



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 881

PRINTERS NO. 1434

PRIME SPONSOR: Fee

COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
Agricultural Conservation Easement Purchase Fund	\$0	\$0

SUMMARY: House Bill 881, Printer's Number 1434, allows the department to use money in the Agricultural Conservation Easement Purchase Fund and provide for succession planning grants on preserved farms.

ANALYSIS: This bill amends the Farmland Administration Act (Act 159 of 1982) to allow the Department of Agriculture, in consultation with the State Agricultural Land Preservation Board, to issue grants not to exceed \$5,000 each for succession planning to ensure that agricultural operations continue on land subject to agricultural conservation easements. The department will also consult with the board to establish eligibility criteria for awarding these grants.

This legislation would take effect in 60 days upon enactment.

FISCAL IMPACT: Enactment of this legislation will have no adverse impact on Commonwealth funds. While the bill provides new succession planning grants for farms with conservation easements, funding is currently available under the Agricultural Conservation Easement Purchase Fund through the Agricultural Land Conservation Assistance Grant Program.

This grant program was established by Act 99 of 1994 from the sale proceeds of land, equipment or facilities transferred to the department. The act authorized the use of up to \$750,000 in the fund to make grants to counties for a limited number of purposes, including costs incurred in creating a spatial database; to train staff, contract with consultants and pay for computer software; and to develop and implement agricultural zoning ordinances. Grants shall not exceed the lesser of \$10,000 or 50% of the costs incurred and no county shall be eligible for more than an accumulative total of \$25,000 in grants.

Succession grant funding as proposed under the bill has been authorized under Fiscal Code bills the last three fiscal years (under Act 44 of 2017, Act 42 of 2018 and Act 20 of 2019), but House Bill 881 would allow for such planning grant requests to be included under the current Agricultural Land Conservation Assistance Grant Program. According to the department, fifteen succession planning grants have been awarded the last couple of years and approximately \$96,880 remains available in the fund.

PREPARED BY: Jeffrey Clukey
House Appropriations Committee (R)

DATE: April 7, 2020

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.