

**ASSEMBLY BILL**

**No. 877**

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**Introduced by Assembly Member Chu**

February 26, 2015

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An act to amend Section 11007.1 of the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 877, as introduced, Chu. Transportation: property acquisition.

Existing law provides that when the Department of Transportation or the High-Speed Rail Authority acquires title to real property for highway or high-speed rail purposes, as specified, and leases that property for commercial or business uses to the former owner for a term exceeding 6 months, the department or authority, as the case may be, may secure fire insurance for the property if the former owner requests the coverage and the premium is included in the rental agreed to be paid.

This bill would make nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 11007.1 of the Government Code is
- 2     amended to read:
- 3     11007.1. (a) The Department of Transportation, when it has
- 4     acquired title to any real property for highway purposes and leases
- 5     that property for commercial or business uses to the former owner
- 6     for a term exceeding six months, may secure insurance against the

1 risk of damage or destruction by fire—where *if* the former owner  
2 requests this coverage and the premium therefor is included in the  
3 rental agreed to be paid.  
4 (b) The High-Speed Rail Authority, when it has acquired title  
5 to any real property for high-speed rail purposes and leases that  
6 property for commercial or business uses to the former owner for  
7 a term exceeding six months, may secure insurance against the  
8 risk of damage or destruction by fire—where *if* the former owner  
9 requests this coverage and the premium therefor is included in the  
10 rental agreed to be paid.