The Schools & Communities First initiative exempts agriculture from reassessment. The measure only reassesses commercial or industrial property. It explicitly exempts agricultural property defined as property used for the commercial production of agricultural commodities. It also exempts all land designated for open space or conservation uses.

- Agricultural land will continue to be assessed the way it is now, under Proposition 13.

- Property taxes for agricultural land will continue to be based on the property value of when it was last sold or Williamson Act values.

- Any residential structures on agricultural land would be exempt, as is all residential property.

Additionally, the measure provides exemptions for small businesses that will benefit ag producers. Additional exemptions in the measure include:

- Agriculture will receive the $500,000 exemption for business personal property (business equipment), so every farm will benefit from the measure even though the assessment will not change.

- If any part of the agricultural property is designated as commercial (e.g. a retail stand on the property), it will be eligible for the exemption from reassessment for any property that is commercial/industrial if its value is under $3 million.

Throughout the measure, both in intent and statute, agricultural property is exempt since only commercial or industrial property will be reassessed. The language is broad and explicit to ensure that agriculture will be exempt. Current laws affecting agricultural property do not change. If there is any borderline issue, there is full authority by the local county assessor, the Board of Equalization or the legislature to resolve that issue.