Amendment No. AM_136_3355

Sub. H. B. No. 575
I_136_1465-5

_____ moved to amend as follows:

Delete lines 139 through 365

After line 365, insert:

"Sec. 5713.30. As used in sections 5713.31 to 5713.37 and 5715.01 of the Revised Code:

(A) "Land devoted exclusively to agricultural use" means:

(1) Tracts, lots, or parcels of land totaling not less than ten acres to which, during the three calendar years prior to the year in which application is filed under section 5713.31 of the Revised Code, and through the last day of May of such year, one or more of the following apply:

(a) The tracts, lots, or parcels of land were devoted exclusively to commercial animal or poultry husbandry, aquaculture, algaculture meaning the farming of algae, apiculture, the cultivation of hemp by a person issued a hemp cultivation license under section 928.02 of the Revised Code, the production for a commercial purpose of timber, field crops, tobacco, fruits, vegetables, nursery stock, ornamental trees,

bxmw7rmm2bcjtnpkpq6bdx

sod, or flowers, or the growth of timber for a noncommercial purpose, if the land on which the timber is grown is contiguous to or part of a parcel of land under common ownership that is otherwise devoted exclusively to agricultural use.

(b) The tracts, lots, or parcels of land were devoted exclusively to biodiesel production, biomass energy production, electric or heat energy production, or biologically derived methane gas production if the land on which the production facility is located is contiguous to or part of a parcel of land under common ownership or leasehold that is otherwise devoted exclusively to agricultural use, provided that (i) at least fifty per cent of the feedstock used in the production is agricultural feedstock, (ii) at least twenty per cent of the agricultural feedstock used in the production is derived from parcels of land under common ownership or leasehold, and (iii) none of the feedstock used in the production consists of human waste. As used in this division, "agricultural feedstock" means manure and food waste, and "human waste" includes sludge as defined in section 6111.01 of the Revised Code.

(c) The tracts, lots, or parcels of land are eligible conservation land.

(2) Tracts, lots, or parcels of land totaling less than ten acres that, during the three calendar years prior to the year in which application is filed under section 5713.31 of the Revised Code and through the last day of May of such year, were devoted exclusively to commercial animal or poultry husbandry, aquaculture, algaculture meaning the farming of algae, apiculture, the cultivation of hemp by a person issued a hemp cultivation license under section 928.02 of the Revised Code, the production for a commercial purpose of field crops, tobacco,

fruits, vegetables, timber, nursery stock, ornamental trees, sod, or flowers where such activities produced an average yearly gross income of at least twenty-five hundred dollars during such three-year period or where there is evidence of an anticipated gross income of such amount from such activities during the tax year in which application is made, or were eligible conservation land;

(3) Tracts, lots, or parcels of land, or portions thereof that, during the previous three consecutive calendar years have been designated as land devoted exclusively to agricultural use, but such land has been lying idle or fallow for up to one year and no action has occurred to such land that is either inconsistent with the return of it to agricultural production or converts the land devoted exclusively to agricultural use as defined in this section. Such land shall remain designated as land devoted exclusively to agricultural use provided that beyond one year, but less than three years, the landowner proves good cause as determined by the board of revision.

(4) Tracts, lots, or parcels of land, or portions thereof that, during the previous three consecutive calendar years have been designated as land devoted exclusively to agricultural use, but such land has been lying idle or fallow because of dredged material being stored or deposited on such land pursuant to a contract between the land's owner and the department of natural resources or the United States army corps of engineers and no action has occurred to the land that is either inconsistent with the return of it to agricultural production or converts the land devoted exclusively to agricultural use. Such land shall remain designated as land devoted exclusively to agricultural use until the last year in which dredged material is stored or deposited on the land pursuant to such a contract, but not to exceed five

years.

(5) Tracts, lots, or parcels of land, or portions thereof that, during the immediately preceding calendar year, had been designated as land devoted exclusively to agricultural use but that have been lying idle or fallow due to circumstances that have led to a declaration of a disaster or state of emergency issued by the president of the United States or the governor of this state.

