

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 513
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Finance Committee Substitute Adopted 5/14/15
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PROPOSED HOUSE COMMITTEE SUBSTITUTE S513-PCS45414-TQxf-27

Short Title: North Carolina Farm Act of 2015.

(Public)

Sponsors:

Referred to:

March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE REGULATORY RELIEF TO THE AGRICULTURAL
3 COMMUNITY OF NORTH CAROLINA BY PROVIDING FOR VARIOUS
4 TRANSPORTATION AND ENVIRONMENTAL REFORMS AND BY MAKING
5 VARIOUS OTHER STATUTORY CHANGES.

6 The General Assembly of North Carolina enacts:

7
8 **REVISE HORSE INDUSTRY PROMOTION ACT TO INCREASE CAPS ON**
9 **DURATION AND AMOUNT OF AN ASSESSMENT**

10 SECTION 1. G.S. 106-823 reads as rewritten:

11 "**§ 106-823. Referendum.**

12 (a) The Council may conduct a referendum among horse owners upon the question of
13 whether an assessment shall be levied consistent with this Article.

14 (b) The Council shall determine all of the following:

- 15 (1) The amount of the proposed assessment, not to exceed ~~two~~ four dollars
16 ~~(\$2.00)~~ (\$4.00) per ton of commercial horse feed.
17 (2) The period for which the assessment shall be levied, not to exceed ~~three~~ 10
18 years.
19 (3) The time and place of the referendum.
20 (4) Procedures for conducting the referendum and counting votes.
21 (5) Any other matters pertaining to the referendum.

22"

23
24 **CONFORM COMPENSATION PAID TO AN H-2A AGRICULTURAL WORKER TO**
25 **FEDERAL WAGE WITHHOLDING STANDARDS**

26 SECTION 2.(a) G.S. 105-163.3(b) reads as rewritten:

27 "(b) Exemptions. – The withholding requirement does not apply to the following:

- 28 (1) Compensation that is subject to the withholding requirement of
29 G.S. 105-163.2.
30 (2) Compensation paid to an ordained or licensed member of the clergy.
31 (3) Compensation paid to an entity exempt from tax under G.S. 105-130.11.



* S 5 1 3 - P C S 4 5 4 1 4 - T Q X F - 2 7 *

1 (4) Compensation paid to an alien, as described by 8 U.S.C. §
2 1101(a)(15)(H)(ii)(a), that is not subject to federal income tax withholding
3 under section 1441 of the Code."

4 **SECTION 2.(b)** This section is effective for taxable years beginning on or after
5 January 1, 2015.

6 7 **ESTABLISH POLICY SUPPORTING SUSTAINABLE AGRICULTURE**

8 **SECTION 3.** Article 1 of Chapter 106 of the General Statutes is amended by
9 adding a new section to read:

10 **"§ 106-26.3. Declaration of policy supporting sustainable agriculture.**

11 The General Assembly hereby finds and declares that it shall be the policy of this State to
12 support and promote sustainable agriculture. For purposes of this section, "sustainable
13 agriculture" means the use of science-based agricultural practices, technologies, or biological
14 systems supported by research or otherwise demonstrated to lead to broad outcomes-based
15 improvements, including such critical outcomes as increasing agricultural productivity and
16 improving human health through access to safe, nutritious, affordable food and other
17 agricultural products, while enhancing agricultural and surrounding environmental conditions
18 through the stewardship of water, soil, air quality, biodiversity, and wildlife habitat. Further,
19 the General Assembly finds and declares that it is in the interest of the people of this State to
20 use sustainable agriculture to meet the needs of the present and to improve the ability of future
21 generations to meet their own needs, while advancing progress toward environmental and
22 economic goals and the well-being of agricultural producers and rural communities."

23 24 **MODIFY OVERSIZE VEHICLE PERMIT TIME RESTRICTIONS**

25 **SECTION 4.(a)** 19A NCAC 02D .0607 (Permits-Weight, Dimensions and
26 Limitations). – Until the effective date of the revised permanent rule that the Department of
27 Transportation is required to adopt pursuant to Section 4(d) of this act, the Department shall
28 implement 19A NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations) as provided
29 in subsections (b) and (c) of this section.

30 **SECTION 4.(b)** Implementation. – Notwithstanding subdivision (h)(1) of 19A
31 NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations), the Secretary of
32 Transportation shall allow movement of a permitted oversize vehicle between sunrise and
33 sunset Monday through Sunday. However, a 16-foot-wide mobile or modular home unit with a
34 maximum three-inch gutter edge is restricted to travel from 9:00 A.M. to 2:30 P.M. Monday
35 through Sunday. A 16-foot-wide unit is authorized to continue operation after 2:30 P.M., but
36 not beyond sunset, when traveling on an approved route as determined by an engineering study
37 and the unit is being exported out-of-state.

38 **SECTION 4.(c)** Implementation. – Notwithstanding subdivision (h)(2) of 19A
39 NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations), the Secretary of
40 Transportation shall only prohibit movement of a permitted oversize vehicle and vehicle
41 combination after noon on the weekday preceding the three holidays of Independence Day,
42 Thanksgiving Day, and Christmas Day until noon on the weekday following a holiday. If the
43 observed holiday falls on the weekend, travel is restricted from noon on the preceding Friday
44 until noon on the following Monday.

