

Language for Review and Discussion at the December 11, 2025 Task Force Meeting

This document provides language and ideas from the November Task Force meeting and one-on-one meetings that require further action from the Task Force at the December 11 meeting.

Language that was approved at the November Task Force meeting is available for review in the full report but is not listed separately in this document. Please see the Summary of Revisions in the Briefing Packet for additional details about changes between the November and December versions of the report.

Each section of this document begins with a numbered “decision” that the Task Force will consider at the Dec. 11 meeting:

- **DECISION: INCLUDE IN FINAL REPORT:** The Task Force will decide whether to include the language in the Final Report, move it to Appendix F, or remove it altogether.
- **DECISION: INCORPORATE ADDITION:** The Task Force will decide whether to incorporate proposed addition(s) (noted in orange) into existing language, move it to Appendix F, or remove it altogether.
- **DECISION: ADOPT DEFINITION:** The Task Force will decide which definition to adopt in the Final Report.
- **DECISION: ADOPT REVISION:** The Task Force will decide whether to adopt the proposed revision(s) in the Final Report.

Note that each decision begins on a new page for clarity and ease of in-meeting edits.

The end of this document (pages 13–15) includes [reference materials](#) that provide additional information about the proposed language in 3.1 (see pages 3 and 4).

DECISION 1: INCLUDE IN FINAL REPORT

2.5. Adopt new tax programs and benefits designed to serve priority producers and land stewards (p. 55)

- f) Direct the California Organized Investment Network (COIN) to prioritize projects that contribute to secure land tenure and ownership for priority producers and land stewards to channel low-cost capital toward supporting agricultural businesses and projects in low-income and rural communities.

What is COIN?

The California Organized Investment Network (COIN) is an established program in the California Department of Insurance that incentivizes insurance companies to invest in projects that deliver environmental and social benefits to rural, reservation-based, and low-to-moderate income (LMI) households and communities in California. Examples of currently supported projects include the Healthy Food Financing Initiative, which promotes access to healthy food across California by financing the distribution and retail of fresh food in areas designated as food deserts or Food Opportunity Areas, and Agriculture Capital (ACM Fund II, LLC), which cultivates a regenerative food and agriculture system by producing higher-quality food at scale, generating market-competitive returns for investors, and positively impacting local communities.

DECISION 2: INCORPORATE ADDITION (indicated by orange text)

See the [Reference Materials](#) at the end of this document for additional information about the technical terms in this proposed language.

3.1 Limit agricultural landownership by investment companies (p. 61)

- a) Adopt a “farmland for farmers” law that limits pension funds and investment companies from purchasing agricultural land, informed by proposed federal legislation [S.2583 – Farmland for Farmers Act of 2023](#). Include enforcement mechanisms to ensure the law is implemented as intended and mechanisms to address potential legal challenges to state-level regulation under the Dormant Commerce Clause.

DECISION 3: INCLUDE IN FINAL REPORT and INCORPORATE ADDITION (indicated by orange text)

See the [Reference Materials](#) at the end of this document for additional information about the technical terms in this proposed language.

3.1 Limit agricultural landownership by investment companies (p. 61)

- d) Fund research and a public report of recommendations evaluating the feasibility and potential efficacy of the following mechanisms to limit land consolidation by hedge funds, pension funds, and other financial entities:
 - i) Enforcing state and federal antitrust laws, including the Cartwright Act and its updated penalties approved in SB 763 (2025), where applicable, to entities such as pension funds, investment companies, and other entities with the ability to control a large share of California's agricultural industry.
 - ii) Requiring farmland owned by investment entities to be held in publicly traded real estate investment trusts (REITs) subject to federal securities laws with requirements for transparency, disclosures, and public reporting, limits on reinvestment, and protections against hostile takeovers. This can include the potential for developing non-shareholder rights for REITs that benefit local communities.
 - iii) Requiring owners of farmland in excess of a defined acreage or threshold of financial assets be considered Exchange Act reporting companies for disclosures.
 - iv) Establishing merit regulation, such as state public-interest review or screening of farmland investments, to evaluate risks of large-scale farmland purchases.
 - v) Enacting progressive property taxes with higher rates for entities with larger landholdings or financial assets to limit erosion of the tax base of rural communities.
 - vi) Expanding public-access trusts.

DECISION 4: INCLUDE IN FINAL REPORT

3.3 Establish a California Producer Retirement Fund (p. 62)

- b) To finance the Retirement Fund, consider the following sources (see additional ideas in Appendix F):
 - i) The new fee on pension funds and investment companies (3.1.b).
 - ii) The California Public Employees' Retirement System (CalPERS) for producers and land stewards providing public benefits.
 - iii) The California State Teachers' Retirement System (CalSTRS) for producers and land stewards providing community education.
- c) Consider appropriate limitations on eligibility with the core goal of benefiting small-scale and priority producers and land stewards who receive most of their income from agricultural operations (see Appendix F for initial considerations).

