

WILLIAMSON ACT

What is the Williamson Act?

The Williamson Act, also known as the California Land Conservation Act of 1965, has been the state's premier agricultural land protection program since its enactment in 1965. Nearly 16 million of California's 30 million acres of farm and ranch land are currently protected under the Williamson Act.

The Williamson Act preserves agricultural and open space lands by discouraging premature and unnecessary conversion to urban uses. The act creates an arrangement where local government create agricultural preserves, which are areas of their jurisdiction where landowners can enter into contracts under a standard set of rules. Once an agricultural preserve is created, a landowner within that area can choose to voluntarily restrict their land to agricultural and compatible open-space uses under minimum 9-year rolling term contracts in exchange for the property's tax assessment being based on actual use, rather than potential market value.

What is a Williamson Act or Farmland Security Zone contract?

Under the act, there are two types of contracts – the traditional Williamson Act contract and the longer-term Farmland Security Zone contracts that are limited to higher quality farmlands, have a larger tax break and higher cancellation fee. Both are a legal agreement between a local government (city or county) that obligates the property owner to the contract's enforceable land use restrictions. These contracts restrict development or other incompatible uses by both the landowner and the local government. The contracts are between a property owner and the local government (city or county).

What happens to a Williamson Act or Farmland Security Zone contract upon sale of the property?

These contracts are binding on all subsequent purchasers of the property. The contract is still in effect even when the land is subsequently bought by a government or other entity that is exempt from property tax.

What benefits do Williamson Act contracts offer to landowners?

Property tax calculations are unique to each property and not all property restricted by a Williamson Act contract receives a tax benefit from the statute that is greater than what their tax would be otherwise. When this issue was studied in 1989, the Williamson Act was estimated to save agricultural landowners from 20 percent to 75 percent in property tax liability each year. In that same study, one in three Williamson Act farmers and ranchers said that without the Williamson Act they would no longer own their parcel.

In addition, property owners with Williamson Act contracts benefit from being adjacent to other properties that are similarly committed to agricultural uses. This

can reduce friction by limiting the uses to those that are compatible with agriculture and can act to help maintain agricultural viability in communities.

What is an agricultural preserve?

An agricultural preserve acts as the local government's offer to landowners for contracts and defines the boundary of an area where contracts are available for property owners. The boundary is designated by resolution of the board of supervisors or city council. Only land located within an agricultural preserve is eligible for a Williamson Act or Farmland Security Zone contract. Agricultural preserves are governed by rules and restrictions designated in the resolution to ensure that the land within the preserve is maintained for agricultural or open space use.

How many acres are required for an agricultural preserve?

There is no statutory minimum for the size of an agricultural preserve. The Williamson Act states that an agricultural preserve should consist of no less than 100 acres. However, to meet this requirement two or more parcels may be combined if they are contiguous, or if they are in common ownership. However, smaller agricultural preserves may be established if a board or council determines that the unique characteristic of the agricultural enterprise in the area calls for smaller agricultural units, and if the establishment of the sub-100-acre preserve is consistent with the General Plan.

How long must land be maintained under a Williamson Act contract?

The minimum term for a contract is nine years. However, some jurisdictions exercise the option of making the term longer or enter into Farmland Security Zone contracts that have a minimum 18-year contract term. There is no statutory maximum. Contracts automatically renew every year unless nonrenewed.

How is a Williamson Act contract terminated?

There are four ways that a contract can be terminated. Only cancellations are assessed a cancellation fee.

- Non-renewal. The most common method is nonrenewal. A Notice of Nonrenewal starts the nonrenewal period, which means that the contract is no longer renewing each year. Either the local government, or landowner, can initiate the nonrenewal process. At the end of the nonrenewal process, the contract will be terminated.
- Rescission. A contract is removed and simultaneously another restriction occurs. The other restrictions are a solar use easement on the same property, an open-space agreement on the same property, or an agricultural conservation easement on another property.

- Eminent domain. Applies to entities that have eminent domain authority. Subject to certain findings, the contract can be terminated when the entity acquires the underlying property.
- Cancellation. The final method is cancellation, which requires that the landowner pay a cancellation fee that is a percentage of the current value of the property and that the local government make certain findings.

What is a cancellation?

A cancellation is almost always done as a component of a larger project that will be changing the use of the land to something that is not consistent with agriculture or open space. Only the landowner can petition to cancel a contract. To approve a contract cancellation petition, a county or city must conduct a public hearing and make specific findings that are supported by substantial evidence. Because this is a discretionary action, there is frequently an associated CEQA action.

The existence of an opportunity for another use of the property is not sufficient reason for cancellation. In addition, the uneconomic character of an existing agricultural use shall not, by itself, be a sufficient reason to cancel a contract. The landowner must pay a cancellation fee equal to 12.5% (standard Williamson Act contract) or 25% (Farmland Security Zone contract) of the current fair market value of the property based on the determination by the county assessor.

