

AGRICULTURE SUSTAINABILITY ACT

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott K. Jenkins

House Sponsor: _____

LONG TITLE

General Description:

This bill creates the Agriculture Sustainability Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires first, second, and third class counties, and permits fourth, fifth, and sixth class counties, to each establish an Agriculture Sustainability Investment Fund (fund);
- ▶ requires a county to deposit a rollback tax collected by the county into the fund;
- ▶ authorizes the county to appropriate money in the fund as directed by an appropriation plan;
- ▶ creates the Agricultural Preservation Selection and Funding Committee (committee);
- ▶ authorizes the committee to:
 - appoint nonvoting members;
 - adopt an appropriation plan;
 - adopt land evaluation and site assessment criteria;
 - approve or reject an application for an agriculture conservation easement or contract;
 - approve an instrument to be recorded to secure an agriculture conservation



28 easement or contract; and

29 • adopt a map identifying land within the county with an agriculture conservation
30 easement or contract, prime farmland, or critical farmland;

31 ▶ authorizes a county to hold an agriculture conservation easement or contract
32 approved by the committee;

33 ▶ authorizes the county or department to annually review a property subject to an
34 agriculture conservation easement or contract;

35 ▶ prohibits an owner of property subject to an agriculture conservation easement or
36 contract from using the property for nonagriculture production;

37 ▶ establishes certain protections for certain agricultural land, including prohibiting a
38 political subdivision or state entity from condemning property subject to an
39 agriculture conservation easement or contract, or identified as prime farmland or
40 critical farmland, without complying with certain requirements;

41 ▶ authorizes a one-time increase in the calculation of a taxing entity's certified tax
42 rate;

43 ▶ amends related tax provisions; and

44 ▶ makes technical corrections.

45 **Money Appropriated in this Bill:**

46 None

47 **Other Special Clauses:**

48 None

49 **Utah Code Sections Affected:**

50 AMENDS:

51 **59-2-505**, as last amended by Laws of Utah 2008, Chapters 231 and 301

52 **59-2-506**, as last amended by Laws of Utah 2003, Chapter 208

53 **59-2-506.5**, as last amended by Laws of Utah 2003, Chapter 208

54 **59-2-924.2**, as last amended by Laws of Utah 2010, Chapter 279

55 ENACTS:

56 **17-36-55**, Utah Code Annotated 1953

57 **17-41a-101**, Utah Code Annotated 1953

58 **17-41a-102**, Utah Code Annotated 1953

- 59 **17-41a-201**, Utah Code Annotated 1953
- 60 **17-41a-202**, Utah Code Annotated 1953
- 61 **17-41a-203**, Utah Code Annotated 1953
- 62 **17-41a-301**, Utah Code Annotated 1953
- 63 **17-41a-302**, Utah Code Annotated 1953
- 64 **17-41a-303**, Utah Code Annotated 1953
- 65 **17-41a-304**, Utah Code Annotated 1953
- 66 **17-41a-401**, Utah Code Annotated 1953
- 67 **17-41a-402**, Utah Code Annotated 1953
- 68 **17-41a-403**, Utah Code Annotated 1953
- 69 **17-41a-404**, Utah Code Annotated 1953
- 70 **17-41a-405**, Utah Code Annotated 1953



72 *Be it enacted by the Legislature of the state of Utah:*

73 Section 1. Section **17-36-55** is enacted to read:

74 **17-36-55. Agriculture sustainability investment fund.**

75 (1) As used in this section:

76 (a) "Agriculture conservation easement" is as defined in Section 17-41a-102.

77 (b) "Agriculture production" is as defined in Section 17-41a-102.

78 (c) "Appropriation plan" is as defined in Section 17-41a-102.

79 (d) "Contract" is as defined in Section 17-41a-102.

80 (e) "Rollback tax" means a tax imposed in accordance with Section 59-2-506.

81 (2) (a) A county of the first, second, or third class shall, and a county of the fourth,
82 fifth, or sixth class may, each establish and administer a fund known as the "Agriculture
83 Sustainability Investment Fund."

84 (b) Money in the fund shall be used to purchase and administer an agriculture
85 conservation easement or contract approved under Section 17-41a-302.

86 (c) The fund may accrue interest.

87 (3) (a) The county:

88 (i) shall deposit into the fund:

89 (A) all rollback taxes collected in the county in accordance with Section 59-2-506;

- 90 (B) interest accrued from the fund; and
- 91 (C) a fee authorized in accordance with Section 17-41a-201; and
- 92 (ii) may deposit into the fund any other lawfully available source of revenue, including
- 93 money from another county fund, a grant, a donation, an endowment, or a gift.
- 94 (b) The county shall administer the fund in accordance with an appropriation plan
- 95 described in Section 17-41a-202.

96 Section 2. Section **17-41a-101** is enacted to read:

97 **CHAPTER 41a. AGRICULTURE SUSTAINABILITY ACT**

98 **Part 1. General Provisions**

99 **17-41a-101. Title.**

100 This chapter is known as "Agriculture Sustainability Act."

101 Section 3. Section **17-41a-102** is enacted to read:

102 **17-41a-102. Definitions.**

103 As used in this chapter:

104 (1) "Agriculture conservation easement" means a term easement for 30 years or more,

105 covenant, restriction, or condition in a deed, will, or other instrument signed by or on behalf of

106 the record owner of the underlying real property for the purpose of preserving and maintaining

107 land or water areas in perpetuity for agriculture production.

108 (2) (a) "Agricultural production" means the production for commercial or retail

109 marketing or private use of crops, livestock, or livestock products.

110 (b) "Agricultural production" does not include:

111 (i) business manufacturing activities; or

112 (ii) production on property dedicated to and meeting the requirements for payment or

113 other compensation under a crop-land retirement program with an agency of the state or federal

114 government.

115 (3) "Appropriation plan" means a plan created by the committee to appropriate money

116 from the fund to purchase and administer an agriculture conservation easement or contract.

117 (4) "Commission" means the Conservation Commission created in Section 4-18-4.

118 (5) "Committee" means the Agricultural Preservation Selection and Funding

119 Committee established in Section 17-41a-201.

120 (6) "Contract" means a covenant, restriction, or condition in a deed, will, or other

121 instrument signed by or on behalf of the record owner of the underlying real property for the
122 purpose of preserving and maintaining land or water areas, subject to termination by time or
123 condition, for agriculture production.

124 (7) (a) "Critical farmland" means land that is critical to maintain the mass agriculture
125 production necessary for an area of agriculture production within a county to continue in a
126 productive and profitable manner.

127 (b) "Critical farmland" does not include prime farmland.

128 (8) "Crops, livestock, and livestock products" include plants grown and animals kept
129 for private use or for the purpose of realizing a profit, including:

130 (a) forages and sod crops;

131 (b) grains and feed crops;

132 (c) livestock, including all domestic animals, honeybees, poultry, fur-bearing animals,
133 and fish;

134 (d) trees and fruits; or

135 (e) vegetables, nursery, floral, aquaculture, or ornamental stock.

136 (9) "Department" means the Department of Agriculture and Food created under Section
137 4-2-1.

138 (10) "Fund" means the Agriculture Sustainability Investment Fund established in
139 Section 17-36-55.

140 (11) "Land evaluation and site assessment criteria" means the criteria established by the
141 committee in accordance with Section 17-41a-202 to evaluate whether or not an application for
142 an agriculture conservation easement or contract should be approved.

143 (12) "Prime farmland" means land that:

144 (a) has a favorable combination of physical and nutrient attributes for producing crops;
145 and

146 (b) is supported by a growing season and a water supply likely to produce in a
147 profitable and sustainable manner.

