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An act to amend Section 51283 of the Government Code, relating to local government.



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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 51283 of the Government Code is amended to read:

51283. (a) Prior to any action by the board or council giving tentative approval to the cancellation of any contract, 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 cancellation valuation of the land for the purpose of determining the cancellation 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 cancellation 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.

(b) Prior to giving tentative approval to the cancellation of any contract, the board or council shall determine and certify to the county auditor the amount of the cancellation fee that the landowner shall pay the county treasurer upon cancellation. That fee shall be an amount equal to 12 ½ percent of the cancellation valuation of the property.

(c) If it finds that it is in the public interest to do so, the board or council may waive any payment or any portion of a payment by the landowner, or may extend the time for making the payment or a portion of the payment contingent upon the future use made of the land and its economic return to the landowner for a period of time not to exceed the unexpired period of the contract, had it not been canceled, if all of the following occur:

(1) The cancellation is caused by an involuntary transfer or change in the use which may be made of the land and the land is not immediately suitable, nor will be immediately used, for a purpose which produces a greater economic return to the owner.

(2) The board or council has determined that it is in the best interests of the program to conserve agricultural land use that the payment be either deferred or is not required.

(3) The waiver or extension of time is approved by the Secretary of the Natural Resources Agency. The secretary shall approve a waiver or extension of time if the secretary finds that the granting of the waiver or extension of time by the board or council is consistent with the policies of this chapter and that the board or council complied with this article. In evaluating a request for a waiver or extension of time, the secretary shall review the findings of the board or council, the evidence in the record of the board or council, and any other evidence the secretary may receive concerning the cancellation, waiver, or extension of time.

(d) ~~The first two million five hundred thirty-six thousand dollars (\$2,536,000)~~ five million dollars (\$5,000,000) of revenue paid to the Controller pursuant to subdivision (e) in the ~~2004-05~~ 2018-19 fiscal year, and any other amount as approved in the final Budget Act for each fiscal year thereafter, shall be deposited in the Soil



Conservation Fund, which is continued in existence. The money in the fund is available, when appropriated by the Legislature, for the support of all of the following:

(1) The cost of the farmlands mapping and monitoring program of the Department of Conservation pursuant to Section 65570.

(2) The soil conservation program identified in Section 614 of the Public Resources Code.

(3) Program support costs of this chapter as administered by the Department of Conservation.

(4) Program support costs incurred by the Department of Conservation in administering the open-space subvention program (Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2).

(5) The costs to the Department of Conservation for administering Section 51250.

(6) When available, after funding the duties of the Department of Conservation pursuant to paragraphs (1) through (5), inclusive, program support costs incurred by the department in carrying out the duties of the department pursuant to Sections 65565 and 66565.1.

(e) When cancellation fees required by this section are collected, they shall be transmitted by the county treasurer to the Controller and deposited in the General Fund, except as provided in subdivision (d) of this section and subdivision (b) of Section 51203. The funds collected by the county treasurer with respect to each cancellation of a contract shall be transmitted to the Controller within 30 days of the execution of a certificate of cancellation of contract by the board or council, as specified in subdivision (b) of Section 51283.4.

(f) It is the intent of the Legislature that fees paid to cancel 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.



LEGISLATIVE COUNSEL'S DIGEST

Bill No. _____
as introduced, _____
General Subject: Williamson Act: cancellation fees.

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 authorizes the cancellation of a Williamson Act contract under certain circumstances, and authorizes the city or county to charge a cancellation fee in an amount equal to 12 ½ of the cancellation valuation of the property. Existing law requires these cancellation fees to be transmitted by the county treasurer to the Controller upon collection, and specifies that those cancellation fees are to be deposited in the General Fund, except for the first \$2,536,000 of those cancellation fees in the 2004–05 fiscal year and any other amount, as approved in the final Budget Act for each fiscal year thereafter, which are required to be deposited in the Soil Conservation Fund to be available upon appropriation by the Legislature to support, among other things, the cost of the farmlands mapping and monitoring program of the Department of Conservation, to enforce specific provisions of the act, and if funds are available after providing other specified support, for program support costs incurred by the Department of Conservation in carrying out specified duties of the department related to open-space lands.

This bill would instead require the first \$5,000,000 of those cancellation fees in the 2018–19 fiscal year and any other amount, as approved in the final Budget Act for each fiscal year thereafter, to be deposited in the Soil Conservation Fund and to be available upon appropriation by the Legislature to support the same purposes.

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