Where do cancellation fees go?

Cancellation fees are paid by the property owner to the county treasurer's office. If the cancellation occurred within a city, the fees are still paid to the county treasurer's office. The county treasurer will remit the fees to the State Controller's office for disbursement into the appropriate state fund. The first \$5 million collected each year is automatically appropriated to the Department's Soil Conservation Fund.

Can cancellation fees be waived, reduced, or delayed?

Only the Secretary of Natural Resources Agency has the authority to make this determination. A property owner may petition the board or council for a cancellation fee waiver, reduction, or delay in payment. The property owner's petition must be approved by the board or council administering the cancellation, and that can only occur if the certain specific circumstances exist, such as that the cancellation is driven because there is an involuntary change in use and that the new use will not result in a greater economic gain to the landowner than the prior agricultural use. If the board or council agrees that sufficient evidence demonstrates these conditions apply and that it is in the best interested of the Williamson Act program to require something other than full timely payment of the cancellation fees, the board or council then forwards the

request for approval to the Secretary of Natural Resources. The Department's records do not show that the Secretary has approved any requests.

What are the land uses permitted within an agricultural preserve and contracted land?

The Williamson Act states that a board or council must adopt rules governing the administration of agricultural preserves. The Williamson Act contains lists of certain uses that are considered compatible, unless if the local jurisdiction formally finds otherwise. Those uses include such things as agricultural labor housing, water facilities, or electrical generation facilities. The rules of each agricultural preserve specify the uses allowed, which apply to all contracts in the same agricultural preserve. Generally, any commercial agricultural use will be permitted within any agricultural preserve. In addition, local governments may identify compatible uses permitted with a conditional use permit.

What is the State's role?

The Department of Conservation is responsible for interpretation of the Williamson Act, research of related issues and policies, providing technical assistance, and collecting, preparing, and sharing program data. Although the Department provides this assistance, it has no authority over local Williamson Act programs. The Department also used to assist the Secretary in evaluating claims for subvention payments.

The State Controller receives local cancellation fee revenue and distributes to statutorily authorized state funds. The State Controller also used to pay the subvention funds to the local governments.

The Secretary of the Natural Resources Agency may waive or extend timeline to pay cancellation fees under statutorily required conditions. The Secretary also used to be in charge of certifying the subvention payments.

What is local government's role?

Local governments have the primary role. Local governments enter into contracts with property owners. Participating counties and cities are required to establish their own rules and regulations regarding implementation of the Williamson Act within their jurisdiction. These rules include but are not limited to enrollment guidelines, acreage minimums, enforcement procedures, allowable uses, and compatible uses.

What were Williamson Act subvention funds?

Subvention funds are part of a separate statutory scheme. The Open Space Subvention Act was enacted in 1972 to provide for the partial replacement of local property tax revenue foregone because of participation in the Williamson Act and other enforceable open space restriction programs. Participating local

governments received annual payment based on the number of eligible acres, and other factors.

Between 1972 and 2010, the state paid more than \$863 million in subvention payments. Subvention payments were eliminated in the FY 2009/10 budget.

How is Williamson Act contract data reported to the state? How do I get that data?

Participating counties and cities are required to report this data annually by January 30th. Enrollment information is collected in Geographic Information System form and is made available through the Department's [California Williamson Act Enrollment Finder](#), which is a mapping service available on the DOC Maps Portal.

Is solar or other renewable energy allowed on Williamson Act contracted lands?

This depends on the local rules and the language of the specific contract. The Williamson Act considers electrical facilities to be a compatible use, unless the local government declares otherwise. While the term "electric facilities" is not defined in the Williamson Act, the Attorney General's Office issued an opinion in 1975 that the term is broad enough to include nuclear power plant facilities. However, some counties have chosen to narrowly restrict its definition to electrical transmission lines and related transmission improvements. Other counties have adopted a broader definition that includes the construction of electrical generation facilities, while many other counties are silent on the issue.

What is a Solar Use Easement?

Senate Bill 618 (Stat. 2011, Chap. 596) authorized cities and counties the option to create solar-use easements, so instead of cancelling a Williamson Act or Farmland Security Zone contract, the contract would be "rescinded" into a solar-use easement. This authorization ended in 2020 but was reinstated in January 2023. An application may be submitted by the landowner to their city or county (if participating in solar-use easements) to rescind the current Williamson Act or Farmland Security Zone contract and simultaneously enter into a solar-use easement. This was an unpopular option and less than five occurred. See the [Solar-Use Easement page](#) for further information and constraints. For general information regarding solar power on Williamson Act contracted land, download our [Solar Power and the Williamson Act document](#).