenge of this process. Considering new methods for expeditious state land acquisition is not new. Much of this comes from the difficulty in assessing the value of conservation lands. In October 2007, the Legislative Analyst's Office (LAO) released its report, "Improving the Appraisal Function in Resources Land Acquisitions," which focused specifically on the appraisals the state relies upon when making resource conservation land acquisitions by all agencies. The LAO report identified the challenges of determining the appropriate price governmental entities should pay for acquiring land for conservation purposes. A significant issue is that a principle of appraisal is to assess a property's value based on its highest and best *economic* uses (fair market value) over the noneconomic value of the uses of the property for which conservation acquisitions are typically made (public interest value). The LAO report identified various other external challenges that 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.

Concerns with the SPWB process for acquiring conservation property were also in mind when the Legislature passed, and the Governor signed, AB 2497 (Laird), Chapter 462, Statutes of 2006, which requires the Secretary of the Resources Agency and the Department of Finance to jointly convene a workgroup consisting of representatives from specified state agencies and natural resource organizations to develop options for improving the efficiency of state resource land acquisition transactions for those departments and conservancies subject to the jurisdiction of the SPWB. According to a committee analysis, the AB 2497 report notes that the two-step approval process of the SPWB contributed to delays and increased costs to State Parks, who appears before SPWB the most out of all resource agencies. The report discusses several options requiring legislative action, including expanding SPWB membership, establishing a new parks acquisition board, and creating a new resources conservation board where all state resources land acquisitions would be considered and statewide acquisition priorities set. The report notes that the workgroup did not reach consensus on this or other options requiring legislative action. The option of creating a separate parks acquisition board, similar to the WCB, was the option presented in AB 2455 (Laird) of 2008; AB 2455 was vetoed.

Indeed, State Parks has presented the committee with numerous examples of seemingly simple acquisitions that took numerous years to be acquired or properties that State Parks lost the ability to acquire because of the lengthy process.

Gut and amend. Previously, this bill made changes to the motion picture and television production tax credit as well as the credit for productions at certified soundstages. Votes and letters received in the Senate are not relevant to the bill currently in print. The bill in print was proposed by the Administration through the trailer bill process and has been picked up by the author to be evaluated through the legislative process.

3) **Policy considerations**. This bill seeks to address a complicated and long-standing challenge: how to promote expeditious acquisition of land for the public benefit *and* ensure appropriate oversight of these purchases (PRC § 5096.500). This bill streamlines the acquisition process by allowing State Parks to make specific property acquisitions without oversight of DGS and SPWB. Arguably, the State Park properties that meet the requirements in this bill would not increase the cost to State Parks. Additionally, most of the properties that satisfy the qualifications of this bill (Summary #4) have been held by State Park partners for many years and have already undergone thorough evaluation by the partners during their acquisition.

This bill proposes to extend the threshold at which the Director of DGS may waive approval of acquisitions by any state agency from \$150,000 to \$1,000,000. According to the analysis for AB 2459 (Campbell, 1998) in 1981, this cap was \$50,000. In 1998, the Legislature increased this cap to \$150,000 (a 3x increase, which is around 160% greater than inflation from 1981 to 1998). This bill proposes to increase this cap by 7x, which is around 340% greater than inflation since 1998.

4) **Proposed committee amendments**. As noted above, this bill proposes to increase the cap under which the Director of DGS may waive approval for acquisitions by any state agency. The Committee may wish the author to adopt a cap that is more in line with the previous extension (i.e., around 3x increase, which is also around 160% greater than inflation from 1998 to the present):

Amendment 1 – Limit the DGS waiver threshold to \$500,000 (currently \$150,000)

Government Code § 14667.1. Notwithstanding Section 14616, the director may exempt from the director's approval, or from the approval of the department, any state real estate acquisition or conveyance involving not more than one million *five hundred thousand* dollars (\$1,000,000) (\$500,000) for which approval is required by statute whenever, in the director's judgment, the state agency delegated that authority has the necessary real estate expertise and experience to complete the transaction competently and professionally while protecting the best interests of the state. Written notice of exemptions shall be given to the Controller.

