



AGRICULTURAL SECURITY AREAS - *FACT SHEET*

Introduction

Ohio's new Agricultural Security Area (ASA) legislation, House Bill 414, permits one or more landowners to request from county commissioners and township trustees to enroll at least 500 acres of contiguous farmland in the unincorporated area of the county into an ASA for 10 years. ASAs are voluntary, respect private property rights, are locally-controlled, and are incentive-based.

ASAs provide certain benefits to farmers, including protecting against non-farm development, assembling a critical mass of land to help keep farming viable, and providing a new local tax benefit for investment in new agricultural real property. They are not designed to stop development, but to protect farmland by creating special areas where agriculture is encouraged and protected.

ASAs Key Components

1. Ohio's Agricultural Security Area (ASA) legislation, House Bill 414, was sponsored by Representative Tony Core and passed the Ohio House on May 11, 2004, by a vote of 93 to 4 and passed the Ohio Senate on December 7, 2004, by a vote of 29 to 0. Governor Bob Taft signed the bill on February 15, 2005, and it went into effect on May 18, 2005.
2. To be eligible, a farmland owner must be enrolled in the Current Agricultural Use Valuation (CAUV) tax program and enrolled in an Agricultural District; must be utilizing "best management practices"; and must not have any civil or criminal actions in violation of Ohio or U.S. environmental law in the 10 years immediately preceding the date of application.
3. Eligible farmers, owning 500 or more contiguous acres of farmland, would submit an application requesting a resolution of support from both the township trustees and county commissioners to form an ASA for 10 years. The trustees or commissioners may hold separate or joint public hearings prior to approving or rejecting an ASA application.
4. During the 10-year enrollment period only agricultural activity as defined by Section 5713.30 of the Ohio Revised Code is permitted. However, a farmer may request a non-farm development activity be undertaken and local governments may approve such activity, but only if the local governments determine that such activity would not impair the ability to farm and the land must remain enrolled in CAUV, with one exception. The exception is that one residence per 40 acres is permitted for the landowner's relatives.
5. ASAs are a partnership between the farmland owner and the local elected officials. The local governments commit not to initiate, approve, or finance any non-farm development activity, such as extending water and sewer lines, building new roads, housing subdivisions, commercial or industrial facilities, etc., within the ASA during the 10-year term. Likewise, landowners commit not to undertake any non-agricultural development on their farmland.

6. In addition to being protected from incompatible development and receiving the benefits of CAUV and Agricultural District enrollments, farmers may receive, at the discretion of the township trustees and the county commissioners, a real property tax exemption on new or expanded farm buildings. A minimum investment of \$25,000 is required and local officials may establish a maximum investment cap. The tax exemption would be up to 75% and up to 10 years.
7. If a landowner violates or withdraws from the ASA during the 10-year period of enrollment, a recoupment of the tax exemption benefits will be made and the landowner must pay a \$500 fine to the township trustees and the county commissioners.
8. If during the first five years of the ten year enrollment a landowner(s) violates or withdraws from the ASA and the ASA then has less than 500 acres, the ASA expires. All landowners who received an ASA tax exemption must repay the tax benefits, plus an interest penalty on that amount equal to the average bank prime rate.
9. If during the last five years of the ten year enrollment a landowner(s) violates or withdraws from the ASA and the ASA then has less than 500 acres, the ASA does not expire. However, the landowner(s) who drops out must pay a \$500 fine and repay any tax benefits granted, plus an interest penalty on the tax benefits equal to the average bank prime rate. Other land owners who remain enrolled in the ASA are not penalized. After the 10 year enrollment ends, however, the ASA must contain at least 500 acres in order to be renewed for another 10 year term.

Role of the Ohio Office of Farmland Preservation in ASAs

The Ohio Department of Agriculture's Office of Farmland Preservation will provide technical assistance to farmers and local officials interested in utilizing ASAs, including a copy of the law, an application, and a sample resolution. To view these additional materials on the ASA program, please visit: www.ohioagriculture.gov/asa.

For general questions on the ASA program, contact:

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