

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011**

**HOUSE BILL 406  
RATIFIED BILL**

AN ACT TO PROVIDE THAT LAND THAT IS ENGAGED IN AGRICULTURE MAY QUALIFY FOR ENROLLMENT IN A VOLUNTARY AGRICULTURAL DISTRICT EVEN THOUGH IT DOES NOT QUALIFY FOR TAXATION AT ITS PRESENT-USE VALUE, AND TO PROVIDE THAT RESIDENTIAL LOTS CREATED ON LAND THAT IS THE SUBJECT OF A CONSERVATION AGREEMENT MUST MEET MUNICIPAL ZONING AND SUBDIVISION REGULATIONS, AND TO PROVIDE THAT REVOCABLE VOLUNTARY AGRICULTURAL DISTRICT CONSERVATION AGREEMENTS ARE NOT REQUIRED TO BE RECORDED.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 106-737 reads as rewritten:

**"§ 106-737. Qualifying farmland.**

In order for farmland to qualify for inclusion in a voluntary agricultural district or an enhanced voluntary agricultural district under Part 1 or Part 2 of this Article, it must be real property that:

- (1) ~~Is participating in the farm present use value taxation program established by G.S. 105-277.2 through 105-277.7 or is otherwise determined by the county to meet all the qualifications of this program set forth in G.S. 105-277.3; engaged in agriculture as that word is defined in G.S. 106-581.1.~~
- (2) Repealed by Session Laws 2005-390, s. 11 effective September 13, 2005.
- (3) Is managed in accordance with the Soil Conservation Service defined erosion control practices that are addressed to highly erodable land; and
- (4) Is the subject of a conservation agreement, as defined in G.S. 121-35, between the county and the owner of such land that prohibits nonfarm use or development of such land for a period of at least 10 years, except for the creation of not more than three lots that meet applicable county and municipal zoning and subdivision regulations."

**SECTION 2.** G.S. 121-41 reads as rewritten:

**"§ 121-41. Public recording of agreements.**

(a) ~~Conservation~~ Except as provided in subsection (c) of this section, conservation agreements shall be recorded in the office of the Register of Deeds of the county or counties in which the subject land or improvement is located, in the same manner as deeds are now recorded.

(b) Releases or terminations of such agreements shall be recorded in the same waiver. Releases or terminations, or the recording entry, shall appropriately identify by date, parties, and book and pages of recording, the agreement which is the subject of the release or termination.

(c) A conservation agreement entered into for the purpose of enrolling real property in a voluntary agricultural district pursuant to G.S. 106-737(4) is not required to be recorded unless such conservation agreement is irrevocable as provided pursuant to G.S. 106-743.2."



**SECTION 3.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 15<sup>th</sup> day of June,

2011.

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Walter H. Dalton  
President of the Senate

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Thom Tillis  
Speaker of the House of Representatives

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Beverly E. Perdue  
Governor

Approved \_\_\_\_\_ .m. this \_\_\_\_\_ day of \_\_\_\_\_, 2011