

CONCURRENCE IN SENATE AMENDMENTS

AB 1156 (Wicks)

As Amended September 09, 2025

Majority vote

SUMMARY

Makes a number of changes to law governing the conversion of a Williamson Act (WA) contract into a solar-use easement (SUE).

Senate Amendments

- 1) Require, rather than allow, the Department of Conservation (DOC) to make a determination on whether a parcel or parcels is eligible for conversion of a WA contract into a SUE, as specified.
- 2) Revise the criteria that land must meet in order to be eligible for conversion of a WA contract into a SUE, as follows:
 - a) Specify that one of the criteria may be that the land has or will have insufficient surface water or groundwater available that results in significantly reduced agricultural production for agricultural activities, as specified.
 - b) Specify that one of the criteria must be that the parcel or parcels are not located on lands designated as prime farmland, unique farmland, or farmland of statewide importance, unless the DOC determines that a parcel or parcels are eligible to be placed in a SUE based on information that demonstrates that circumstances exist that limit the use of the parcel for agricultural activities, including insufficient water supplies, as specified.
- 3) Require, within 30 days of receiving an application package for conversion of a WA contract into a SUE, the DOC to review the application for completeness and identify any materials required to make the application complete. If no determination of completeness is made within 30 days, the application shall be deemed complete and the DOC shall not request additional materials, as specified.
- 4) Require, at least 14 days before a meeting at which a city or county decides whether to enter into an agreement with a landowner to convert WA contract lands into a 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, as specified.
- 5) Specify that a deed or restriction that a city or county may require as a condition of entering into a SUE may include mitigation measures identified on the land that is subject to the SUE. Any mitigation measure imposed under this bill shall have an essential nexus between the measure and the impact to be mitigated. Each measure shall be roughly proportional to the impact being mitigated.
- 6) Revise and recast provisions related to community benefits agreements to specify the following:
 - a) Provide the following definitions:

- i) "Community benefits agreement" means a legally binding and enforceable agreement between the developer of the photovoltaic solar facility and the city or county in which the photovoltaic solar facility is located for the developer of the photovoltaic solar facility to provide community benefits to the local community.
 - ii) "Community benefits" means any of the following:
 - (1) Job creation and training programs for local residents or farm workers.
 - (2) Financial contributions that benefit farm youth training programs or agricultural trade programs.
 - (3) Financial contributions to community projects for groundwater recharge or water conservation programs.
 - (4) Financial contributions that benefit land preservation.
 - (5) Financial contributions to agricultural innovation research.
 - (6) Financial contributions that benefit workers displaced by water scarcity impacting agricultural jobs.
 - (7) Financial contributions for community improvements or amenities including, but not limited to, park and playground equipment, urban greening or enhanced safety crossing, and paving roads and bike paths.
 - iii) "Local community" means the city or county in which the photovoltaic solar facility is located or a workforce development and training organization, labor union, land trust, community foundation, state agricultural extension service providing local assistance to growers, or local governmental agency or local nonprofit with responsibilities covering topics included in the definition of "community benefits" in ii), above.
 - b) Require (rather than allow) a city or county to require, as a condition of entering into a SUE, that the photovoltaic solar facility enter into a community benefits agreement with the city or county.
 - c) Require the community benefits agreement to ensure the following:
 - i) That community benefits provided pursuant to this bill supplement, but do not supplant, resources the developer is required to provide pursuant to any other law.
 - ii) That benefits begin to be provided to the local community no later than the start of construction of the solar and appurtenant facilities.
 - d) Require, in order to inform the community benefits agreements, the developer of the photovoltaic solar facility to engage in meaningful outreach and engagement, including specified notice to adjacent landowners and the public and specified public meeting requirements.
- 7) Add findings and declarations regarding this bill's purpose.

- 8) Make additional clarifying, conforming and technical changes and add chaptering amendments.

COMMENTS

- 1) *Clean Energy Goals*. Existing state law requires the state to achieve net zero greenhouse gas (GHG) emissions and a reduction of statewide anthropogenic GHGs to at least 85% below 1990 levels by 2045. This parallels the state's goals for 100% new zero-emission vehicle sales by 2035 and 100% clean electricity by 2045. Experts indicate these goals will require a significant buildout of clean energy infrastructure.
- 2) *Williamson Act*. The WA is an agricultural land conservation program. Administered by the DOC, the WA allows a private property owner to sign a voluntary contract with their local government that restrict the land subject to the contract to agriculture, open space and compatible uses for the next 10 years. In return, the county assessor values the contracted land as agricultural use, instead of its fair market value. The contract renews automatically each year, so the contract is always for a 10-year period. The landowner may cancel the WA contract at any time, provided local officials make findings the cancellation is in the public interest and that cancellation is consistent with the purposes of the WA. Such a landowner must pay a cancellation fee that is equal to 12.5% of the "cancellation valuation" of the property. In 1998, the Legislature created the option of instead establishing a Farmland Security Zone (FSZ), which offers landowners a greater property tax reduction for a minimum 20-year contract.

Rescission occurs when a county cancels a WA contract, but the landowner simultaneously puts an agricultural conservation easement or open space easement on other land of equal or greater value.

