

Assembly Bill No. 2241

Passed the Assembly May 28, 2014

Chief Clerk of the Assembly

Passed the Senate August 19, 2014

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2014, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 51255.1 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2241, Eggman. Local government: agricultural land.

Existing law authorizes the parties to a Williamson Act contract, after approval by the Department of Conservation, to mutually agree to rescind the contract in order to simultaneously enter into a solar-use easement that would require that the land be used for solar photovoltaic facilities for a term no less than 20 years, except as specified. Existing law requires the city or county to charge the property owner a rescission fee of 6¼% of the fair market value of the property at the time of the rescission if the property was under a Williamson Act contract, and 12½% of the fair market value of the property at the time of the rescission if the land was held under a contract designating the property a farmland security zone.

This bill would, until January 1, 2020, instead require a city or county to charge the property owner a rescission fee of 10% of the fair market value of the property at the time of the rescission for both land under a Williamson Act contract and land designated as a farmland security zone.

Existing law requires the rescission fees to be deposited in the General Fund, as specified.

This bill would instead require 50% of the rescission fees collected to be deposited in the General Fund, as specified.

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

SECTION 1. Section 51255.1 of the Government Code is amended to read:

51255.1. (a) Notwithstanding any other provision of this chapter, the parties may upon their mutual agreement rescind a contract for a parcel or parcels of land that, upon review and approval, are determined by the Department of Conservation to be eligible to be placed into a solar-use easement pursuant to

Section 51191, in order to simultaneously enter into a solar-use easement pursuant to Chapter 6.9 (commencing with Section 51190). This action may be taken notwithstanding the prior serving of a notice of nonrenewal.

(b) Nothing in this section limits the ability of the parties to a contract to seek nonrenewal, or petition for cancellation or termination of a contract pursuant to this chapter. This section is provided in addition to, not in replacement of, other methods for contract termination, Williamson Act compliance, or a county finding that a solar facility is a compatible use pursuant to this chapter.

(c) (1) Prior to the board or council agreeing to mutually rescind a contract pursuant to this section, the county assessor of the county in which the land is located shall determine the current fair market value of the land as though it were free of the contractual restriction. The assessor shall certify to the board or council the fair market valuation of the land for the purpose of determining the rescission fee. At the same time, the assessor shall send a notice to the landowner and the Department of Conservation indicating the current fair market value of the land as though it were free of the contractual restriction and advise the parties, that upon their request, the assessor shall provide all information relevant to the valuation, excluding third-party information. If any information is confidential or otherwise protected from release, the department and the landowner shall hold it as confidential and return or destroy any protected information upon termination of all actions relating to valuation or rescission of the contract on the property. The notice shall also advise the landowner and the department of the opportunity to request formal review from the assessor.

(2) Prior to agreeing to mutually rescind a contract pursuant to this section, the board or council shall determine and certify to the county auditor the amount of the rescission fee that the landowner shall pay the county treasurer upon rescission. That fee shall be an amount equal to 10 percent of the fair market valuation of the property for land that was held under a contract pursuant to Section 51240 or if the property was designated as a farmland security zone.

(3) When rescission fees required by this subdivision are collected, 50 percent of the fee shall, within 30 days of the execution of the mutual rescission of the contract by the parties,

be transmitted by the county treasurer to the Controller and deposited in the General Fund, except as provided in subdivision (b) of Section 51203 or subdivision (d) of Section 51283.

(4) It is the intent of the Legislature that fees paid to rescind a contract do not constitute taxes but are payments that, when made, provide a private benefit that tends to increase the value of the property.

(d) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

Approved _____, 2014

Governor