148 Section 4. Section **17-41a-201** is enacted to read:

149 **Part 2. Agricultural Preservation Selection and Funding Committee**

150 **17-41a-201. Agricultural Preservation Selection and Funding Committee --**

151 **Created -- Compensation.**

152 (1) A fund established in Section 17-36-55 shall be administered by the Agricultural
153 Preservation Selection and Funding Committee.

154 (2) (a) (i) A county legislative body of a county that establishes a fund in accordance
155 with Section 17-36-55 shall appoint five members from the county's conservation district board
156 of supervisors described in Section 17D-3-301 to serve as voting members of the committee.

157 (ii) If a county has more than one conservation district, the county legislative body
158 shall appoint, in accordance with Subsection (2)(a)(i), a combination of five members
159 representing each of the conservation districts.

160 (b) A committee member described in Subsection (2)(a) shall serve on the committee
161 for the same term as the member's term on the board of supervisors in accordance with
162 Subsection 17D-3-301(3).

163 (c) (i) The county legislative body shall appoint a member of the county legislative
164 body to fill a vacancy in the committee.

165 (ii) A person appointed under Subsection (2)(c)(i) shall serve the remainder of the
166 unexpired term.

167 (d) (i) A majority of the committee members described in this Subsection (2)
168 constitutes a quorum for the transaction of committee business.

169 (ii) Action by a majority of a quorum present at a meeting of the committee constitutes
170 action of the committee.

171 (e) The committee members described in this Subsection (2):

172 (i) shall elect a chair from among their number; and

173 (ii) may elect other officers from among their number as necessary.

174 (3) (a) The members of the committee described in Subsection (2) may appoint and set
175 terms for nonvoting members of the committee.

176 (b) A nonvoting member of the committee shall be a person who has expertise in
177 agriculture, land management, law, or any other area of expertise necessary to assist the
178 committee with its duties.

179 (4) For performing official duties, each member of the committee described in
180 Subsection (2) shall be reimbursed from the fund for per diem and travel expenses at a rate
181 established in accordance with Section 63A-3-106.

182 (5) (a) If a committee member or an immediate family member of the committee

183 member owns or has an interest in property being considered under this chapter for an
184 agriculture conservation easement or contract, the committee member may not participate or in
185 any way be involved with:

186 (i) any preliminary committee discussions or communications on the application or
187 other applications submitted for the same public hearing;

188 (ii) a public hearing, a committee review, a public meeting, or committee action
189 described in Section 17-41a-302 where the committee will consider an application for the
190 property described in Subsection (5)(a);

191 (iii) publication of a notice for a public hearing, a committee review, or a public
192 meeting described in Subsection (5)(a)(ii);

193 (iv) any other application that will be reviewed by the committee in the same public
194 hearing with the application described in Subsection (5)(a); or

195 (v) funding decisions or communications for or related to the application described in
196 this Subsection (5)(a) or any other application described in Subsection (5)(a)(iv).

197 (b) If a committee member or an immediate family member of the committee member
198 owns or has an interest in property being considered for designation as prime farmland or
199 critical farmland in accordance with Section 17-41a-203, the committee member may not
200 participate or in any way be involved with:

201 (i) any preliminary committee discussions or communications on the review or
202 designation of the property;

203 (ii) a public hearing, a committee review, a public meeting, or committee action
204 described in Section 17-41a-203 where the committee will consider designation of the
205 property; or

206 (iii) any other communications for or related to the review or designation of the
207 property.

208 (c) The county legislative body shall appoint a member of the county legislative body
209 to fill a vacancy created by a committee member described in Subsection (5)(a) or (b) to serve
210 for the period that the member is prohibited from participating in a matter described in
211 Subsection (5)(a) or (b).

212 (6) The committee may withdraw from the fund adequate and reasonable funds for the
213 reimbursement of per diem and travel expenses for the following that the committee reasonably

214 determines to be necessary to assist the committee:

215 (a) a nonvoting member described in Subsection (3)(a);

216 (b) county staff;

217 (c) conservation district staff described in Title 17D, Chapter 3, Conservation District

218 Act; or

219 (d) a professional consultant or a contract employee.

220 (7) (a) Subject to Subsection (7)(b), the committee may establish and collect
221 reasonable fees to process an application, record an instrument, publish notification, or for any
222 other service that the committee is required to provide in accordance with this chapter.

223 (b) The committee may not charge a fee described in Subsection (7)(a), unless the fee
224 has been approved by the county legislative body in accordance with Section 17-53-211.

225 Section 5. Section **17-41a-202** is enacted to read:

226 **17-41a-202. Powers and duties -- Appropriation plan -- Land evaluation and site**
227 **assessment criteria.**

228 (1) The committee created in Section 17-41a-201 shall hold a public hearing described
229 in Section 17-41a-302 at least once each year that the committee receives an application
230 submitted in accordance with Section 17-41a-301.

231 (2) (a) In accordance with Subsection (2)(b), when the committee approves an
232 appropriation plan, the committee shall, within 30 days after approving the plan, submit the
233 plan to the legislative body of the county in which the committee is located.

234 (b) An appropriation plan described in Subsection (2)(a):

235 (i) shall identify:

236 (A) all new agriculture conservation easements or contracts created in accordance with
237 Section 17-41a-302;

238 (B) the purchase price described in Subsection 17-41a-302(5)(b) for each new
239 agriculture conservation easement or contract;

240 (C) the amount of funds available for the county to appropriate from the fund for each
241 agriculture conservation easement or contract described in Subsection (2)(b)(i)(A), including
242 matching funds; and

243 (D) the use of the funds;

244 (ii) shall include a funding schedule time line approved by the committee for the

245 appropriation of funds to each owner of property subject to an agriculture conservation
246 easement or contract described in Subsection (2)(b)(i)(A);
247 (iii) shall set future funding priorities; and
248 (iv) may not appropriate more money than is available in the fund.
249 (c) A committee shall, before approving an appropriation plan, hold a public meeting
250 to approve the plan.
251 (3) (a) The legislative body of a county shall:
252 (i) adopt or reject the appropriation plan; and
253 (ii) if the plan is adopted, appropriate money from the fund in accordance with the
254 amounts identified by the committee in Subsection (2)(b)(i)(C) and in accordance with the
255 funding schedule described in Subsection (2)(b)(ii).
256 (b) If the county legislative body rejects the appropriation plan:
257 (i) the legislative body shall make recommendations to the committee for changes to
258 the plan;
259 (ii) the committee shall hold a public meeting to approve a revised appropriation plan
260 within 30 days after the legislative body rejects the initial appropriation plan; and
261 (iii) submit the revised appropriation plan to the legislative body within 30 days after
262 holding the public meeting.
263 (c) The committee shall, within 30 days after the legislative body adopts an
264 appropriation plan, submit the adopted plan to the department and the Department of
265 Transportation.
266 (4) The committee may set rules, guidelines, and funding priorities for creating
267 individual funding schedules described in Subsection (2)(b)(ii).
268 (5) (a) The committee shall adopt land evaluation and site assessment criteria described
269 in Subsection (5)(d) at a public meeting held within one year after the day on which the
270 committee is created under Section 17-41a-201.
271 (b) The committee may amend the land evaluation and site assessment criteria
272 described in Subsection (5)(a) at a public meeting as needed.
273 (c) The committee shall use the land evaluation and site assessment criteria described
274 in Subsection (5)(a) to evaluate whether an application submitted under Section 17-41a-301
275 should be approved for an agriculture conservation easement or contract.

