

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H.B. 680
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10251-RI-18 (03/23)

Short Title: Allow OPAV/Conservation Esmts. on Farmland.

(Public)

Sponsors: Representative Ager.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE THAT AGRICULTURAL CONSERVATION EASEMENTS ON
3 FARMLAND MAY INCLUDE TERMS ALLOWING AN EASEMENT HOLDER THE
4 OPTION TO PURCHASE THE LAND AT AGRICULTURAL VALUE, WHICH MAY
5 RUN IN PERPETUITY.
6 The General Assembly of North Carolina enacts:
7 **SECTION 1.** Article 3 of Chapter 41 of the General Statutes is amended by adding
8 a new section to read:
9 **"§ 41-34. Option to purchase at agricultural value.**
10 (a) Notwithstanding any time limit established by this Article, an agricultural
11 conservation easement on qualifying farmland, as that term is defined by G.S. 106-737, may
12 include a provision that provides the easement holder a right of first refusal or option to
13 purchase the land encumbered by the easement at agricultural value. When executed, a right of
14 first refusal or option to purchase land at agricultural value included in an agricultural
15 conservation easement may exist in perpetuity, run with the land, and bind all future owners of
16 the farmland encumbered by an agricultural conservation easement.
17 (b) For purposes of this section, the following definitions apply:
18 (1) The term "agricultural conservation easement" means a negative easement in
19 gross restricting residential, commercial, and industrial development of land
20 for the purpose of maintaining its agricultural production capability.
21 (2) The term "agricultural value" means the value of land encumbered by an
22 agricultural conservation easement based upon the highest and best use of
23 the land for agricultural purposes, which value may rise and fall
24 commensurate with market conditions, inflation, or other valuation factors."
25 **SECTION 2.** This act is effective when it becomes law and applies to agricultural
26 conservation easements executed on or after that date.

