Date of Hearing: April 30, 2025

ASSEMBLY COMMITTEE ON AGRICULTURE Esmeralda Soria, Chair AB 524 Wilson – As Amended April 22, 2025

SUBJECT: Farmland Access and Conservation for Thriving Communities Act

SUMMARY: This bill would require the Department of Conservation (DOC), in collaboration with the California Agricultural Land Equity Task Force (CALETF), to establish the Farmland Access and Conservation for Thriving Communities (FACT-CA) Program, within the DOC to provide financial and technical assistance to support agricultural land acquisition and protection. Specifically, this bill:

- 1) Makes the following legislative findings and declarations:
 - a) California's small-scale, beginning, and socially disadvantaged farmers and ranchers (SDFR) face impossible challenges when attempting to gain secure access to land.
 - b) As the Governor's Executive Order No. N-15-19 acknowledged; tribal communities have faced extensive violence, exploitation, dispossession, and the attempted destruction of tribal communities, while persisting in stewarding and protecting lands.
 - c) With the combination of unattainable land prices, decreasing water availability and the rapid rate of private investment firms buying up available land as investment properties SDFR and beginning farmers and ranchers (BFR) have increasingly limited access to farming.
 - d) DOC estimates that just under 50,000 acres of the state's agricultural land are being lost annually. This conversion is leading to a significant loss to the state's agricultural rural economy and undermines the state's ability to store carbon and sustain resilient ecosystems.
 - e) Land consolidation continues to be on the rise in the state, making land more and more inaccessible every year. According to the United States Department of Agriculture's National Agricultural Statistics Service, in 2024, the average price of an acre of farmland in California was \$13,400. This ranks California as having some of the most expensive farmland in the country.
 - f) SDFR and BFR face significant barriers to accessing land due to the lingering effects of institutionalized racism and limited access to farm loan programs. This problem has been documented in various publications, including the Department of Food and Agriculture's report prepared pursuant to the Farmer Equity Act of 2017.

- h) To date, there is no state-level program designed to provide financial or technical resources to directly support farmers with accessing secure land.
- i) To address these issues, new opportunities are needed for SDFR and BFR to access land, whether through ownership or long-term leases. Financial tools like direct grants, forgivable or zero-interest loans, and certain types of easements, such as cultural respect easements and preemptive purchase rights, can help make farmland, farmer, and farmworker housing more accessible, protect it from sprawl development, and create new opportunities to support sustainable agriculture practices.
- 2) It is the intent of the Legislature that this act help ensure vital opportunities for land access and tenure for socially disadvantaged farmers and ranchers and beginning farmers and ranchers.
- 3) Defined the following:
 - a) "Agricultural land" means land used for the purpose of food or fiber or for the stewardship of cultural resources, or any combination of these things.
 - b) "Beginning", in reference to a farmer or rancher, means a natural person who has operated a farm or ranch for fewer than 10 years.
 - c) "Department" means the DOC.
 - d) "Farmer cooperative" means an entity that meets both of the following requirements:
 - i) The entity is either a worker cooperative, as specified, and whose articles of incorporation identify it as such, or a nonprofit cooperative association organized, as specified.
 - ii) The entity is a qualified farmer participant.
 - e) "Financial assistance" means a grant, forgivable loan, zero-interest loan, or any combination of these things.
 - f) "Program" means the FACT CA Program established pursuant to this division.
 - g) "Qualified entity" means any of the following entities:
 - A nonprofit organization with tax-exempt status pursuant to Section 501(c)(3) of Title 26 of the United States Code.

