

Briefing Materials

Prepared for the California Agricultural Land Equity Task Force Meeting on August 14 & 15, 2024

The California Agricultural Land Equity Task Force (Task Force) was established in the Budget Act of 2022 ([AB 179](#)) to develop recommendations to equitably increase access to agricultural land for food production and traditional tribal agricultural uses. The Task Force consists of a regionally diverse group of individuals representing socially disadvantaged farmers and ranchers, land trusts, agricultural finance and real estate, and the State of California.

This briefing packet, developed by Strategic Growth Council (SGC) staff, includes three components:

1. A staff report to share information and updates;
2. An overview of the Sustainable Ground Water Management Act (SGMA) and its impacts on land access and tenure; and
3. A list of reports and guides addressing agricultural land access and equity.

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Strategic Growth Council Staff Report

To California Agricultural Land Equity Task Force Members

August 14 and 15, 2024

Strategic Growth Council Staffing Update

Caleb Swanson joined SGC as an Agricultural Land Equity Program Analyst on August 12. In this role, Caleb supports both the Agricultural Land Equity and Legal teams at SGC. Welcome, Caleb!

Announcements

On June 18, 2024, Governor Gavin Newsom announced the state's support for the return of over 2,800 acres of ancestral land to the Shasta Indian Nation. As noted in [the press release](#), "this return is one of the largest in state history and art of the state's ongoing efforts to right the historical wrongs committed against Native communities of California."

On Juneteenth (June 19), 2024, the Ujamaa Farmer Collective [publicly announced their acquisition](#) of 22 acres of farmland near Woodland, CA, where they will "further [their] mission of securing access to resources for the success of Black farmers in the Sacramento, CA region." Congratulations to Task Force members Nelson Hawkins and Nathaniel Brown, along with the entire Ujamaa team!

On June 25, 2024, Líderes Campesinas in partnership with CAUSE and MICOP released a report titled ["Healing Land, Collective Power: Possibilities, Barriers, and Visions of Transforming Land, Work, and Ownership Towards Cooperative Agriculture for Ventura County Farmworkers"](#). The report shares the results of two years of surveys, focus groups and research with farmworkers and land stewards. Congratulations to Task Force member Irene de Barraicua who co-led the study and report!

California State agencies are inviting feedback on the draft plan driving the response to the climate crisis. For more information on this work or for details about upcoming opportunities to learn more, please visit the California Natural Resources

Agency’s [California Climate Adaptation Strategy](#) web page or the main [California Climate Adaptation Strategy website](#). Comments can be e-mailed to climateresilience@resources.ca.gov, or mailed to California Natural Resources Agency Attn: 2024 California Climate Adaptation Strategy public comment, 715 P Street, Sacramento, CA 95814.

Response to Question from Task Force Members

Can funding from the Greenhouse Gas Reduction Fund (GGRF) be used for land acquisition?

Yes, if land acquisition is listed as an eligible expense for the program in question. When determining eligible expenses, administering agencies must abide by [California Climate Investments \(CCI\)](#) and applicable statutory requirements. The Sustainable Agricultural Lands Conservation (SALC) program, administered by the Department of Conservation in coordination with SGC, is an example of a GGRF-funded program that supports land acquisition activities.

Budget Update

Task Force Budget Table

Current as of May 31, 2024.

| Category | FY 22-23 expenditures | FY 23-24 expenditures thru May '24 | Total budgeted | Total obligated | Total remaining |
|---|------------------------------|---|-----------------------|------------------------|------------------------|
| Personnel (SGC staff) | \$0 | \$135,263 | \$1,121,689 | \$1,121,689 | \$0 |
| Operating expenses (travel, facilitator, language access, etc.) | \$91,000 | \$7,319 | \$833,311 | \$264,529 | \$470,463 |
| Research and technical assistance | \$0 | \$0 | \$270,000 | \$0 | \$270,000 |

| | | | | | |
|--|-----------------|------------------|--------------------|--------------------|--------------------|
| Local assistance (e.g., grants, pilot projects, research) | \$0 | \$0 | \$1,000,000 | \$0 | \$1,000,000 |
| Total | \$91,000 | \$142,582 | \$3,255,000 | \$1,386,218 | \$1,635,200 |

Additional Updates and Next Steps

Public Comment and Written Communication

As a complement to the existing public comment process, the [California Agricultural Land Equity Task Force meeting page](#) has been updated to include guidelines for submitting written comment to the Task Force or its subcommittees through SGC staff via the Agricultural Land Equity email address: landequity@sgc.ca.gov.