276 (d) The land evaluation and site assessment criteria described in Subsection (5)(a) shall
277 be based on:

278 (i) whether the property is designated, in accordance with Section 17-41a-203, as:

279 (A) prime farmland; or

280 (B) critical farmland; or

281 (ii) if the property is not designated as prime or critical farmland:

282 (A) whether the property is primarily used for agricultural production;

283 (B) the soil quality of the property;

284 (C) whether the property is important to the agriculture industry;

285 (D) whether the property meets the minimum contiguous acreage eligibility

286 requirements for an agricultural use assessment in accordance with Section 59-2-503; and

287 (E) other agricultural priorities or conditions identified by the committee.

288 (e) The committee shall file a copy of the land evaluation and site assessment criteria
289 adopted in accordance with this Subsection (5) with the legislative body of the county in which
290 the committee is located within 30 days after the day on which the committee adopts:

291 (i) the criteria; or

292 (ii) any amendment to the criteria.

293 (6) The county legislative body shall make available to the public in the legislative
294 body's office and on the county's public website:

295 (a) the land evaluation and site assessment criteria described in Subsection (5)(e)
296 within 10 days after the day on which the legislative body receives the criteria from the
297 committee; and

298 (b) the committee's appropriation plan described in Subsection (2)(a) or 17-41a-302
299 (5)(f)(ii) within 10 days after the day on which the legislative body receives the appropriation
300 plan.

301 (7) A committee shall meet at least once a year:

302 (a) in a public hearing or public meeting described in this section or otherwise required
303 by this chapter;

304 (b) in a public meeting to conduct other committee business if the meeting is a meeting
305 subject to Title 52, Chapter 4, Open and Public Meetings Act; or

306 (c) for training purposes.

307 Section 6. Section **17-41a-203** is enacted to read:

308 **17-41a-203. Designation and mapping of certain land.**

309 (1) The committee shall hold a public hearing at least once a year to:

310 (a) review and designate land within the county as:

311 (i) prime farmland; or

312 (ii) critical farmland; and

313 (b) adopt a map identifying within the county:

314 (i) prime farmland;

315 (ii) critical farmland; and

316 (iii) land that is subject to an agriculture conservation easement or contract in

317 accordance with Part 3, Approval, Review, and Termination of Agriculture Conservation

318 Easement or Contract.

319 (2) The county shall make the map adopted in accordance with Subsection (1)(b)

320 available for public review on the county web site.

321 Section 7. Section **17-41a-301** is enacted to read:

322 **Part 3. Approval, Review, and Termination of Agriculture**

323 **Conservation Easement or Contract**

324 **17-41a-301. Application.**

325 (1) (a) A property owner may apply for an agriculture conservation easement or
326 contract to be placed on the owner's property by filing a written application with the committee.

327 (b) An agriculture conservation easement or contract created in accordance with this
328 section shall be created voluntarily after the committee approves an application submitted by a
329 willing property owner.

330 (2) (a) To be accepted for review by the committee, an application submitted under
331 Subsection (1)(a) shall be signed by each owner of the property that will be subject to the
332 proposed agriculture conservation easement or contract.

333 (b) For purposes of Subsection (2)(a), the committee shall determine whether the
334 signatory owner on the application is the legal owner of the property by reviewing the records
335 of the county recorder.

336 (3) An application filed under Subsection (1)(a) shall:

337 (a) identify:

338 (i) the boundaries of the property proposed to be placed under the proposed agriculture
339 conservation easement or contract;

340 (ii) the type of agricultural production proposed for the property in order to qualify for
341 an agriculture conservation easement or contract; and

342 (iii) for each parcel of property:

343 (A) the tax parcel number or account number identifying each parcel; and

344 (B) the number of acres proposed to be included in the agriculture conservation
345 easement or contract; and

346 (b) include:

347 (i) (A) subject to Subsection (5), the property owner's estimated value of the proposed
348 agriculture conservation easement or contract based on an appraisal by a state-certified general
349 appraiser; and

350 (B) a copy of the appraisal described in Subsection (3)(b)(i)(A);

351 (ii) an estimate of the property owner's financial contribution, if any, to establish the
352 proposed agriculture conservation easement or contract; and

353 (iii) any other relevant information that the committee requests.

354 (4) A committee may establish:

355 (a) the manner and form for submission of an application; and

356 (b) reasonable fees for processing each application in accordance with Section
357 17-41a-201.

358 (5) An appraisal under Subsection (3)(b)(i)(A) may not include, if applicable, the value
359 of a property owner's residence or other residential dwelling on the property described in
360 Subsection (3)(a)(i).

361 Section 8. Section **17-41a-302** is enacted to read:

362 **17-41a-302. Public hearing -- Review and action on application.**

363 (1) The committee shall hold a public hearing in accordance with Title 52, Chapter 4,
364 Open and Public Meetings Act, to review an application submitted in accordance with Section
365 17-41a-301.

366 (2) In addition to giving the notice required in Title 52, Chapter 4, Open and Public
367 Meetings Act, the committee shall give notice to each holder of a lien or other encumbrance
368 recorded with the county recorder on a property identified in an application described in

369 Subsection (1).

370 (3) A notice required in Subsection (1) or (2) shall include:

371 (a) for each application that the committee will consider at the public hearing:

372 (i) the address of the property described in the application;

373 (ii) the proposed agricultural production use of the property to qualify for the
374 agriculture conservation easement or contract;

375 (iii) the total acreage of the property described in the application; and

376 (iv) the estimated funding proposal to purchase the agriculture conservation easement
377 or contract; and

378 (b) the address of the county legislative body's office and public website where a copy
379 of the committee's current appropriation plan and land evaluation and site assessment criteria
380 are published in accordance with Section 17-41a-202.

381 (4) The committee shall:

382 (a) convene the public hearing at the time, date, and location specified in the notice;

383 (b) review an application for an agriculture conservation easement or contract
384 submitted in accordance with Section 17-41a-301 based on:

385 (i) the land evaluation and site assessment criteria described in Section 17-41a-202,
386 giving priority to a property designated as prime farmland or critical farmland; and

387 (ii) whether the property described in Subsection (3)(a)(i) is property subject to a
388 long-range transportation plan adopted by a local transportation planning committee or the
389 Department of Transportation; and

390 (c) take verbal or written testimony from interested persons.

391 (5) (a) Subject to Subsection (5)(b), within 30 days after the day on which the public
392 hearing described in Subsection (4)(a) is held, the committee shall hold a public meeting to:

393 (i) (A) reject an application;

394 (B) approve an application, subject to department approval under Subsection (5)(c)(ii);

395 or

396 (C) approve an application with modifications, subject to department approval under
397 Subsection (5)(c)(ii); and

398 (ii) if the committee approves any applications, adopt an appropriation plan in
399 accordance with Section 17-41a-202.

400 (b) For each application approved or approved with modifications, the committee shall
401 note at the public meeting the purchase price for each property identified in the application.

402 (c) (i) Within 30 days after the day on which the committee approves an application for
403 an agriculture conservation easement or contract at the public meeting described in Subsection
404 (5)(a), the committee shall deliver a list of approved applications to the department, subject to
405 Subsection (5)(c)(ii), and the county legislative body, subject to Subsection (5)(c)(iii), that
406 identifies each property and each property address.

407 (ii) The department:

408 (A) shall, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
409 Act, establish rules to evaluate a property identified in an approved application for
410 environmental hazards or other legal liability; and

411 (B) if the property identified in an approved application fails to meet the standards
412 established by the department's rules described in Subsection (5)(c)(ii)(A), may reject the
413 application by notifying the committee within 50 calendar days after the day on which the
414 department receives the list described in Subsection (5)(c)(i).

