POLITICOPRO

California reparations proposals could start with agency for implementation

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This Pro Bill Analysis covers five bills: SB 490, SB 1050, SB 1007, SB 1013 and SB 1331.

California lawmakers are in the early stages of their push for reparations proposals, and are attempting to set up a framework for potential restitution in the form of compensation, grants and other assistance.

Sen. Steven Bradford (D-Gardena) introduced the <u>first reparations-related bill</u> last summer, which would create an agency to implement <u>recommendations made last summer</u> by a task force. The agency would create offices and embed concepts in existing state agencies specifically geared toward supporting descendants of enslaved persons.

Bradford, who served on the task force, also introduced several other related measures, including: one seeking restitution for property seized by eminent domain, two related to housing assistance and another proposing a fund for reparations and restorative justice. There are expected to be dozens of reparations bills introduced this session, and though <u>none of them</u> are expected to call for direct cash payments, lawmakers hope to create a foundation to bring forward more proposals in coming years.

In a February news briefing introducing the package, Bradford said there are similar agencies for other groups — such as the <u>Office of Tribal Affairs</u> for Native Americans.

"We're not trying to recreate the wheel, but we know we need infrastructure," Bradford said. "We need government oversight to do this."

WHAT'S IN THE BILL?

This Pro Bill Analysis is based on the text of SB 490 as introduced on Feb. 7.

The measure would establish the California American Freedman Affairs Agency to implement the recommendations of the Task Force to Study and Develop Reparation Proposals for African Americans, with its director appointed by the governor (Sec. 1).

The agency would create a number of offices and would oversee existing state agencies and departments responsible for implementing the recommendations that the Legislature and governor ultimately approve. The new offices would include:

- A Genealogy Office to allow for potential reparations claimants to access research to confirm their eligibility

- An Office of Strategic Communications and Media Affairs to provide information to the descendant community

- A Community Support Office working to improve accessibility, transparency and public trust in the reparations program and claims process

— A Business Affairs Office to aid in the establishment of a savings and trust bank, as well as help support entrepreneurialism and a foundation for financial literacy, provide business grants and assistance in obtaining business licenses, fund employment and apprenticeship programs for unhoused descendants in construction and establish publicprivate reparative justice-oriented partnerships — An Office of the Chief Financial Officer, whose duties would include processing claims for direct compensation, conducting internal audits, administering contracts and grants, establishing the bank and partnering with social welfare organizations

— A Creative, Cultural and Intellectual Affairs Office intended to build, restore and maintain cultural centers and address censorship of media and arts produced by descendants. This office would also monitor the removal of harmful relics and support archival research and legacy families

- A Data Research and Collection Office to look into the history of slavery and advise policymakers on how to "heal and repair" based on the research

- A Civic Engagement and Self-determination Office to support education of African American history and political engagement

— An Office of General Counsel for legal counsel

The agency would also oversee several existing state departments, including:

- An Education Office to oversee tuition payments for descendants to public colleges, encourage building new freedmen schools and oversee grants for education initiatives for descendants

— A Social Services and Family Affairs Office to determine prior state policies that have damaged and destabilized descendant families. The office would focus on training descendants to assist with health care, housing, family healing services and mental health services

— A Medical Services Office to support community wellness centers in local descendant communities, with a goal of decreasing state-sanctioned health harms and mental health stigma, teach stress-reduction and resilience tools, create communal spaces, support mental health and offer mental and physical health screening and referrals

— A Labor and Employment Office to oversee discrimination and benefits claims involving the descendant community

- A Development Office to monitor housing developments to ensure descendants receive a proportionate share

— A Legal Affairs Office to provide legal services to descendants and assist in documenting and investigating civil rights violations and hate crimes. The office would also advocate for civil and criminal justice reforms, and provide legal services in civil cases

- A Strategic Partnerships Office to manage and collaborate funding with community organization

The bill would define "descendants" as African American descendants of a chattel enslaved person, or descendants of a free Black person living in the United States before 1900.

