

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1269 Session of
2024

INTRODUCED BY AUMENT, VOGEL, BARTOLOTTA, KANE, CULVER, SCHWANK,
J. WARD, MASTRIANO AND STEFANO, JUNE 21, 2024

REFERRED TO AGRICULTURE AND RURAL AFFAIRS, JUNE 21, 2024

AN ACT

1 Amending Title 3 (Agriculture) of the Pennsylvania Consolidated
2 Statutes, establishing the Agriculture Innovation Grant
3 Program and the Agriculture Innovation Board.

4 The General Assembly of the Commonwealth of Pennsylvania

5 hereby enacts as follows:

6 Section 1. Title 3 of the Pennsylvania Consolidated Statutes
7 is amended by adding a chapter to read:

8 CHAPTER 110

9 AGRICULTURE INNOVATION GRANT PROGRAM

10 Sec.

11 11001. Scope of chapter.

12 11002. Purpose.

13 11003. Definitions.

14 11004. Agriculture Innovation Grant Program.

15 11005. Board.

16 11006. Grant funds and eligibility.

17 11007. Funding.

18 11008. Limitation of grants.

1 11009. Applications and disposition of grants.

2 11010. Regulations.

3 § 11001. Scope of chapter.

4 This chapter relates to the Agriculture Innovation Grant
5 Program.

6 § 11002. Purpose.

7 It is the intent of the General Assembly to offer
8 reimbursement grants to promote and support agricultural
9 innovation to ensure the competitiveness, resiliency,
10 environmental stewardship and vitality of farms, agribusinesses
11 and agricultural support services in this Commonwealth.

12 § 11003. Definitions.

13 The following words and phrases when used in this chapter
14 shall have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 "Agricultural commodity." As defined in the act of June 10,
17 1982 (P.L.454, No.133), referred to as the Right-to-Farm Law.

18 "Board." The Agriculture Innovation Board established under
19 section 11005 (relating to board).

20 "Conservation district." As defined in section 503 (relating
21 to definitions).

22 "Cooperative association." As defined in section 4502
23 (relating to definitions).

24 "Department." The Department of Agriculture of the
25 Commonwealth.

26 "Eligible applicant." An applicant that meets one of the
27 following criteria:

28 (1) A person who grows an agricultural commodity and who
29 has anticipated sales greater than \$2,000 a year.

30 (2) A person who processes an agricultural commodity and

1 has anticipated sales greater than \$10,000 a year.

2 (3) A person who provides technical assistance or
3 services to farmers for conservation, engineering, veterinary
4 care, animal disease management, farm management,
5 agricultural commodity production, nutrient management or
6 similar services.

7 (4) A person or cooperative association that utilizes
8 agricultural commodities to create products or energy.

9 "Innovation." The practical implementation of ideas that
10 results in new products, processes or services.

11 "Lending institution." As defined under section 603
12 (relating to definitions).

13 "Licensed doctor of veterinary medicine." A person who is
14 currently licensed under the act of December 27, 1974 (P.L.995,
15 No.326), known as the Veterinary Medicine Practice Act.

16 "Person." An individual, partnership, association, firm,
17 corporation or any other legal entity.

18 "Program." The Agriculture Innovation Grant Program
19 established under section 11004 (relating to Agriculture
20 Innovation Grant Program).

21 § 11004. Agriculture Innovation Grant Program.

22 The Agriculture Innovation Grant Program is established
23 within the department. The program shall be administered by the
24 department, in consultation with the board, to provide
25 reimbursement grants to eligible applicants for costs associated
26 with one or more of the following:

27 (1) Utilization of innovation to improve energy
28 efficiency, improve water quality, reduce water consumption,
29 reduce odors or address solid waste concerns.

30 (2) Utilization of innovation to improve production,

1 processing, commercialization or utilization of agricultural
2 commodities.

3 (3) Innovation that produces energy from agricultural
4 sources, including manure, food waste or biomass.

5 (4) Innovation equipment that provides low-carbon or no-
6 carbon energy sources from agricultural commodities.

7 (5) Innovation technology that assists eligible
8 applicants with the management of their farms, including
9 diagnostic tools and services.

10 (6) Innovation technology that assists a packer,
11 processor or cooperative in more efficient sorting, grading
12 or processing of agricultural commodities.

13 (7) Innovation that improves biosecurity or health of
14 plants or animals.

15 (8) Innovation that supports cybersecurity or data
16 analytics.

17 § 11005. Board.

18 (a) Establishment.--The Agriculture Innovation Board is
19 established and shall consist of the following members:

20 (1) The Secretary of Agriculture or a designee who shall
21 serve as chairperson.

22 (2) The Secretary of Community and Economic Development
23 or a designee.

24 (3) An employee of a conservation district selected by
25 the executive director of the State Conservation Commission.

26 (4) The following members appointed by the Governor:

27 (i) A representative of an institution of higher
28 education located in this Commonwealth.

29 (ii) A board member of a rural electric cooperative
30 located in this Commonwealth.

1 (iii) A member of a cooperative association located
2 in this Commonwealth.

3 (iv) An employee of a lending institution located in
4 this Commonwealth.

5 (v) A person or an employee of a person engaged in
6 the production or processing of an agricultural commodity
7 in this Commonwealth.

8 (vi) A licensed doctor of veterinary medicine who is
9 not an employee of the Commonwealth.

10 (5) One member of the Senate appointed by the President
11 pro tempore of the Senate or a designee who shall be an
12 employee of the Senate.

