

AMENDED IN SENATE AUGUST 19, 2010

AMENDED IN ASSEMBLY APRIL 8, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2530**

---

---

**Introduced by Assembly Member Nielsen**

February 19, 2010

---

---

An act to amend ~~Section 51239~~ of Sections 16142, 16142.1, and 51244 of, and to add and repeal Section 51244.3 of, the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2530, as amended, Nielsen. Local government: Williamson Act: ~~agricultural preserves: advisory board: contracts.~~

Existing law, the Williamson Act, authorizes a city or county to enter into 10-year contracts to establish agricultural preserves. Existing law also authorizes the legislative body of a city or county to appoint an advisory board to advise the board on agricultural preserve matters with owners of land devoted to agricultural use, whereby the owners agree to continue using the property for that purpose, and the city or county agrees to value the land accordingly for purposes of property taxation. Existing law sets forth procedures for reimbursing cities and counties for property tax revenues not received as a result of these contracts.

~~This bill would specify matters on which the advisory board may advise the legislative body of a county or city. This bill would also state that the advisory board is not the exclusive mechanism through which the legislative body can receive advice on or address matters regarding agricultural preserves.~~

*This bill would, beginning January 1, 2011, and until January 1, 2017, authorize a county, in any fiscal year in which payments authorized for reimbursement to a county for lost revenue is less than 1/2 of the participating county's actual foregone general fund property tax revenue, to revise the term for new contracts and require the assessor to revalue the property, as specified, based on the new contract. The bill would provide that a landowner may choose to nonrenew and begin the cancellation process. The bill would also provide that any increased revenues generated by properties under a new contract shall be paid to the county general fund in the percentage representing the statewide average general property tax dollars received by county governments for that fiscal year, or not to exceed 20%, whichever is higher.*

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 16142 of the Government Code is  
 2     amended to read:  
 3     16142. (a) The Secretary of the Resources Agency shall direct  
 4     the Controller to pay annually out of the funds appropriated by  
 5     Section 16140, to each eligible county, city, or city and county,  
 6     the following amounts for each acre of land within its regulatory  
 7     jurisdiction that is assessed pursuant to Section 423, 423.3, 423.4,  
 8     or 423.5, or 426 if it was previously assessed under Section 423.4,  
 9     of the Revenue and Taxation Code:  
 10    (1) Five dollars (\$5) for prime agricultural land, as defined in  
 11    Section 51201.  
 12    (2) One dollar (\$1) for all land, other than prime agricultural  
 13    land, which is devoted to open-space uses of statewide significance,  
 14    as defined in Section 16143.  
 15    (b) The amount per acre in paragraph (1) of subdivision (a) may  
 16    be increased by the Secretary of the Resources Agency to a figure  
 17    which would offset any savings due to a more restrictive  
 18    determination by the secretary as to what land is devoted to  
 19    open-space use of statewide significance.  
 20    (c) The amount per acre in subdivision (a) shall only be paid  
 21    for 10 years from the date that the land was first assessed pursuant

1 to Section 426 of the Revenue and Taxation Code, if it was  
2 previously assessed under Section 423.4 of that code.

3 (d) Notwithstanding any other provision of law, for the 2008–09  
4 fiscal year and each fiscal year thereafter, the Controller shall  
5 reduce, by 10 percent, any payment made pursuant to this  
6 ~~subdivision~~ section.

7 (e) (1) *Effective January 1, 2011, if the payment pursuant to*  
8 *this section for the previous fiscal year is less than one-half of the*  
9 *participating county’s actual foregone general fund property tax*  
10 *revenue, the county may implement subdivision (b) of Section*  
11 *51244 and Section 51244.3. The implementation of these sections*  
12 *shall be suspended for any subsequent fiscal year in which the*  
13 *payment for the previous fiscal year exceeds one-half of the*  
14 *foregone general fund property tax revenue.*

15 (2) *This subdivision shall remain operative only until January*  
16 *1, 2017.*

17 *SEC. 2. Section 16142.1 of the Government Code is amended*  
18 *to read:*

19 16142.1. (a) In lieu of the payments made pursuant to Section  
20 16142, in a county that has adopted farmland security zones  
21 pursuant to Section 51296, the Secretary of the Resources Agency  
22 shall direct the Controller to pay annually out of the funds  
23 appropriated by Section 16140, to each eligible county, city, or  
24 city and county, the following amount for each acre of land within  
25 its regulatory jurisdiction that is assessed pursuant to Section 423.4  
26 or 426 of the Revenue and Taxation Code, if it was previously  
27 assessed under Section 423.4 of that code:

28 Eight dollars (\$8) for land that is within, or within three miles  
29 of the boundaries of the sphere of influence of, each incorporated  
30 city.

31 (b) The amount per acre in subdivision (a) shall only be paid  
32 for 10 years from the date that the land was first assessed pursuant  
33 to Section 426 of the Revenue and Taxation Code, if it was  
34 previously assessed under Section 423.4 of that code. The  
35 appropriation authorized by this subdivision shall not exceed one  
36 hundred thousand dollars (\$100,000) per year until 2005.

37 (c) Notwithstanding any other provision of law, for the 2008–09  
38 fiscal year and each fiscal year thereafter, the Controller shall  
39 reduce, by 10 percent, any payments made pursuant to this  
40 ~~subdivision~~ section.

