

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1193 Session of 1993

INTRODUCED BY STAPLETON, JUNE 3, 1993

AS REPORTED FROM COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, OCTOBER 13, 1993

AN ACT

1 Amending the act of June 30, 1981 (P.L.128, No.43), entitled "An
2 act authorizing the creation of agricultural areas," defining <—
3 "eligible counties"; further providing for allocation of
4 State moneys, for average realty transfer tax revenues and
5 for weighted transfer tax revenues. PROHIBITING REALLOCATION <—
6 OF STATE MONEYS.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 ~~Section 1. Section 3 of the act of June 30, 1981 (P.L.128, <—~~
10 ~~No.43), known as the Agricultural Area Security Law, is amended~~
11 ~~by adding a definition to read:~~

12 ~~Section 3. Definitions.~~

13 ~~The following words and phrases when used in this act shall~~
14 ~~have the meanings given to them in this section, unless the~~
15 ~~context clearly indicates otherwise:~~

16 * * *

17 ~~"Eligible counties." Counties whose easement purchase~~
18 ~~programs have been approved by the State Agricultural Land~~

1 ~~Preservation Board. For the purpose of annual allocations, an~~
2 ~~eligible county must have its easement purchase program approved~~
3 ~~by the State board by January 1 of the year in which the annual~~
4 ~~allocation is made. Counties of the first class are not eligible~~
5 ~~under any circumstances.~~

6 * * *

7 Section 2. ~~Section 14.1(c)(6)(iv) and (h) of the act,~~
8 ~~amended June 22, 1990 (P.L.242, No.57) and April 13, 1992~~
9 ~~(P.L.100, No.23), are amended to read:~~

10 Section 14.1. ~~Purchase of agricultural conservation easements.~~

11 * * *

12 (c) ~~Restrictions and limitations. An agricultural~~
13 ~~conservation easement shall be subject to the following terms,~~
14 ~~conditions, restrictions and limitations:~~

15 * * *

16 (6) ~~An agricultural conservation easement shall not~~
17 ~~prevent:~~

18 * * *

19 (iv) ~~Construction and use of structures on the~~
20 ~~subject land for the purpose of providing the landowner's~~
21 ~~principal residence or for providing necessary housing~~
22 ~~for seasonal or full time employees: Provided, That only~~
23 ~~one such structure may be constructed on no more than two~~
24 ~~acres of the subject land during the term of the~~
25 ~~agricultural conservation easement.~~

26 * * *

27 (h) ~~Allocation of State moneys. The State board shall make~~
28 ~~an annual allocation among counties, except counties of the~~
29 ~~first class, for the purchase of agricultural conservation~~
30 ~~easements, except for counties that do not have an easement~~

1 ~~purchase program approved by the State board by January 1 of the~~
2 ~~year in which the annual allocation is made.~~

3 (1) ~~As used in this subsection, the following words and~~
4 ~~phrases shall have the meanings given to them in this~~
5 ~~paragraph unless the context clearly indicates otherwise:~~

6 (i) ~~"Adjusted weighted transfer tax revenues." An~~
7 ~~amount equal to the weighted transfer tax revenues of a~~
8 ~~county divided by the sum of the weighted transfer tax~~
9 ~~revenues of all counties except counties of the first~~
10 ~~class.~~

11 (ii) ~~"Annual agricultural production." The total~~
12 ~~dollar volume of sales of livestock, crops and~~
13 ~~agricultural products according to the most recent Annual~~
14 ~~Crop and Livestock Summary published by the Pennsylvania~~
15 ~~Agricultural Statistics Service.~~

16 (iii) ~~"Annual easement purchase threshold." An~~
17 ~~amount annually determined by the State board which~~
18 ~~equals at least \$10,000,000.~~

19 (iv) ~~"Average realty transfer tax revenues." The~~
20 ~~total annual realty transfer tax revenues collected in~~
21 ~~[all counties, except counties of the first class,~~
22 ~~divided by 66] those counties with an easement purchase~~
23 ~~program approved by the State board by January 1 of the~~
24 ~~year in which the annual allocation is made, divided by~~
25 ~~the number of counties with approved easement programs by~~
26 ~~January 1.~~

27 (v) ~~"Realty transfer tax revenues." The tax imposed~~
28 ~~and collected under section 1102 C of the act of March 4,~~
29 ~~1971 (P.L. 6, No. 2), known as the "Tax Reform Code of~~
30 ~~1971."~~

1 ~~(vi) "Weighted transfer tax revenues." An amount~~
2 ~~equal to the total annual realty transfer tax revenues~~
3 ~~collected in [a] an eligible county divided by the sum of~~
4 ~~the total annual realty transfer tax revenues collected~~
5 ~~in all eligible counties [except counties of the first~~
6 ~~class] which does not exceed three times the average~~
7 ~~realty transfer tax revenues.~~

