

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Support Farms and Limit Sprawl**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 7 MRSA c. 2-C** is enacted to read:

### **CHAPTER 2-C**

### **VOLUNTARY MUNICIPAL FARM SUPPORT PROGRAM**

#### **§ 60. Definitions**

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

**1. Farm support arrangement.** "Farm support arrangement" means an arrangement that meets requirements established by the department by rule under which:

- A. The owner of qualified farmland grants to a municipality a qualified easement; and
- B. The municipality obligates itself to make farm support payments.

**2. Farm support payments.** "Farm support payments" means annual payments by a municipality during the 30-year term of a qualified easement:

- A. In an amount equal to 100% of the annual property taxes assessed by that municipality against land and buildings subject to a qualified easement; and
- B. To the person against whom the property taxes are assessed.

**3. Qualified easement.** "Qualified easement" means an agricultural conservation easement held by a municipality on qualified farmland in that municipality that:

- A. Meets standards adopted by rule by the department designed to ensure that no development other than development related to agricultural use occurs on the qualified farmland; and
- B. Is limited to a term of 30 years.

**4. Qualified farmland.** "Qualified farmland" means farmland that meets eligibility requirements established by the department by rule.

#### **§ 60-A. Program established**

**1. Program.** In order to protect and support local farms, preserve farmland and reduce the potential tax burdens from new development, a municipality may enter into farm support arrangements with the owners of qualified farmland.

A. A farm support arrangement must be approved by majority vote of the municipality's legislative body.

B. Unless approved by a 2/3 vote of the municipality's legislative body, the municipality may not enter into farm support arrangements:

(1) Affecting more than 3% of the total taxable land in the municipality; and

(2) In any calendar year, affecting more than 1% of the total taxable land in the municipality.

**2. Effects of arrangement.** A farm support arrangement may not diminish the eligibility of qualified farmland for participation in tax benefits under Title 36, chapter 105, subchapter 2-A or 10 or for consideration under Title 5, Part 15-A by the Land for Maine's Future Board.

**3. Nullification.** A farm support arrangement, once finally executed, is binding on the municipality. A municipality may not cease to make payments under the arrangement unless the land subject to the qualified easement is taken by eminent domain or state law otherwise authorizes the payments to cease. In the event that a municipality's obligation to make farm support payments ceases, the farm support arrangement and the related qualified easement are nullified and are void and of no effect and the municipality shall provide notice of this fact to the owner of the qualified farmland and record that notice with the appropriate registry of deeds.

**4. Rules.** The department shall adopt rules governing farm support arrangements. Rules adopted under this subsection are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

## SUMMARY

This bill allows a municipality to enter into arrangements under which the municipality obligates itself to make farm support payments equal to property taxes to the owner of qualified farmland and the owner of that farmland grants to the municipality a limited 30-year easement protecting the farmland from development. The bill directs the Department of Agriculture, Food and Rural Resources to adopt major substantive rules governing such arrangements.