415 (iii) The county legislative body shall at a public meeting:

416 (A) review each property identified in an approved application; and

417 (B) by majority vote, decide whether to approve or reject each identified property.

418 (iv) The county legislative body shall notify the committee of a property that the
419 legislative body rejects within 50 calendar days after the day on which the county legislative
420 body receives the list described in Subsection (5)(c)(i).

421 (d) Within 30 days after the day on which the committee receives notification under
422 Subsection (5)(c)(ii)(B) that the department has rejected an application, the committee shall:

423 (i) notify a property owner identified in the application that the application has been
424 rejected by the department; and

425 (ii) submit to the department and the county legislative body an amended appropriation
426 plan with a funding schedule described in Subsection 17-41a-202(2)(b)(ii) adjusted to exclude
427 the property identified in the rejected application.

428 (e) Subject to Subsection (5)(f) within 30 days after the day on which the committee
429 receives notification under Subsection (5)(c)(iv) that a property has been rejected, at a public
430 meeting the committee shall:

431 (i) (A) further review the property rejected by the county legislative body and amend
432 the application for the property as necessary; and

433 (B) subject to Subsection (5)(g), amend the appropriation plan and funding schedule
434 described in Subsection 17-41a-202(2)(b)(ii) to reflect the amended application; or

435 (ii) subject to Subsection (5)(g) and after a review, amend as necessary the
436 appropriation plan and funding schedule in Subsection 17-41a-202(2)(b)(ii) to exclude a
437 rejected property.

438 (f) In addition to notice required in Title 52, Chapter 4, Open and Public Meetings Act,
439 the committee shall give written notice of the public meeting described in Subsection (5)(e) to
440 the owner of a property described in Subsection (5)(c)(iv) at least 10 days before the day on
441 which the public meeting is held.

442 (g) Within 30 days after the day on which the public meeting described in Subsection
443 (5)(e) is held, the committee shall submit to the department and the county legislative body an
444 appropriation plan amended under Subsection (5)(e)(i)(B) or (5)(e)(ii).

445 (6) (a) Within 90 days after the day on which the committee approves or approves with
446 modifications an application in accordance with Subsection (5)(a), each owner of property
447 approved for an agriculture conservation easement or contract shall draft and submit to the
448 committee an instrument securing the agriculture conservation easement or contract on the
449 property described in the approved application.

450 (b) An instrument described in Subsection (6)(a) shall:

451 (i) identify the county as the holder of the easement or contract;

452 (ii) permit the construction and use of structures incidental to agricultural production
453 on property subject to the easement or contract; and

454 (iii) limit the use of the property to:

455 (A) an agricultural production use approved by the committee;

456 (B) other agricultural production; and

457 (C) nonfarm activities that are reasonably related to enhancing the property's economic
458 viability for agriculture production, including agritourism and other activities that do not impair
459 agricultural production.

460 (c) An instrument described in Subsection (6)(a) shall prohibit:

461 (i) a property use that is inconsistent with or prohibitive to agriculture production; and

462 (ii) a structure that is not used for, or incidental to, agriculture production.
463 (d) If a legal description of the property described in the approved application is
464 available through the county recorder's office, the property owner shall use that legal
465 description in the instrument securing the agriculture conservation easement or contract.
466 (7) (a) Within 30 days after the day on which a property owner submits an instrument
467 described in Subsection (6)(a) to the committee, the committee shall, at a public meeting:
468 (i) approve the instrument; or
469 (ii) subject to Subsection (7)(c), reject the instrument.
470 (b) The committee may not accept an instrument to secure an agriculture conservation
471 easement or contract under Subsection (7)(a) unless the person who submits the instrument
472 holds title to the property described in the instrument.
473 (c) If the committee rejects an instrument to secure an agriculture conservation
474 easement or contract under Subsection (7)(a)(ii), the committee may:
475 (i) recommend modifications to the instrument; and
476 (ii) permit the property owner to resubmit a revised instrument within a period not to
477 exceed 30 days after the day on which the committee initially rejects the instrument under
478 Subsection (7)(a)(ii).
479 (8) (a) Within 45 days after the day on which the committee accepts an instrument to
480 secure an agriculture conservation easement or contract, the county shall record with the county
481 recorder the instrument to secure the agriculture conservation easement or contract on the deed
482 of the property described in the instrument.
483 (b) An agriculture conservation easement or contract recorded in accordance with this
484 section is:
485 (i) for a term of 30 years;
486 (ii) an interest in land and runs with the land benefitted or burdened by the easement or
487 contract;
488 (iii) valid whether it is appurtenant or in gross;
489 (iv) subject to Section 17-41a-304, enforceable by the holder to the easement or
490 contract and its successors and assigns; and
491 (v) subject to Section 17-41a-304, enforceable against the grantor and its successors
492 and assigns.

493 (c) The county or the department shall hold the agriculture conservation easement or
 494 contract recorded in accordance with this section.

495 (9) Within 30 days after the day on which a property owner records an agriculture
 496 conservation easement or contract in accordance with Subsection (8)(a), the committee shall:

497 (a) send written notification that the agriculture conservation easement or contract has
 498 been recorded to:

499 (i) the commissioner of the department; and

500 (ii) the county executive and county legislative body; and

501 (b) include in the notification:

502 (i) the total acreage of the agriculture conservation easement or contract;

503 (ii) the date on which the agriculture conservation easement or contract was recorded;

504 and

505 (iii) the purchase price described in Subsection (5)(b) for each agriculture conservation
 506 easement or contract.

507 (10) The committee's failure to send the written notification under Subsection (9) does
 508 not invalidate the creation of the agriculture conservation easement or contract.

509 Section 9. Section **17-41a-303** is enacted to read:

510 **17-41a-303. Review of agriculture conservation easement or contract.**

511 (1) The county or department shall review before November 1 of each year each
 512 property subject to an agriculture conservation easement or contract recorded in accordance
 513 with Section 17-41a-302 to ensure that the property use is in compliance with this chapter.

514 (2) An owner of property subject to an agriculture conservation easement or contract is
 515 not in compliance with the easement or contract if:

516 (a) the property use is inconsistent with the terms of the agriculture conservation
 517 easement or contract; or

518 (b) the property is used for additional activities other than those permitted in the
 519 agriculture conservation easement or contract.

520 (3) The county or department shall report its review of property described in
 521 Subsection (1) and report any recommendations to the commission by December 1 of each
 522 year.

523 (4) The county or department may enforce the terms of an agriculture conservation

524 easement or contract in accordance with Section 57-18-6.

525 (5) (a) Subject to Subsection (5)(c), an owner of property subject to a contract who
526 seeks to change the terms of the contract shall submit a written request to and receive approval
527 from:

528 (i) the committee that approved the contract in accordance with Section 17-41a-302;

529 (ii) the legislative body of the county where the contract is located; and

530 (iii) the commission.

531 (b) Subject to Subsection (5)(c), an entity listed in Subsection (5)(a)(i), (ii), (iii), or (iv)
532 may place conditions, including mitigatory requirements, before granting approval to change
533 the terms of a contract.

534 (c) An entity listed in Subsection (5)(a)(i), (ii), (iii), or (iv) may not approve a change
535 requested under Subsection (5)(a) or place a condition described in Subsection (5)(b) that:

536 (i) would be prohibited under the committee's land evaluation and site assessment
537 criteria described in Section 17-41a-202; or

538 (ii) permits the property to be used for a purpose other than agriculture production.