45 **SECTION 4.(d)** Additional Rule-Making Authority. – The Department of
46 Transportation shall adopt rules to amend 19A NCAC 02D .0607 (Permits-Weight, Dimensions
47 and Limitations) consistent with subsections (b) and (c) of this section. Notwithstanding
48 G.S. 150B-19(4), the rule adopted by the Department pursuant to this section shall be
49 substantively identical to the provisions of subsections (b) and (c) of this section. Rules adopted
50 pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General
51 Statutes. Rules adopted pursuant to this section shall become effective as provided in

1 G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by
2 G.S. 150B-21.3(b2).

3 **SECTION 4.(e)** Effective Date. – Subsections (b) and (c) of this section expire on
4 the date that rules adopted pursuant to subsection (d) of this act become effective.
5

6 **ALLOW OVERSIZE TRANSPORTATION OF HAY BALES**

7 **SECTION 5.** G.S. 20-116 is amended by adding a new subsection to read:

8 "**§ 20-116. Size of vehicles and loads.**

9 ...

10 (o) Any vehicle carrying baled hay from place to place on the same farm, from one
11 farm to another, from farm to market, or from market to farm that does not exceed 12 feet in
12 width may be operated on the highways of this State. Vehicles carrying baled hay that exceed
13 10 feet in width may only be operated under the following conditions:

14 (1) The vehicle may only be operated during daylight hours.

15 (2) The vehicle shall display a red flag or a flashing warning light on both the
16 rear and front ends. The flags or lights shall be attached to the equipment as
17 to be visible from both directions at all times while being operated on the
18 public highway for not less than 300 feet."
19

20 **AMEND RIGHT-OF-CENTER REQUIREMENTS FOR CERTAIN AGRICULTURAL** 21 **VEHICLES**

22 **SECTION 6.(a)** G.S. 20-116(j) reads as rewritten:

23 "(j) Nothing in this section shall be construed to prevent the operation of self-propelled
24 grain combines or other self-propelled farm equipment with or without implements, not
25 exceeding 25 feet in width on any highway, unless the operation violates a provision of this
26 subsection. Farm equipment includes a vehicle that is designed exclusively to transport
27 compressed seed cotton from a farm to a gin and has a self-loading bed. Combines or
28 equipment which exceed 10 feet in width may be operated only if they meet all of the
29 conditions listed in this subsection. A violation of one or more of these conditions does not
30 constitute negligence per se.

31 (1) The equipment may only be operated during daylight hours.

32 (2) The equipment must display a red flag on front and rear ends or a flashing
33 warning light. The flags or lights shall be attached to the equipment as to be
34 visible from both directions at all times while being operated on the public
35 highway for not less than 300 feet.

36 (3) Equipment covered by this section, which by necessity must travel more
37 than 10 miles or where by nature of the terrain or obstacles the flags or lights
38 referred to in subdivision (2) of this subsection are not visible from both
39 directions for 300 feet at any point along the proposed route, must be
40 preceded at a distance of 300 feet and followed at a distance of 300 feet by a
41 flagman in a vehicle having mounted thereon an appropriate warning light or
42 flag. No flagman in a vehicle shall be required pursuant to this subdivision if
43 the equipment is being moved under its own power or on a trailer from any
44 field to another field, or from the normal place of storage of the vehicle to
45 any field, for no more than ten miles and if visible from both directions for
46 300 feet at any point along the proposed route.

47 (4) Every piece of equipment so operated shall operate to the right of the center
48 line ~~when meeting traffic coming from the opposite direction and at all other~~
49 ~~times when possible and practical unless the combined width of the traveling~~
50 lane and the accessible shoulder is less than the width of the equipment.
51

...."

1 **SECTION 6.(b)** G.S. 20-146 is amended by adding a new subsection to read:

2 "**§ 20-146. Drive on right side of highway; exceptions.**

3 (a) Upon all highways of sufficient width a vehicle shall be driven upon the right half
4 of the highway except as follows:

5 (1) When overtaking and passing another vehicle proceeding in the same
6 direction under the rules governing such movement;

7 (2) When an obstruction exists making it necessary to drive to the left of the
8 center of the highway; provided, any person so doing shall yield the
9 right-of-way to all vehicles traveling in the proper direction upon the
10 unobstructed portion of the highway within such distance as to constitute an
11 immediate hazard;

12 (3) Upon a highway divided into three marked lanes for traffic under the rules
13 applicable thereon; or

14 (4) Upon a highway designated and signposted for one-way traffic.

15 (a1) Self-propelled grain combines or other self-propelled farm equipment shall be
16 operated to the right of the centerline except as provided in G.S. 20-116(j)(4).

17 (b) Upon all highways any vehicle proceeding at less than the legal maximum speed
18 limit shall be driven in the right-hand lane then available for thru traffic, or as close as
19 practicable to the right-hand curb or edge of the highway, except when overtaking and passing
20 another vehicle proceeding in the same direction or when preparing for a left turn.

21 "

22
23 **AMEND DEFINITION OF "AGRICULTURAL SPREADER VEHICLE," INCREASE**
24 **SPEED LIMIT FOR AGRICULTURAL SPREADER VEHICLES**

25 **SECTION 7.** G.S. 20-51 reads as rewritten:

26 "**§ 20-51. Exempt from registration.**

27 The following shall be exempt from the requirement of registration and certificate of title:

28 ...

29 (16) A vehicle that meets all of the following conditions is exempt from the
30 requirement of registration and certificate of title. The provisions of
31 G.S. 105-449.117 continue to apply to the vehicle and to the person in whose
32 name the vehicle would be registered.