- 3) *Solar Use Easements*. SB 618 (Wolk), Chapter 596, Statutes of 2011 (SB 618), authorized an alternative to the then-existing avenues for exiting a WA or FSZ contract, in response to the state's renewable energy goals and a desire for alternative uses for marginally productive or physically impaired agricultural land. Under SB 618, a property owner and a county or city may mutually agree to rescind the WA or FSZ contract on marginally productive or physically impaired land and enter into a SUE that restricts the use of land to photovoltaic solar facilities. Such a rescission requires a payment of a rescission fee of 10% of the fair market value of the land, half of which goes to the county and half of which goes to the state General Fund.

The DOC, in consultation with the Department of Food and Agriculture (CDFA) must review and approve all solar-use easements. Under SB 618, to be eligible, a parcel must not be located on lands designated as prime farmland, unique farmland, or farmland of statewide importance. The land must also consist predominantly of soils with significantly reduced agricultural productivity, or have severely adverse soil conditions that are detrimental to continued agricultural activities and production.

- 4) *Sustainable Groundwater Management Act (SGMA)*. SGMA requires local agencies to form GSAs for high- and medium-priority water basins. GSAs must develop and implement groundwater sustainability plans to avoid undesirable results and mitigate water overdraft within 20 years. The requirements of SGMA have strained the viability of large sections of

agricultural land. Compliance with SGMA necessitates that some agricultural land come out of production to achieve groundwater sustainability.

- 5) *SB 618 - Limited Use*. SB 618 recognized the opportunity for solar development on constrained agricultural land, authorized local governments and landowners to transition existing WA and FSZ contracts while simultaneously entering solar-use easements. Though this authority sunset in 2020, it was revived in 2022. According to the DOC, 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 was reauthorized.

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. Vitaly, 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.

Arguments in Support

A coalition of supporters, including the bill's sponsor, the Large-Scale Solar Association, writes, "AB 1156 proposes to update the Solar Use Easement law by allowing lands with water constraints to be eligible for an easement and modernizes the eligibility criteria and easement terms. Specifically, AB 1156 would maintain local discretion, require the review of water limitations by the GSA, update the compatibility of solar use easements with existing permitting processes (Chapters 61, 2021) and provide that land under an easement be assessed at its full value under the law. This bill also provides a path for lands to enter back into a Williamson Act contract at the conclusion of the term of the easement.

"The new reality is that the need to conserve vital water resources will unavoidably place many agricultural landowners at risk of losing the ability to farm their land, with no viable economic alternative. This nexus between clean energy goals, water sustainability, and land scarcity presents a rare opportunity to craft a policy that achieves multiple statewide goals. This effort will require strategic planning, creativity, and compromise. AB 1156 strikes this balance and will help fulfill the promise of a carbon free future with well-paying jobs, and mitigation of the worst impacts of climate change on our communities and economy."

Arguments in Opposition

A coalition expressing an "oppose, unless amended" position, including the California Rangeland Trust, the California Farmland Trust, the California Climate and Agriculture Network and others, writes, "AB 1156 would amend the Solar-Use Easement program to allow any prime, unique, and important agricultural land protected by a Williamson Act contract to exit their contracts solely on the basis of claiming insufficient surface or groundwater available to support agricultural use, without clearly defining 'insufficient water supply.' Additionally, AB 1156 would allow any agricultural land converted to a Solar-Use Easement to avoid paying the cancellation fee. The updated version of the bill does not adequately define 'insufficient water supply' so that these changes in conditions can be accurately accounted for and measured before the Williamson Act contract is approved for termination...

"AB 1156 threatens the very tools and safeguards that have made farm and ranch land protection one of California's most successful conservation strategies. Weakening the Williamson Act, bypassing existing Solar-Use Easement pathways, removing exit fees for solar developers, and failure to clearly define what is needed for removal—threatens the integrity and public trust in the state's long-term farm and ranch land protection efforts."

FISCAL COMMENTS

According to the Senate Appropriations Committee:

- 1) 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)
- 2) 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)

- 3) 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.
- 4) 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.

VOTES:

ASM LOCAL GOVERNMENT: 9-0-1

YES: Carrillo, Ta, Hoover, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward

ABS, ABST OR NV: Wilson

ASM UTILITIES AND ENERGY: 16-0-2

YES: Petrie-Norris, Boerner, Calderon, Chen, Davies, Mark González, Harabedian, Hart, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur

ABS, ABST OR NV: Patterson, Irwin

ASM AGRICULTURE: 6-1-1

YES: Soria, Alanis, Connolly, Hadwick, Irwin, Ransom

NO: Jeff Gonzalez

ABS, ABST OR NV: Aguiar-Curry

ASM APPROPRIATIONS: 11-1-3

YES: Wicks, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache

NO: Tangipa

ABS, ABST OR NV: Sanchez, Dixon, Ta

ASSEMBLY FLOOR: 66-5-8

YES: 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

NO: DeMaio, Ellis, Gallagher, Macedo, Tangipa

ABS, ABST OR NV: Aguiar-Curry, Castillo, Jeff Gonzalez, Jackson, Lackey, Patterson, Ransom, Wilson

UPDATED

VERSION: September 09, 2025

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FN: 0001706