- ii) A public agency.
- iii) A farmer cooperative.
- iv) A tribal government.
- v) A tribal entity.
- vi) An agricultural land trust, the primary purpose of which is the preservation, protection, or enhancement of land in its natural, scenic, historical, agricultural, forested, or open-space condition or use.
- vii) A community land trust, as specified.
- h) "Qualified farmer participant" means a farm enterprise whose beneficial owners are BRF or SDFR, and that commit to using practices, methodologies, and techniques that improve soil health, biodiversity, conservation, and long-term sustainability in the production of agricultural crops to be sold in commerce or distributed.
- i) "SDFR" has the same meaning as provided in Section 512 of the Food and Agricultural Code.
- 4) Requires DOC, in collaboration with CALETF, to establish the FACT CA Program in the department to provide financial and technical assistance to support agricultural land acquisition and protection.
 - a) Requires DOC to provide financial assistance to qualified entities for the purpose of acquiring agricultural lands to transfer or provide long-term leases to qualified farmer participants.
- 5) Requires activities eligible for funding through FACT CA include, but are not limited to, all of the following:
 - a) Acquisition planning and development, including, but not limited to, all of the following:
 - i) Providing support to assist with land identification.
 - ii) Determining zoning and land-use restrictions and verifying water rights and access to irrigation.
 - iii) Inspecting soil quality, performing environmental reviews, and assessing impacts.
 - iv) Retaining legal services with regard to acquiring agricultural land by qualified entities and the subsequent sale or leasing of that land to qualified farmer participants in accordance with program requirements.
 - v) Ensuring compliance for permitting.
 - vi) Supporting the transition of newly acquired tribal fee land into tribal trust land.
 - vii) Surveying cultural resources.
 - viii) Testing of water quality and assessing the condition of existing irrigation infrastructure, including well condition and output.
 - b) Purchase of fee title to agricultural land.

- c) Purchase of easements, including, but not limited to, conservation easements, reserved interest conservation easements, or cultural access easements.
- d) Technical assistance, including, but not limited to, retaining services of licensed attorneys, real estate brokers, business planning consultants, farmer cooperative management consultants, and property appraisers.
- e) Land improvements that will directly benefit the lands and the individuals managing the land and their commitment to conservation and sustainable land use.
 - i) Requires these land improvements include, but are not limited to, farmer and farmworker housing, on-farm infrastructure improvements, and spaces for cultural practice.
- 6) Requires DOC, in providing financial assistance pursuant to the FACT CA, to do all of the following:
 - a) Prioritize financial assistance for activities that benefit socially disadvantaged farmers or ranchers.
 - b) Prioritize financial assistance for activities that primarily benefit farms or ranches that are 500 acres or fewer.
 - c) Prioritize financial assistance to qualified entities who have clearly demonstrated experience working with socially disadvantaged farmers or ranchers.
 - d) Prioritize technical and financial assistance to tribal governments and tribal entities to secure agricultural land or reclaim ancestral lands for sustainable food production and stewardship of cultural resources.
 - e) Provide reasonable per diem and resources to members of the CALETF to ensure proper oversight over the development of the program.
 - f) Ensure that the proceeds of future resale of land continue to be used for purposes of the program.
 - g) Ensure that no more than 15 percent of financial assistance awarded under FACT CA is used for those expenses, as specified.
 - h) Allocate at least 33 percent of financial assistance awarded under the program during each grant cycle to tribal governments and tribal entities.

- 7) Requires a qualified entity that receives a grant for financial assistance under FACT CA to do either of the following within five years of acquiring agricultural land with the financial assistance provided under the program:
 - a) Transfer the agricultural land to a qualified farmer participant in accordance with both of the following criteria:
 - i) The agricultural land is subject to an easement that meets the requirements, as specified, and that is recorded before or simultaneously with its transfer to the qualified farmer participant.
 - ii) The agricultural land is subject to any additional appropriate resale restrictions required by the department, such as affordability provisions, preemptive purchase rights, or shared appreciation consistent with the purposes of the program.
 - b) Enter into a long-term lease of the agricultural land with a qualified farmer participant in accordance with all of the following criteria:
 - i) The term of the lease is at least 10 years and no more than the time period, as specified,
 - ii) The duration of the lease may be fewer than 10 years if the initial term combined with options to renew the lease on the same or similar terms as the initial term collectively amount to at least 20 years,
 - iii) The lease authorizes the qualified farmer participant to terminate the lease with advanced notice, and,
 - iv) The lease provides the qualified farmer participant with the opportunity to purchase the land at or before the end of the lease term through a purchase option or a lease-toown provision in the lease agreement.
 - c) If a farmer cooperative receives a grant pursuant to the program, the farmer cooperative may maintain ownership of the agricultural land if it records a conservation easement against the agricultural land that meets the requirements, as specified, and it records any additional appropriate resale restrictions required by the department, such as affordability provisions, preemptive purchase rights, or shared appreciation, consistent with the purposes of the program.
- 8) Established The Farmland Access Fund in the State Treasury. The Farmland Access Fund is hereby continuously appropriated without regard to fiscal years to the DOC for FACT CA expenditures, as specified.
- 9) Requires the following moneys to be deposited into the fund:
 - a) Any moneys that may be appropriated by the Legislature for FACT CA.
 - b) Any gifts, grants, or endowments from private sources or the federal government received by the DOC for purposes of the FACT CA.

