

SENATE BILL 2099

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 43,
Chapter 1, Part 1, relative to agricultural real
estate interests.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 43, Chapter 1, Part 1, is amended by
adding the following as a new section:

43-1-115. Acquisition and administration of agricultural real estate interests.

(a) For purposes of this section, "agricultural easement" means a voluntary nonpossessory interest of a holder in real property imposing limitations or affirmative obligations on the owner of the servient estate, the owner's heirs, and assigns with respect to the use and management of the servient land, structures or features thereon, or activities conducted thereon, which limitations and affirmative obligations are intended to preserve, maintain, or enhance the condition of agriculture and is recorded in the register's office of the county in which the servient land is located.

(b) Subject to annual appropriations, there is established a program for the department's acquisition and administration of agricultural real estate interests in this state. The program may include the administration of grants for the purpose of preserving farm and forestry land, including the department's acquisition of agricultural easements on lands used in agricultural or forestry production.

(c)

(1) There is created within the general fund a special agency account to be known as the farmland preservation fund for funds allocated to the department for purposes of this section.

(2) Any unencumbered moneys and unexpended balance of the fund remaining at the end of a fiscal year do not revert to the general fund, but must be carried forward and maintained until expended in accordance with this section. Moneys in the fund must be invested by the state treasurer for the benefit of the fund pursuant to § 9-4-603. Interest accruing on investments and deposits of the fund must be returned to the fund and remain a part of the fund.

(3) The commissioner of agriculture shall administer the fund.

(d) An agricultural easement acquired pursuant to this section must:

(1) Permit the erection, construction, or reconstruction of any building or other structure used for agricultural purposes;

(2) Permit the creation of a maximum of three (3) lots for the construction or reconstruction of residences for farmers and farm workers, not to exceed five percent (5%) of the total land; and

(3) Be for a term of fifteen (15) years or longer.

(e) The commissioner shall promulgate rules in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, to implement this section, including the establishment of eligibility criteria.

SECTION 2. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 3. For purposes of rulemaking, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes, this act takes effect on July 1, 2024, the public welfare requiring it.