539 (6) If an agriculture conservation easement or contract is for a term of 31 years or
540 more, the county shall:

541 (a) review with the owner of property the agriculture conservation easement or contract
542 no later than 30 years after the day on which an instrument creating the easement or contract is
543 recorded in accordance with Section 17-41a-302; and

544 (b) determine whether the terms of the easement or contract, because of changes in
545 circumstances, should be renegotiated.

546 Section 10. Section **17-41a-304** is enacted to read:

547 **17-41a-304. Termination of contract.**

548 (1) (a) An agriculture conservation easement or contract created in accordance with
549 this part shall terminate according to the terms agreed to in the agriculture conservation
550 easement or contract.

551 (b) An owner of property subject to an agriculture conservation easement or contract
552 that has terminated in accordance with Subsection (1)(a) may, within six months of the
553 termination, renegotiate renewal of the agriculture conservation easement or contract with the
554 county.

555 (c) An agriculture conservation easement or contract renegotiated and renewed in
556 accordance with Subsection (1)(b):

557 (i) may be for a term of less than 30 years; and

558 (ii) may not be for a term of longer than 30 years.

559 (2) A contract may be terminated, in whole or in part, by release, abandonment,
560 merger, nonrenewal, conditions set forth in the document described in Section 17-41a-302
561 creating the contract, or in any other lawful manner in which a contract may be terminated.

562 Section 11. Section **17-41a-401** is enacted to read:

563 **Part 4. Agriculture Conservation Easement or Contract Protections**

564 **17-41a-401. Farmland Assessment Act benefits not affected.**

565 (1) Creation of an agriculture conservation easement or contract may not impair the
566 ability of an owner of property within the easement or contract to obtain the benefits of Title
567 59, Chapter 2, Part 5, Farmland Assessment Act.

568 (2) The eligibility of an owner of property within an agriculture conservation easement
569 or contract for the benefits of Title 59, Chapter 2, Part 5, Farmland Assessment Act, shall be
570 determined exclusively by the provisions of that act, notwithstanding the property's location
571 within the easement or contract.

572 Section 12. Section **17-41a-402** is enacted to read:

573 **17-41a-402. Policy of state agencies.**

574 (1) A state agency shall encourage the continuity, development, and viability of
575 agricultural production within property subject to an agriculture conservation easement or
576 contract by:

577 (a) not enacting rules that would impose unreasonable restrictions on farm structures or
578 farm practices on property subject to an agriculture conservation easement or contract unless
579 those laws, ordinances, or regulations bear a direct relationship to public health or safety or are
580 required by federal or state law; and

581 (b) modifying existing rules that would impose unreasonable restrictions on farm
582 structures or farm practices on property subject to an agriculture conservation easement or
583 contract unless those laws, ordinances, or regulations bear a direct relationship to public health
584 or safety or are required by federal or state law.

585 (2) A state agency shall reasonably avoid an action, the adoption of a policy, or the

586 enforcement or adoption of a rule that disturbs or interferes with agriculture production on
587 prime farmland or critical farmland.

588 Section 13. Section **17-41a-403** is enacted to read:

589 **17-41a-403. Eminent domain restrictions -- Political subdivision -- State entity --**
590 **Substitution for condemned land.**

591 (1) Unless a political subdivision has complied with the procedures and requirements
592 of Subsections (2) through (5), a political subdivision having or exercising eminent domain
593 powers may not file a condemnation action in accordance with Title 78B, Chapter 6, Part 5,
594 Eminent Domain for any purpose on property:

595 (a) within an agriculture conservation easement or contract that is being used for
596 agricultural production;

597 (b) designated as prime farmland in accordance with Section 17-41a-203; or

598 (c) designated as critical farmland in accordance with Section 17-41a-203.

599 (2) A condemnor that is a political subdivision wishing to condemn property described
600 in Subsection (1) shall file a notice of condemnation with the applicable county legislative
601 body of the county in which the property is located.

602 (3) The county legislative body shall hold a public hearing in accordance with Title 52,
603 Chapter 4, Open and Public Meetings Act, on the proposed condemnation.

604 (4) (a) If the condemnation is for road purposes or for the disposal of solid or liquid
605 waste materials, the county legislative body may recommend that the political subdivision
606 proceed with the condemnation action only if there is no reasonable and prudent alternative to
607 the use of the property for the project.

608 (b) If the condemnation is for any other purpose, the county legislative body may
609 recommend that the political subdivision proceed with the condemnation action only if:

610 (i) the proposed condemnation would not have an unreasonably adverse effect upon the
611 preservation and enhancement of agricultural production on the property; or

612 (ii) there is no reasonable and prudent alternative to the use of the property for the
613 project.

614 (5) (a) Within 60 days after the day on which the county legislative body receives the
615 notice of condemnation described in Subsection (2), the county legislative body shall
616 recommend that the political subdivision:

617 (i) file a condemnation action in accordance with Title 78B, Chapter 6, Part 5, Eminent
618 Domain; or

619 (ii) not file a condemnation action.

620 (b) If the county legislative body fails to act within the 60-day period described in
621 Subsection (5)(a), the political subdivision may proceed with the condemnation action.

622 (6) (a) (i) Unless a state entity complies with the procedures and requirements of this
623 Subsection (6), a state entity having or exercising eminent domain powers may not file a
624 condemnation action in accordance with Title 78B, Chapter 6, Part 5, Eminent Domain for any
625 purpose on property:

626 (A) within an agriculture conservation easement or contract that is being used for
627 agricultural production;

628 (B) designated as prime farmland in accordance with Section 17-41a-203; or

629 (C) designated as critical farmland in accordance with Section 17-41a-203.

630 (ii) A state entity proposing to condemn property described in Subsection (6)(a)(i) shall
631 file a notice of condemnation with the county legislative body of the county in which the
632 property is located.

633 (b) The county legislative body shall hold a public hearing in accordance with Title 52,
634 Chapter 4, Open and Public Meetings Act, on the proposed condemnation at a location within
635 the county.

636 (c) The county legislative body shall:

637 (i) recommend that the state entity proceed with filing a condemnation action only if
638 there is no reasonable and prudent alternative to the use of the property for the proposed
639 purpose; or

640 (ii) subject to Subsection (6)(d), reject the proposed condemnation.

641 (d) (i) If the county legislative body rejects condemnation of property proposed by a
642 state entity, the proposed condemnation shall be reviewed at a public meeting by:

643 (A) the commissioner of the Department of Agriculture;

644 (B) the executive director of the state entity proposing the condemnation; and

645 (C) the state planning coordinator appointed under Section 63J-4-202.

646 (ii) The commissioner, executive director, and state planning coordinator shall, by
647 majority vote:

648 (A) recommend that the state entity proceed with filing a condemnation action only if
649 there is no reasonable and prudent alternative to the use of the property for the proposed
650 purpose; or

651 (B) reject the proposed condemnation.

652 (e) If the proposed condemnation is rejected at the public meeting described in
653 Subsection (6)(d)(i), the state entity proposing the condemnation may not file a condemnation
654 action under Title 78B, Chapter 6, Part 5, Eminent Domain on the property reviewed at the
655 public meeting.

656 (7) (a) If a political subdivision or state entity successfully condemns property subject
657 to an agriculture conservation easement or contract after complying with the applicable
658 provisions of this section and after filing a condemnation action in accordance with Title 78B,
659 Chapter 6, Part 5, Eminent Domain, the political subdivision or state entity shall, except as
660 provided in Subsection (7)(b):

661 (i) identify property that is:

662 (A) located in the same county as the condemned property;

663 (B) equal to or greater in size and value than the condemned property; and

664 (C) eligible for an agriculture conservation easement or contract according to the land
665 evaluation and site assessment criteria adopted by the committee in accordance with Section
666 17-41a-202; and

667 (ii) contact and encourage the owner of the property to apply for an agriculture
668 conservation easement or contract in accordance with Section 17-41a-301.