33 a. Is an agricultural spreader vehicle. An "agricultural spreader vehicle"
34 is a vehicle that is designed for off-highway use on a farm to spread
35 feed, fertilizer, seed, lime, or other agricultural products ~~on a~~
36 ~~field products.~~

37 b. Is driven on the highway only for the purpose of going from the
38 location of its supply source for fertilizer or other products to and
39 from a farm.

40 c. Does not exceed a speed of ~~35~~45 miles per hour.

41 d. Does not drive outside a radius of 50 miles from the location of its
42 supply source for fertilizer and other products.

43 e. Is driven by a person who has a license appropriate for the class of
44 the vehicle.

45 f. Is insured under a motor vehicle liability policy in the amount
46 required under G.S. 20-309.

47 g. Displays a valid federal safety inspection decal if the vehicle has a
48 gross vehicle weight rating of at least 10,001 pounds.

49 "

ALLOW ALL-TERRAIN VEHICLES AND UTILITY VEHICLES USED FOR AGRICULTURAL PURPOSES TO OPERATE ON PUBLIC ROADS

SECTION 8. G.S. 20-171.22 reads as rewritten:

"§ 20-171.22. Exceptions.

(a) The provisions of this Part do not apply to any owner, operator, lessor, or renter of a farm or ranch, or that person's employees or immediate family or household members, when operating an all-terrain vehicle while engaged in farming operations.

(a1) Any person may operate an all-terrain vehicle or utility vehicle on a public street or highway while engaged in farming operations.

(b) The provisions of this Part do not apply to any person using an all-terrain vehicle for hunting or trapping purposes if the person is otherwise lawfully engaged in those activities.

(c) The provisions of G.S. 20-171.19(a1) do not apply to any person 16 years of age or older if the person is otherwise lawfully using the all-terrain vehicle on any ocean beach area where such vehicles are allowed by law. As used in this subsection, "ocean beach area" means the area adjacent to the ocean and ocean inlets that is subject to public trust rights. Natural indicators of the landward extent of the ocean beaches include, but are not limited to, the first line of stable, natural vegetation; the toe of the frontal dune; and the storm trash line."

CLARIFY THE ROAD WEIGHT LIMITATION EXCEPTIONS FOR TRANSPORTATION OF AGRICULTURAL PRODUCTS AND SUPPLIES

SECTION 9.(a) G.S. 20-118(c)(12) reads as rewritten:

"(12) Subsections (b) and (e) of this section do not apply to a vehicle or vehicle combination that meets all of the conditions set out below:

- a. Is transporting any of the following items within 150 miles of the point of origination:
 1. ~~Agriculture~~ Agriculture, dairy, and crop products transported from a farm to a processing plant or market.
 2. Water, fertilizer, pesticides, seeds, fuel, or animal waste transported to or from a ~~farm by a farm vehicle as defined in G.S. 20-37.16(e)(3).~~ farm.
 3. Meats, livestock, or live poultry transported from the farm where they were raised to a processing plant or market.
 - 3a. Feed or feed ingredients that ~~is~~ are used in the feeding of poultry or livestock and transported from a storage facility, holding facility, or mill to a farm.
 4. Forest products originating and transported from a farm or woodlands to market with delay interruption or delay for further packaging or processing after initiating transport.
 5. Wood residuals, including wood chips, sawdust, mulch, or tree bark from any site.
 6. Raw logs to market.
 7. Trees grown as Christmas trees from field, farm, stand, or grove to a processing point.

...."

SECTION 9.(b) This section becomes effective October 1, 2015.

ESTABLISH MARKING AND NOTICE REQUIREMENTS FOR METEOROLOGICAL TOWERS

SECTION 10.(a) Chapter 63 of the General Statutes is amended by adding a new Article to read:

"Article 11.

"Marking and Notice of Meteorological Towers.**"§ 63-110. Marking of meteorological towers.**

(a) As used in this Article, the term:

(1) "Height" means the distance from the base of a tower to the highest point of the tower.

(2) "Meteorological tower" means a structure that is either self-standing or supported by guy wires and ground anchors and has guy wires and accessory facilities on which equipment used to measure wind speed and direction is mounted. "Meteorological tower" does not include a structure that is affixed or located adjacent to a building, house, or barn.

(b) Except as required by federal law, rule, or regulation, any meteorological tower over 50 feet in height shall be marked and painted or otherwise constructed to be visible in clear air during daylight hours from a distance of not less than 2,000 feet. Meteorological towers shall also comply with the following additional requirements:

(1) A meteorological tower shall be painted in equal alternating bands of aviation orange and white, beginning with orange at the top of the tower.

(2) One marker ball shall be attached to the top third of each outside guy wire.

(3) Guy wires shall have a seven-foot-long safety sleeve at each anchor point that extends from the anchor point along each guy wire attached to the anchor point.

"§ 63-111. Registration; notification; tower database; penalty.

(a) The Department of Transportation shall adopt rules requiring any person proposing to construct a meteorological tower to register with the Department. The person proposing to construct the tower shall notify the Department of the proposal, the location and height of the proposed tower, and any other information the Department may require to ensure aviation safety and shall pay a registration fee of three hundred fifty dollars (\$350.00). The rules shall require the owner of a meteorological tower to notify the Department upon removal or destruction of a tower.

(b) The Department of Transportation shall establish and maintain an electronic database that contains the location of all meteorological towers in the State by January 1, 2017. The Department may contract with a governmental entity or private entity to create and maintain the database. The Department shall make the contents of the database available on its Web site.

"§ 63-112. Penalties.

The Secretary of Transportation may assess a civil penalty of not more than ten thousand dollars (\$10,000) per violation against any person who violates any provision of this Article."