"Land devoted exclusively to agricultural use" includes tracts, lots, or parcels of land or portions thereof that are used for conservation practices, provided that the tracts, lots, or parcels of land or portions thereof comprise twenty-five per cent or less of the total of the tracts, lots, or parcels of land that satisfy the criteria established in division (A)(1), (2), (3), or (4) of this section together with the tracts, lots, or parcels of land or portions thereof that are used for conservation practices.

"Land devoted exclusively to agricultural use" includes tracts, lots, or parcels of land or portions thereof that are used for a purpose that is incidental to the primary use of the land for agricultural purposes, provided that such tracts, lots, or parcels of land or portions thereof are contiguous to such land and are not used for a commercial purpose that is unrelated to the land's primary agricultural use. Tracts, lots, or parcels that are used for a purpose that is incidental to an agricultural use includes land used as a driveway or access road or upon which a staging area, barn, or farm market is located.

Notwithstanding any other provision of law to the contrary, the existence of agritourism on a tract, lot, or parcel of land that otherwise meets the definition of "land

devoted exclusively to agricultural use" as defined in this division does not disqualify that tract, lot, or parcel from valuation under sections 5713.30 to 5713.37 and 5715.01 of the Revised Code.

A tract, lot, or parcel of land taxed under sections 5713.22 to 5713.26 of the Revised Code is not land devoted exclusively to agricultural use.

A tract, lot, parcel, or portion thereof on which medical marijuana or adult-use marijuana, as those terms are defined by section 3796.01 of the Revised Code, is cultivated or processed is not land devoted exclusively to agricultural use.

For purposes of divisions (A)(1) and (2) of this section, the total acreage of land described in those divisions may include tracts, lots, and parcels that are not contiguous, provided that the owner's use of the tracts, lots, and parcels are part of a single operation within one county or within two or more counties.

For the purposes of division (A) of this section, common ownership or leasehold exists when the same individual or individuals own or lease the tracts, lots, or parcels, either directly or indirectly through one or more entities.

(B) "Conversion of land devoted exclusively to agricultural use" means any of the following:

(1) The failure of the owner of land devoted exclusively to agricultural use during the next preceding calendar year to file a renewal application under section 5713.31 of the Revised Code without good cause as determined by the board of revision;

(2) The failure of the new owner of such land to file an

initial application under that section without good cause as determined by the board of revision;

(3) The failure of such land or portion thereof to qualify as land devoted exclusively to agricultural use for the current calendar year as requested by an application filed under such section;

(4) The failure of the owner of the land described in division (A)(3) or (4) of this section to act on such land in a manner that is consistent with the return of the land to agricultural production after three years.

The construction or installation of an energy facility, as defined in section 5727.01 of the Revised Code, on a portion of a tract, lot, or parcel of land devoted exclusively to agricultural use shall not cause the remaining portion of the tract, lot, or parcel to be regarded as a conversion of land devoted exclusively to agricultural use if the remaining portion of the tract, lot, or parcel continues to be devoted exclusively to agricultural use.

(C) "Tax savings" means the difference between the dollar amount of real property taxes levied in any year on land valued and assessed in accordance with its current agricultural use value and the dollar amount of real property taxes that would have been levied upon such land if it had been valued and assessed for such year in accordance with Section 2 of Article XII, Ohio Constitution.

(D) "Owner" includes, but is not limited to, any person owning a fee simple, fee tail, or life estate or a buyer on a land installment contract.

(E) "Conservation practices" are practices used to abate

soil erosion as required in the management of the farming operation, and include, but are not limited to, the installation, construction, development, planting, or use of grass waterways, terraces, diversions, filter strips, field borders, windbreaks, riparian buffers, wetlands, ponds, and cover crops for that purpose.

(F) "Wetlands" has the same meaning as in section 6111.02 of the Revised Code.

(G) "Biodiesel" means a mono-alkyl ester combustible liquid fuel that is derived from vegetable oils or animal fats or any combination of those reagents and that meets the American society for testing and materials specification D6751-03a for biodiesel fuel (B100) blend stock distillate fuels.

