
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 574 Session of
2019

INTRODUCED BY GREINER, HILL-EVANS, BERNSTINE, B. MILLER,
COMITTA, FEE, MENTZER, MILLARD, ZIMMERMAN, HICKERNELL,
STURLA, A. DAVIS, RYAN, HERSHEY, NEILSON AND SAPPEY,
FEBRUARY 28, 2019

REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS,
FEBRUARY 28, 2019

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)(2) and (3) of
9 the act of June 30, 1981 (P.L.128, No.43), known as the
10 Agricultural 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
18 easements.

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

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

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

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

13 * * *

14 Section 14.2. Agricultural Conservation Easement Purchase Fund.

15 (a) Purpose of fund.--

16 * * *

17 (2) Except as set forth in paragraph 3, the moneys
18 appropriated to the fund shall be utilized in accordance with
19 the expenditures and distribution authorized, required or
20 otherwise provided in the program for purchase of
21 agricultural conservation easements contained in section
22 14.1, and for the purpose of paying all costs, except
23 administrative costs, incurred by the Commonwealth or a
24 county incident to the purchase of agricultural conservation
25 easements[, and for the purpose of reimbursing nonprofit land
26 conservation organizations for expenses incurred in acquiring
27 and transferring agricultural conservation easements to the
28 Commonwealth or a county].

29 (3) [Each fiscal year, up to \$200,000 of the money in
30 the fund may be used for the purpose of reimbursement

1 allocation under section 14.6(b). Up to 10% of these funds
2 may be used for administrative expenses of the department
3 incurred under section 14.6(b).] By March 1 of each year, the
4 State board shall make the following annual allocations from
5 the fund:

6 (i) The amount of \$2,500,000 for the purpose of
7 reimbursing eligible nonprofit entities for the purchase
8 of agricultural conservation easements under section
9 14.6(b). The amount allocated under this subparagraph
10 shall not exceed 10% of the total annual allocation made
11 under section 14.1(h).

12 (ii) The amount of \$500,000 for the purpose of
13 reimbursing eligible nonprofit entities for transaction
14 expenses under section 14.6(c) relating to the purchase
15 of agricultural conservation easements under section
16 14.6(b). Up to 10% of the amount allocated under this
17 subparagraph for transaction expenses relating to the
18 purchase of agricultural conservation easements may be
19 used for administrative expenses incurred by the
20 department under section 14.6(b) and (c).

21 * * *

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

25 Section 14.6. Land Trust Reimbursement Program.

26 * * *

27 (b) Reimbursement.--[The] In accordance with section 14.2(a)
28 (3), the State board [may] shall allocate funds to reimburse
29 land trusts for the purchase of agricultural conservation
30 easements and for transaction expenses incurred in acquiring

1 agricultural conservation easements in this Commonwealth. Money
2 allocated under this subsection which has not been expended by
3 December 31 of the year in which the money was allocated shall
4 lapse back to the fund.

5 (c) Eligible transaction expenses.--Eligible expenses
6 include:

- 7 (1) Appraisals.
- 8 (2) Legal services.
- 9 (3) Title searches.
- 10 (4) Document preparation.
- 11 (5) Title insurance.
- 12 (6) Closing fees.
- 13 (7) Survey costs.

14 (c.1) Eligible purchase expenses.--Eligible agricultural
15 conservation easement purchase expenses under this section shall
16 include payments by a land trust to acquire an agricultural
17 conservation easement.

18 (d) Limitations.--

19 (1) Reimbursement for the purchase of an agricultural
20 conservation easement shall [be limited to \$5,000 per
21 easement] not exceed \$2,500 per acre or 50% of the appraised
22 per-acre value, whichever is less.

23 (2) The term of an agricultural conservation easement
24 shall be perpetual.

25 (3) An agricultural conservation easement shall:

26 (i) consist of at least 10 acres;

27 (ii) contain at least 50% of harvested cropland,
28 pasture or grazing land; and

29 (iii) comply with the provisions of 7 Pa. Code §
30 138e.16(a)(1) and (3) (relating to minimum criteria for

1 applications).

2 (4) A land trust must provide matching funds equal to
3 the amount of the reimbursement for the purchase of an
4 agricultural conservation easement. Up to 50% of the donated
5 value of the agricultural conservation easement may be used
6 to satisfy the provisions of this paragraph.

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

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

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

14 (1) register with the State board;

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

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

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

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

1 (2) If an agricultural conservation easement under
2 paragraph (1) is recorded in a county that is not an eligible
3 county, the agricultural conservation easement shall be
4 transferred to the State board.

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