As a State Parks exemption from DGS and SPWB has not been previously granted, a sunset of this provision would provide a safe guard and allow the Legislature to revisit progress made under this authority. The Committee may wish the author to accept amendments to grant this authority for five years to allow for Legislative oversight:

Amendment 2 – Sunset the DGS and SPWB exemption, for properties that meet the qualifications listed in the bill Summary #4, on January 1, 2031. This exemption would apply to amendments in Government Code § 11005 and § 15853

Additionally, by exempting these State Parks acquisitions from SPWB, there is no statutory requirement for public engagement regarding properties subject to this bill. *The Committee may wish the author to include a public notice and meeting requirement for properties that are not completely surrounded by other state-owned lands.*

<u>Amendment 3</u> – Establish a public notice and engagement process for properties that meet the qualifications listed in the bill Summary #4

PRC § 5006.1 (a) (1) Prior to submitting a proposal pursuant to subdivision (f) of Section 5006, for an appropriation for the acquisition of real property in excess of five million dollars (\$5,000,000) in value for any state park system project, the department shall hold a public *hearing meeting* within the county in which the proposed project is located at which interested members of the public may comment on the proposed project. Notice of the *hearing meeting* shall be published at least twice in a newspaper of general circulation within that county.

(2) (A) The department shall provide written notice of its intent to acquire the real property to the city or county, or both, having jurisdiction over the property, to the members of the Legislature who are the chair and vice chair of the joint legislative budget committee, the chair of the budget subcommittee in each house having jurisdiction over resources, the chair in each house of the appropriate legislative policy committee, and the legislators within whose district the property proposed for acquisition is located, as early as possible in the acquisition process, but not less than 90 days from the date of acquisition. Within 30 days of receiving written notice of the proposed acquisition, a member of the city council or board of

supervisors of the respective city or county, or a Member of the Legislature who has been notified pursuant to this subparagraph, may request that the department hold a public *hearing meeting* regarding the acquisition of the property, if the acquisition is between five hundred thousand dollars (\$500,000) and five million dollars (\$5,000,000).

- (B) The written notice of intent shall describe any potential impact that the acquisition may have on the department's efforts to provide park and recreational opportunities.
- (b) With respect to real property in excess of five million dollars (\$5,000,000) that is not proposed to be acquired pursuant to subdivision (f) of Section 5006, the department shall hold a public *hearing meeting* within the county in which the real property is located, at which interested members of the public may comment on the proposed acquisition. Notice of the *hearing meeting* shall be published at least twice in a newspaper of general circulation within the county. The department shall provide written notice of its intent to acquire the real property to the city or county, or both, having jurisdiction over the property, as early as possible in the acquisition process.
- (c) With respect to real property acquired pursuant to subparagraph (b)(8) of Section 11005, the department shall do all of the following:
- (1) The department shall provide written notice to the County Board of Supervisors for the county the land is located in of the intent to acquire real property.
- (2) No fewer than 30 days prior to the close of escrow, the department shall hold a meeting where the public may make comments regarding a specific transaction or transactions regarding real property under contract with consideration by the department.
- (a) The meeting may take place via teleconference.
- (b) The meeting may take place at an otherwise planned public meeting hosted by the department.
- (3) No fewer than 10 days prior to the meeting in subparagraph (2), the department shall notify the public of the meeting by posting information about the hearing on the department's website on a webpage visible to the public and notifying all owners of record of adjacent parcels of land.
- (a) The department shall make a good faith effort to notify owners of record identified in paragraph (3) by using existing distribution lists or available contact information. Owners of record may be contacted electronically or by mail.
- (b) In all circumstances, the meeting notice shall clearly state the specific real property transaction on which the public may comment at the meeting and an explanation of the proposed use of the land by the department.
- (4) The requirements of paragraphs (2) and (3) shall not apply for properties that, on all boundaries, are adjacent to state-owned lands.
- (d)-(e) This section does not apply to any real property to be acquired by grant, gift, devise, or bequest.

Finally, the Committee may wish to request that the author accept technical amendments to provide clarity on the qualifications of State Park properties for the DGS and SPWB exemptions provided in this bill. *The following amendments accomplish these goals:*

<u>Amendment 4</u> – Clarify the qualifications of State Parks properties and move those requirements to Government Code § 15853 (b) (8) and update cross references accordingly

PRC § 5006 (...)

- (h) Notwithstanding any other law, acquisitions of title to or any interest in real property by the department pursuant to this section shall not be subject to Section 11005 or 15853 of the Government Code when the following conditions are met:
- (1) The acquisition is not for creating a new unit of the state park system.
- (2) The consideration to be paid by the department for the acquisition does not exceed one million dollars (\$1,000,000).
- (3) Capital improvement or additional resources needed for the property to be acquired do not exceed the budget provided by the department for the acquisition at the time of the acquisition.

Government Code § 15853 (b) (8) (...)

