



**TESTIMONY ON  
HOUSE BILL 920 - ESTABLISHMENT OF URBAN AGRICULTURAL INCENTIVE ZONES**

Presented to the House Agriculture and Rural Affairs Committee

By  
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On behalf of the County Commissioners Association of Pennsylvania (CCAP), representing all 67 counties in the commonwealth, thank you for the opportunity to comment on House Bill 920, which would establish the Urban Agricultural Incentive Zones Act.

The Urban Agricultural Incentive Zones Act would incentivize agricultural production within urban centers through the reassessment of vacant, unimproved or blighted lands for small-scale agricultural crop or livestock production. While counties do not have a formalized position on the merits of the legislation and are generally supportive of rehabilitation of blighted properties, counties have several logistical questions and concerns related to assessment of properties in these zones as they play a critical role in implementing this act.

Counties have a longstanding responsibility for conducting property assessments. These assessments are crucial as they underpin the various property taxes levied by local governments. However, administering property reassessments are challenging due to diverse populations, property types, and market values across counties. In turn, the criteria for determining the necessity of a reassessment vary widely by region, providing for difficulties in habitual reassessments.

Under this legislation, counties undertake the dual responsibility of reassessing unused land to verify its suitability for agricultural use, while also ensuring compliance with contractual obligations. While the legislation notes how the assessed value of land ought to be calculated, it does not address other aspects of property assessments that are triggered when it comes to agricultural land and production. Of specific note is the Clean and Green Act, which is regulated by counties for landowners utilizing land for agricultural purposes. Specifically, Clean and Green is a preferential tax assessment program that bases property taxes on use values rather than fair market values for eligible properties, typically resulting in a tax reduction for landowners. County assessors are responsible for administering the Clean and Green program as it is defined in statute at the state level.

The enactment of this legislation will further expand the Clean and Green Act by qualifying more land, as it allows farms under 10 acres to qualify if they generate at least \$2,000 in annual revenue. This expansion could increase the number of micro-farms in the commonwealth, thereby boosting the number of farms eligible for this preferential property assessment program. The Clean and Green Act also triggers another set of requirements for land enrolled in the program related to maintaining land for these purposes and ownership requirements into perpetuity and has penalties for unenrollment or change of land use, which could negatively impact property owners after contracts under the Urban Agricultural Incentive Zones expire.

In addition to the assessment logistical questions and challenges, counties also are seeking definitional and logistical clarifications related to contracts, applicability in urban and non-urban spaces and other ambiguous provisions in the proposal as currently drafted. Counties welcome

further discussion on the proposal to address these concerns before any further consideration of the legislation.

Thank you again for the opportunity to offer our testimony and for your consideration of these comments. We look forward to continuing to work with you on these important matters.