SECTION 10.(b) This section becomes effective January 1, 2017, and applies to meteorological towers erected on or after that date.

ALLOW SHELLFISH CULTIVATION LEASES IN AREAS CONTAINING SUBMERGED AQUATIC VEGETATION

SECTION 11.(a) G.S. 113-202(b) reads as rewritten:

"(b) The Secretary may delete any part of an area proposed for lease or may condition a lease to protect the public interest with respect to the factors enumerated in subsection (a) of this section. The Secretary may not grant a new lease in an area heavily used for recreational purposes. Except as prohibited by federal law, the Secretary shall not exclude any area from leasing solely on the basis that the area contains submerged aquatic vegetation and shall make specific findings based on the standards set forth in subsection (a) of this section prior to reaching a decision not to grant or renew a lease for shellfish cultivation for any area containing submerged aquatic vegetation."

1 **SECTION 11.(b)** This section becomes effective October 1, 2015, and applies to
2 any new shellfish cultivation leases or renewals of existing shellfish cultivation leases issued on
3 or after that date.
4

5 **PRESENT-USE VALUE MODIFICATIONS**

6 **SECTION 12.(a)** G.S. 105-277.2 reads as rewritten:

7 **"§ 105-277.2. Agricultural, horticultural, and forestland – Definitions.**

8 The following definitions apply in G.S. 105-277.3 through G.S. 105-277.7:

- 9 (1) Agricultural land. – Land that is a part of a farm unit that is actively engaged
10 in the commercial production or growing of crops, plants, or animals under a
11 sound management program. For purposes of this definition, the commercial
12 production or growing of animals includes the rearing, feeding, training,
13 caring, and managing of horses. Agricultural land includes woodland and
14 wasteland that is a part of the farm unit, but the woodland and wasteland
15 included in the unit must be appraised under the use-value schedules as
16 woodland or wasteland. A farm unit may consist of more than one tract of
17 agricultural land, but at least one of the tracts must meet the requirements in
18 G.S. 105-277.3(a)(1), and each tract must be under a sound management
19 program. If the agricultural land includes less than 20 acres of woodland,
20 then the woodland portion is not required to be under a sound management
21 program. Also, woodland is not required to be under a sound management
22 program if it is determined that the highest and best use of the woodland is
23 to diminish wind erosion of adjacent agricultural land, protect water quality
24 of adjacent agricultural land, or serve as buffers for adjacent livestock or
25 poultry operations.

26 ...

- 27 (4) Individually owned. – Owned by one of the following:

- 28 a. An individual.
- 29 b. A business entity that meets all of the following conditions:
- 30 1. Its principal business is farming agricultural land,
31 horticultural land, or forestland. When determining whether
32 an applicant under G.S. 105-277.4 has as its principal
33 business farming agricultural land, horticultural land, or
34 forestland, the assessor shall presume the applicant's principal
35 business to be farming agricultural land, horticultural land, or
36 forestland if the applicant has been approved by another
37 county for present-use value taxation for a qualifying
38 property located within the other county; provided, however,
39 the presumption afforded the applicant may be rebutted by
40 the assessor and shall have no bearing on the determination of
41 whether the individual parcel of land meets one or more of
42 the classes defined in G.S. 105-277.3(a). If the assessor is
43 able to rebut the presumption, this shall not invalidate the
44 determination that the applicant's principal business is
45 farming agricultural land, horticultural land, or forestland in
46 the other county.
- 47 2. All of its members are, directly or indirectly, individuals who
48 are actively engaged in farming agricultural land,
49 horticultural land, or forestland or a relative of one of the
50 individuals who is actively engaged. An individual is
51 indirectly a member of a business entity that owns the land if

- 1 the individual is a member of a business entity or a
- 2 beneficiary of a trust that is part of the ownership structure of
- 3 the business entity that owns the land.
- 4 3. It is not a corporation whose shares are publicly traded, and
- 5 none of its members are corporations whose shares are
- 6 publicly traded.
- 7 4. If it leases the land, all of its members are individuals and are
- 8 relatives. Under this condition, "principal business" and
- 9 "actively engaged" include leasing.
- 10 c. A trust that meets all of the following conditions:
- 11 1. It was created by an individual who owned the land and
- 12 transferred the land to the trust.
- 13 2. All of its beneficiaries are, directly or indirectly, individuals
- 14 who are the creator of the trust or a relative of the creator. An
- 15 individual is indirectly a beneficiary of a trust that owns the
- 16 land if the individual is a beneficiary of another trust or a
- 17 member of a business entity that has a beneficial interest in
- 18 the trust that owns the land.
- 19 d. A testamentary trust that meets all of the following conditions:
- 20 1. It was created by an individual who transferred to the trust
- 21 land that qualified in that individual's hands for classification
- 22 under G.S. 105-277.3.
- 23 2. At the date of the creator's death, the creator had no relatives.
- 24 3. The trust income, less reasonable administrative expenses, is
- 25 used exclusively for educational, scientific, literary, cultural,
- 26 charitable, or religious purposes as defined in
- 27 G.S. 105-278.3(d).
- 28 e. Tenants in common, if each tenant would qualify as an owner if the
- 29 tenant were the sole owner. Tenants in common may elect to treat
- 30 their individual shares as owned by them individually in accordance
- 31 with G.S. 105-302(c)(9). The ownership requirements of
- 32 G.S. 105-277.3(b) apply to each tenant in common who is an
- 33 individual, and the ownership requirements of G.S. 105-277.3(b1)
- 34 apply to each tenant in common who is a business entity or a trust.