8 ~~(2) An annual allocation shall be made to each eligible~~
9 ~~county[, except counties of the first class,] for the~~
10 ~~purchase of agricultural conservation easements by the~~
11 ~~Commonwealth at the beginning of the county fiscal year which~~
12 ~~equals 50% of the annual easement purchase threshold~~
13 ~~multiplied by the adjusted weighted transfer tax revenues of~~
14 ~~the county for the preceding calendar year.~~

15 ~~(3) If the aggregate annual allocation under this~~
16 ~~paragraph to all eligible counties does not exceed 50% of the~~
17 ~~annual easement purchase threshold, an additional annual~~
18 ~~allocation from 50% of the annual easement purchase threshold~~
19 ~~shall be made to [a] an eligible county[, except a county of~~
20 ~~the first class,] at the beginning of the county fiscal year~~
21 ~~for the joint purchase of agricultural conservation easements~~
22 ~~by the Commonwealth and a county. The additional annual~~
23 ~~allocation under this paragraph shall equal the sum of:~~

24 ~~(i) The annual appropriation of local moneys by [a]~~
25 ~~an eligible county for the purchase of agricultural~~
26 ~~conservation easements which does not exceed the average~~
27 ~~annual allocation under paragraph (2) multiplied by four.~~

28 ~~(ii) The annual appropriation of local moneys by [a]~~
29 ~~an eligible county for the purchase of agricultural~~
30 ~~conservation easements which does not exceed the average~~

1 ~~annual allocation under paragraph (2) multiplied by four,~~
2 ~~if the county has an annual agricultural production which~~
3 ~~equals at least 2% of the total annual agricultural~~
4 ~~production of the Commonwealth for the same year.~~

5 ~~(4) If the aggregate annual allocation under paragraph~~
6 ~~(3) to all eligible counties would exceed 50% of the annual~~
7 ~~easement purchase threshold, paragraph (3) shall not apply,~~
8 ~~and an additional annual allocation shall be made under this~~
9 ~~paragraph at the beginning of the county fiscal year for the~~
10 ~~joint purchase of agricultural conservation easements by the~~
11 ~~Commonwealth and [a county, except a county of the first~~
12 ~~class] an eligible county. The additional annual allocation~~
13 ~~to [a] an eligible county under this paragraph shall equal~~
14 ~~50% of the annual easement purchase threshold multiplied by a~~
15 ~~percentage equal to the annual appropriation of local moneys~~
16 ~~appropriated by the county for the purchase of agricultural~~
17 ~~conservation easements divided by the aggregate of local~~
18 ~~moneys appropriated by all eligible counties for the purchase~~
19 ~~of agricultural conservation easements and in all cases shall~~
20 ~~not exceed the average annual allocation under paragraph (2)~~
21 ~~multiplied by four.~~

22 ~~(5) An additional annual allocation shall be made to [a]~~
23 ~~an eligible county, except a county of the first class, from~~
24 ~~the amount by which 50% of the annual easement purchase~~
25 ~~threshold exceeds the total allocations made under paragraph~~
26 ~~(3) or (4), as the case may be, as follows:~~

27 ~~(i) An additional annual allocation shall be made~~
28 ~~for the joint purchase of agricultural conservation~~
29 ~~easements by the Commonwealth and a county which equals~~
30 ~~six tenths of the amount by which 50% of the annual~~

1 easement purchase threshold exceeds the total allocations
2 made under paragraph (3) or (4), as the case may be,
3 multiplied by a percentage equal to the annual
4 appropriation of local moneys appropriated by the county
5 for the purchase of agricultural conservation easements
6 divided by the aggregate of local moneys appropriated by
7 all eligible counties for the purchase of agricultural
8 conservation easements.

9 (ii) An additional annual allocation shall be made
10 for the purchase of agricultural conservation easements
11 by the Commonwealth which equals four tenths of the
12 amount by which 50% of the annual easement purchase
13 threshold exceeds the total allocations made under
14 paragraph (3) or (4), as the case may be, multiplied by
15 the adjusted weighted transfer tax revenues of the county
16 for the preceding calendar year.

17 (6) The allocation of a county shall be adjusted for
18 purchases of agricultural conservation easements made with
19 moneys from the county's allocation, for all costs, except
20 administrative costs, incurred by the Commonwealth or a
21 county incident to the purchase of agricultural conservation
22 easements and for the costs of reimbursing nonprofit land
23 conservation organizations for expenses incurred in acquiring
24 and transferring agricultural conservation easements to the
25 Commonwealth or county. No purchase of an agricultural
26 conservation easement shall be made with State moneys
27 allocated to a county unless the amount of the purchase price
28 is equal to or less than the adjusted allocation or the
29 county pays the portion of the purchase price which
30 represents the difference between the purchase price and the

