

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2310 Session of  
2024

INTRODUCED BY TAKAC, PROBST, HILL-EVANS, KHAN, CEPEDA-FREYTIZ,  
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CONKLIN, KINKEAD, DALEY, STEELE, CAUSER, FRIEL, KENYATTA,  
VENKAT, HADDOCK AND GIRAL, MAY 21, 2024

REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS,  
MAY 21, 2024

AN ACT

1 Amending Title 3 (Agriculture) of the Pennsylvania Consolidated  
2 Statutes, providing for the Agriculture Innovation Grant  
3 Program; and promulgating regulations.

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 membership.

16 11006. Grant funds and eligibility.

17 11007. Funding.

1 11008. Limitation of grants.  
2 11009. Applications.  
3 11010. Disposition of grants.

4 11011. Regulations.

5 § 11001. Scope of chapter.

6 This chapter shall be known and may be cited as the  
7 Agriculture Innovation Grant Program.

8 § 11002. Purpose.

9 It is the intent of the General Assembly to offer  
10 reimbursement grants to promote and support agricultural  
11 innovation to ensure the competitiveness, resiliency,  
12 environmental stewardship and vitality of farms and  
13 agribusinesses in this Commonwealth. Grants will assist  
14 producers of agricultural commodities, agriculture service  
15 providers, cooperatives, packers and processors in the  
16 implementation of innovation that increases efficiency,  
17 encourages sustainable practices, utilizes renewable energy or  
18 sequesters carbon.

19 § 11003. Definitions.

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

23 "Agricultural commodity." As defined in the act of June 10,  
24 1982 (P.L.454, No.133), referred to as the Right-to-Farm Law.

25 "Board." The Agriculture Innovation Board established under  
26 section 11005 (relating to board membership).

27 "Commission." The State Conservation Commission.

28 "Cooperative association." Any cooperative marketing  
29 association of producers which the Secretary of Agriculture  
30 determines, after application by the cooperative association,

1 to:

2 (1) be qualified under the provisions of the Cooperative  
3 Marketing Association Act (42 Stat. 388, 7 U.S.C. §§ 291 and  
4 292) and organized as a cooperative agricultural association  
5 under the laws of this Commonwealth and any other state; and

6 (2) have full authority in the sale of affected  
7 agricultural commodity of its members and to be engaged in  
8 making collective sales of or marketing the commodity or its  
9 products for its members.

10 "Department." The Department of Agriculture of the  
11 Commonwealth.

12 "Eligible applicant." An applicant that meets one of the  
13 following criteria:

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

16 (2) A person who provides technical assistance or  
17 services to farmers for conservation, engineering, plant  
18 inspection, crop protection, soil amendments, nutrient  
19 management and similar services.

20 (3) A person or cooperative association that utilizes  
21 agricultural commodities to create products or energy.

22 "Innovation." The practical implementation of ideas that  
23 result in new products, processes or services.

24 "Lending institution." As defined under section 603  
25 (relating to definitions).

26 "Person." An individual, partnership, association, firm,  
27 corporation or any other legal entity.

28 "Program." The Agriculture Innovation Grant Program  
29 established under section 11004 (relating to Agriculture  
30 Innovation Grant Program).

1 § 11004. Agriculture Innovation Grant Program.

2 The Agriculture Innovation Grant Program is established  
3 within the department. The program shall be administered by the  
4 department, in consultation with the commission and the board,  
5 to provide reimbursement grants to eligible applications for  
6 costs associated with one or more of the following:

7 (1) Utilization of innovation to improve energy  
8 efficiency, improve water quality, reduce water consumption,  
9 reduce odors or address solid waste concerns.

10 (2) Increased processing of agricultural commodities  
11 that sequester carbon into durable goods.

12 (3) Technology that produces energy from agricultural  
13 sources, including manure, food waste or biomass.

14 (4) Technology that reduces the amount of greenhouse  
15 gases used or emitted by farms.

16 (5) Equipment that provides low-carbon or no-carbon  
17 energy sources from agriculture commodities.

