

**MEMORANDUM
LOCAL AGENCY FORMATION COMMISSION**

TO: Local Agency Formation Commission

FROM: Stephen Lucas, Executive Officer

SUBJECT: **Agenda Item 2.3 - Letter of Support for AB 1773 (Paterson) – Williamson Act Subvention Payments**

DATE: February 24, 2022, for the meeting of March 3, 2022

Summary

Assembly Bill 1773 (Patterson) would reinstate Williamson Act (Land Conservation Act) subvention payments to counties through a \$40 million dollar appropriation in the 2022-23 State budget. These payments to counties are in proportion to the losses incurred by those counties by reason of reduction in assessed property taxes for agricultural lands.

Why It's Good

It's good for both budgets and land use policy. It is estimated that Butte County would receive an additional \$300,000 in property tax revenue from subvention payments. From the LAFCo perspective, the Williamson Act is less about money, but farmland and open space protections that are one of the core legislative purposes of LAFCo's state wide.

Background

The California Land Conservation Act of 1965 was created to conserve California's agricultural land through property tax incentives to landowners. In 1971, the Open Space Subvention Act became law, providing local governments an essential tool to forestall developing open space and agricultural land. Local governments are then able to enter into a contract with landowners and offer property tax incentives for voluntary restrictions on their land. These actions are fundamentally important to LAFCo's as we hold the line against urban sprawl and premature conversions of agricultural lands. Without the State subvention payments, many local governments have not been able to accept new contracts for land conservation.

And Now...

AB 1773 will once again fund the Williamson Act for the 2022-2023 budget year with a \$40 million one-time appropriation. This outcome is in alignment with the legislative goals and policies for LAFCo's and staff respectfully recommends the Commission support this legislation.

Action Requested: Provide any direction to staff and accept for information

Attachment: 1. Draft Letter of Support for AB 1773



BUTTE LOCAL AGENCY FORMATION COMMISSION

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Attachment 1

DRAFT
March 3, 2022

The Honorable Jim Patterson
Assemblyman 23rd District
Capitol Office, State Capitol
PO Box 942849
Sacramento, CA 94249-0023

Re: Letter in Support of AB 1773 (Patterson) – Williamson Act: subvention payments

Dear Assemblyman Patterson:

On behalf of the Butte Local Agency Formation Commission (LAFCo), I am pleased to support Assembly Bill 1773, which would appropriate forty million dollars in the 2022-23 State budget to make subvention payments to counties in proportion to the losses incurred by those counties by reason of reduction in assessed property taxes. This bill would allocate \$40 million from the General Fund to the Williamson Act for the purpose of subvention payments, with an estimated additional \$300,000 in property tax revenue to Butte County. From the LAFCo perspective, the Williamson Act is less about money, but farmland and open space protections that are one of the core legislative purposes of LAFCo's state wide.

The California Land Conservation Act of 1965 was created to conserve California's agricultural land. Commonly referred to as the Williamson Act, it allows local governments and landowners to work together to protect land for agricultural and open space use. In 1971, the Open Space Subvention Act became law, providing local governments an essential tool to forestall developing open space and agricultural land. Local governments are then able to enter into a contract with landowners and offer property tax incentives for voluntary restrictions on their land. These actions are fundamentally important to LAFCo's as we hold the line against urban sprawl and premature conversions of agricultural lands.

Without the State subvention payments, many local governments have not been able to accept new contracts for land conservation. While the Williamson Act has been effective at protecting over 16.5 million acres of land in California, these conservation efforts are at risk the longer the State goes without funding subvention payments. Without funding, the State's goal of preserving agricultural and open space lands from development is at risk. AB 1773 will once again fund the Williamson Act for the 2022-2023 budget year with a \$40 million one-time appropriation. Should you have any questions regarding Butte LAFCo's position on this matter, please contact myself at 530-538-6819 or slucas@buttecounty.net.

Sincerely,

Steve Lucas

Stephen Lucas
Executive Officer

cc: Butte County Board of Supervisors
The Honorable James Nielsen, California State Senate
The Honorable James Gallagher, California State Assembly
The Honorable Megan Dahle, California State Assembly
California State Association of Counties (CSAC)
LAFCo Commissioners