Relevant language from appendix F (p. 49):

- Related to the California Producer Retirement Fund (3.3):
 - 1. Consider the following factors when determining eligibility criteria:
 - Total income, including off-farm income
 - Acreage
 - Number of employees
 - Years of farming experience
 - Eligibility for other retirement programs
 - 2. Consider environmental services, regenerative agricultural practices, and participation in state procurement programs as part of the definition of "public benefit" in 3.3.b.

DECISION 5: INCLUDE IN FINAL REPORT

4.2. Improve conservation programs and tools to enable equitable land access and stewardship (p. 69)

- g) Conduct a study to evaluate the effects of the Williamson Act on land equity and convene interested parties to consider future legislative reforms.
 - i) Evaluate implementation across counties and strengthen statewide guidance.
 - ii) Consider establishing state subventions (financial assistance from the state to local governments) to establish Williamson Act contracts that directly benefit priority producers and land stewards.

DECISION 6: ADOPT DEFINITION (Appendix A pp. 4–5)

Producer and land steward

During one-on-one meetings, Task Force members shared differing opinions about how to define producers and land stewards. To account for these differences while maintaining the clarity and strength of the Task Force’s recommendations, staff propose that the Task Force adopt the following definition of priority producers and land stewards (new language is indicated in orange) and remove separate definitions of “producer” and “land steward” from the glossary.

The text below is the full definition from the Glossary.

Priority producers and land stewards: People who have been historically and systematically excluded from landownership and secure tenure for agriculture and traditional Tribal uses. *This includes those who grow agricultural products or raise livestock for sale, who steward agricultural land for community and ecological benefit, or who have unique relationships with land through Tribal Sovereign rights.*

This term is inclusive of the individuals identified in the two existing definitions detailed below, as well as farmworkers and others who aspire to start their own agricultural operations.

1. Socially disadvantaged farmers and ranchers, as defined in the 2017 Farmer Equity Act ([AB 1348](#)): A farmer or rancher who is a member of a socially disadvantaged group. “Socially disadvantaged group” means a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups include all of the following:
 1. African Americans.
 2. Native Indians [inclusive of California Native American Tribes]
 3. Alaskan Natives.
 4. Hispanics.
 5. Asian Americans.
 6. Native Hawaiians and Pacific Islanders.
2. An underserved producer, as defined in the Agriculture Improvement Act of 2018 (H.R.2), is “an individual (including a member of an Indian Tribe [California Native American Tribe]) that is
 1. a beginning farmer or rancher;
 2. a veteran farmer or rancher; or
 3. a socially disadvantaged farmer or rancher.”

The term “socially disadvantaged farmer or rancher” is defined in S.2830, Food, Agriculture, Conservation, and Trade Act of 1990, as “a farmer or rancher who is a

member of a socially disadvantaged group,” meaning “a group whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities.”

Alternatives

If the Task Force declines the above proposal, staff have identified three alternatives:

Alternative A

Remove separate definitions of producer and land steward from the glossary and add the following paragraph to the “Defining agricultural land equity” section.

Over the course of the Task Force’s conversations, differing opinions emerged about how best to define the terms “producer” and “land steward” in ways that honor the breadth of agricultural practices while respecting the distinct experiences of Tribal and non-Tribal communities. For some members, “land steward” is a term rooted in Indigenous traditions, reflecting the unique relationships and Sovereign rights that California Native American Tribes maintain with the land. Others emphasized a broader interpretation, viewing “land steward” as encompassing both Tribal and non-Tribal individuals who care for the land in ways that meet the long-term interests of communities, the natural world, and future generations. In recognition of these differing perspectives, the Task Force adopted the inclusive term “priority producers and land stewards” to describe the diverse communities at the heart of this report.

Alternative B

Adopt the definitions of producer and land steward as developed during the November 11 Task Force meeting, with minor edits for clarity.

Producer: A person who grows food, fiber, forage, flowers, or agricultural products or raises livestock for sale or community or ecological benefit. This includes people engaged in activities like planting, cultivating, harvesting, animal grazing and husbandry, as well as activities that restore balance and care for the natural world.

Land steward: A person who cares for and is in relationship with the land through direct connection and Tribal Sovereign rights in a way that meets the long-term interests of communities, the natural world, and future generations.

Alternative C

The Task Force removes the separate definitions of producer and land steward from the glossary and makes no further change.

DECISION 7: ADOPT DEFINITION

Agricultural land equity

Staff suggest a slight modification (noted in orange text) to the definition of agricultural land equity.

Current (pp. 2, 12; Appendix A p. 2):

Agricultural land equity is when all people have secure and affordable access to viable land for the stewardship and cultivation of food, fiber, medicine, and cultural resources without systemic barriers, disparities, or exploitation.

Proposed language:

Agricultural land equity is when all people have **equal opportunity for** secure and affordable access to viable land for the stewardship and cultivation of food, fiber, medicine, and cultural resources without systemic barriers, disparities, or exploitation.