13 (6) One member of the Senate appointed by the Minority
14 Leader of the Senate or a designee who shall be an employee
15 of the Senate.

16 (7) One member of the House of Representatives appointed
17 by the Speaker of the House of Representatives or a designee
18 who shall be an employee of the House of Representatives.

19 (8) One member of the House of Representatives appointed
20 by the Minority Leader of the House of Representatives or a
21 designee who shall be an employee of the House of
22 Representatives.

23 (b) Quorum.--Seven members of the board shall constitute a
24 quorum. The consent of no less than seven members of the board,
25 with five of the consenting members as specified under
26 subsection (a) (1), (5), (6), (7) and (8), shall be necessary to
27 award grants to eligible applicants under subsection (d).

28 (c) Terms.--A board member appointed under subsection (a)
29 (3), (4), (5), (6), (7) and (8) shall serve a term of two years
30 and may be reappointed to successive terms. A vacancy shall be

1 filled in the same manner as appointments are made under
2 subsection (a).

3 (d) Duties.--The board shall meet as necessary to evaluate
4 and award grants under section 11006 (relating to grant funds
5 and eligibility) to eligible applicants based on the following
6 criteria:

7 (1) The ability of the applicant to complete the
8 project.

9 (2) The ability of the applicant to incorporate one or
10 more of the innovations under section 11004 (relating to
11 Agriculture Innovation Grant Program).

12 (3) How the project fulfills one or more of the
13 innovations under section 11004.

14 (4) The ability of the applicant to sustain the project.

15 (5) Any other criteria as determined by the department,
16 in consultation with the board.

17 § 11006. Grant funds and eligibility.

18 (a) Innovation planning project grant.--An eligible
19 applicant may apply for a grant to develop a strategic plan to
20 utilize innovation to improve agricultural practices,
21 technologies, operations or approaches within a specific
22 business, geographic area or network. The following shall apply
23 to a grant under this subsection:

24 (1) The amount of a grant shall be no less than \$7,500
25 and no more than \$50,000.

26 (2) A grantee must use non-State sourced matching funds
27 equal to at least 30% of the grant amount for the project.

28 (b) On-site project grant.--An eligible applicant may apply
29 for a grant for a project that focuses on implementing
30 innovation practices, technologies or approaches on an

1 individual farm or property producing or processing an
2 agricultural commodity. The following shall apply to a grant
3 under this subsection:

4 (1) The amount of the grant shall be no less than \$5,000
5 and no more than \$200,000.

6 (2) A grantee must use non-State sourced matching funds
7 equal to at least 50% of the grant amount for the project.

8 (c) Regional impact project grant.--An eligible applicant
9 may apply for a grant for a project designed to address
10 challenges, promote efficiencies or achieve specific goals for
11 multiple eligible applicants. The following shall apply to a
12 grant under this subsection:

13 (1) The amount of the grant shall be no less than
14 \$100,000 and no more than \$2,000,000.

15 (2) The grantee must use non-State sourced matching
16 funds equal to at least 50% of the grant amount for the
17 project.

18 (3) The project must impact two or more persons or
19 businesses or be a cooperative association that grows,
20 harvests, processes, packs or manages an agricultural
21 commodity.

22 § 11007. Funding.

23 The department shall accept funds from the following sources:

24 (1) Money appropriated to the department for the
25 purposes of this chapter.

26 (2) Gifts or donations of money, securities or other
27 personal property except real estate, which, or the income of
28 which, shall be used to carry out the purposes of this
29 chapter.

30 § 11008. Limitation of grants.

1 (a) Limitation.--A grant under section 11006 (relating to
2 grant funds and eligibility) may only be awarded to the extent
3 money is appropriated by the General Assembly or provided by
4 other sources.

5 (b) Approval of grant.--The board may approve a grant that
6 is less than the requested amount.

7 (c) Conditions.--The department and the board may impose
8 restrictions or special conditions upon issuance of a grant.

9 (d) Reimbursement grants.--

10 (1) A grant awarded under section 11006 shall be a
11 reimbursement grant. The amount of reimbursement shall be
12 based on actual costs submitted by an approved eligible
13 applicant for a project awarded a grant during any fiscal
14 year in which grants are offered.

15 (2) Grant money shall not be used to reimburse any
16 portion of an in-kind contribution to an eligible project.

17 (3) Grant money may not be used to pay or reimburse
18 wages or salaries of a grant recipient or grant recipient
19 staff.

20 (4) Grant money may not be used to reimburse any portion
21 of project costs that are paid or reimbursed under another
22 Federal or State grant program.

23 (e) Cap on grants.--A single eligible applicant may not be
24 awarded more than \$2,000,000 in a fiscal year.

25 § 11009. Applications and disposition of grants.

26 (a) Submission.--Applications for grants shall be submitted
27 in a manner and on a form as prescribed by the department.

28 (b) Written agreement.--The department may require a written
29 agreement describing the terms and conditions of the grant.

30 (c) Verification.--The department may require verification

1 of grant expenditures.

2 (d) Criteria.--The department may establish criteria under
3 which the department may demand the return of all or a portion
4 of the grant money.

5 § 11010. Regulations.

6 The department shall administer the provisions of this
7 chapter and, with the approval of the board, shall prescribe and
8 adopt program policy guidelines or regulations to administer and
9 enforce this chapter.

10 Section 2. This act shall take effect in 60 days.