18 (6) Technology that assists eligible applicants with the  
19 management of their farms, including diagnostic tools and  
20 services.

21 (7) Technology that assists a packer, processor or  
22 cooperative in the sorting, grading or production of  
23 agricultural commodities more efficiently.

24 (8) Innovations that improve biosecurity or health of  
25 plants and animals.

26 (9) Innovations that support cybersecurity or data  
27 analytics.

28 § 11005. Board membership.

29 The Agriculture Innovation Board is established and shall  
30 consist of the following members, with a majority of members

1 constituting a quorum:

2 (1) The Secretary of Agriculture or a designee, who  
3 shall serve as chairperson.

4 (2) The Secretary of Community and Economic Development,  
5 or a designee.

6 (3) The Executive Director of the State Conservation  
7 Commission or a designee.

8 (4) A representative of a higher educational facility  
9 located in this Commonwealth.

10 (5) A board member of a rural electric cooperative  
11 located in this Commonwealth.

12 (6) A member of a cooperative association located in  
13 this Commonwealth.

14 (7) An employee of a lending institution located in this  
15 Commonwealth.

16 (8) A person or an employee of a person engaged in the  
17 production or processing of an agricultural commodity in this  
18 Commonwealth.

19 (9) An employee of a conservation organization doing  
20 work in this Commonwealth.

21 § 11006. Grant funds and eligibility.

22 (a) Planning project grant.--An eligible applicant may apply  
23 for a grant for a project focused on developing strategic plans  
24 to improve agricultural practices, technologies, operations or  
25 approaches within a specific business, geographic area or  
26 network, to which the following shall apply:

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

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

1 (b) On-farm project grant.--An eligible applicant may apply  
2 for a grant for a project that focuses on implementing  
3 practices, technologies or approaches on an individual farm or  
4 property producing an agricultural commodity, to which the  
5 following shall apply:

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

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

10 (c) Regional impact project grant.--An eligible applicant  
11 may apply for a grant for a project designed to address  
12 challenges, promote efficiencies or achieve specific goals for  
13 multiple eligible applicants, to which the following shall  
14 apply:

15 (1) The amount of the grant shall be no less than  
16 \$100,000 and no more than \$2,000,000.

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

20 (3) The project must impact two or more persons or  
21 businesses or be a cooperative association that grows,  
22 harvests, processes, packs or manages agricultural  
23 commodities.

24 § 11007. Funding.

25 The department shall accept funds from the following sources:

26 (1) Money appropriated to the department for the  
27 purposes of this chapter.

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

1 chapter.

2 § 11008. Limitation of grants.

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

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

9 (c) Conditions.--The department may impose restrictions or  
10 special conditions upon issuance of a grant.

11 (d) Reimbursement grants.--

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

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

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

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

24 (e) Cap on grants.--A single eligible applicant may not be  
25 awarded more than \$2,000,000 in a one-year period, calculated  
26 from the date on which the department awards the initial grant.

27 § 11009. Applications.

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

30 (b) Evaluation.--The board shall meet at least twice each

1 year to evaluate and award grants to eligible applicants based  
2 on the following application criteria:

3 (1) The ability of the applicant to complete the  
4 project.

5 (2) The ability of the applicant to incorporate one or  
6 more of the innovations under section 11004 (relating to  
7 Agriculture Innovation Grant Program).

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

10 (4) The number of jobs created or retained due to the  
11 project.

12 (5) The ability of the applicant to sustain the project.

13 (6) Any other criteria as determined by the department.

14 § 11010. Disposition of grants.

15 (a) Written agreement.--The department may require a written  
16 agreement describing the terms and conditions of the grant.

17 (b) Verification.--The department may require verification  
18 of grant expenditures.

19 (c) Criteria.--The department may establish criteria under  
20 which the department may demand the return of all or a portion  
21 of the grant money.

22 § 11011. Regulations.

23 The department shall administer this chapter and may  
24 prescribe and adopt regulations or program policy guidelines as  
25 it deems necessary to administer this chapter.

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