



House of Representatives

General Assembly

File No. 954

January Session, 2009

Substitute House Bill No. 5267

House of Representatives, May 14, 2009

The Committee on Finance, Revenue and Bonding reported through REP. STAPLES of the 96th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE USE OF SMALL TOWN ECONOMIC ASSISTANCE PROGRAM FUNDS TO CONVERT PRIME FARMLAND TO NONAGRICULTURAL USE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 4-66g of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2009*):

4 (b) (1) The proceeds of the sale of said bonds, to the extent of the
5 amount stated in subsection (a) of this section, shall be used by the
6 Office of Policy and Management for a small town economic assistance
7 program the purpose of which shall be to provide grants-in-aid to any
8 municipality that is not economically distressed within the meaning of
9 subsection (b) of section 32-9p, does not have an urban center in any
10 plan adopted by the General Assembly pursuant to section 16a-30 and
11 is not a public investment community within the meaning of
12 subdivision (9) of subsection (a) of section 7-545. Such grants shall be

13 used for purposes for which funds would be available under section 4-
 14 66c. No municipality may receive more than five hundred thousand
 15 dollars in any one fiscal year under said program. No such grant shall
 16 be awarded for a project that converts prime farmland, as defined in
 17 section 22-26bb, to nonagricultural use unless the municipality (A)
 18 permanently protects a parcel of prime farmland that is equivalent in
 19 acreage to the farmland that would be converted by such project, or (B)
 20 has demonstrated a commitment to agricultural land preservation by
 21 implementing not less than two of the following methods: (i) Enacting
 22 a right-to-farm ordinance, (ii) establishing a fund, the sole purpose of
 23 which is to preserve farmland, or (iii) adopting regulations that allow
 24 for the transfer of development rights for the purpose of preserving
 25 farmland.

26 (2) Notwithstanding the provisions of this subsection and section 4-
 27 66c, a municipality that is [(1)] (A) a distressed municipality within the
 28 meaning of subsection (b) of section 32-9p or a public investment
 29 community within the meaning of subdivision (9) of subsection (a) of
 30 section 7-545, and [(2)] (B) otherwise eligible under this subsection for
 31 the small town economic assistance program may elect to be eligible
 32 for said program in lieu of being eligible for financial assistance under
 33 section 4-66c, by a vote of its legislative body or, in the case of a
 34 municipality in which the legislative body is a town meeting, its board
 35 of selectmen, and submitting a written notice of such vote to the
 36 Secretary of the Office of Policy and Management. Any such election
 37 shall be for the four-year period following submission of such notice to
 38 the secretary and may be extended for additional four-year periods in
 39 accordance with the same procedure for the initial election.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2009	4-66g(b)

FIN Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill prohibits the use of Small Town Economic Assistance Program (STEAP) funds to convert prime farm land to nonagricultural purposes unless the town meets certain criteria. This could result in some STEAP applications being eliminated from consideration for funding but the bill is not expected to have a fiscal impact because the Office of Policy and Management receives significantly more applications for this program than there are funds available. The current unallocated balance for this program is \$20 million.

OLR Bill Analysis**sHB 5267*****AN ACT CONCERNING THE USE OF SMALL TOWN ECONOMIC ASSISTANCE PROGRAM FUNDS TO CONVERT PRIME FARMLAND TO NONAGRICULTURAL USE.*****SUMMARY:**

This bill prohibits the state from awarding Small Town Economic Assistance Program (STEAP) grants for projects that convert prime farmland to nonagricultural uses unless the municipality:

1. permanently protects a prime farmland parcel equivalent in acreage to the farmland that would be converted by the project or
2. demonstrates its commitment to preserving agricultural land by implementing at least two of the following: (a) enacting a right-to-farm ordinance (i.e., a local ordinance, in addition to state law, protecting farmers from public and private nuisance lawsuits); (b) establishing a dedicated farmland preservation fund, or (c) adopting regulations concerning transfer of development rights for farmland preservation.

EFFECTIVE DATE: October 1, 2009

BACKGROUND***STEAP***

The Office of Policy and Management awards STEAP grants, which can be used only for capital costs for public improvement projects, including mass transit, recreational, and solid waste; developing business and mixed-use properties and low- and moderate-income housing; and preserving historic properties (CGS § 4-66g).

Farmland Preservation

The goal of the Department of Agriculture's farmland preservation program is to secure a food and fiber producing land resource base, consisting primarily of prime and important farmland soils, for the state's agriculture future. The state purchases development rights to the farmland, permanently preserving it for agricultural use.

Right-to-farm Law

CGS § 19a-341 protects farm operations and facilities from certain nuisance lawsuits, but it does not exempt them from zoning law. Notwithstanding other state and local laws, the section generally precludes lawsuits based on:

1. odor from livestock, manure, fertilizer, or feed;
2. noise from livestock or farm equipment used in normal, generally acceptable farming procedures;
3. dust caused by plowing or cultivation;
4. use of chemicals consistent with practices approved by the departments of Environmental Protection and Public Health; and
5. water pollution from livestock or crop production, subject to several exceptions.

The protection does not apply when a nuisance is caused by negligence or reckless or willful misconduct in the operation of the farm.

Legislative History

On April 28, 2009, the House referred the bill to the Finance, Revenue and Bonding Committee, which on May 4 favorably reported the substitute allowing use of STEAP funds for projects that convert prime farmland to nonagricultural use under certain conditions.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute

Yea 28 Nay 3 (03/20/2009)

Planning and Development Committee

Joint Favorable

Yea 12 Nay 5 (04/20/2009)

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 51 Nay 0 (05/04/2009)