35"

36 **SECTION 12.(b)** G.S. 105-277.4 is amended by adding a new subsection to read:

37 **"§ 105-277.4. Agricultural, horticultural and forestland – Application; appraisal at use**
 38 **value; appeal; deferred taxes.**

39 ...

40 (f) The Department shall publish a present-use value program guide annually and make
 41 the guide available electronically on its Web site. When making decisions regarding the
 42 qualifications or appraisal of property under this section, the assessor shall adhere to the
 43 Department's present-use value program guide."

44 **SECTION 12.(c)** Subsection (a) of this section becomes effective July 1, 2015, and
 45 applies to taxes imposed for taxable years beginning on or after that date. The remainder of this
 46 section is effective when this act becomes law.

47
 48 **PROCEDURE FOR TERMINATION OR SUBSTANTIAL MODIFICATION OF**
 49 **CONSERVATION AGREEMENTS**

50 **SECTION 13.(a)** Article 4 of Chapter 121 of the General Statutes is amended by
 51 adding a new section to read:

"§ 121-39A. Termination or substantial modification of agreements.

(a) For any conservation agreement where at least one party to the agreement is a public body of this State, no request for termination or substantial modification shall be granted that is made for the purpose of economic development, including, but not limited to, instances where some or all of the property subject to the conservation agreement is to be commercially developed by a third party. For purposes of this section, "substantial modification" means a change to the terms of a conservation agreement that would result in a diminishment to the conservation restrictions applicable to the property contained in the agreement that would affect more than five percent (5%) of the property subject to the agreement.

(b) Notwithstanding any authority given to a public body of this State, including the State, any of its agencies, any city, county, district or other political subdivision, municipal or public corporation, or any instrumentality of any of the foregoing, to release or terminate conservation easements under other law, this section shall apply to conservation agreements that are intended to be effective perpetually or that are terminated or substantially modified prior to the period of time stipulated in the agreement, and where at least one party to the agreement is a public body of this State, including the State, any of its agencies, any city, county, district or other political subdivision, municipal or public corporation, or any instrumentality of any of the foregoing. This section shall not apply to a condemnation action initiated by a public condemnor governed by Article 6 of Chapter 40A of the General Statutes.

(c) Parties to a conservation agreement may include a provision at the time an agreement is executed requiring the consent of the grantor or the grantor's successors in interest to terminate or substantially modify the agreement for any purpose.

(d) Any agency managing a conservation agreement program may adopt rules governing its procedure for termination or substantial modification of a conservation agreement, provided that any such rules may be no less stringent than the requirements of this section."

SECTION 13.(b) G.S. 106-744(c1) reads as rewritten:

"(c1) The Commissioner shall distribute Trust Fund monies for only the purposes under subsection (c) of this section, including transaction costs, as follows:

- (1) To a private nonprofit conservation organization that matches thirty percent (30%) of the Trust Fund monies it receives with funds from sources other than the Trust Fund.
- (2) To counties according to the match requirements under subsection (c2) of this section.
- (3) To the Department of Agriculture and Consumer Services for the purchase of agricultural conservation easements or agreements to be held by the Department."

SECTION 13.(c) Subsection (a) of this section is effective when it becomes law and applies to conservation agreements executed on or after that date. The remainder of this section is effective when it becomes law and applies to easements or agreements in effect on that date and executed on or after that date.

TRANSFER CAPTIVE CERVID PROGRAM TO THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

SECTION 14.(a) Article 49H of Chapter 106 of the General Statutes reads as rewritten:

"Article 49H.

~~"Production and Sale-Production, Sale, and Transportation of Fallow Deer and Red Deer-Farmed Cervids.~~

"§ 106-549.97. Regulation by Department of Agriculture and Consumer Services of certainfarmed cervids produced and sold for commercial purposes; ~~certain~~

~~authority of North Carolina Wildlife Resources Commission not affected; definitions.~~

~~(a) The Department of Agriculture and Consumer Services shall regulate the production and sale of farmed cervids. The Board of Agriculture shall adopt rules for the production and sale of farmed cervids in such a manner as to provide for close supervision of any person, firm, or corporation producing and selling farmed cervids and shall notify any such person, firm, or corporation that the activity is subject to compliance with Wildlife Resources Commission rules pursuant to G.S. 113-272.6.~~

(a1) The following definitions apply in this Article:

(1) Commission. – The North Carolina Wildlife Resources Commission.

(2) Department. – The North Carolina Department of Agriculture and Consumer Services.

(3) Farmed cervid. – Any cervid, as defined by the USDA Standards, that is susceptible to Chronic Wasting Disease, or any other member of the Cervidae family that is not susceptible to Chronic Wasting Disease, that is held in captivity and produced, bought, or sold for commercial purposes. With regard to cervids that are susceptible to Chronic Wasting Disease, the term "farmed cervid" shall only include any cervid that was bred in captivity and has been continuously maintained within a herd that is enrolled in and complies with a USDA-approved Herd Certification Program. Any animal registered or tagged in any licensed captive cervid facility existing within the State as of October 1, 2015, is deemed to be a farmed cervid.

(4) Non-farmed cervid. – All animals in the family Cervidae other than farmed cervids.

(5) USDA. – The United States Department of Agriculture.

(6) USDA Standards. – The United States Department of Agriculture's Chronic Wasting Disease Program Standards, May 2014 edition, and subsequent updates.

