

AMENDED IN SENATE AUGUST 24, 2015

AMENDED IN ASSEMBLY APRIL 6, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 707**

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**Introduced by Assembly Member Wood**

February 25, 2015

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An act to amend Section 51203 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 707, as amended, Wood. Agricultural land: Williamson Act contracts: cancellation.

Existing law establishes the California Land Conservation Act of 1965, otherwise known as the Williamson Act, and authorizes a city or county to enter into 10-year contracts 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, as specified. Existing law provides for the procedure to cancel a contract entered into under these provisions, and provides that the landowner and the Department of Conservation may agree on the cancellation value of the land.

This bill would ~~provide that the authority for the landowner and the department to agree on the cancellation value of the land does not apply to a contract between a landowner and a city or county if that~~ *require the department to provide a preliminary valuation of the land to the county assessor and the city council or board of supervisors at least 60 days prior to the effective date of the agreed upon cancellation valuation if the contract includes an additional cancellation fee, as specified.*

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

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

1 SECTION 1. Section 51203 of the Government Code is  
2 amended to read:  
3 51203. (a) The assessor shall determine the current fair market  
4 value of the land as if it were free of the contractual restriction  
5 pursuant to Section 51283. The Department of Conservation or  
6 the landowner, also referred to in this section as “parties,” may  
7 provide information to assist the assessor to determine the value.  
8 Any information provided to the assessor shall be served on the  
9 other party, unless the information was provided at the request of  
10 the assessor, and would be confidential under law if required of  
11 an assessee.

12 (b) Within 45 days of receiving the assessor’s notice pursuant  
13 to subdivision (a) of Section 51283 or Section 51283.4, if the  
14 Department of Conservation or the landowner believes that the  
15 current fair market valuation certified pursuant to subdivision (b)  
16 of Section 51283 or Section 51283.4 is not accurate, the department  
17 or the landowner may request formal review from the county  
18 assessor in the county considering the petition to cancel the  
19 contract. The department or the landowner shall submit to the  
20 assessor and the other party the reasons for believing the valuation  
21 is not accurate and the additional information the requesting party  
22 believes may substantiate a recalculation of the property valuation.  
23 The assessor may recover his or her reasonable costs of the formal  
24 review from the party requesting the review, and may provide an  
25 estimate of those costs to the requesting party. The recovery of  
26 these costs from the department may be deducted by the city or  
27 county from cancellation fees received pursuant to this chapter  
28 prior to transmittal to the Controller for deposit in the Soil  
29 Conservation Fund. The assessor may require a deposit from the  
30 landowner to cover the contingency that payment of a cancellation  
31 fee will not necessarily result from the completion of a formal  
32 review. This subdivision shall not be construed as a limitation on  
33 the authority provided in Section 51287 for cities or counties to  
34 recover their costs in the cancellation process, except that the

1 assessor's costs of conducting a formal review shall not be borne  
2 by the nonrequesting party.

3 (1) If no request is made within 45 days of receiving notice by  
4 certified mail of the valuation, the assessor's valuation shall be  
5 used to calculate the fee.

6 (2) Upon receiving a request for formal review, the assessor  
7 shall formally review his or her valuation if, based on the  
8 determination of the assessor, the information may have a material  
9 effect on valuation of the property. The assessor shall notify the  
10 parties that the formal review is being undertaken and that  
11 information to aid the assessor's review shall be submitted within  
12 30 days of the date of the notice to the parties. Any information  
13 submitted to the assessor shall be served on the other party who  
14 shall have 30 days to respond to that information to the assessor.  
15 If the response to the assessor contains new information, the party  
16 receiving that response shall have 20 days to respond to the  
17 assessor as to the new information. All submittals and responses  
18 to the assessor shall be served on the other party by personal service  
19 or an affidavit of mailing. The assessor shall avoid ex parte contacts  
20 during the formal review and shall report any such contacts to the  
21 department and the landowner at the same time the review is  
22 complete. The assessor shall complete the review no later than 120  
23 days of receiving the request.

24 (3) At the conclusion of the formal review, the assessor shall  
25 either revise the cancellation valuation or determine that the  
26 original cancellation valuation is accurate. The assessor shall send  
27 the revised valuation or notice of the determination that the  
28 valuation is accurate to the department, the landowner, and the  
29 board or council considering the petition to cancel the contract.  
30 The assessor shall include a brief narrative of what consideration  
31 was given to the items of information and responses directly  
32 relating to the cancellation value submitted by the parties. The  
33 assessor shall give no consideration to a party's information or  
34 response that was not served on the other party. If the assessor  
35 denies a formal review, a brief narrative shall be provided to the  
36 parties indicating the basis for the denial, if requested.

37 (c) For purposes of this section, the valuation date of any revised  
38 valuation pursuant to formal review or following judicial challenge  
39 shall remain the date of the assessor's initial valuation, or his or  
40 her initial recomputation pursuant to Section 51283.4. For purposes

1 of cancellation fee calculation in a tentative cancellation as  
2 provided in Section 51283, or in a recomputation for final  
3 cancellation as provided in Section 51283.4, a cancellation value  
4 shall be considered current for one year after its determination and  
5 certification by the assessor.

6 (d) Notwithstanding any other provision of this section, the  
7 department and the landowner may agree on a cancellation  
8 valuation of the land. The agreed valuation shall serve as the  
9 cancellation valuation pursuant to Section 51283 or Section  
10 51283.4. The agreement shall be transmitted to the board or council  
11 considering the petition to cancel the contract. ~~This subdivision  
12 does not apply to the cancellation of a contract between a  
13 landowner and a city or county if that contract includes an  
14 additional cancellation fee included pursuant to Section 51240.~~

15 (e) *If a contract with a city or county includes an additional  
16 cancellation fee pursuant to Section 51240, the department shall  
17 provide a preliminary valuation to the county assessor of the county  
18 in which the land is located and the board of supervisors or the  
19 city council at least 60 days prior to the effective date of the final  
20 cancellation valuation pursuant to subdivision (d). The preliminary  
21 valuation shall include a description of the rationale and facts  
22 considered by the department in determining the cancellation  
23 value. The assessor may provide comments on the preliminary  
24 valuation to the board of supervisors or city council. The board  
25 of supervisors or city council may provide comments on the  
26 preliminary valuation and cancellation value, if submitted, to the  
27 department. Prior to determining the final cancellation valuation,  
28 the department shall consider the comments of the board or council  
29 concerning the preliminary valuation and cancellation valuation,  
30 if submitted.*

31 (e)

32 (f) This section represents the exclusive administrative procedure  
33 for appealing a cancellation valuation calculated pursuant to this  
34 section. The Department of Conservation shall represent the  
35 interests of the state in the administrative and judicial remedies  
36 for challenging the determination of a cancellation valuation or  
37 cancellation fee.

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