- (8) The acquisition or hiring by the Department of Parks and Recreation of real property in fee or in any lesser estate or interest for park purposes as provided in subdivision (h) of Section 5006 of the Public Resources Code. when the following conditions are met:
- (1) The acquisition is not for creating a new unit of the state park system.
- (2) The consideration to be paid by the department for the acquisition does not exceed one million dollars (\$1,000,000).
- (3) At the time of the acquisition, the property to be acquired does not require capital improvements or additional resources that cannot be absorbed within existing resources available to the department.
- (4) Public notice has been given pursuant to Section 5006.1 (c) of the Public Resources Code.
- 4) **Arguments in support**. A coalition of environmental and recreational groups write in support of increasing the efficiency by which State Parks can acquire properties to "complete existing parks." These groups note that there are many properties that land trusts and other partners have acquired at the bequest and support of State Parks and that have been held for decades in anticipation of transfer to State Parks. Supporters believe that "these property transfers will help address the significant recreational use demands on our park lands and, in many instances, actually reduce the burden of managing State Park units by lowering or eliminating the operational complications of inholdings or incomplete parks."

5) **Related legislation**. AB 679 (Pellerin) of the current legislative session is substantially similar to AB 2103 and is set for hearing in the Senate Natural Resources and Water Committee.

AB 2103 (Pellerin) of 2024 would have exempted State Parks, for acquisitions of land or real property for Big Basin Redwoods, Año Nuevo, and Butano State Parks, from the requirement that the SPWB acquire property on behalf of State Parks. AB 2103 was vetoed by the Governor due to the cost pressures of the public hearing requirements.

AB 566 (Pellerin) of 2023 would have authorized State Parks to enter into an agreement with an eligible entity to permanently protect lands in or for the state park system and to acquire land on its own behalf. AB 566 was held in the Assembly Appropriations Committee.

SB 1167 (Allen) of 2022 would have exempted transactions for the purpose of the state parks system from the SPWB if the transaction met both conditions: (1) State Parks determined that it would not require additional state resource to manage the land or other real property and (2) a Phase I Environmental Site Assessment had been completed on the land and had no recognized environmental conditions identified. SB 1167 was held in the Assembly Water, Parks, and Wildlife Committee.

AB 2455 (Laird) of 2008 would have removed the SPWB as the entity designated to acquire property for State Parks, and instead created the State Parks Preservation Board ("board"), and would have required the board to review the State Park's recommendations, and, subject to authorization by SPWB, would have authorized State Parks to acquire real property or rights in real property, subject to certain additional requirements. AB 2455 was vetoed by the Governor.

AB 727 (Maze) of 2007 would have removed DWR's and WCB's authority to acquire real property outside of the SPWB and removed DWR's ability to use the power of eminent domain. AB 727 died in the Assembly Business and Professions Committee.

AB 2497 (Laird) Chapter 462, Statutes of 2006, required the Secretary of the Resources Agency and the Director of Finance to jointly convene a workgroup consisting of representatives from specified state agencies and natural resource organizations to evaluate and develop options for improving the efficiency of state resource land acquisition transactions for those departments and conservancies subject to the jurisdiction of the SPWB and report findings to the Governor and Legislature. AB 2497 required the workgroup to address, at a minimum, issues raised by the California Performance Review in 2004 regarding the SPWB review and approval process for resource land acquisition.

REGISTERED SUPPORT / OPPOSITION:

Support

California Association of Local Conservation Corps California Invasive Plant Council California Local Conservation Corps Foundation California Mountain Biking Coalition California Park & Recreation Society California State Parks Foundation Cesar Chavez Environmental Corps

Clean Earth 4 Kids

Community Services & Employment Training

Conservation Corps North Bay

Conservation Corps of Long Beach

East Contra Costa County Habitat Conservancy

Endangered Habitats League

Environment California

Fresno EOC Local Conservation Corps

Greater Valley Conservation Corps

Hills for Everyone

John Muir Land Trust

Los Angeles Conservation Corps

Los Angeles Neighborhood Land Trust

Midpeninsula Regional Open Space District

Mono Lake Committee

Mujeres de la Tierra

Napa County Regional Park and Open Space District

Orange County Conservation Corps

Rails to Trails Conservancy

Sacramento Regional Conservation Corps

San Jose Conservation Corps

Save Mount Diablo

Save the Redwoods League

Sempervirens Fund

Sequoia Community Corps

Sierra Nevada Alliance

Sonoma County Regional Parks

South Yuba River Citizens League

Southern California Mountains Foundation

Surfrider Foundation

The Nature Conservancy

Opposition

None on file

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