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THIRD READING

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Bill No: AB 1156  
Author: Wicks (D)  
Amended: 7/22/25 in Senate  
Vote: 21

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SENATE LOCAL GOVERNMENT COMMITTEE: 5-0, 7/9/25  
AYES: Durazo, Arreguín, Laird, Seyarto, Wiener  
NO VOTE RECORDED: Choi, Cabaldon

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 5-0, 7/16/25  
AYES: Blakespear, Gonzalez, Menjivar, Padilla, Pérez  
NO VOTE RECORDED: Valladares, Dahle, Hurtado

SENATE APPROPRIATIONS COMMITTEE: 5-1, 8/29/25  
AYES: Caballero, Seyarto, Grayson, Richardson, Wahab  
NOES: Dahle  
NO VOTE RECORDED: Cabaldon

ASSEMBLY FLOOR: 66-5, 6/3/25 - See last page for vote

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**SUBJECT:** Solar-use easements: suspension of Williamson Act contracts: terms of easement: termination

**SOURCE:** Author

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**DIGEST:** This bill makes a number of changes to law governing the conversion of agricultural easements into a solar-use easement (SUE).

**ANALYSIS:**

Existing law:

- 1) Creates the Williamson Act also known as the California Land Conservation Act of 1965, which authorizes cities and counties to enter into agricultural land preservation contracts with landowners who agree to restrict the use of their

land for a minimum of 10 years in exchange for lower assessed valuations for property tax purposes.

- 2) Creates Farmland Security Zones which authorizes cities and counties to allow agricultural land preservation contracts with landowners who agree to restrict the use of their land for a minimum of 20 years in exchange for lower-assessed valuations for property tax purposes
- 3) Provides three options for ending a Williamson Act contract:
  - a) Either the landowner or local officials give "notice of nonrenewal," which stops the automatic annual renewals and allows the contract to run down over the next 10 years.
  - b) Local officials can cancel a contract at the request of the landowner. To do so, local officials must make findings that cancellation is in the public interest and that cancellation is consistent with the purposes of the Williamson Act. The owner must pay a cancellation fee based on the "cancellation value" of the land. If the land under contract is covered by a Farmland Security Zone, the Department of Conservation (DOC) must approve the cancellation.
  - c) Local officials can cancel a Williamson Act contract, but the landowner simultaneously puts an agricultural conservation easement or open space easement on other land of equal or greater value.
- 4) Authorizes a city or county and a landowner to simultaneously rescind a Williamson Act contract on marginally productive or physically impaired lands and enter into a SUE that restricts the use of land to photovoltaic solar facilities, as specified.
- 5) Defines a SUE as a legal agreement, held by a city or county, which restricts land use to solar photovoltaic energy generation and related incidental uses, such as open space or agriculture. The easement may be permanent, fixed-term, or self-renewing, and applies only to parcels deemed eligible by the DOC. It prohibits any commercial, industrial, or residential uses and requires a recorded covenant that limits future development to uses consistent with solar energy production.
- 6) Establishes the policy that all of the state's retail electricity be supplied with 100% clean energy resources by December 31, 2045, and 100% of electricity procured to serve all state agencies by December 31, 2035.

This bill:

- 1) Expands the permissible land uses of Solar Use Easements (SUEs) to include solar energy storage and appurtenant facilities.
- 2) Specifies that the provisions of any Williamson Act contract binding the land under the SUE would be inoperative (rather than rescinded pursuant to existing law) and the land would be enforceably restricted pursuant to law governing SUEs, as specified, and removes language allowing a SUE to exist in perpetuity.
- 3) Changes the process by which the DOC determines if a parcel under a Williamson Act contract is eligible for conversion into a SUE, including among other actions to:
  - a) Expand the eligibility criteria to convert land under a Williamson Act contract into an SUE to include instances where the land meets certain criteria related to grading, absence of a conservation easement, degraded soils or insufficient water, as defined based on specified surface and groundwater availability criteria, or status as prime farmland or farmland of statewide importance, as specified:
  - b) Require DOC to make a determination on whether land is eligible for an SUE within 120 days following submission of a completed application package, or else the application is deemed approved, following specified procedures for determining completeness of an application; and
  - c) Modify an existing exemption from CEQA for Williamson Act contracts to further exempt all department determinations of eligibility from CEQA, and specifies that this exemption shall not be interpreted to exempt photovoltaic solar facilities from CEQA.
- 4) Changes SUE deed requirements and decommissioning rules by eliminating mitigation measures on or beyond SUE land, removing the requirement for performance bond or security requirements for land restoration for term easements or self-renewing easements, and allowing appurtenant facilities on SUE, among various other changes.
- 5) Modifies SUE enforcement and land use provisions by eliminating a private right of action if a city or county fails to seek injunctions for violations.