DECISION 8: ADOPT REVISIONS

The revisions below were proposed by a Task Force member in response to a public comment letter received on Nov. 14, 2025.

6.1: Ensure eligibility of urban producers and land stewards in existing programs and provide tailored funding (p. 89)

- Remove 6.1.d.ii: Award projects in urban agriculture incentive zones additional points in state and local grants.
- Revise 6.2 to state: Fund research to evaluate the efficacy and outcomes of urban agriculture incentive zones (California Government Code 51040–51042). Share study results and recommendations with state and local governments.

DECISION 9: ADOPT REVISIONS

Organizational revisions

Task Force members proposed the following revisions to organizational structure:

- One member recommended moving section 3: Halt, Mitigate, and Reverse Agricultural Land Consolidation to the first section.
- One member recommended reorganizing the sections from those that are applicable to the broadest group to those that are the most specific, e.g., reordering as follows:
 1. Preserve California’s agricultural land while prioritizing equitable land access and stewardship (currently section 4)
 2. Halt, mitigate, and reverse agricultural land consolidation (currently section 3)
 3. Prioritize and protect secure land tenure (currently section 5)
 4. Fund and incentivize land acquisition for priority producers and land stewards (currently section 2)
 5. Prioritize Tribal stewardship and land return (currently section 1)
 6. Support urban agriculture (currently section 6)

Reference Materials for 3.1

The following terms and brief descriptions provide additional context for Task Force members to consider when deciding whether to include the proposed language in 3.1 in the Final Report (see pages 3 and 4 of this document).

More information is linked in each section and can be found in a [forthcoming article by Jessica A. Shoemaker and James Fallows Tierney](#) in *Yale Law Journal* titled Trading Acres.

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Terms and descriptions

[“Dormant” Commerce Clause](#): Refers to the legal interpretation of the Commerce Clause in the U.S. Constitution that effectively prohibits states from being economically “protectionist” or isolating themselves from the rest of the country. In practice, the clause has been used to block family farm laws that aim to restrict farmland ownership by out-of-state entities, including pension funds and investment companies.

Property and corporate law define land as something that can be regulated as “interstate commerce” under federal jurisdiction. This means land is protected by federal freedom of interstate commerce laws that exempt outside investors (pension funds, investment companies) from many mechanisms of local control related to land.

Source: Ingles, Jerrod. [“Strategies for Promoting Small and Sustainable Farming Practices: Avoiding the Pitfalls of the Dormant Commerce Clause.”](#) 27 DRAKE J. AGRIC. L. 25, 44–45 (2002).

[Antitrust laws](#): These are federal and state laws that protect against anticompetitive behavior and monopolies. The laws keep companies in a given sector of the economy, such as poultry production, from working together to fix prices or wages,

for example. The laws also make it illegal for a firm to monopolize a market by suppressing other competitors.

Cartwright Act: One of California's key antitrust laws designed to preserve free and fair competition, fair pricing and consumer welfare. It protects against agreements between businesses that would restrain trade or competition. The Act prohibits specific practices, including fixing prices for consumers, dividing up market allocation to reduce competition, bid-rigging, tying arrangements, and large companies boycotting smaller or newer businesses to remove them from the market. If a violation is found, the Attorney General can file a lawsuit to seek injunctions, financial penalties, and corrective actions to restore competitive conditions. Private parties harmed by anti-competitive practices can also file lawsuits under the Cartwright Act, which can lead to monetary compensation for damages.

SB-763 Conspiracy against trade: punishment. (2025-2026): The bill was signed into law in 2025 and updates California's Cartwright Act by increasing fines and civil penalties associated with violating the Act in the following ways: increased the fine with respect to corporate violators to \$6,000,000; increased the fine with respect to an individual violator to \$1,000,000; imposed an additional civil penalty of \$1,000,000 on a person, corporation, or business entity for violating the act.

Real estate investment trusts: Real estate investment trusts ("REITs") allow individuals to invest in large-scale, income-producing real estate. A REIT is a company that owns and typically operates real estate such as office buildings, apartments, and warehouses that produce income. Individuals may buy a share of publicly traded REITs, which are listed on stock exchanges, and then gain profit without having to pay the full price of purchasing real estate.

The Securities and Exchange Act of 1934 or "Exchange Act": This Federal Act regulates the secondary trading (buying and selling) of securities (e.g. stocks and bonds) to add transparency and accountability to the market. The Act also created the Securities and Exchange Commission (SEC) which was given the authority to write rules, monitor activity, and step in when misconduct occurred.

Mandating that all farmland owners exceeding a certain acreage or asset threshold are subject to transparency and disclosure under the Exchange Act would make it

harder for large investors to aggregate farmland through complex webs of subsidiary companies or affiliates without facing public scrutiny.

Progressive taxes: A tax that takes a larger percentage of income from high-income groups than from low-income groups. If applied to land holdings, the tax rate on larger scale landowners would be higher than for those with less land.