

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 680

Short Title: Allow OPAV/Conservation Esmts. on Farmland. (Public)

Sponsors: Representative Ager.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Agriculture, if favorable, Rules, Calendar, and Operations of the House

April 11, 2017

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT AGRICULTURAL CONSERVATION EASEMENTS ON FARMLAND MAY INCLUDE TERMS ALLOWING AN EASEMENT HOLDER THE OPTION TO PURCHASE THE LAND AT AGRICULTURAL VALUE, WHICH MAY RUN IN PERPETUITY.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 41 of the General Statutes is amended by adding a new section to read:

"§ 41-34. Option to purchase at agricultural value.

(a) Notwithstanding any time limit established by this Article, an agricultural conservation easement on qualifying farmland, as that term is defined by G.S. 106-737, may include a provision that provides the easement holder a right of first refusal or option to purchase the land encumbered by the easement at agricultural value. When executed, a right of first refusal or option to purchase land at agricultural value included in an agricultural conservation easement may exist in perpetuity, run with the land, and bind all future owners of the farmland encumbered by an agricultural conservation easement.

(b) For purposes of this section, the following definitions apply:

(1) The term "agricultural conservation easement" means a negative easement in gross restricting residential, commercial, and industrial development of land for the purpose of maintaining its agricultural production capability.

(2) The term "agricultural value" means the value of land encumbered by an agricultural conservation easement based upon the highest and best use of the land for agricultural purposes, which value may rise and fall commensurate with market conditions, inflation, or other valuation factors."

SECTION 2. This act is effective when it becomes law and applies to agricultural conservation easements executed on or after that date.