669 (b) If the political subdivision or state entity cannot identify a property located in the
670 same county that is equal to or greater in size and value as the condemned property, the state
671 entity or political subdivision shall work with the committee of an adjacent county to:

672 (i) identify property that is:

673 (A) located in that county;

674 (B) equal to or greater in size and value than the condemned property; and

675 (C) eligible for an agriculture conservation easement or contract according to the land
676 evaluation and site assessment criteria adopted by the committee of that county in accordance
677 with Section 17-41a-202; and

678 (ii) contact and encourage the owner of the property to apply for an agriculture

679 conservation easement or contract in accordance with Section 17-41a-301.

680 Section 14. Section **17-41a-404** is enacted to read:

681 **17-41a-404. Restrictions on state development projects.**

682 (1) A state agency or political subdivision that plans any development project that
683 might affect property subject to an agriculture conservation easement or contract or designated
684 as prime farmland or critical farmland shall submit the agency's development plan to:

685 (a) the committee that approved the agriculture conservation easement or contract or
686 designated the prime farmland or conservation farmland; and

687 (b) the commissioner of the department.

688 (2) The commissioner and the committee shall:

689 (a) review the proposed development plan; and

690 (b) recommend any modifications to the development project that would protect the
691 integrity of agricultural production on the property or that would protect the property from
692 nonfarm encroachment.

693 (3) A state agency and political subdivision of the state that designates or proposes to
694 designate a transportation corridor shall:

695 (a) consider:

696 (i) whether the transportation corridor would:

697 (A) be located on property described in Subsection (1); or

698 (B) interfere with agriculture production on the property; and

699 (ii) other reasonably comparable alternatives to the placement of the corridor on the
700 property; and

701 (b) make reasonable efforts to minimize or eliminate any detrimental impact on
702 agricultural production that may result from the designation of a transportation corridor.

703 Section 15. Section **17-41a-405** is enacted to read:

704 **17-41a-405. Nuisance.**

705 An agriculture conservation easement, contract, or project approved under this chapter
706 is subject to the public nuisance provisions of Subsection 76-10-803(3).

707 Section 16. Section **59-2-505** is amended to read:

708 **59-2-505. Indicia of value for agricultural use assessment -- Inclusion of fair**
709 **market value on certain property tax notices.**

710 (1) (a) The county assessor shall consider only those indicia of value that the land has
711 for agricultural use as determined by the commission when assessing land:

712 (i) that meets the requirements of Section 59-2-503 to be assessed under this part; and
713 (ii) for which the owner has:

714 (A) made a timely application in accordance with Section 59-2-508 for assessment
715 under this part for the tax year for which the land is being assessed; and

716 (B) obtained approval of the application described in Subsection (1)(a)(ii)(A) from the
717 county assessor.

718 (b) If land that becomes subject to a conservation easement created in accordance with
719 Title 57, Chapter 18, Land Conservation Easement Act, or an agriculture conservation
720 easement or contract created in accordance with Title 17, Chapter 41a, Agriculture
721 Sustainability Act, meets the requirements of Subsection (1)(a) for assessment under this part,
722 the county assessor shall consider only those indicia of value that the land has for agricultural
723 use in accordance with Subsection (1)(a) when assessing the land.

724 (2) In addition to the value determined in accordance with Subsection (1), the fair
725 market value assessment shall be included on the notices described in:

726 (a) Section 59-2-919.1; and

727 (b) Section 59-2-1317.

728 (3) The county board of equalization shall review the agricultural use value and fair
729 market value assessments each year as provided under Section 59-2-1001.

730 Section 17. Section **59-2-506** is amended to read:

731 **59-2-506. Rollback tax -- Penalty -- Computation of tax -- Procedure -- Lien --**
732 **Interest -- Notice -- Collection -- Distribution -- Appeal to county board of equalization.**

733 (1) Except as provided in this section, Section 59-2-506.5, or Section 59-2-511, if land
734 is withdrawn from this part, the land is subject to a rollback tax imposed in accordance with
735 this section.

736 (2) (a) An owner shall notify the county assessor that land is withdrawn from this part
737 within 120 days after the day on which the land is withdrawn from this part.

738 (b) An owner that fails to notify the county assessor under Subsection (2)(a) that land is
739 withdrawn from this part is subject to a penalty equal to the greater of:

740 (i) \$10; or

741 (ii) 2% of the rollback tax due for the last year of the rollback period.

742 (3) (a) The county assessor shall determine the amount of the rollback tax by

743 computing the difference for the rollback period described in Subsection (3)(b) between:

744 (i) the tax paid while the land was assessed under this part; and

745 (ii) the tax that would have been paid had the property not been assessed under this

746 part.

747 (b) For purposes of this section, the rollback period is a time period that:

748 (i) begins on the later of:

749 (A) the date the land is first assessed under this part; or

750 (B) five years preceding the day on which the county assessor mails the notice required

751 by Subsection (5); and

752 (ii) ends the day on which the county assessor mails the notice required by Subsection

753 (5).

754 (4) (a) The county treasurer shall:

755 (i) collect the rollback tax; and

756 (ii) after the rollback tax is paid, certify to the county recorder that the rollback tax lien

757 on the property has been satisfied by:

758 (A) preparing a document that certifies that the rollback tax lien on the property has

759 been satisfied; and

760 (B) providing the document described in Subsection (4)(a)(ii)(A) to the county recorder

761 for recordation.

762 ~~[(b) The rollback tax collected under this section shall:]~~

763 (b) (i) For a first, second, or third class county required to create an Agriculture

764 Sustainability Investment Fund in accordance with Section 17-36-55, or a fourth, fifth, or sixth

765 class county that elects to create an Agriculture Sustainability Investment Fund in accordance

766 with Section 17-36-55, the rollback tax collected under this section shall be deposited into that

767 county's Agriculture Sustainability Investment Fund.

768 (ii) If a fourth, fifth, or sixth class county does not create an Agriculture Sustainability

769 Investment Fund described in Section 17-33-55, the rollback tax collected under this section

770 shall:

771 ~~[(i)]~~ (A) be paid into the county treasury; and

772 [(†)] (B) be paid by the county treasurer to the various taxing entities pro rata in
773 accordance with the property tax levies for the current year.

774 (c) The county treasurer of a county described in Subsection (4)(b)(i) shall report to the
775 State Tax Commission the total revenues collected under this section for the county for the
776 calendar year immediately preceding the calendar year that the county first deposits rollback
777 taxes into the Agriculture Sustainability Investment Fund created in Section 17-36-55.

778 (5) (a) The county assessor shall mail to an owner of the land that is subject to a
779 rollback tax a notice that:

- 780 (i) the land is withdrawn from this part;
- 781 (ii) the land is subject to a rollback tax under this section; and
- 782 (iii) the rollback tax is delinquent if the owner of the land does not pay the tax within
783 30 days after the day on which the county assessor mails the notice.

784 (b) (i) The rollback tax is due and payable on the day the county assessor mails the
785 notice required by Subsection (5)(a).

786 (ii) Subject to Subsection (7), the rollback tax is delinquent if an owner of the land that
787 is withdrawn from this part does not pay the rollback tax within 30 days after the day on which
788 the county assessor mails the notice required by Subsection (5)(a).

789 (6) (a) Subject to Subsection (6)(b), the following are a lien on the land assessed under
790 this part:

- 791 (i) the rollback tax; and
- 792 (ii) interest imposed in accordance with Subsection (7).