- 6) Requires a city or county to require, as a condition of entering into a SUE, that the solar facility enter into a community benefits agreement that includes financial contributions or job creation programs, as specified, with one or more local communities. The developer of the solar facility must conduct specified outreach provisions, and the community benefits agreement must ensure all of the following:
  - a) That community benefits provided pursuant to this section supplement, but do not supplant, resources the developer is required to provide pursuant to any other law;
  - b) That benefits begin to be provided to the local community no later than the start of construction of the solar and appurtenant facilities.
- 7) Narrows the circumstances under which a city or county may choose not to renew an annually self-renewing SUE to those in which the landowner has materially failed to comply with the terms and conditions of the SUE, the solar photovoltaic or appurtenant facilities have been operated in a manner that constitutes a continuing or repeated legal nuisance, or the photovoltaic solar facility's operating life has ended.
- 8) Repeals provisions of law governing termination or rescission of a SUE, including termination and rescission fees.
- 9) Requires the provisions of any Williamson Act contract affecting a parcel or parcels of land eligible and placed into a SUE to be inoperative for the SUE term, even if a notice of nonrenewal was served, as specified. Clarifies this process is in addition to other existing mechanisms under the WA, as specified.
- 10) Requires, at least 14 days prior to the meeting at which a city or county decides whether to enter into an agreement for the SUE, the landowner to notify any relevant workforce in writing of its intent to enter into a SUE, including the time and location of the meeting for the city or county to take action on entering into an agreement.
- 11) Exempts the entry into and recordation of a SUE from CEQA review.
- 12) Provides numerous technical, clarifying, and conforming changes.

## **Background**

*Solar use easements.* In 2011, the Legislature enacted SB 618 (Wolk, Chapter 596, Statutes of 2011) to modify the Williamson Act to encourage the development of solar panels on marginally productive or physically impaired farmland by creating a method for terminating a Williamson Act contract to use for solar panel development.

Under this measure, the landowner of a parcel that the Department of Conservation (DOC) has determined to be eligible can restrict the use of that land to solar facilities to collect and distribute solar energy, and any subordinate agricultural, open-space, or renewable facilities. This solar use easement can be in perpetuity, for a set number of years, or subject to annual self-renewals. Once restricted, the landowner cannot use the land for other commercial, industrial, or residential uses. This means the landowner cannot construct improvements unless expressly

Upon request from the city or county, DOC, in consultation with the California Department of Food and Agriculture (CDFA), can, but is not required to, determine that a parcel is eligible for rescission of the existing Williamson Act contract and place the parcel into a solar-use easement. To assist DOC in assessing whether the land is eligible, the landowner must provide the specified information, and must also provide DOC with a proposed management plan describing soil management plans, how they plan to minimize impacts on adjacent agricultural operations, and how the landowner will restore the land to previous condition once the solar use easement terminates. If approved, the city or county must require implementation of the management plan including any recommendations from DOC.

Cities or counties can require any necessary or desirable restrictions, conditions, or covenants to restrict the land to solar facilities, which can include mitigation measures, or financial assurances to ensure the landowner restores the land to its original state when the easement terminates.

The author wants to make it easier for landowners to turn their agricultural parcels into solar facilities.

## **Comments**

- 1) *Purpose of this bill.* According to the author, “AB 1156 updates California’s Solar-Use Easement statute to permit lands with water constraints to be eligible for an easement, while modernizing eligibility criteria and easement terms. The legislation maintains local discretion, incorporating Groundwater Sustainability Agencies in any review of water limitations, updates the compatibility of solar-

use easements with existing permitting processes and provides that land under easement be assessed at its full value. Vitally, the bill provides a path for lands to enter back into a Williamson Act contract at the conclusion of the term of an easement.

“To achieve California’s goal of a net-zero economy by 2045, we must add at least 127 gigawatts of new zero-emitting resources to the grid by 2045, more than 48% of which will need to be utility-scale solar. A primary challenge to achieving this goal is land availability due to specific development criteria: projects must be relatively close to transmission infrastructure, have largely contiguous lands, and avoid sensitive environmental habitat.

“Parallel to California’s clean energy goals is the Sustainable Groundwater Management Act (SGMA), which mandates that local water management agencies bring groundwater use to sustainable levels by the early 2040s – a timeline aligned with state climate and energy targets. This unavoidably means that thousands of acres of existing farmland will have to transition to other beneficial uses.

“In addition to the state’s energy and groundwater goals, the California Land Conservation Act of 1965, known as the Williamson Act, helps protect farmland, enabling local governments to enter contracts with private landowners for the purpose of restricting specific parcels of land to agricultural or related open space use in exchange for a tax benefit.

“In 2011, recognizing the opportunity for solar development on constrained agricultural land, the legislature passed a Solar-Use Easement statute (Chapter 596) to provide a path for solar development. The legislature authorized local governments and landowners to transition existing Williamson Act and Farmland Security Zone contracts while simultaneously entering solar-use easements. Though this authority sunset in 2020, it was revived by an omnibus bill passed in 2022 (Senate Bill 1489). According to the Department of Conservation, solar-use easements were not widely pursued during the nine years before the authority lapsed in 2020, and it is unclear if any easements have been granted since the law has been reauthorized.

