



House of Representatives

General Assembly

File No. 301

February Session, 2014

Substitute House Bill No. 5419

House of Representatives, April 2, 2014

The Committee on Environment reported through REP. GENTILE of the 104th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE PRESERVATION OF THE SAVIN FARM IN LEBANON.

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

1 Section 1. (NEW) (*Effective from passage*) (a) Notwithstanding any
2 provision of the general statutes, the property that is known as the
3 "Savin Farm" and located in the town of Lebanon shall be preserved.
4 The Commissioner of Agriculture shall acquire a property survey of
5 said property conforming to a Class A-2 horizontal survey.

6 (b) The Commissioner of Agriculture shall grant to a nonprofit
7 organization, as defined in Section 501(c)(3) of the Internal Revenue
8 Code of 1986, or any subsequent corresponding Internal Revenue Code
9 of the United States, as amended from time to time, a permanent
10 conservation easement on the Savin Farm based upon such Class A-2
11 survey. The primary mission of any such nonprofit organization shall
12 be the protection of agricultural lands for agricultural use. Such
13 permanent conservation easement shall provide for the conservation of
14 said farm for agricultural use and shall allow for the lease, permit or

15 license by the Commissioner of Agriculture of any portion of said farm
16 to one or more persons or entities for the purpose of engaging in
17 agriculture, as defined in section 1-1 of the general statutes. Such
18 permanent conservation easement shall be subject to the review and
19 approval of the State Properties Review Board. The State Properties
20 Review Board shall complete a review of such permanent conservation
21 easement not later than thirty days after receipt of a proposed
22 permanent conservation easement from the Commissioner of
23 Agriculture.

24 (c) The Commissioner of Agriculture may lease, permit or license all
25 or part of said property to one or more persons for the purpose of
26 engaging in agriculture, as defined in section 1-1 of the general
27 statutes. Any such lease, permit or license shall be for a period not to
28 exceed fifteen years and shall contain, as a condition thereof,
29 compliance with the provisions of the permanent conservation
30 easement granted pursuant to subsection (b) of this section. Any such
31 lease, permit or license may be renewed for a period not to exceed
32 fifteen years. Any property leased, permitted or licensed pursuant to
33 this subsection shall be exempt from taxation by the municipality in
34 which said property is located. The assessed valuation of said property
35 shall be included in the assessed valuation of state-owned land and
36 buildings for purposes of determining the state's grant in lieu of taxes
37 pursuant to the provisions of section 12-19a of the general statutes.
38 Any such lease, permit or license shall be subject to the review and
39 approval of the State Properties Review Board. The State Properties
40 Review Board shall complete a review of each lease, permit or license
41 not later than thirty days after receipt of a proposed lease, permit or
42 license from the Commissioner of Agriculture.

43 (d) Any permanent conservation easement pursuant to subsection
44 (b) of this section shall provide that all agricultural activities conducted
45 on said property shall be conducted in accordance with a conservation
46 plan prepared by the United States Department of Agriculture,
47 Natural Resources Conservation Service, and approved by the
48 Commissioner of Agriculture. Such conservation plan shall be updated

49 periodically and whenever the nature of any agricultural operation on
50 said property changes. Such plan shall provide for management of said
51 farm in a manner that: (1) Is consistent with generally accepted
52 agricultural practices, including, but not limited to, practices identified
53 by the Natural Resources Conservation Service Field Office Technical
54 Guide, and (2) is consistent with the protection of the agricultural and
55 conservation values of said property.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

ENV *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:

Municipalities	Effect	FY 15 \$	FY 16 \$	FY 17 \$	FY 19 \$
Lebanon	Potential Revenue Loss	None	None	Potential	Potential

Explanation

The bill establishes procedures to preserve and manage the Department of Agriculture’s (DAG) “Savin Farm” property in Lebanon, including a requirement that the agency obtain a boundary study. As the agency has already obtained the boundary study, there is no fiscal impact to DAG.

The bill also grants a permanent conservation easement on Savin Farm in Lebanon, and requires that the tax loss on this property to the Town of Lebanon be reimbursed through the State Property PILOT grant program.

This land is currently the property of the State of Connecticut and, therefore, is included as part of Lebanon’s State Property PILOT payment. However, the easement potentially reduces the market value of the property, which reduces the assessed value and may result in a reduced payment to Lebanon. If this occurred, there would be a corresponding increase in payments to all other towns, as the appropriation for the program is pro-rated.

The Out Years

State Impact: None

Municipal Impact: If the easement occurred prior to October 1, 2014, any impact on State Property PILOT payments would not occur until FY 17, due to the timing of payments.

OLR Bill Analysis

sHB 5419

AN ACT CONCERNING THE PRESERVATION OF THE SAVIN FARM IN LEBANON.

SUMMARY:

This bill establishes a procedure to preserve and manage the Department of Agriculture's (DoAg) "Savin Farm" property in Lebanon.

The bill requires DoAg to grant a permanent conservation easement on the farm to a nonprofit organization. The easement must be based on a horizontal Class A-2 (boundary) survey obtained by the DoAg commissioner.

Under the bill, the easement must (1) provide for conservation of the farm for agricultural use, conducted according to a federally prepared and DoAg-approved conservation plan, and (2) allow the commissioner to lease, permit, or license any part of the farm to one or more people or entities for that use. The proposed easement and any proposed DoAg lease, permit, or license is subject to State Properties Review Board review and approval. The board must complete its review within 30 days after receiving the proposal.

The bill exempts the leased, permitted, or licensed property from local property taxes and adds its value to the assessed value of state-owned land and buildings for calculating payments in lieu of taxes (PILOT). By law, the state must reimburse towns for 45% of their lost revenue from most state-owned property.

EFFECTIVE DATE: Upon passage

PERMANENT CONSERVATION EASEMENT

The bill requires the primary mission of the nonprofit organization receiving the permanent conservation easement to be protecting agricultural land for agricultural use.

The easement must provide that all agricultural activity conducted on the farm be done according to a conservation plan (1) prepared by the U.S. Department of Agriculture’s Natural Resources Conservation Service (NRCS) and (2) approved by the commissioner.

The bill requires the conservation plan to provide for farm management consistent with (1) generally accepted agricultural practices, including those in the NRCS Field Office Technical Guide and (2) protecting the farm’s agricultural and conservation values. The plan must be updated periodically and when the farm’s agricultural operation changes.

USE OF THE FARM

Under the bill, the DoAg leases, permits, or licenses must (1) have a term of up to 15 years and (2) require compliance with the permanent conservation easement. They are renewable for up to 15 years.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute
Yea 24 Nay 4 (03/17/2014)