(a2) The Department of Agriculture and Consumer Services shall regulate the production, sale, possession, and transportation, including importation and exportation, of farmed cervids. The Department shall have sole authority with regard to farmed cervids, including administration of the North Carolina Captive Cervid Herd Certification Program. The Department shall allow the sale of farmed cervids, whether alive or dead, whole or in part, including, but not limited to, the sale of antlers, antler velvet, hides, or meat from captive populations of farmed cervids. The Department shall follow the USDA Standards and the provisions set forth in 9 C.F.R. Part 55 and 9 C.F.R. Part 81 in the implementation of this Article with regard to cervids susceptible to Chronic Wasting Disease. The Department may adopt rules to implement this Article, including, but not limited to, requirements for captivity licenses, captivity permits, transportation permits, importation permits, and exportation permits. The Department may issue new captivity licenses or permits for farmed cervid facilities that will hold cervids susceptible to Chronic Wasting Disease only if Chronic Wasting Disease-susceptible source animals are from a certified herd in accordance with USDA Standards from an existing licensed facility. Nothing in this section shall limit the Department's ability to issue new captivity licenses and permits for farmed cervid facilities that will hold cervids that are not susceptible to Chronic Wasting Disease. The Department shall not issue an importation permit for any farmed cervid from a Chronic Wasting Disease-positive, exposed, or suspect farmed cervid facility. Until such time as the USDA has adopted an approved method of testing for Chronic Wasting Disease in living cervids, cervids susceptible to Chronic Wasting Disease shall not be imported into North Carolina.

(a3) All free-ranging cervids shall be removed from any new captive cervid facility prior to stocking the facility with farmed cervids.

1 (a4) Hunt facilities as defined by USDA Standards are prohibited. Any farmed cervid
2 killed on the premises of a licensed facility shall be killed only by the licensee, the owner of the
3 facility, an employee of the facility, or a qualified veterinarian administering euthanasia.

4 (a5) The Department and the Commission may develop a Memorandum of Agreement
5 authorizing joint enforcement activities. The Memorandum of Agreement may allow for
6 enforcement activities by the Commission on captive cervid facilities in instances of illegal
7 importation. The Memorandum of Agreement may also provide for additional enforcement
8 activities by the Commission on captive cervid facilities where appropriate as requested by the
9 Department.

10 (b) The North Carolina Wildlife Resources Commission shall regulate the possession
11 and transportation, including importation and exportation, of non-farmed cervids pursuant to
12 G.S. 113-272.6. No action taken by the Department shall in any way limit the authority of the
13 Commission to regulate non-farmed cervids as wildlife resources of the State belonging to the
14 people of the State as a whole. Nothing in this Article shall authorize the Department to
15 regulate hunting or any activity related to hunting.

16 (c) The following definitions apply in this Article:

17 (1) Repealed by Session Laws 2003-344, s. 11, effective July 27, 2003.

18 (2) Repealed by Session Laws 2003-344, s. 11, effective July 27, 2003.

19 (3) Cervid or Cervidae.— All animals in the Family Cervidae (elk and deer).

20 (4) Farmed Cervid.— Any member of the Cervidae family, other than
21 white tailed deer, elk, mule deer, or black tailed deer, that is bought and sold
22 for commercial purposes.

23 (5) White tailed deer.— A member of the species *Odocoileus virginianus*.

24 (d) No county, municipality, or any other unit of local government may adopt any
25 ordinance, regulation, or law that is inconsistent with or more restrictive than the provisions of
26 this Article. Any ordinance, regulation, or law that is currently enacted that is inconsistent with
27 or more restrictive than the provisions of this Article is hereby repealed.

28 (e) In order to carry out the authority granted by this Article, the Department may
29 enforce the rules adopted by the Wildlife Resources Commission under its prior authority
30 pursuant to G.S. 150B-21.7, including the rules governing issuance of captivity licenses,
31 captivity permits, transportation permits, importation permits, and exportation permits, until
32 such time as the Department adopts rules for the implementation of this Article.
33 Notwithstanding G.S. 150B-21.1(d), the Codifier of Rules shall retain all temporary
34 amendments in effect for 15A NCAC 10B .0118, 15A NCAC 10H .0301, 15A NCAC 10H
35 .0302, and 15A NCAC 10H .0304 until replaced by permanent rules.

36 (f) The provisions of G.S. 113-291 shall not apply to the production, sale,
37 transportation, importation, or exportation of farmed cervids under this Article, whether alive
38 or dead, whole or in part.

39 (g) No live farmed cervid shall be transported on a public road within the State unless
40 the cervid has an official form of identification approved by the State Veterinarian for this
41 purpose and the appropriate transportation, importation, or exportation permit issued by the
42 Department.

43 (h) Any live farmed cervid that is transported on a public road within the State shall be
44 subject to inspection by a wildlife law enforcement officer to ensure that each farmed cervid
45 has official identification required under this Article and that the appropriate permit has been
46 obtained from the Department.

47 (i) Any person transporting a live farmed cervid on a public road within the State
48 without the appropriate farmed cervid identification and permit may be subject to a civil
49 penalty by the Department under this Article. Each cervid that fails to meet the tagging and
50 transportation requirements of the Department shall constitute a separate violation.

1 (j) The Commissioner of Agriculture may assess a civil penalty of not more than five
2 thousand dollars (\$5,000) per animal against any person who violates a provision of this Article
3 or any rule adopted hereunder. In determining the amount of the penalty, the Commissioner
4 shall consider the degree and extent of harm caused by the violation. The clear proceeds of civil
5 penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture
6 Fund in accordance with G.S. 115C-457.2.