“AB 1156 responsibly updates California’s Solar-Use Easement law to consider water constrained farmland, providing a unique prospect to accomplish myriad state policy goals while providing farmers with an additional, voluntary economic opportunity.”

- 2) *Shot through the heart.* For decades, the Williamson Act has provided an incentive for landowners to preserve land for agricultural use instead of converting it for other purposes. The landowner benefits from reduced property taxes while it uses the land for agriculture, but has the opportunity to convert the land into other uses if it pays a fee. AB 1156 removes these fee provisions for solar use easements, meaning a landowner could convert their agricultural land into a solar farm without consequences. According to the opponents of the bill, like the California Farm Bureau, this could significantly impair the effectiveness of the Williamson Act and other agricultural restrictions, removing the incentive for continuing to use land for agricultural uses. Removing financial consequences for converting a Williamson Act easement into a solar use easement provides an incentive to landowners to take land that could still serve agricultural uses out of service.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- The Department of Conservation (DOC) would incur one-time costs, potentially over \$100,000, to develop and adopt revised program regulations to update current fees charged to landowners and to account for other changes to the process for considering proposals for converting contracted agricultural lands to SUEs. (Soil Conservation Fund)
- DOC indicates that ongoing administrative costs are unknown and would depend upon the number of applications received annually. Initially, DOC estimates it would contract out for services, at a cost of approximately \$100,000 annually, to review applications in order to meet timelines specified in the bill. To the extent there is ongoing landowner interest, DOC estimates that it could require the addition of 1.0 PY of new staff, at a cost of \$172,000 in the first year and \$158,000 ongoing, if it receives 10 applications annually. Staff notes that DOC is authorized to charge a fee on landowners to recover its administrative costs to coordinate with landowners and specified entities, and review applications to determine eligibility for conversion of an agricultural land conservation contract into an SUE. (Soil Conservation Fund)
- Unknown, potentially significant loss of state revenues (General Fund and Soil Conservation Fund) as a result of the bill deferring and preventing the collection of contract cancellation fees, and by repealing existing provisions that require payment of rescission fees when contracted agricultural land

enters into an SUE. Staff notes that, under current law, the first \$5 million in Williamson Act cancellation fee revenue is deposited in the Soil Conservation Fund to pay for DOC's administrative costs, and amounts exceeding the initial \$5 million in a given year are deposited into the General Fund.

- Unknown property tax revenue increases as a result of the reassessment of agricultural lands that enter into an SUE. Staff notes that any increases in local property tax revenues that accrue to K-14 school could reduce state General Fund expenditures pursuant to Proposition 98 minimum funding guarantees. See staff comments.

**SUPPORT:** (Verified 8/30/25)

Aes Clean Energy

Aes Corporation

Almond Alliance

American Clean Power Association

Arevon

Avantus

Aypa Power Development LLC

CA & Nv State Association of Electrical Workers

CA Assn of Winegrape Growers

California Environmental Voters (formerly Clcv)

California Solar Energy Industries Association

California State Association of Electrical Workers

California State Building and Construction Trades Council

California State Council of Laborers

Candela Renewables

Clearway Energy Group LLC

Coalition of California Utility Employees

Defenders of Wildlife

Edpr Na, LLC

Filoli

Forebay Farms

Independent Energy Producers Association

Intersect Power

Invenergy Renewables LLC

Kern County Farm Bureau

Large-scale Solar Association

Leeward Renewable Energy



Local Agency Formation Commission of Napa County  
Longroad Energy Management, LLC  
Materra  
New Leaf Energy  
Nextera Energy Resources  
Rural County Representatives of California  
Rwe  
Singh Farms  
Terra-gen Development Company, LLC  
The Nature Conservancy  
Union of Concerned Scientists  
Vf&b Farms

**OPPOSITION:** (Verified 8/30/25)

American Farmland Trust  
California Alliance With Family Farmers  
California Cattlemen's Association  
California Certified Organic Farmers  
California Climate & Agricultural Network  
California Climate & Agriculture Network  
California Farm Bureau Federation  
California Farmland Trust  
California Farmlink  
California Rangeland Trust  
Community Alliance With Family Farmers

**ASSEMBLY FLOOR:** 66-5, 6/3/25

**AYES:** Addis, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly, Davies, Dixon, Elhawary, Flora, Fong, Gabriel, Garcia, Gipson, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Valencia, Wallis, Ward, Wicks, Zbur, Rivas  
**NOES:** DeMaio, Ellis, Gallagher, Macedo, Tangipa  
**NO VOTE RECORDED:** Aguiar-Curry, Castillo, Jeff Gonzalez, Jackson, Lackey, Patterson, Ransom, Wilson

8/30/25 15:30:16

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