Written communication received in this manner will be compiled in a publicly accessible online repository that is updated at least quarterly. Written communication will not automatically be shared during Task Force or subcommittee meetings; however, staff may select and summarize specific comments for discussion in meetings, as appropriate. Staff reserve the right to omit offensive or inappropriate comments.

Additional details about how to provide public comment and written communication are provided on the [Task Force meeting page](#).

Work Plan Proposal

During the May 9, 2024 meeting, Task Force members requested that staff draft a work plan for their consideration. On August 15, members will review and discuss the proposed work plan shared alongside this briefing packet.

Task Force members will be prompted to consider whether their and their communities' priorities are reflected in the draft work plan, whether there are guiding principles, topics, subtopics, or preliminary recommendations that should be added or revised, and how they each wish to participate in the execution of the work plan.

Overview of the Sustainable Groundwater Management Act (SMGA) & Impacts on the Ground

The text below is adapted from the [Legislative Analyst’s Office’s Overview of the Sustainable Groundwater Management Act](#) presented on February 21, 2024.

History of SGMA

The Sustainable Groundwater Management Act (SGMA) was enacted in 2014 by Chapters 346 (SB 1168, Pavley), 347 (AB 1739, Dickinson), and 348 (SB 1319, Pavley). Its passage marked the first comprehensive statewide requirement to monitor and manage groundwater basins to avoid overdraft.

SGMA requires local agencies to form groundwater sustainability agencies (GSAs) for the high and medium priority basins. GSAs develop and implement groundwater sustainability plans (GSPs) to avoid undesirable results and mitigate overdraft within 20 years. SGMA’s requirements apply to 94 out of the states 515 groundwater basins. Of the 94 groundwater basins subject to regulation, 21 are considered “critically overdrafted.”

As of February 2024, 29 basins are not subject to all SGMA’s requirements because they are adjudicated, meaning they have an existing entity managing the groundwater in the basin. However, the entities administering the adjudications are required to submit annual reports to the Department of Water Resources (DWR) by April 1 of each year.

Together, the 94 “high and medium priority” basins, along with the 29 adjudicated basins, represent 98 percent of annual statewide groundwater pumping.

SGMA Timeline

| Date | Action |
|------|--------|
|------|--------|

| | |
|-------------------------|---|
| January 2015 | The Department of Water Resources (DWR) released initial basin prioritization. High- and medium-priority basins are subject to SGMA requirements. |
| January 2016 | DWR identified final list of basins subject to critical conditions of overdraft. These basins face some expedited compliance deadlines. |
| June 30, 2017 | Local agencies established groundwater sustainability agencies (GSAs). |
| January 31, 2020 | GSAs from basins in critical overdraft had to adopt and begin implementing groundwater sustainability plans (GSPs). DWR reviewed plans for adequacy after adoption and required resubmission of plans it deemed incomplete. |
| January 31, 2022 | GSAs from basins not in critical overdraft had to adopt and begin implementing GSPs. DWR was required to review plans for adequacy by January 2024. |
| January 31, 2040 | GSAs from basins in critical overdraft must achieve sustainability goals. |
| January 31, 2042 | GSAs from basins not in critical overdraft must achieve sustainability goals. |

Governance and Management Structures

SGMA requires groundwater to be managed locally. By 2017, local public agencies were required to form Groundwater Sustainability Agencies (GSAs) that manage groundwater in their basins, by (1) defining basins’ sustainable yield, (2) limiting extractions, and (3) imposing fees.

SGMA requires GSAs to develop enforceable Groundwater Sustainability Plans (GSPs) which must address how they will manage to avoid six indicators: lowering of groundwater levels, reduction of groundwater storage, seawater intrusion, land subsidence, water quality degradation, and depletions of interconnected surface water. GSPs for critically overdrafted basins were due to the Department of Water Resources (DWR) by January 2020 and for other basins by January 2022. Some agencies submitted alternative management plans based on existing plans they already had in place.

