

AMENDED IN SENATE SEPTEMBER 7, 2001

AMENDED IN ASSEMBLY MAY 31, 2001

AMENDED IN ASSEMBLY APRIL 23, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1242**

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**Introduced by Assembly Member Wiggins  
(Coauthors: Assembly Members Aroner, Florez, Maldonado,  
Matthews, and Wyman)**

February 23, 2001

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~~An act to add Article 11 (commencing with Section 600.5) to Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, relating to farming—~~ *An act relating to health facilities, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1242, as amended, Wiggins. ~~Farming: intergenerational farm transfers~~ *California Specialty Hospital.*

*Existing law regulates the licensure of health facilities, including hospitals, by the State Department of Health Services. Existing law separately imposes various requirements with regard to design and construction seismic safety standards for hospital buildings under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983. The Office of Statewide Health Planning and Development has various responsibilities in this regard.*

*This bill would appropriate \$4,000,000 from the General Fund to the department for allocation to the California Specialty Hospital in Vallejo for the purpose of correcting structural deficiencies identified*

by the State Fire Marshal that affect patient and staff safety. This bill would set forth facts and declare that it serves a public purpose and constitutes necessary special legislation.

~~Existing law requires that the Legislature review the impact of actions taken on specified factors relating to agriculture, including family owned farms.~~

~~This bill would make findings and declarations on the importance to the state of encouraging a new generation to enter farming. This bill would require the Department of Food and Agriculture to take primary responsibility for facilitating intergenerational family farm transfers. This bill would also permit the Department of Food and Agriculture to contract with nonprofit organizations to promote this goal, as specified.~~

~~This bill would appropriate \$250,000 from the General Fund to the Department of Food and Agriculture, for the purposes of these provisions, to be spent as specified.~~

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 ~~SECTION 1.—The Legislature finds and declares as follows:~~

2 *SECTION 1. The sum of four million dollars (\$4,000,000) is*  
3 *hereby appropriated from the General Fund to the State*  
4 *Department of Health Services for allocation to the California*  
5 *Specialty Hospital in Vallejo for the purpose of correcting*  
6 *structural deficiencies identified by the State Fire Marshal that*  
7 *affect patient and staff safety.*

8 *SEC. 2. The Legislature finds and declares that this act serves*  
9 *a public purpose, and that a special law is necessary and a general*  
10 *law cannot be made applicable within the meaning of Section 16*  
11 *of Article IV of the California Constitution because of all of the*  
12 *following:*

13 *(a) The California Specialty Hospital in Vallejo is a*  
14 *not-for-profit hospital that provides crisis intervention and critical*  
15 *inpatient mental health services to children in northern California*  
16 *but may have to discontinue those critical services without*  
17 *financial assistance for purposes of a one-time need to correct*  
18 *structural deficiencies identified by the State Fire Marshal that*  
19 *pose a threat to patient and staff safety.*



1 (b) Recent closures of psychiatric hospitals have created an  
2 alarming scarcity of mental health services for children and  
3 adolescents in northern California.

4 (c) The people of northern California would face uniquely  
5 severe health care consequences in the absence of the relief  
6 provided by this act.

7 ~~(a) The economic future of California's agriculture depends on  
8 the ability of a new generation to enter farming. The 1997 Census  
9 of Agriculture reported that 22,179, or approximately 30 percent  
10 of California's farmers, were over 65 years of age. This percentage  
11 has increased steadily for over a decade. California's farmers age  
12 65 and over outnumber farmers under age 25 by approximately 60  
13 to one. The census also reported that 65,000 owner-operated farms  
14 can be found in California; this number decreased approximately  
15 11 percent from 1987 to 1997. During this same period, there was  
16 a 51 percent drop in the number of farm operators under 35 years  
17 of age.~~

18 ~~(b) Because farming is the cornerstone of agricultural  
19 communities throughout California, the state should act to  
20 promote the future of family farming, ensure that crucial  
21 knowledge of farming is passed on to the next generation of  
22 farmers, and preserve California farmland.~~

23 ~~(c) Beginning farmers face challenges which include:~~

24 ~~(1) Identifying viable farm entry opportunities.~~

25 ~~(2) Lack of access to technical assistance and information  
26 about available loan programs.~~

27 ~~(3) Learning about financing techniques.~~

28 ~~(4) Learning about business planning for appropriate  
29 capitalization.~~

30 ~~(d) Retiring farmers interested in transferring a family farm  
31 face challenges which include:~~

32 ~~(1) Finding a qualified aspiring farmer interested in taking over  
33 the farm business.~~

34 ~~(2) Lack of information about techniques and tools for  
35 effective management of tax burdens due to capital gains estate  
36 taxes which may include using conservation easements and other  
37 long-term farmland protection tools.~~

38 ~~(e) Because these issues affect states throughout the nation and  
39 laws have been enacted in at least six other states to facilitate~~



1 ~~family farm transfers, the Department of Food and Agriculture~~  
2 ~~should act on the issue of intergenerational family farm transfers.~~

3 ~~SEC. 2.— Article 11 (commencing with Section 600.5) is added~~  
4 ~~to Chapter 3 of Part 1 of Division 1 of the Food and Agricultural~~  
5 ~~Code, to read:~~

6

7 ~~Article 11.— The Farm Futures Act of 2001~~

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9 ~~600.5.— The Department of Food and Agriculture shall take~~  
10 ~~primary responsibility for:~~

11 ~~(a) Researching trends in farm transfers.~~

12 ~~(b) Developing training materials to promote intergenerational~~  
13 ~~farm transfers.~~

14 ~~(c) Supporting efforts of organizations providing training~~  
15 ~~designed to facilitate intergenerational farm transfers.~~

16 ~~(d) Researching factors for success and barriers to transfer.~~

17 ~~600.6.— The Department of Food and Agriculture shall contract~~  
18 ~~with one or more appropriate nonprofit organizations with~~  
19 ~~capacity and experience in promoting intergenerational farm~~  
20 ~~transfers throughout California through strategies which include,~~  
21 ~~but are not limited to:~~

22 ~~(a) Outreach to the agricultural community through seminars,~~  
23 ~~workshops, and grassroots meetings.~~

24 ~~(b) Technical assistance provided in a one-on-one format~~  
25 ~~addressing business planning, family lands mediation, estate~~  
26 ~~planning, and other farm succession planning.~~

27 ~~(c) Sponsoring mentorship program activities.~~

28 ~~(d) Promoting innovative techniques to facilitate farm~~  
29 ~~transfers, which may combine estate planning strategies with land~~  
30 ~~conservation strategies and similar techniques.~~

31 ~~(e) Maintaining a data base of names of retiring and aspiring~~  
32 ~~farmers and facilitating preliminary meetings between the parties.~~

33 ~~(f) Serving as a clearinghouse of professional services,~~  
34 ~~business planners, financial planners, succession planners, real~~  
35 ~~estate agents, and others experienced with or committed to~~  
36 ~~facilitating family farm transfers.~~

37 ~~SEC. 3.— The sum of two hundred fifty thousand dollars~~  
38 ~~(\$250,000) is hereby appropriated from the General Fund to the~~  
39 ~~Department of Food and Agriculture to implement the provisions~~  
40 ~~of this article. Of this sum, one full-time equivalent (up to fifty~~



1 ~~thousand dollars (\$50,000)), may be spent on Department of Food~~  
2 ~~and Agriculture personnel ; the remainder shall be allocated~~  
3 ~~through contracts to qualified nonprofit organizations.~~

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