This Pro Bill Analysis is based on the *text of SB 1050* as introduced on Feb. 7.

The bill would add a section to the <u>Government Code</u> titled "Restitution for Race-Based Eminent Domain." Enacting the legislation would first require funding approved by the Legislature. It would empower the California American Freedmen Affairs Agency — proposed by Bradford in SB 490 — to pursue restitution for racially-motivated eminent domain, which the measure defines as the state acquiring private property without distributing "just compensation" due to racist or discriminatory motives (Sec. 1).

The proposed agency would be tasked with compiling state properties acquired via racially-motivated eminent domain, and documenting the original owner of the property. It would look into complaints from people who alleged their property was unlawfully taken, and create a database by 2026 updated annually with a list of owners who are confirmed victims after an investigation.

Afterwards, the state would be permitted to provide "just compensation" to the rightful owners, provided there is funding approved by the Legislature. The compensation would encompass the present-day fair market value of the property, and would only be distributed if the chief financial officer within the agency determines that doing so would:

- Redress past acts of racial discrimination
- Prevent future acts of racial discrimination
- Benefit the whole of the community and its general welfare

The agency would also develop a public education campaign about gentrification, displacement and exclusion — specifically the connection between redlining and gentrification and the history of discriminatory urban planning.

This Pro Bill Analysis is based on the *text of SB 1007* as introduced on Feb. 1.

The bill would establish the Homeowner's Assistance for Descendants for Enslaved Persons Program which, contingent on appropriation from the Legislature, would provide grants to descendants to assist with making down payments, subsidizing mortgages and homeowner's insurance (Sec. 1).

This Pro Bill Analysis is based on the *text of SB 1013* as introduced on Feb. 5.

The measure would create the Property Tax Assistance for Descendants of Enslaved Persons Program, which would provide grants to descendants who live in a formerly redlined neighborhood to help with paying property taxes on their principal residence. Provided there is funding from the Legislature, the California Department of Housing and Community Development would manage applications for grants (Sec. 1).

This Pro Bill Analysis is based on the text of SB 1331 as introduced on Feb. 16.

The measure declares that badges and incidents from slavery remain even after its abolition, and will continue to harm African Americans in nearly every aspect of life unless there are specific remedies (Sec. 1).

The measure would establish the Fund for Reparations and Restorative Justice in the State Treasury to fund policies that compensate descendants — directing the controller to transfer money from a fund for economic uncertainties to the reparations and restorative justice fund. The funding, upon appropriation by the Legislature, would be equivalent to six percent of transfers from the General Fund to the Special Fund for Economic Uncertainties.

The Fund for Reparations and Restorative Justice would be able to receive money from federal, state or local grants, as well as private donations.

WHO ARE THE POWER PLAYERS?

The measures by Sen. <u>Steven Bradford</u> (D-Gardena) are just a few of many reparations proposals expected to be taken up in the Legislature this year. The <u>California Legislative Black Caucus</u> is formally <u>backing 14 bills</u> — including Bradford's SB 1050 — but individual lawmakers are introducing their own proposals, as well.

Bradford is termed out after this year, and wants to see the recommendations that he worked on with the task force become reality. He said that homeownership assistance to descendants will provide a broad pathway to justice for harms from racist policies, such as redlining and building freeways that displaced majority-Black communities.

"Many Californians were denied the opportunity to prosper and build generational wealth as a result of racial bias," Bradford said. "We must remove the stain and make it right."

Bradford would like to see a half percent of the state's budget set aside to implement reparations, which would put the amount at \$1.5 billion of the overall \$300 billion budget proposal. Ultimately, that decision will require input from Gov. <u>Gavin Newsom</u> and the Legislature's budget negotiators.

