No. 2011-44

AN ACT

HB 562

Amending the act of June 30, 1981 (P.L.128, No.43), entitled "An act authorizing the creation of agricultural areas," further providing for definitions and for purchase of agricultural conservation easements; and abrogating a regulation.

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

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

Section 3. Definitions.

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

* * *

"Contiguous acreage." All portions of one operational unit as described in the deed, whether or not the portions are divided by streams, public roads, bridges or railroads and whether or not described as multiple tax parcels, tracts, purparts or other property identifiers. The term includes supportive lands, such as unpaved field access roads, drainage areas, border strips, hedgerows, submerged lands, marshes, ponds and streams.

Section 2. Section 14.1(c)(2), (3) and (6) of the act, amended November 23, 1994 (P.L.621, No.96) and November 1, 2005 (P.L.323, No.61), are amended to read:

Section 14.1. Purchase of agricultural conservation easements.

* * *

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

* * *

- [(2) Unless otherwise authorized in accordance with subsection (i), an agricultural conservation easement shall not be sold, conveyed, extinguished, leased, encumbered or restricted in whole or in part for a period of 25 years beginning on the date of purchase of the easement.
- (3) Unless otherwise authorized in accordance with subsection (i), if the land subject to the agricultural conservation easement is no longer viable agricultural land, the Commonwealth, subject to the approval of the State board, and the county, subject to the approval of the county board, may sell, convey, extinguish, lease, encumber or restrict an agricultural conservation easement to the current owner of record of the farmland subject to the easement after the expiration of 25 years from the date of purchase of the easement for a purchase price equal to the value at the time of resale determined pursuant to

subsection (f) at the time of conveyance. A conveyance by the Commonwealth pursuant to this subsection shall not be subject to the requirements of Article XXIV-A of the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929." The purchase price shall be payable to the Commonwealth and the county as their respective legal interests in the agricultural conservation easement appear, and a separate payment shall be made to the Commonwealth and the county accordingly at the time of settlement. Any payment received by the Commonwealth pursuant to this provision shall be paid into the fund.]

* * *

- (6) An agricultural conservation easement shall not prevent:
- (i) The granting of leases, assignments or other conveyances or the issuing of permits, licenses or other authorization for the exploration, development, storage or removal of coal or noncoal minerals by underground mining methods, oil and gas by the owner of the subject land or the owner of the underlying coal or noncoal minerals by underground mining methods, oil and gas or the owner of the rights to develop the underlying coal or noncoal minerals by underground mining methods, oil and gas, or the development of appurtenant facilities related to the removal of coal or noncoal minerals by underground mining methods, oil or gas development or activities incident to the removal or development of such minerals.
- (ii) The granting of rights-of-way by the owner of the subject land in and through the land for the installation of, transportation of, or use of water, sewage, electric, telephone, coal *or noncoal minerals* by underground mining methods, gas, oil or oil products lines.
- (iii) Construction and use of structures on the subject land necessary for agricultural production or a commercial equine activity.
- (iv) Construction and use of structures on the subject land for the landowner's principal residence or for the purpose of providing necessary housing for seasonal or full-time employees: Provided, That only one such structure may be constructed on no more than two acres of the subject land during the term of the agricultural conservation easement.
- (v) Customary part-time or off-season minor or rural enterprises and activities which are provided for in the county Agricultural Conservation Easement Purchase Program approved by the State board under subsection (d).
- (vi) Commercial equine activity on the subject land.

Section 3. The definition of "contiguous acreage" in 7 Pa. Code § 138e.3 (relating to definitions) is abrogated.

Section 4. This act shall take effect as follows:

(1) The amendment of section 14.1(c)(2) and (3) of the act shall take effect in 60 days.

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(2) The remainder of this act shall take effect immediately.

APPROVED-The 7th day of July, A.D. 2011

TOM CORBETT