1 ~~adjusted allocation.~~

2 ~~(7) The first annual allocation to a county under~~
3 ~~paragraphs (3), (4) and (5)(i) shall continue for three~~
4 ~~county fiscal years occurring after the effective date of~~
5 ~~this act, and the second and third such annual allocations~~
6 ~~shall each continue for two county fiscal years occurring~~
7 ~~after the effective date of this act. Thereafter each such~~
8 ~~annual allocation shall be for one county fiscal year. Such~~
9 ~~annual allocations which have not been expended or encumbered~~
10 ~~at the end of the period for which they were allocated shall~~
11 ~~be reallocated in the subsequent county fiscal year to a~~
12 ~~county which used at least 90% of the allocation made to the~~
13 ~~county at the start of the period. The reallocation to a~~
14 ~~county under this paragraph shall be the total amount of the~~
15 ~~annual allocation available for reallocation under this~~
16 ~~paragraph multiplied by a percentage equal to the annual~~
17 ~~appropriation of local moneys appropriated by the county for~~
18 ~~the purchase of agricultural conservation easements at the~~
19 ~~start of the county fiscal year in which the annual~~
20 ~~allocation was made divided by the aggregate of local moneys~~
21 ~~appropriated by all eligible counties for the purchase of~~
22 ~~agricultural conservation easements at the start of the~~
23 ~~county fiscal year in which the annual allocation was made.~~
24 ~~Money reallocated to a county under this paragraph shall be~~
25 ~~available for one county fiscal year. Money reallocated to a~~
26 ~~county under this paragraph that has not been spent or~~
27 ~~encumbered at the conclusion of one county fiscal year shall~~
28 ~~be restored to the fund.~~

29 ~~(8) Initial allocations to counties under paragraphs (2)~~
30 ~~and (5)(ii) shall continue until the end of the fourth county~~

~~fiscal year occurring after the effective date of this act. The sum of the total annual allocations of all counties under paragraphs (2) and (5)(ii) which have not been expended or encumbered by the end of the fourth county fiscal year, and every county fiscal year thereafter, occurring after the effective date of this act shall be reallocated in the subsequent county fiscal year to a county which used at least 90% of the allocation made to the county at the start of the period. For purposes of determining eligibility for reallocation of funds and the amounts of reallocation, funds allocated to counties will be segregated and accounted for on a county fiscal year basis. Fifty percent of the amount available for allocation under this paragraph shall be reallocated in the manner set forth in paragraph (2), and 50% of the amount available for allocation under this paragraph shall be reallocated in the manner set forth in paragraphs (3), (4) and (5). For purposes of reallocating funds in the manner set forth in paragraph (2), realty transfer tax revenues used to calculate weighted transfer tax revenues shall correspond to the year for which funds are being reallocated and weighted transfer tax revenues shall be calculated only for counties eligible under this paragraph. Money reallocated to a county under this paragraph shall be available for one county fiscal year. Money reallocated to a county under this paragraph that has not been spent or encumbered at the conclusion of one county fiscal year shall be restored to the fund.~~

~~(9) The allocation made to a county under this subsection shall be used for the purchase of agricultural conservation easements in perpetuity: Provided, That no more~~

1 ~~than 30% of such allocation may be used at the option of a~~
2 ~~county for the purchase of agricultural conservation~~
3 ~~easements for a term of 25 years in the manner provided for~~
4 ~~in this act.~~

5 ~~Section 3. This act shall take effect in 60 days.~~

6 SECTION 1. SECTION 14.1(H) OF THE ACT OF JUNE 30, 1981 ←
7 (P.L.128, NO.43), KNOWN AS THE AGRICULTURAL AREA SECURITY LAW,
8 IS AMENDED BY ADDING A PARAGRAPH TO READ:

9 SECTION 14.1. PURCHASE OF AGRICULTURAL CONSERVATION EASEMENTS.

10 * * *

11 (H) ALLOCATION OF STATE MONEYS.--THE STATE BOARD SHALL MAKE
12 AN ANNUAL ALLOCATION AMONG COUNTIES, EXCEPT COUNTIES OF THE
13 FIRST CLASS, FOR THE PURCHASE OF AGRICULTURAL CONSERVATION
14 EASEMENTS.

15 * * *

16 (10) (I) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
17 SUBSECTION OR ANY PROVISION OF REGULATIONS PROMULGATED
18 PURSUANT TO THIS ACT, THE DEPARTMENT SHALL NOT REALLOCATE
19 FUNDS WHICH WERE ALLOCATED PRIOR TO JANUARY 1, 1994, IF,
20 BY DECEMBER 31, 1993, THE DEPARTMENT HAS RECEIVED AN
21 AGREEMENT SIGNED BY THE LANDOWNER AND THE COUNTY BOARD TO
22 PURCHASE A SPECIFIC AGRICULTURAL CONSERVATION EASEMENT AS
23 PART OF THE COUNTY BOARD'S RECOMMENDATION FOR PURCHASE.

24 (II) NOTHING IN THIS PARAGRAPH SHALL AFFECT ANY
25 REALLOCATION MADE PRIOR TO THE EFFECTIVE DATE OF THIS
26 PARAGRAPH.

27 SECTION 2. THIS ACT SHALL BE RETROACTIVE TO DECEMBER 31,
28 1993, IF ENACTED AFTER THAT DATE.

29 SECTION 3. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.