



August 6, 2010

To: Members, Joint Budget Conference Committee

Senator Ducheny  
Senator Leno  
Senator Lowenthal  
Senator Dutton  
Senator Huff  
Assembly Member Blumenfield  
Assembly Member Conway  
Assembly Member Fuentes  
Assembly Member Nielsen  
Assembly Member Skinner

From: Kathy Mannion, RCRC  
Karen Keene, CSAC

Re: Williamson Act Funding

The Regional Council of Rural Counties (RCRC) and the California State Association of Counties (CSAC) urge the Joint Budget Conference Committee to include General Fund funding for the Williamson Act Subvention Program in the State Budget.

The Williamson Act is the single most-effective agricultural land preservation program in California. Many of the 54 counties that participate in the program will not be able to continue the program without help from the state. Given the Williamson Act's statewide benefits to the economy, agriculture and the environment, it is our hope that you as state leaders will demonstrate your commitment to the program by reinvesting in its long-term success.

Since its adoption 45 years ago, the California Land Conservation Act, commonly known as the Williamson Act, has grown into the state's most important farmland protection program. The program protects 16.5 million acres of farmland

throughout the state by offering property tax relief in return for rolling contracts to keep land in commercial agricultural production for 10 or 20 years

Enacted in 1971, the Williamson Act subvention program sets forth a state reimbursement formula for allocating payments to local governments based on acreage enrolled in the program. This financial support from the state has provided a tangible incentive for local governments to stay in the program and initiate more contracts by partially replacing property tax revenues lost on enrolled land.

In the most recent poll of landowners who participate in the Williamson Act program, one-in-three landowners said they would be unable to continue farming or ranching without the benefits of the program. It is estimated that the program saves property owners 20-75 percent in property taxes.

Without the Williamson Act large-scale farmland conversions will no doubt reduce the production of California commodities and this in turn will affect local and even international food markets. California is the dominant producer of many specialty crops that provide diversity in our diets. With the loss of production, prices will rise for all consumers, not just those in California.

In addition to preserving our state's agriculture, lands under Williamson Act contract help contribute to meeting California's AB 32 and SB 375 goals through carbon sequestration and effective land-use planning. Counties rely on the program to implement general plan conservation programs which address the growth of urban areas, the expansion of public infrastructure and the conservation of important agriculture and open space resources. The program also helps to maintain open space and critical habitat for many of California's most sensitive species.

California farmers and ranchers are an essential part of our state's economy. Agricultural production is large, dynamic, and closely linked to many other industries; for example, the production of farm inputs, the processing of food and beverages, the textile industry, transportation and financial services. Considering the economic multiplier effects, California farm and closely related processing industries employ 7.3 percent of the state's private sector labor force and account for 5.6 percent of the state labor income. Also, for every dollar of value added in labor income, property income and indirect business taxes, farming and agricultural related industries generate an additional \$1.27 in the state economy. For every 100 jobs in agriculture, including the food industry, there are 94 additional jobs created throughout the state. Farm exports, so vital to our nation's balance of trade, constituted 40 percent of the total export value of \$10 billion through the Port of Oakland in 2008 and contributed to 22 percent of the Port's annual revenue of \$135 million.

Additionally, the subvention program assists counties in dealing with numerous other responsibilities and public services. The loss of one of the last sources of discretionary revenues for the counties equates to further erosion of county services including: public safety, land use, elections, road maintenance and various health and human services.

Please contact Kathy Mannion at (916) 447-4806 or Karen Keene at (916) 327-7500x511 if you have any questions.

cc: Governor Arnold Schwarzenegger  
President Pro Tem Darrell Steinberg  
Senate Minority Leader Dennis Hollingsworth  
Speaker John Perez  
Assembly Minority Leader Martin Garrick