1     (d) (1) *Effective January 1, 2011, if the payment pursuant to*  
 2 *this section for the previous fiscal year is less than one-half of the*  
 3 *participating county’s actual foregone general fund property tax*  
 4 *revenue, the county may implement subdivision (b) of Section*  
 5 *51244 and Section 51244.3. The implementation of these sections*  
 6 *shall be suspended for any subsequent fiscal year in which the*  
 7 *payment for the previous fiscal year exceeds one-half of the*  
 8 *foregone general fund property tax revenue.*

9     (2) *This subdivision shall remain operative only until January*  
 10 *1, 2017.*

11     SEC. 3. *Section 51244 of the Government Code is amended to*  
 12 *read:*

13     51244. (a) *Each contract shall be for an initial term of no less*  
 14 *than 10 years. Each contract shall provide that on the anniversary*  
 15 *date of the contract or such other annual date as specified by the*  
 16 *contract a year shall be added automatically to the initial term*  
 17 *unless notice of nonrenewal is given as provided in Section 51245.*

18     (b) (1) *If the county makes a determination pursuant to*  
 19 *subdivision (e) of Section 16142 or subdivision (d) of Section*  
 20 *16142.1, contracts shall be for a term of no less than nine years*  
 21 *for contracts currently 10 years in length or 18 years for contracts*  
 22 *currently 20 years in length as the case may be. Each contract*  
 23 *shall provide, except in the initial year of the determination, that*  
 24 *on the anniversary date of the contract or such other annual date*  
 25 *as specified by the contract, a year shall be added automatically*  
 26 *to the initial term unless notice of nonrenewal is given as provided*  
 27 *in Section 51245.*

28     *In any year in which increased revenue pursuant to Section*  
 29 *51244.3 does not occur, two additional years shall be added to*  
 30 *the contract on the next anniversary date to restore the contract*  
 31 *to its full 10 year or 20-year contract length.*

32     (2) *The assessor shall revalue the property based on either a*  
 33 *nine-year or 18-year contract term as the case may be based on*  
 34 *the original contract term.*

35     (3) *A landowner may elect to serve notice of nonrenewal instead*  
 36 *of accepting a nine-year or 18-year contract, as the case may be.*  
 37 *In that case, the assessor shall not revalue the property as provided*  
 38 *for in paragraph (2).*

1 (4) *In addition to any other notice requirements, a county shall*  
2 *provide a landowner under contract timely written notice of all of*  
3 *the following:*

4 (A) *Any hearing by the county on a proposal to adopt or rescind*  
5 *the implementation of this section.*

6 (B) *Any final decision regarding the adoption or rescission of*  
7 *implementation of this section.*

8 (C) *The landowner's right to prevent the amendment of his or*  
9 *her contract pursuant to this section by serving notice of*  
10 *nonrenewal as specified by Section 51245. A county shall not*  
11 *modify or revalue a landowner's contract pursuant to this section*  
12 *unless the landowner is given at least 90 days notice of the*  
13 *opportunity to prevent the modification and revaluation by serving*  
14 *notice of nonrenewal and the landowner fails to serve notice of*  
15 *nonrenewal. A landowner shall be advised of the landowner's*  
16 *right to avoid continued imposition of this section in any future*  
17 *year by serving a notice of nonrenewal for that contract year.*  
18 *Failure of the landowner to serve timely notice of nonrenewal in*  
19 *any year shall be considered implied consent to the implementation*  
20 *of this section for that year.*

21 (5) *The increased valuation of the property pursuant to*  
22 *paragraph (2) shall be 10 percent of the difference between the*  
23 *valuation pursuant to Section 423, 423.3, or 423.5 of the Revenue*  
24 *and Taxation Code, and the valuation under Section 110.1 of the*  
25 *Revenue and Taxation Code. If the valuation under Section 110.1*  
26 *is lower, there shall be no revaluation.*

27 (6) *This subdivision shall not apply to any of the following:*

28 (A) *Contracts that have been nonrenewed.*

29 (B) *Contracts with cities.*

30 (C) *Open-space or agricultural easements.*

31 (D) *Scenic restrictions.*

32 (E) *Wildlife habitat contracts.*

33 (7) *This subdivision shall remain operative only until January*  
34 *1, 2017.*

35 SEC. 4. *Section 51244.3 is added to the Government Code, to*  
36 *read:*

37 51244.3. (a) *This section shall apply to properties under a*  
38 *nine-year or 18-year contract, as the case may be, pursuant to*  
39 *subdivision (b) of Section 51244. Increased revenues generated*  
40 *by those properties shall be paid to the county general fund in the*

1 *percentage representing the statewide average general property*  
2 *tax dollars received by county governments for that fiscal year,*  
3 *or not to exceed 20 percent, whichever is higher.*

4 *(b) This section shall only apply if the county makes a*  
5 *determination pursuant to either Section 16142 or Section 16142.1.*

6 *(c) This section shall remain in effect only until January 1, 2017,*  
7 *and as of that date is repealed, unless a later enacted statute, that*  
8 *is enacted before January 1, 2017, deletes or extends that date.*

9 SECTION 1. ~~Section 51239 of the Government Code is~~  
10 ~~amended to read:~~

11 ~~51239. The board or council may appoint an advisory board,~~  
12 ~~the members of which shall serve at the pleasure of the board or~~  
13 ~~council and may be paid their expenses. The advisory board shall~~  
14 ~~advise the board or council on the administration of the agricultural~~  
15 ~~preserves in the county or city and on any matters relating to~~  
16 ~~contracts entered into pursuant to this chapter, including, but not~~  
17 ~~limited to, program benefits, costs, amendments, and landowner~~  
18 ~~participation. This section shall not be construed to be the exclusive~~  
19 ~~manner in which the board or council may address agricultural~~  
20 ~~preserve matters or receive advice regarding agricultural preserve~~  
21 ~~matters.~~