(H) "Biologically derived methane gas" means gas from the anaerobic digestion of organic materials, including animal waste and agricultural crops and residues.

(I) "Biomass energy" means energy that is produced from organic material derived from plants or animals and available on a renewable basis, including, but not limited to, agricultural crops, tree crops, crop by-products, and residues.

(J) "Electric or heat energy" means electric or heat energy generated from manure, cornstalks, soybean waste, or other agricultural feedstocks.

(K) "Dredged material" means material that is excavated or dredged from waters of this state. "Dredged material" does not include material resulting from normal farming, silviculture, and ranching activities, such as plowing, cultivating, seeding, and harvesting, for production of food, fiber, and forest products.

(L) "Agritourism" has the same meaning as in section 901.80 of the Revised Code.

(M) "Eligible conservation land" means either of the following:

(1) A tract, lot, or parcel devoted to and qualified for payments or other compensation under a land retirement or conservation program under an agreement with an agency of the federal government;

(2) A tract, lot, or parcel that meets at least one of the conditions described in divisions (M)(2)(a) to (c) of this section and the condition described in division (M)(2)(d) of this section.

(a) The land is subject to an agricultural water project or nature water project that receives funding from the H2Ohio fund created in section 126.60 of the Revised Code.

(b) The land was subject to such a project during the immediately preceding calendar year.

(c) The land is or was subject to such a project for the current or one of the two immediately preceding tax years and, for the current tax year, is subject to either a conservation easement held by the state or an agency of the state or a conservation easement held by any other person if such easement is a condition of a nature water project that is funded through the H2Ohio fund.

(d) For the tax year that includes or immediately precedes the year in which the land became subject to the project described in division (M)(2)(a), (b), or (c) of this section, as applicable, the land qualified as land devoted exclusively to

agricultural use pursuant to other criteria in divisions (A)(1) to (4) of this section.

As used in division (M)(2) of this section, "conservation easement" has the same meaning as in section 5301.67 of the Revised Code.

(N) "Internet identifier of record" has the same meaning as in section 9.312 of the Revised Code."

In line 449, strike through "(H)" and insert "(H)(1)"

In line 457, delete "this"; after "division" insert "(H)(2) of this section"

In line 462, delete "Any"

In line 463, delete "tract, lot, or parcel of land or portion" and insert:

"(2) Tracts, lots, or parcels of land or portions"; delete "qualifies" and insert "qualify"

In line 465, delete ", but that would also qualify as land"

Delete lines 466 and 467

In line 468, delete "its actual soil type" and insert "shall be valued at the lowest valued of all soil types, but only to the extent that the tracts, lots, or parcels of land or portions thereof comprise twenty-five per cent or less of the total tracts, lots, or parcels of land that satisfy the criteria established in division (A)(1), (2), (3), (4), or (5) of section 5713.30 of the Revised Code. To the extent that such eligible conservation land exceeds the twenty-five per cent threshold, the portion that exceeds the threshold shall be valued at its actual soil type. If such eligible conservation land exceeds the twenty-five per cent threshold, the lowest valued soil type shall be assigned to the tracts,

lots, or parcels that, otherwise, would have the highest valued soil types"

The motion was _____ agreed to.

SYNOPSIS

H2Ohio land valuation

R.C. 5713.31

Requires that eligible conservation land enrolled in the H2Ohio program that comprises up to 25% of the total land devoted exclusively for agricultural use be valued at the lowest valued of all soil types. Currently, all conservation land in the H2Ohio program is valued at the lowest valued soil type.

Requires that H2Ohio land that exceeds that 25% threshold be valued at its actual soil type.

Provides that, if H2Ohio land exceeds that 25% threshold, the lowest valued soil type will be assigned to the land that, otherwise, would have the highest valued soil types.

Conforming change: section update

R.C. 5713.30

Updates the version of a statute in the bill to conform to the most current version of that statute.