7 ~~"§ 106-549.98. Inspection fees.~~

8 ~~The Commissioner may establish a fee at an hourly rate to be paid by the owner, proprietor,~~
9 ~~or operator of each slaughtering, meat canning, salting, packing, rendering, or similar~~
10 ~~establishment for the purpose of defraying the expenses incurred in the inspection of fallow~~
11 ~~deer as required by Article 49B of Chapter 106 of the General Statutes. The Commissioner may~~
12 ~~establish a fee at an hourly rate to be paid by the owner, proprietor, or operator of each~~
13 ~~slaughtering, meat canning, salting, packing, rendering, or similar establishment for the~~
14 ~~purpose of defraying the expenses incurred in the inspection of red deer as required by Article~~
15 ~~49B of Chapter 106 of the General Statutes."~~

16 SECTION 14.(b) G.S. 113-272.6 reads as rewritten:

17 ~~"§ 113-272.6. Transportation Possession, Transportation, Importation, and Exportation~~
18 ~~of cervids and licensing of captive cervid facilities.non-farmed cervids.~~

19 (a) The Wildlife Resources Commission shall regulate the possession and
20 transportation, including importation and exportation, and possession of non-farmed cervids,
21 including game carcasses and parts of game carcasses extracted by hunters. The Commission
22 shall allow the sale of antlers, antler velvet, or hides from captive populations of cervids.
23 hunters and carcasses and parts of carcasses imported from hunt facilities as defined by USDA
24 Standards. For purposes of this section, the term "non-farmed cervid" has the same meaning as
25 in G.S. 106-549.97. The Commission shall adopt rules to implement this section, including
26 requirements for captivity licenses, captivity permits, and transportation permits. The rules
27 adopted pursuant to this section shall establish standards of care for the transportation and
28 possession of cervids, including requirements for fencing, tagging, record keeping, and
29 inspection of captive cervid facilities. transportation, importation, and exportation permits.
30 Notwithstanding any other provision of law, the Commission may charge a fee of up to fifty
31 dollars (\$50.00) for the processing of applications for eaptivity licenses, captivity permits, and
32 transportation transportation, importation, and exportation permits, and the renewal or
33 modification of those licenses and permits. The fees collected shall be applied to the costs of
34 administering this section.

35 (b) The Wildlife Resources Commission shall notify every applicant for a ~~transportation~~
36 ~~permit that any permit issued is subject to the applicant's compliance with the Department of~~
37 ~~Agriculture and Consumer Services' requirements for transportation pursuant to Article 34 of~~
38 ~~Chapter 106 of the General Statutes.~~

39 (c) The Department of Agriculture and Consumer Services shall regulate the ~~production~~
40 ~~and sale production, sale, and transportation, including importation and exportation, of farmed~~
41 ~~cervids for commercial purposes and the licensing of farmed cervid facilities pursuant to~~
42 ~~G.S. 106-549.97. No action taken by the Wildlife Resources Commission shall in any way limit~~
43 ~~the authority of the Department of Agriculture and Consumer Services to regulate farmed~~
44 ~~cervids.~~

45 (d) ~~Notwithstanding any other provision of law, the North Carolina Wildlife Resources~~
46 ~~Commission shall issue captivity licenses, captivity permits, or transportation permits to any~~
47 ~~person possessing cervids that were held in captivity by that person prior to May 17, 2002, if~~
48 ~~the Executive Director finds that the applicant has come into compliance with all applicable~~
49 ~~rules related to the holding of cervids in captivity by January 1, 2004, and that issuance of such~~
50 ~~license or permit does not pose unreasonable risk to the conservation of wildlife resources.~~

1 (e) Any captivity license, captivity permit, or cervids held contrary to the provisions of
2 this section may be subject to forfeiture and disposition in accordance with the provisions of
3 G.S. 113-137 or G.S. 113-276.2."
4

5 ALLOW ALTERNATE DISPOSAL OF BIODEGRADABLE AGRICULTURAL 6 PLASTICS

7 **SECTION 15.(a)** G.S. 106-950 reads as rewritten:

8 "**§ 106-950. Exempt fires; no permit fees.**

9 (a) This Article shall not apply to any fires started, or caused to be started, within 100
10 feet of an occupied dwelling house if such fire shall be confined (i) within an enclosure from
11 which burning material may not escape or (ii) within a protected area upon which a watch is
12 being maintained and which is provided with adequate fire protection equipment.

13 (a1) Except in cases where the Commissioner has prohibited all open burning during
14 periods of hazardous forest fire conditions or during air pollution episodes declared pursuant to
15 Article 21B of Chapter 143 of the General Statutes, this Article shall not apply to, and no air
16 quality permit shall be required for, the burning of polyethylene agricultural plastic used in
17 connection with agricultural operations related to the growing, harvesting, or maintenance of
18 crops, when all of the following conditions apply:

19 (1) The burning does not violate any State or federal ambient air quality
20 standards.

21 (2) The burning is conducted between an hour after sunrise and an hour before
22 sunset.

23 (3) The fire is set back at least 250 feet from any paved public roadway and at
24 least 500 feet from any dwelling, group of dwellings, commercial or
25 institutional establishment, or other occupied structure not located on the
26 property on which the burning is conducted.

27 (4) The burning is conducted in a manner such that it does not constitute a
28 public nuisance.

29 (5) The burning is conducted by any of the following means:

30 a. By professionally manufactured equipment solely for the purpose of
31 plastic mulch burning or incineration and approved by the
32 Commissioner.