SGMA implementation is overseen by two state agencies. Department of Water Resources (DWR) led the initial phases of implementation. DWR also reviews and assesses Groundwater Sustainability Plan for compliance with SGMA; these reviews will take place every five years. State Water Resources Control Board (SWRCB) enforces the law and intervenes when local entities fail to comply, such as when DWR determines a local plan is inadequate to achieve sustainability in a basin. Intervention may include holding probationary hearings, imposing reporting requirements, issuing fees, assuming basin management responsibilities (including developing and implementing usage plans), and conducting enforcement actions.

Funding

The State has provided more than \$900 million to support SGMA implementation. This includes planning grants (\$139 million) that supported Groundwater Sustainability Agencies as they developed their Groundwater Sustainability Plans, and implementation grants (\$384 million) that supported a wide variety of projects that GSAs proposed to implement their GSPs, such as developing recharge basins and well inventories.

SGMA in Context

Land and Water Markets

Research suggests that SGMA's impacts on groundwater allocations have affected agricultural land values. As stated in a [FarmProgress article from March 2021](#), California agricultural land values that are rising and falling the most are doing so under the perception of water availability." This means some regions, like those with access to the Fresno Irrigation Canal, are seeing increases in the cost of agricultural land, while others are seeing prices remain flat or decline.

These trends are best understood alongside rising investment in California's cropland by institutional investors. According to a [Bloomberg report from 2021](#), "large investors and agribusinesses have snapped up about 163 million acres of farmland in more than 100 countries in the past 20 years. The land grab has given rise to a grab of an even scarcer global commodity: water." The article describes how "some of the world's largest investment banks, pension funds and insurers,

including Manulife Financial Corp.'s John Hancock unit, TIAA and UBS, have been depleting California's groundwater to grow high-value nuts." The resulting decline in groundwater "has deprived many shallower wells belonging to small farmers and poor communities...of sufficient water supplies."

A 2024 report titled "[Access for sale? Overlying rights, land transactions, and groundwater in California](#)" analyzes detailed data on farmland sales and resulting groundwater access patterns across different "buyer types" in the San Joaquin Valley between 2011–17. The authors report that 23.5% of agricultural acreage within critically overdrafted basins changed hands at least once during the study period demonstrating "large-scale transitions in farmland ownership."

The study results show that, on average, limited liability companies (LLCs) bought 5.7 times as many acres of farmland across the state (192 acres) compared to individual buyers (34 acres), and 6.9 times as many acres as the average individual buyer in overdrafted basins. The researchers compared these land ownership patterns with well construction rates and well depth to conclude that "the land market has substantially altered the composition of new groundwater rights holders over short timescales" and that "these trends signal increasing corporate farmland acquisition, which is associated with the construction of wells 77–81 feet deeper [than families and individual buyers], on average."

For some analysts, water markets are key to navigating these shifts. [A report by researchers at the Public Policy Institute of California \(PPIC\)](#), for example, argue that "adaptations such as water trading and investments in new supplies—along with continued growth in agricultural productivity—could soften the economic blow" of cropland repurposing.

Other analysts take a more cautious approach to water markets, arguing that they must be very carefully created and closely monitored to ensure that negative impacts do not outweigh potential benefits. In a [report about effective groundwater markets](#), a group of individuals who worked with the Fox Canyon Groundwater Market (the first functioning groundwater market in California, based in Ventura County) argue that clear and enforceable rules are critical to ensuring that water

markets do not exacerbate existing inequalities. In the words of the authors, “environmental groups, disadvantaged communities (DACs) and environmental justice organizations throughout California are right to be concerned that water-market activity may be dominated by those with the greatest financial resources or political power, that local groundwater allocations may be allocated disproportionately to these powerful groups and that adverse impacts, such as drying of DACs’ shallow drinking water wells or loss of GDEs, may result. These are real risks, and the remedy is a strong GSP [Groundwater Sustainability Plan] that balances economic, environmental and social benefits to ensure compliance with SGMA” (p. 52).

