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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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AS REPORTED FROM COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS,  
HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 15, 2022

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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.

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~~ GREATER AMOUNT OF <--  
7 \$1,000,000 OR 80% OF THE AMOUNT RESTORED TO THE FUND  
8 UNDER SECTION 14.1(H)(8.2) for the purpose of reimbursing  
9 eligible nonprofit entities for the purchase of  
10 agricultural conservation easements under section  
11 14.6(b). The amount allocated under this subparagraph  
12 shall not exceed 10% of the total annual allocation made  
13 under section 14.1(h).

14 (ii) The amount of ~~\$500,000~~ \$200,000 PLUS 20% OF THE <--  
15 AMOUNT RESTORED TO THE FUND UNDER SECTION 14.1(H)(8.2)  
16 for the purpose of reimbursing eligible nonprofit  
17 entities for transaction expenses under section 14.6(c)  
18 relating to the purchase of agricultural conservation  
19 easements under section 14.6(b). Up to ~~10%~~ \$20,000 of the <--  
20 amount allocated under this subparagraph for transaction  
21 expenses relating to the purchase of agricultural  
22 conservation easements may be used for administrative  
23 expenses incurred by the department under section 14.6(b)  
24 and (c).

25 \* \* \*

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

29 Section 14.6. Land Trust Reimbursement Program.

30 \* \* \*

1 (b) Reimbursement.--[The] In accordance with section 14.2(a)  
2 (3), the State board [may] shall allocate funds to reimburse  
3 land trusts for the purchase of agricultural conservation  
4 easements and for transaction expenses incurred in acquiring  
5 agricultural conservation easements in this Commonwealth. Money  
6 allocated under this subsection which has not been expended by  
7 December 31 of the year in which the money was allocated shall  
8 lapse back to the fund.

9 (c) Eligible transaction expenses.--Eligible expenses  
10 include:

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

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

22 (d) Limitations.--

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

27 (2) The term of an agricultural conservation easement  
28 shall be perpetual.

29 (3) An agricultural conservation easement shall:

30 (i) consist of at least 10 acres;

1            (ii) contain at least 50% THE GREATER OF 50% OR 10 <--  
2            ACRES of harvested cropland, pasture or grazing land; and  
3            (iii) comply with the provisions of 7 Pa. Code §  
4            138e.16(a)(1) and (3) (relating to minimum criteria for  
5            applications).

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

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

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

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

- 18           (1) register with the State board;
- 19           (2) coordinate agricultural conservation easement  
20 purchase activities with the eligible county in which the  
21 activity occurs or coordinate such activities with the State  
22 board, if the activity does not occur within an eligible  
23 county; and

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

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

- 30           (1) If a land trust ceases to exist, an agricultural

1 conservation easement purchased by the land trust which was  
2 reimbursed for purchase costs under this section shall be  
3 transferred to the eligible county where the agricultural  
4 conservation easement was recorded. <--

5 ~~(2) If an agricultural conservation easement under~~  
6 ~~paragraph (1) is recorded in a county that is not an eligible~~  
7 ~~county, the agricultural conservation easement shall be~~  
8 ~~transferred to the State board.~~ OR TO ANOTHER ELIGIBLE <--  
9 NONPROFIT ENTITY.

10 (2) (RESERVED).

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