793 (b) The lien described in Subsection (6)(a) shall:

- 794 (i) arise upon the imposition of the rollback tax under this section;
- 795 (ii) end on the day on which the rollback tax and interest imposed in accordance with
796 Subsection (7) are paid in full; and
- 797 (iii) relate back to the first day of the rollback period described in Subsection (3)(b).

798 (7) (a) A delinquent rollback tax under this section shall accrue interest:

- 799 (i) from the date of delinquency until paid; and
- 800 (ii) at the interest rate established under Section 59-2-1331 and in effect on January 1
801 of the year in which the delinquency occurs.

802 (b) A rollback tax that is delinquent on September 1 of any year shall be included on

803 the notice required by Section 59-2-1317, along with interest calculated on that delinquent
 804 amount through November 30 of the year in which the notice under Section 59-2-1317 is
 805 mailed.

806 (8) (a) Land that becomes ineligible for assessment under this part only as a result of an
 807 amendment to this part is not subject to the rollback tax if the owner of the land notifies the
 808 county assessor that the land is withdrawn from this part in accordance with Subsection (2).

809 (b) Land described in Subsection (8)(a) that is withdrawn from this part as a result of
 810 an event other than an amendment to this part, whether voluntary or involuntary, is subject to
 811 the rollback tax.

812 (9) Except as provided in Section 59-2-511, land that becomes exempt from taxation
 813 under Utah Constitution Article XIII, Section 3, is not subject to the rollback tax if the land
 814 meets the requirements of Section 59-2-503 to be assessed under this part.

815 (10) (a) Subject to Subsection (10)(b), an owner of land may appeal to the county
 816 board of equalization:

817 (i) a decision by a county assessor to withdraw land from assessment under this part; or
 818 (ii) the imposition of a rollback tax under this section.

819 (b) An owner shall file an appeal under Subsection (10)(a) no later than 45 days after
 820 the day on which the county assessor mails the notice required by Subsection (5).

821 Section 18. Section **59-2-506.5** is amended to read:

822 **59-2-506.5. Conservation easement rollback tax -- One-time in lieu fee payment --**
 823 **Computation -- Lien -- Interest -- Notice -- Procedure -- Collection -- Distribution.**

824 (1) (a) Notwithstanding Section 59-2-506 and subject to the requirements of this
 825 section, land is not subject to the rollback tax under Section 59-2-506, if:

826 (i) (A) the land becomes subject to a conservation easement created in accordance with
 827 Title 57, Chapter 18, Land Conservation Easement Act;

828 (B) the land becomes subject to an agriculture conservation easement or contract in
 829 accordance with Title 17, Chapter 41a, Agriculture Sustainability Act;

830 (ii) the creation of the conservation easement described in Subsection (1)(a)(i)(A) or
 831 (B) is considered to be a qualified conservation contribution for federal purposes under Section
 832 170(h), Internal Revenue Code;

833 (iii) the land was assessed under this part in the tax year preceding the tax year that the

834 land does not meet the requirements of Section 59-2-503;

835 (iv) after the creation of the conservation easement described in Subsection (1)(a)(i),
836 the land does not meet the requirements of Section 59-2-503; and

837 (v) an owner of the land notifies the county assessor as provided in Subsection (1)(b).

838 (b) An owner of land described in Subsection (1)(a) shall notify the county assessor
839 that the land meets the requirements of Subsection (1)(a) within 30 days after the day on which
840 the land does not meet the requirements of Section 59-2-503.

841 (2) (a) Except as provided in Subsection (4), if a conservation easement is terminated
842 in accordance with Section 57-18-5 or a contract, as defined in Section 17-41a-102, is
843 terminated in accordance with Section 17-41a-304:

844 (i) the land described in Subsection (1) is subject to a conservation easement rollback
845 tax imposed in accordance with this section; or

846 (ii) if the land described in Subsection (1) is owned by a governmental entity as defined
847 in Section 59-2-511, the land is subject to a one-time in lieu fee payment that is:

848 (A) in an amount equal to the conservation easement rollback tax imposed in
849 accordance with this section; and

850 (B) except as provided in Subsection (2)(b), paid, collected, and distributed in the same
851 manner as the conservation easement rollback tax imposed in accordance with this section.

852 (b) Notwithstanding Subsection (2)(a)(ii)(B), a one-time in lieu fee payment under
853 Subsection (2)(a)(ii) is not a lien on the land described in Subsection (2)(a)(ii).

854 (c) (i) The conservation easement rollback tax is an amount equal to 20 times the
855 property tax imposed on the land for each year for the rollback period described in Subsection
856 (2)(c)(ii).

857 (ii) For purposes of Subsection (2)(c)(i), the rollback period is a time period that:

858 (A) begins on the later of:

859 (I) the date the land became subject to a conservation easement; or

860 (II) five years preceding the day on which the county assessor mails the notice required
861 by Subsection (3)(a); and

862 (B) ends the day on which the county assessor mails the notice required by Subsection
863 (3)(a).

864 (d) An owner shall notify the county assessor that a conservation easement on land

865 described in Subsection (1) has been terminated in accordance with Section 57-18-5 within 180
866 days after the day on which the conservation easement is terminated.

867 (3) (a) If land is subject to a conservation easement rollback tax under Subsection (2),
868 the county assessor shall mail to an owner of the land a notice that:

869 (i) the land is subject to a conservation easement rollback tax under this section; and

870 (ii) the conservation easement rollback tax is delinquent if the owner of the land does
871 not pay the tax within 30 days after the day on which the county assessor mails the notice.

872 (b) The conservation easement rollback tax is:

873 (i) due and payable on the day the county assessor mails the notice required by
874 Subsection (3)(a);

875 (ii) delinquent if an owner of the land that is subject to the conservation easement
876 rollback tax does not pay the conservation easement rollback tax within 30 days after the day
877 on which the county assessor mails the notice required by Subsection (3)(a); and

878 (iii) subject to the same:

879 (A) interest provisions of Subsection 59-2-506(7) that apply to the rollback tax; and

880 (B) notice requirements of Subsection 59-2-506(7) that apply to the rollback tax.

881 (c) (i) Except as provided in Subsection (3)(c)(ii), the conservation easement rollback
882 tax shall be paid, collected, subject to a lien, and distributed in a manner consistent with this
883 section and Section 59-2-506.

884 (ii) Notwithstanding Subsection (3)(c)(i), a lien under Subsection (3)(c)(i) relates back
885 to the day on which the conservation easement was terminated.

886 (4) (a) Notwithstanding Subsection (2), land described in Subsection (2) is not subject
887 to the conservation easement rollback tax or the one-time in lieu fee payment required by
888 Subsection (2) if after the conservation easement is terminated in accordance with Section
889 57-18-5 or a contract, as defined in Section 17-41a-102, is terminated in accordance with
890 Section 17-41a-304:

891 (i) an owner of the land applies for assessment of the land as land in agricultural use
892 under this part within 30 days after the day on which the conservation easement is terminated;
893 and

894 (ii) the application for assessment of the land described in Subsection (4)(a)(i) is
895 approved within two years after the day on which the application was filed.

896 (b) Notwithstanding Subsection (4)(a), if the land described in Subsection (4)(a)(i)
897 does not receive approval for assessment as land in agricultural use under this part within two
898 years after the day on which the application was filed under Subsection (4)(a), an owner of the
899 land shall:

900 (i) within 30 days after the day on which the two-year period expires, notify the county
901 assessor that the two-year period expired; and

902 (ii) pay the conservation easement rollback tax or the one-time in lieu fee payment
903 required by Subsection (2) as provided in this section.

