



SALLY J. LIEBER

CHAIR
CALIFORNIA STATE BOARD OF EQUALIZATION

MEMORANDUM

Date: May 13, 2026

To: Ted Gaines, Vice-Chair, Board Member, First District
Antonio Vazquez, Board Member, Third District
Mike Schaefer, Board Member, Fourth District
Malia M. Cohen, State Controller

From: Sally J. Lieber, Chair, Board Member, Second District

Re: ITEM 14. Request for Board Support of Senate Bill 1352 (Valladares and Allen) Disaster Rebuild Clarifications.

I am writing to respectfully request that the Board of Equalization take a position in support of Senate Bill 1352 (Valladares and Allen) to provide that a property damaged or destroyed in a Governor-declared disaster that is subsequently rebuilt can maintain its pre-disaster base year value if the size of the reconstructed property is 110% of the size of the damaged or destroyed property. The bill defines the term “substantially equivalent” in the Revenue and Taxation Code to specify that a reconstructed improvement may be up to 110% of its original size and still qualify for exclusion from reassessment as “new construction.”

Germaneness. This request is germane to the Board of Equalization’s responsibilities because, as stated in the Senate Revenue and Taxation Committee Bill Analysis of SB 1352, “California’s 58 independently elected County Assessors implement these Constitutional and statutory directions regarding the assessment of damaged or destroyed property with the aid of guidance from the state Board of Equalization (BOE).”

Policy Issue Addressed. As stated by the bill’s author, “Senate Bill 1352 provides clarity for homeowners rebuilding property damaged or destroyed by a disaster. The bill defines the term “substantially equivalent” in the Revenue and Taxation Code to specify that a reconstructed improvement may be up to 110% of its original size and still qualify for exclusion from reassessment as “new construction.” By allowing modest increases in size while maintaining eligibility for property tax base value retention, SB 1352 ensures that disaster survivors can rebuild without triggering reassessment, consistent with California’s existing constitutional property tax limits.”

State and Local Administrative Impacts. In response to the enactment of SB 1352, the BOE would likely issue a clarifying Letter to Assessors (LTA) and local county assessors would modify their assessment standards to conform with the new law. As stated by the Legislative Counsel’s Digest of SB 1352, “This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above. Existing law requires the state to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation. This bill would provide that, notwithstanding those provisions, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.”

Link to Bill Text. The following is a link to the text of SB 1352:

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB1352

Link to Bill Analyses:

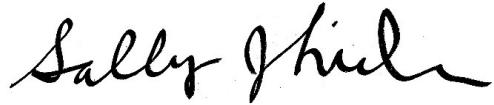
https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=202520260SB1352

SB 1352 is a fair and compassionate response to Californians who have suffered dearly in recent disasters. Current law allows an adjusted base year value of the property substantially damaged or destroyed as its base year value if the full cash value of the reconstructed property does not exceed 120% of the full cash value of the property substantially damaged or destroyed. SB 1352 would modestly expand this formula and complement current property tax relief for disaster victims.

The California Assessors' Association supports SB 1352.

I respectfully request the Board support SB 1352.

Sincerely,

A handwritten signature in black ink that reads "Sally J. Lieber". The signature is written in a cursive, flowing style.

Sally J. Lieber, Chair

cc:

Matt Cox, Chief Deputy, Office of Vice-Chair Ted Gaines
Douglas Winslow, Chief Deputy, Office of Chair Sally J. Lieber
Juan Carlos Flores, Chief Deputy, Office of Member Antonio Vazquez
Cody Petterson, Chief Deputy, Office of Member Mike Schaefer
Hasib Emran, Deputy State Controller
Yvette M. Stowers, Executive Director