Experiences On the Ground

Reports suggest that farmers in SGMA’s priority basins are experiencing a variety of hardships related to drought and scarce water resources. However, as SGMA is not fully implemented until 2040, there is relatively little reported to-date about specific outcomes of the legislation for agricultural communities. What information does exist highlights 1) a concern that marginalized communities are disproportionately negatively affected by SGMA’s implementation and 2) uncertainty about future economic, social, health, and environmental impacts.

Researchers from the Clean Water Action/Clean Water Fund and CivicWell [reviewed 14 Groundwater Sustainability Plans](#) (GSPs) from critically overdrafted basins to understand “how underrepresented farmers were identified, engaged and included in the development and implementation” of the plans. Their results demonstrate that plans rarely explicitly consider and include small, diversified farmers as key water users in their jurisdictions. The authors warn that, “if GSPs do not proactively address groundwater level problems in the basin and consider all beneficial users, underrepresented farmers risk being disproportionately affected by lowering groundwater levels because of their dependence on shallow irrigation wells and their limited resources to pay for and operate deeper wells.”

As this study highlights, existing inequalities impact which communities are included in the planning process, which in turn may lead to worse outcomes for already-underserved communities. This is also true at the individual level; as quoted

in [& The West](#), Jelena Jezdimirovic of the Public Policy Institute of California (PPIC) notes, “time itself is an essential – and sparse – resource for small farmers planning head for SGMA.’ Large farmers have practically dedicated staff that can participate in the SGMA process,’ she said. Many immigrant farmers with small acreage in a single basin may not even be fully aware of the law until they are handed a mandate on groundwater pumping restriction.”

Similarly, research suggests that large farmers are more likely to mobilize available pathways, such as water markets, to continue using water at the expense of marginalized communities. [A report by the Union of Concerned Scientists](#) shows that while agricultural corporations are buying out smaller farmers and digging more and deeper wells, “rural farmworker communities are dealing with well failure, affected by key factors such as the presence of perennial crops, socioeconomic conditions, well density (both domestic and agricultural), and well depth.” In response, the [Union of Concerned Scientists advocates for using cropland transitions to rework agriculture](#) in the San Joaquin Valley toward a “sustainable, diversified economy that benefits local farmers, communities, and the environment.”

Additional Information

Below is a list of additional resources with information about groundwater and SGMA implementation and outcomes.

- Information from the California Department of Water Resources:
 - A short four-minute explainer video on groundwater: [Groundwater: California’s Vital Resource video](#)
 - Find data and resources on the [SGMA Portal](#)
 - Track California’s current and historic [water storage](#) and [groundwater supply](#)
 - [Sustainable Groundwater Management Act \(SGMA\) Brochure](#)
 - [Sustainable Groundwater Management Act \(SGMA\) 2019 Basin Prioritization Frequently Asked Questions](#)

- [Guide and resources](#) from the University of California Agriculture and Natural Resources (UC ANR) Groundwater in Working Landscapes – Nora S. Gustavsson Endowed Professorship & Cooperative Extension

Reports and Guides Concerning Agricultural Land Access and Equity

In response to requests from Task Force members for information about existing research and recommendations that can inform their efforts, SGC staff have compiled a list of reports and guides that detail research findings, models, and recommendations related to equitable agricultural land access.

The compilation is viewable online: [Reports and Recommendations on Agricultural Land Access and Equity](#).

SGC staff will continue to add publications to this spreadsheet on an ongoing basis. Task Force members are encouraged to review these resources as relevant to their work.

Examples

Below are brief descriptions of six publications selected from the spreadsheet linked above, listed alphabetically by title. These examples are intended to provide Task Force members with an overview of the range of perspectives, issues, priorities, approaches to equity, and target audiences that are included in the full compilation; they do not represent staff recommendations or priorities.

[*Agriculturalist & Landholder Relationship Guide, 2023*](#)

This guide by Kitchen Table Advisors (KTA) “aims to offer wisdom and guidance in service of fostering healthy landholder and farmer and rancher relationships. Informed by on-the-ground farmer experiences within the small-scale, sustainable agriculture community in Northern California, the guide is intended to contribute to a visionary path forward wherein producers and landholders can thrive together.” The guide discusses a range of issues from the perspectives of both landholders and agriculturalists, including navigating power dynamics and establishing effective communication.