- c) Any moneys collected by the DOC as proceeds from repayments of loans issued, as specified.
- 10) Allows DOC to contract with one or more nonprofit organizations to administer the FACT CA if the DOC does both of the following:
 - a) The DOC determines that each nonprofit organization that it selects is a qualified entity that has demonstrated substantial experience serving SDFR.
 - b) The DOC consults with CALETF to select each nonprofit organization to administer FACT CA.

EXISTING LAW:

- 1) Establishes, within the DOC the, California Farmland Conservancy Program (CFCP).
- 2) Allows CFCP to offer financial assistance, including grants or contracts, for projects and activities on agricultural lands, as defined, which support agricultural conservation and sustainable land management.

FISCAL EFFECT: Unknown

COMMENTS: In recent years, the State of California has enacted several policies and programs intended to improve land access for the State's SDFR, BFR and limited resource farmers and ranchers. Stable and secure land tenure is vital in achieving long-term prosperity for California's farmers, a robust food system, and healthy natural and working lands. Like much of the United States, however, California's history has been characterized by inequitable access to land, especially for Indigenous communities who have been dispossessed of their traditional territory and others experiencing marginalization around the intersection of race, class, gender, and other identities. In recent years, actions by the State of California work address land access and equity in the agricultural sector. Policies such as The Sustainable Agricultural Lands Conservation (SALC) Program, the Farmer Equity Act (AB 1348), the 30x30 California initiative, and the California Agricultural Land Equity Task Force are working to expand land access/tenure programs.

Land tenure has never been more challenging as we see rapid rates of land loss and soaring land prices. According to the USDA's National Agricultural Statistics Service, in 2024, the average price of an acre of farmland in California was \$13,400—among the highest in the country. Today, the cost of land is worsening because of competition from hedge funds and warehouse developers for agricultural land. In California, 50% of cropland is owned by 5% of the total landowners, and 37% of cropland is owned by non-farmers and rented or leased, demonstrating how hard it is for community-scale farmers to break into owning farmland.

Addressing land tenure challenges is critical to conserving agricultural land, reducing carbon emissions, maintaining biodiversity, and achieving California's 30X30 goals. The DOC estimates nearly 50,000 acres of agricultural land are lost annually, weakening rural economies, increasing carbon emissions, and permanently damaging ecosystems. Increasing access to land for beginning and underserved farmers and land stewards is an essential step toward curbing

increasing development. Without secure, long-term leases or tenure, farmers and land stewards are unable to invest in the long-term sustainability of their farms, such as soil health practices.

Given the history of policies and laws that have discriminated, removed, and overall prevented SDFRs from obtaining Ag land, much needs to be done to right these wrongs and transition land to today's farmers and land stewards. Without access to secure land, farmers have limited stability on the land they rent, which leads to an inability to invest in sustainable agriculture and conservation practices or apply for many existing government programs.

According to the author, building off of the success of Proposition 4, this bill is meant to create a new land access program to address one of the largest challenges California's beginning and socially disadvantaged farmers face: land tenure. This program would open up opportunities for farmers who have the greatest need for land security while simultaneously supporting agricultural land conservation in California. Farmers have limited stability on the land they rent, which leads to an inability to invest in sustainable agriculture and conservation practices or apply for many existing government programs. This program will increase land tenure, protect it from sprawl development, and create new opportunities to support sustainable agricultural practices and land stewardship.

Supporters state to date, there is no state-level program dedicated to providing financial or technical resources to support farmers with land tenure. This bill is a bold step to fill this gap, creating the first statewide program in California dedicated to land security. Administered by the DOC, in consultation with the Agricultural Land Equity Task Force, this program aims to provide financial resources to various entities including beginning and underserved farmer cooperatives, SDFR-serving non-profit organizations, community land trusts, Tribal governments, Tribal entities, and land trusts to purchase land with the overall purpose of providing long-term leases or transferring land to farmers and Tribal communities directly. This program will also include funding essential technical assistance and infrastructural needs to ensure the long-term viability and success of these future farmers and land stewards. This bill is a critical bill that offers an opportunity to address a fundamental challenge facing our communities.