904 (5) Land subject to a conservation easement created in accordance with Title 57,
905 Chapter 18, Land Conservation Easement Act, is not subject to a conservation easement
906 rollback tax or a one-time in lieu fee payment if the land is assessed under this part in
907 accordance with Section 59-2-505.

908 Section 19. Section **59-2-924.2** is amended to read:

909 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

910 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated
911 in accordance with Section 59-2-924.

912 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from
913 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
914 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
915 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
916 rate to offset the increased revenues.

917 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under
918 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

919 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
920 revenue to be distributed to the county under Subsection 59-12-1102(3); and

921 (ii) increased by the amount necessary to offset the county's reduction in revenue from
922 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
923 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
924 (3)(a)(i).

925 (b) The commission shall determine estimates of sales and use tax distributions for
926 purposes of Subsection (3)(a).

927 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
928 communities sales and use tax under Section 59-12-402, the municipality's certified tax rate
929 shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of
930 estimated revenue from the additional resort communities sales and use tax imposed under
931 Section 59-12-402.

932 (5) (a) This Subsection (5) applies to each county that:

933 (i) establishes a countywide special service district under Title 17D, Chapter 1, Special
934 Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and

935 (ii) levies a property tax on behalf of the special service district under Section
936 17D-1-105.

937 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be
938 decreased by the amount necessary to reduce county revenues by the same amount of revenues
939 that will be generated by the property tax imposed on behalf of the special service district.

940 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
941 levy on behalf of the special service district under Section 17D-1-105.

942 (6) (a) As used in this Subsection (6):

943 (i) "Annexing county" means a county whose unincorporated area is included within a
944 public safety district by annexation.

945 (ii) "Annexing municipality" means a municipality whose area is included within a
946 public safety district by annexation.

947 (iii) "Equalized public safety protection tax rate" means the tax rate that results from:

948 (A) calculating, for each participating county and each participating municipality, the
949 property tax revenue necessary:

950 (I) in the case of a fire district, to cover all of the costs associated with providing fire
951 protection, paramedic, and emergency services:

952 (Aa) for a participating county, in the unincorporated area of the county; and

953 (Bb) for a participating municipality, in the municipality; or

954 (II) in the case of a police district, to cover all the costs:

955 (Aa) associated with providing law enforcement service:

956 (Ii) for a participating county, in the unincorporated area of the county; and

957 (Iiii) for a participating municipality, in the municipality; and

958 (Bb) that the police district board designates as the costs to be funded by a property
959 tax; and

960 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all
961 participating counties and all participating municipalities and then dividing that sum by the
962 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

963 (I) for participating counties, in the unincorporated area of all participating counties;
964 and

965 (II) for participating municipalities, in all the participating municipalities.

966 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
967 Area Act:

968 (A) created to provide fire protection, paramedic, and emergency services; and

969 (B) in the creation of which an election was not required under Subsection
970 17B-1-214(3)(c).

971 (v) "Participating county" means a county whose unincorporated area is included
972 within a public safety district at the time of the creation of the public safety district.

973 (vi) "Participating municipality" means a municipality whose area is included within a
974 public safety district at the time of the creation of the public safety district.

975 (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
976 Area Act, within a county of the first class:

977 (A) created to provide law enforcement service; and

978 (B) in the creation of which an election was not required under Subsection
979 17B-1-214(3)(c).

980 (viii) "Public safety district" means a fire district or a police district.

981 (ix) "Public safety service" means:

982 (A) in the case of a public safety district that is a fire district, fire protection,
983 paramedic, and emergency services; and

984 (B) in the case of a public safety district that is a police district, law enforcement
985 service.

986 (b) In the first year following creation of a public safety district, the certified tax rate of
987 each participating county and each participating municipality shall be decreased by the amount
988 of the equalized public safety tax rate.

989 (c) In the first budget year following annexation to a public safety district, the certified
990 tax rate of each annexing county and each annexing municipality shall be decreased by an
991 amount equal to the amount of revenue budgeted by the annexing county or annexing
992 municipality:

993 (i) for public safety service; and

994 (ii) in:

995 (A) for a taxing entity operating under a January 1 through December 31 fiscal year,
996 the prior calendar year; or

997 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior
998 fiscal year.

999 (d) Each tax levied under this section by a public safety district shall be considered to
1000 be levied by:

1001 (i) each participating county and each annexing county for purposes of the county's tax
1002 limitation under Section 59-2-908; and

1003 (ii) each participating municipality and each annexing municipality for purposes of the
1004 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
1005 city.

1006 (e) The calculation of a public safety district's certified tax rate for the year of
1007 annexation shall be adjusted to include an amount of revenue equal to one half of the amount
1008 of revenue budgeted by the annexing entity for public safety service in the annexing entity's
1009 prior fiscal year if:

1010 (i) the public safety district operates on a January 1 through December 31 fiscal year;

1011 (ii) the public safety district approves an annexation of an entity operating on a July 1
1012 through June 30 fiscal year; and

1013 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

1014 (7) For the calendar year beginning on January 1, 2007, the calculation of a taxing
1015 entity's certified tax rate, calculated in accordance with Section 59-2-924, shall be adjusted by
1016 the amount necessary to offset any change in the certified tax rate that may result from
1017 excluding the following from the certified tax rate under Subsection 59-2-924(3) enacted by the
1018 Legislature during the 2007 General Session:

1019 (a) personal property tax revenue:

- 1020 (i) received by a taxing entity;
- 1021 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and
- 1022 (iii) for personal property that is semiconductor manufacturing equipment; or
- 1023 (b) the taxable value of personal property:
- 1024 (i) contained on the tax rolls of a taxing entity;
- 1025 (ii) assessed by a county assessor in accordance with Part 3, County Assessment; and
- 1026 (iii) that is semiconductor manufacturing equipment.

1027 (8) (a) The taxable value for the base year under Subsection 17C-1-102(6) shall be
1028 reduced for any year to the extent necessary to provide a community development and renewal
1029 agency established under Title 17C, Limited Purpose Local Government Entities - Community
1030 Development and Renewal Agencies Act, with approximately the same amount of money the
1031 agency would have received without a reduction in the county's certified tax rate, calculated in
1032 accordance with Section 59-2-924, if:

- 1033 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);
- 1034 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
1035 previous year; and
- 1036 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1037 Section 17C-1-403 or 17C-1-404.

1038 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any
1039 year to the extent necessary to provide a community development and renewal agency with
1040 approximately the same amount of money as the agency would have received without an
1041 increase in the certified tax rate that year if:

- 1042 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
1043 a decrease in the certified tax rate under Subsection (2) or (3)(a); and
- 1044 (ii) the certified tax rate of a city, school district, local district, or special service
1045 district increases independent of the adjustment to the taxable value of the base year.

1046 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),
1047 the amount of money allocated and, when collected, paid each year to a community
1048 development and renewal agency established under Title 17C, Limited Purpose Local
1049 Government Entities - Community Development and Renewal Agencies Act, for the payment
1050 of bonds or other contract indebtedness, but not for administrative costs, may not be less than

1051 that amount would have been without a decrease in the certified tax rate under Subsection (2)
1052 or (3)(a).

1053 (9) The calculation of a taxing entity's certified tax rate, calculated in accordance with
1054 Section 59-2-924, shall be increased by an amount equal to the amount of collections that the
1055 taxing entity received from rollback taxes collected in accordance with Section 59-2-506 for
1056 the calendar year immediately preceding the calendar year that the county first deposits
1057 rollback taxes into the Agricultural Sustainability Investment Fund created in Section
1058 17-36-55.

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