[*Building a Future with Farmers 2022: Results and Recommendations from the National Young Farmer Survey*](#)

This report by the National Young Farmers Coalition (NYFC) focuses on challenges and needs of young farmers across the U.S. The survey “reveals the urgent structural challenges standing in the way of their success,” barriers that “are even higher for farmers who identify as Black, Indigenous, and other people of color (BIPOC).” The Report explains how land access is the top challenge facing young farmers and provides a set of key recommendations for policymakers on page 26. The seven recommendations specific to land access range from, “invest in community-led projects that create secure, affordable land access opportunities,” to “improve access to credit to help farmers compete in the real estate market.”

[*Food Sovereignty: California – Policy Considerations for California Native Communities in 2019*](#)

This report provides a brief overview of traditional foods in California, legislative milestones related to California Native American tribes, and a discussion of policy issues impacting cultural land uses and the intersections between food, air, and water. As described in the summary, “California tribes are unique in geography, language, land, air, water and cultural resource issues. The land bases of California tribes range from urban centers to some of the most isolated regions in the country. This report examines current threats to traditional foods and tribal food insecurity due to the rapid culture change of California tribal communities in the past century. It explores some of the natural resources that continue to be utilized for subsistence food as well as the policies at the state and federal level that affect how California tribal communities can access their Aboriginal resources.”

[*Healing Land, Collective Power: Possibilities, Barriers, and Visions of Transforming Land, Work, and Ownership Toward Cooperative Agriculture for Ventura County Farmworkers, 2024*](#)

This report by Central Coast Alliance United for a Sustainable Economy (CAUSE), Líderes Campesinas, and Mexico Indígena Community Organizing Project (MICOP), presents six policy recommendations for improving land access that were developed and prioritized in partnership with Ventura County farmworkers aspiring

to farm their own land. The report focuses on strategies related to developing farmworker-led cooperatives or land trusts. The authors suggest changes that could apply to the local, state and federal level.

As outlined in the introduction, “Ventura County agriculture is on the precipice of change, and needs innovation to thrive in the 21st century. Investing in farmworkers to steward land of their own through cooperatives can create a better life for those whose labor feeds the world and a healthier community for all of us. To achieve this transformational vision, we must change policy to promote land access, support permitting, and fund sustainable farming practices.”

[Land Access and Land Tenure for Limited Resource Farmers: Assessment of Conditions and Opportunities in Sonoma County, 2023](#)

This report was published by the Sonoma County Agricultural Preservation and Open Space District (“Ag + Open Space”) in order to “1) to inform Ag + Open Space, current and future partners, and allied organizations in Sonoma County about the needs of limited resource farmers (LRFs), and 2) to make recommendations for actions that Ag + Open Space and others can take to support equitable land access, secure land tenure, and associated farm business viability for limited resource farmers in the County.”

Chapter 5 in the Report includes a description of five different models that can be used by a variety of actors to improve affordable, secure land tenure for limited resource farmers. They are:

1. Enhanced Agricultural Conservation Easements
2. Buy-Protect-Sell
3. Incubators and other “stepping stone” lease models
4. Agricultural Parks (Ag Parks) and other congregant lease models
5. Community Land Trusts and other equity-building lease model

[USDA Equity Commission Final Report, 2024](#)

The USDA Equity Commission Final Report, titled “Recommendations made to the U.S. Department of Agriculture to Advance Equity for All,” details 66 specific recommendations to the Secretary of Agriculture that are intended to provide “a

roadmap for meaningful and lasting change, setting the stage for a more inclusive, just, and responsive USDA.”

The Commission, which “guide[s] USDA’s efforts to address historic and current discrimination and promote equity,” recommends a wide range of interventions at the federal level. These range from Language Access (Recommendation 4) and Funding for Farmworkers (Recommendation 26) to Heirs’ Property and Fractionated Land (Recommendation 13), Land Access (Recommendation 14), and Housing as Infrastructure (Recommendation 49).