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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1689 Session of  
2017

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INTRODUCED BY CUTLER, GREINER, BERNSTINE, GODSHALL, MILLARD,  
O'NEILL, ZIMMERMAN, A. HARRIS, HICKERNELL, FEE, M. QUINN,  
JOZWIAK, RYAN, MENTZER, CHARLTON, ELLIS, GILLEN, CORBIN,  
VITALI, TOEPEL, COMITTA, ROE, STURLA, HARPER AND B. MILLER,  
JULY 27, 2017

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REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS,  
JULY 27, 2017

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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," further  
3 providing for purchase of agricultural conservation  
4 easements, for Agricultural Conservation Easement Purchase  
5 Fund and for Land Trust Reimbursement Program.

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

8 Section 1. Sections 14.1(b.2)(1) and 14.2(a)(3) of the act  
9 of June 30, 1981 (P.L.128, No.43), known as the Agricultural  
10 Area Security Law, are amended to read:

11 Section 14.1. Purchase of agricultural conservation easements.

12 \* \* \*

13 (b.2) Eligible nonprofit entity participation.--An eligible  
14 nonprofit entity may participate, along with an eligible county,  
15 the Commonwealth and a local government unit eligible to  
16 participate under subsection (b.1), in the preservation of  
17 farmland through the purchase of agricultural conservation

1 easements.

2 (1) The eligible nonprofit entity may purchase an  
3 agricultural conservation easement if all of the following  
4 apply:

5 (i) The agricultural conservation easement is a  
6 joint purchase with the county and may include the  
7 Commonwealth or a local government unit, or both.

8 (ii) The deed of agricultural conservation easement  
9 is as prescribed by the State board for agricultural  
10 conservation easements purchased by the Commonwealth.

11 (iii) The eligible nonprofit entity does not seek  
12 reimbursement for the purchase of the agricultural  
13 conservation easement under section 14.6(b).

14 \* \* \*

15 Section 14.2. Agricultural Conservation Easement Purchase Fund.

16 (a) Purpose of fund.--

17 \* \* \*

18 (3) Each fiscal year, [up to \$200,000] \$2,500,000 of the  
19 money in the fund [may] shall be used for the purpose of  
20 [reimbursement allocation] reimbursing eligible nonprofit  
21 entities for the purchase of agricultural conservation  
22 easements under section 14.6(b) [.] and \$500,000 of the money  
23 in the fund shall be used for the purpose of reimbursing  
24 eligible nonprofit entities for transaction expenses under  
25 section 14.6(c) relating to the purchase of agricultural  
26 conservation easements under section 14.6(b). Up to 10% of  
27 [these] the funds allocated for transaction expenses relating  
28 to the purchase of agricultural conservation easements may be  
29 used for administrative expenses of the department incurred  
30 under section 14.6(b) and (c).

1 \* \* \*

2 Section 2. Section 14.6(b), (c), (d) and (e) of the act are  
3 amended and the section is amended by adding subsections to  
4 read:

5 Section 14.6. Land Trust Reimbursement Program.

6 \* \* \*

7 (b) Reimbursement.--The State board [may] shall allocate  
8 funds to reimburse land trusts for the purchase of agricultural  
9 conservation easements and for transaction expenses incurred in  
10 acquiring agricultural conservation easements in this  
11 Commonwealth.

12 (c) Eligible transaction expenses.--Eligible expenses  
13 include:

- 14 (1) Appraisals.
- 15 (2) Legal services.
- 16 (3) Title searches.
- 17 (4) Document preparation.
- 18 (5) Title insurance.
- 19 (6) Closing fees.
- 20 (7) Survey costs.

21 (c.1) Eligible purchase expenses.--Eligible agricultural  
22 conservation easement purchase expenses under this section shall  
23 include payments by a land trust to acquire an agricultural  
24 conservation easement.

25 (d) Limitations.--

26 (1) Reimbursement for the purchase of agricultural  
27 conservation easements shall [be limited to \$5,000 per  
28 easement] not exceed \$2,500 per acre or 50% of the appraised  
29 per-acre value, whichever is less.

30 (2) The term of an agricultural conservation easement

1 shall be perpetual.

2 (3) A land trust must provide matching funds equal to  
3 the amount of the reimbursement for the purchase of an  
4 agricultural conservation easement.

5 (4) Reimbursement shall not be provided to a land trust  
6 for the expense of an agricultural conservation easement  
7 purchased jointly with the county under section 14.1(b.2)(1).

8 (5) Reimbursement of transaction expenses shall be  
9 limited to \$10,000 per agricultural conservation easement.

10 (e) Eligibility.--To be eligible under this subsection, a  
11 land trust shall be an eligible nonprofit entity and shall:

12 (1) register with the State board;

13 (2) coordinate agricultural conservation easement  
14 purchase activities with the eligible county in which the  
15 activity occurs or coordinate such activities with the State  
16 board, if the activity does not occur within an eligible  
17 county; and

18 (3) submit an application to the State board, with the  
19 statement of costs [incidental to] of the acquisition and  
20 transaction expenses, the deed of easement and any other  
21 documentation required by the State board, within 60 days of  
22 closing on the easement.

23 (f) Transfer to county.--The following apply:

24 (1) If a land trust ceases to exist, an agricultural  
25 conservation easement purchased by the land trust which was  
26 reimbursed for purchase costs under this section shall be  
27 transferred to the eligible county where the agricultural  
28 conservation easement was recorded.

29 (2) If an agricultural conservation easement under  
30 paragraph (1) is recorded in a county that is not an eligible

1     county, the agricultural conservation easement shall be  
2     transferred to the State board.  
3     Section 3. This act shall take effect in 60 days.