

REVENUE: Revenue statement issued

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: Hass, Olsen, Prozanski, Thomsen, Dingfelder

Nays: 0

Exc.: 0

Prepared By: Beth Patrino, Administrator

Meeting Dates: 5/10, 5/26

WHAT THE MEASURE DOES: Establishes that any Land Conservation and Development Commission (LCDC) rule that establishes farm income standard to determine whether dwelling is customarily provided in conjunction with farm use must allow farm operator to satisfy income standard by earning the required amount or more of farm income in at least three of last five years, in each of last two years, or based on averaged farm income in best three of last five years.

ISSUES DISCUSSED:

- Current farm income standards
- Crop and livestock options as a result of dwelling on farm property
- Allows more flexibility

EFFECT OF COMMITTEE AMENDMENT: Clarifies language in section 1a.

BACKGROUND: In 1993, LCDC established a technical advisory committee to determine methods that would ensure new “farm dwellings” allowed in exclusive farm use (EFU) zones would be for farmers rather than for those who want to live in the country but not engage in agricultural activities. In response to recommendations from the advisory committee, LCDC adopted rules to establish a “gross income test” of \$80,000 to help determine whether a property supports commercial agriculture and is therefore eligible for a farm dwelling. Current LCDC rules apply the \$80,000 gross income test only to high-value farmland. For other farmland, the LCDC rules give counties a lower income test and a production capability test (as well as a parcel size test not related to income). House Bill 3290 A would add another option for meeting the income standard.