REGISTERED SUPPORT / OPPOSITION:

Support

Community Alliance with Family Farmers (CAFF) 2518 Ofb LLC Dba Wormley Orchards Acterra: Action for a Healthy Planet Agricultural Institute of Marin Agriculture and Land-based Training Association Alameda County Community Food Bank Alchemist CDC Allensworth Progressive Association American Farmland Trust Apple Creek Vineyard Farm Aqua Crop LLC Asian Pacific Islander Forward Movement

Association for Farmers Rights Defense, (AFRD) Asyrs Bridge LLC Bianchi Ranches Big Pine Paiute Tribe Black Thumb Farm Bless'd Blossom Garden Blossom Bluff Orchards Br Beef LLC Brisa Ranch Brown Sugar Farm Brunner Family Farm LLC Butte County Local Food Network California Agricultural Land Equity Task Force AB 524 Subcommittee California Center for Cooperative Development California Climate & Agricultural Network (CALCAN) California Community Land Trust Network California Farmlink California Food and Farming Network Captain Vineyards Carbon Cycle Institute Center for Land-based Learning Central California Environmental Justice Network Central Coast Alliance United for a Sustainable Economy **Ceres Community Project** Chiatri De Laguna Farm Chávez Lamb Coastside Farmers' Markets Condor's Hope Ranch County of Solano Crop Swap LA Cultural Roots Nursery Deep Roots Farm Devil's Gulch Ranch Dinner Bell Farm **Dolly Farms Vacaville** Earthseed Laboratories Edible Ecology INC. **Eggman Family Honey Farms** Endangered Habitats League **Entangled Stewardship** Estrella Farm Everyone's Harvest Farm2people Feral Heart Farm First Mother Farms Fogdog Farm Food Access LA Foodwise Fresh Approach Fresno Bipoc Produce INC. Friends Center for National Legislation Frog Hollow Farm Fruition Farm & Fiber Future Roots Farm Golden Nectar Farm Grazing School of the West

Green Foothills Green Hill Farms Grow Eco Farm Gt Florists & Herbs Hen and Harvest Farm Huitla Co Farm Hummingbird Agrotek, LLC Inecui Flowers Integrity Alpacas's & Fiber Interfaith Sustainable Food Collaborative Jaide Conservation Collective, LLC **Kitchel Family Organics** Kitchen Table Advisors Ladyhawke Farm Laura's Apples Littorai Wines Los Angeles Climate Reality Project Los Angeles Ecovillage Los Angeles Food Policy Council Los Prismas Organic Farms Lost Sierra Food Project Magpie Marin Food Policy Council Mariposa Habitat Nursery Mcgrath Family Farm Medium Farm LLC Merriman Properties LLC Mixteco/indígena Community Organizing Project (MICOP) Nextgen California Oasis.build Occidental Community Farmers Market Ocean Street Farm Olivia Tincani & Co., LLC Orange Home Grown Foundationinc. **Our Global Family Farm** Papa Joe Farm Pesticide Action & Agroecology Network Piano Farm Pie Ranch **Plowshares Alliance** Plurinational Land Reform in CA Working Group **Prevention Institute** Project New Village Red DOT Ranch Red H Farm **River Dip Farm Riverdance Farms**

Sustainable Systems Research Foundation The Farmer and the Cook The Hens Toost The Hungry Gardens Three Feathers Farm Tierra De Esperanza Organic Farm Tokoro Seeds Topete Family Farm Tree People Union of Concerned Scientists Veggielution West Marin Food Systems Group What We All Deserve (WWAD) Wisteria Springs Farm World Be Well Organization

Rootdown LA Roots of Change Saba Community Food Alliance San Diego Food System Alliance Santa Barbara County Food Action Network Santa Clara Valley Open Space Authority Shepherd App's Sierra Harvest Sierra Orchards Singing Frogs Farm Slow Food East Bay SoCal Double D Farm Sonoma County Agriculture and Open Space Spring Hill Farmstead Goat Cheese LLC Square One Foundation

Opposition

None on file

Analysis Prepared by: Victor Francovich / AGRI. / (916) 319-2084