Newsom supported the task force's work but <u>has not committed</u> to direct cash payments or specific policy proposals. Bradford acknowledged the political realities, which could be magnified by <u>this year's budget deficit</u>, but stressed the need for government funding to implement necessary reparations.

"If it's not in the budget, it doesn't exist," Bradford said.

The conservative think tank **Pacific Research Institute** warned in a February report of how much reparations could cost. Wayne Winegarden, senior fellow of business and economics for the group, told POLITICO that he'd like to know the full

cost of the proposals before they are turned into law and was skeptical of transparency if legislators seek continuous funding for the package without a set amount.

"People can't make informed decisions from that type of perspective," Winegarden said. "So to me, that's the concern ... People deserve to know what the ask is."

Sen. Lola Smallwood-Cuevas (D-Los Angeles) and Assemblymember Corey Jackson (D-Moreno Valley) are co-authors on SB 1050. Meanwhile, the Black Housing Advisory Taskforce Coalition, California Federation of Teachers and The Greenlining Institute sponsored a prior version of SB 490 that extended the sunset date of the task force. The two bills have no formal opposition so far.

The <u>Alliance for Reparations, Reconciliation and Truth</u> — a coalition of racial justice groups that Bradford and Assemblymember <u>Reggie Jones-Sawyer</u> (D-Los Angeles) helped form — <u>issued support positions</u> on SB 1050 and SB 1013.

On SB 1013 — Bradford's proposal to provide grants for property tax assistance to descendants living in formerly redlined neighborhoods — the coalition is seeking additional language that would provide specific assistance for renters.

"What we wanted to highlight is that we know that it leaves out renters, and we know that there's a disproportionate amount of Black folks who are renters," James Woodson, executive director of the **California Black Power Network**, told POLITICO. "So we just know that there's a whole swath of folks that are left out of that bill."

WHAT'S HAPPENED SO FAR?

The proposals came out of recommendations <u>submitted last summer by a reparations task force</u>, which was established via <u>2020 legislation</u> by former Assemblymember <u>Shirley Weber</u>, who is now California's Secretary of State.

Lawmakers on the Legislative Black Caucus narrowed the more than 115 recommendations in the report to around 30 bills, and then ultimately settled on 14 proposals to push this year. Assemblymember Lori Wilson (D-Suisun City), who chairs the caucus, said that they recognized that the state is in "a budget deficit of historic proportions" compared to the financial situation when the task force released its report. That may put measures with fiscal components in a tough spot.

"We will work within the environment we are in," Wilson said.

Bradford mentioned two examples of race-based eminent domain in California that were recently in the headlines: Bruce's Beach in Manhattan Beach and Section 14 in Palm Springs. In 2022, the Los Angeles County Board of Supervisors <u>returned</u> <u>Bruce's Beach</u> — which had been seized by the city of Manhattan Beach in the 1920s, driving out a Black family — to the family's heirs. In Palm Springs, survivors of the 1960s demolition of a predominately Black and Latino neighborhood known as Section 14 to make way for commercial development <u>are seeking</u> up to \$2 billion in reparations.

Woodson said that whenever possible, advocates would like to see property seized by eminent domain to be restored to its original owners. If that is not possible, he would call for compensation with the current-day value of the property taken into account.

WHAT'S NEXT?

SB 1007 is the only one of Bradford's proposals scheduled for a hearing so far. It will come before the Senate Housing Committee on April 2.

The Southern California lawmaker has described his proposals as a work in progress and said he's willing to take amendments to "put meat on the bones." One such consideration could involve placing the state agency under an existing department.

"That's why we've taken our time in rolling out this piece of legislation, because we don't want to move haphazardly," Bradford said. "We want to have those discussions on how we truly build this thing up and have a foundation that's workable and will deliver on the promises of this report."

WHAT ARE SOME STORIES ON THE BILLS?

Read POLITICO news on <u>SB 490</u>, <u>SB 1050</u>, <u>SB 1007</u>, <u>SB 1013</u> and <u>SB 1331</u>.