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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 64 Session of  
2021

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INTRODUCED BY MARTIN, VOGEL, AUMENT, PHILLIPS-HILL, J. WARD,  
ARNOLD, MASTRIANO AND STREET, JANUARY 20, 2021

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REFERRED TO AGRICULTURE AND RURAL AFFAIRS, JANUARY 20, 2021

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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)(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.

19 (1) The eligible nonprofit entity may purchase an

1 agricultural conservation easement if all of the following  
2 apply:

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

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

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

12 \* \* \*

13 Section 14.2. Agricultural Conservation Easement Purchase Fund.

14 (a) Purpose of fund.--

15 \* \* \*

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

28 (3) [Each fiscal year, up to \$200,000 of the money in  
29 the fund may be used for the purpose of reimbursement  
30 allocation under section 14.6(b). Up to 10% of these funds

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

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

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

20 \* \* \*

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

24 Section 14.6. Land Trust Reimbursement Program.

25 \* \* \*

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

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

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

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

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

17 (d) Limitations.--

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

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

24 (3) An agricultural conservation easement shall:

25 (i) consist of at least 10 acres;

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

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

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

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

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

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

13           (1) register with the State board;

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

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

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

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

30           (2) If an agricultural conservation easement under

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

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