33 b. By a fire that is enclosed in a noncombustible container.

34 c. By a fire that is restricted to a pile no greater than eight feet in
35 diameter built upon ground cleared of all combustible material.

36 (b) No charge shall be made for the granting of any permit required by this Article."

37 **SECTION 15.(b)** The Department of Agriculture and Consumer Services may
38 adopt rules to implement the provisions of this section.

39 **SECTION 15.(c)** This section becomes effective January 1, 2015.
40

41 AMEND THE DEFINITION OF "NEW ANIMAL WASTE MANAGEMENT SYSTEM" 42 AND THE APPLICATION OF SWINE WASTE MANAGEMENT SYSTEM 43 PERFORMANCE STANDARDS

44 **SECTION 16.** Section 21 of S.L. 2013-413 reads as rewritten:

45 "**SECTION 21.(a)** 15A NCAC 02T .1302 ~~(Definitions)~~ (Definitions) and 15A NCAC 02T
46 .1307 (Swine Waste Management System Performance Standards). – Until the effective date of
47 the revised permanent ~~rule-rules~~ that the Environmental Management Commission is required
48 to adopt pursuant to Section 21(c) of this act, the Commission and the Department of
49 Environment and Natural Resources shall implement 15A NCAC 02T .1302 (Definitions) and
50 15A NCAC 02T .1307 (Swine Waste Management System Performance Standards) as provided
51 in Section 21(b) of this act.

1 "SECTION 21.(b) Implementation. – Notwithstanding 15A NCAC 02T .1302
2 (Definitions), "new animal waste management system" means animal waste management
3 systems which are constructed and operated at a site where no feedlot existed ~~previously, where~~
4 ~~a system serving a feedlot has been abandoned or unused for a period of four years or more and~~
5 ~~is then put back into service, previously~~ or where a permit for a system has been rescinded, and
6 is then reissued when the permittee confines animals in excess of the thresholds established in
7 G.S. 143-215.10B. Notwithstanding subsection (a) of 15A NCAC 02T .1307 (Swine Waste
8 Management System Performance Standards), the Swine Waste Management System
9 Performance Standards shall:

10 (1) Apply to any farm facility that receives a permit for its animal waste
11 management system that allows a level of production at the farm, as
12 measured by steady state live weight, greater than the largest production for
13 which the farm has received a permit in the past, and so that they also apply
14 to any other animal waste management system otherwise subject to
15 regulation under G.S. 143-215.10I.

16 (2) Not apply to any facility that meets all of the following conditions:

- 17 a. Has had no animals on site for five continuous years or more.
18 b. Notifies the Division of Water Resources in writing at least 60 days
19 prior to bringing any animals back on to the site.
20 c. The system depopulated after January 1, 2005, and the system ceased
21 operation no longer than 10 years prior to the current date.
22 d. At the time the system ceased operation, the system was in
23 compliance with an individual permit or a general permit issued
24 pursuant to G.S. 143-215.10C.
25 e. The Division of Water Resources issues an individual permit or
26 certificate of coverage under a general permit issued pursuant to
27 G.S. 143-215.10C for operation of the system before any animals are
28 brought on the facility.
29 f. The permit for the animal waste management system does not allow
30 production, measured by steady state live weight, to exceed the
31 greatest steady state live weight previously permitted for the system
32 under G.S. 143-215.10C.
33 g. No component of the animal waste management system and swine
34 farm, other than an existing swine house or land application site,
35 shall be constructed on land that is located within the 100-year
36 floodplain.
37 h. The inactive animal waste management system was not closed using
38 the expenditure of public funds and was not closed pursuant to a
39 settlement agreement, court order, cost share agreement, or grant
40 condition.

41 "SECTION 21.(c) Additional Rule-Making Authority. – The Environmental Management
42 Commission shall adopt ~~a rule~~rules as promptly as practicable to amend 15A NCAC 02T .1302
43 (Definitions) and 15A NCAC 02T .1307 (Swine Waste Management System Performance
44 Standards) consistent with Section 21(b) of this act. Notwithstanding G.S. 150B-19(4), the ~~rule~~
45 rules adopted by the Commission pursuant to this section shall be substantively identical to the
46 provisions of Section 21(b) of this act. Rules adopted pursuant to this section are not subject to
47 Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this
48 section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written
49 objections had been received as provided by G.S. 150B-21.3(b2).

50 "SECTION 21.(d) Sunset. – Section 21(b) of this act expires on the date that rules adopted
51 pursuant to Section 21(c) of this act become effective."

DELAY AND LIMIT OUT-OF-STATE SWINE WASTE

SECTION 17.(a) G.S. 62-133.8(e) reads as rewritten:

"(e) Compliance With REPS Requirement Through Use of Swine Waste Resources. – For calendar year ~~2018~~2024 and for each calendar year thereafter, at least two-tenths of one percent (0.2%) of the total electric power in kilowatt hours sold to retail electric customers in the State shall be supplied, or contracted for supply in each year, by swine waste. Notwithstanding subdivision (2) of subsection (b) of this section, electric public utilities with more than 150,000 North Carolina retail jurisdictional customers as of December 31, 2006, shall not meet more than twenty-five percent (25%) of the annual requirement in this subsection from both of the following methods combined: (i) purchasing renewable energy certificates from out-of-state new renewable energy facilities and (ii) generating electric power from swine waste derived biogas produced out-of-state. The electric power suppliers, in the aggregate, shall comply with the requirements of this subsection according to the following schedule:

Calendar Year	Requirement for Swine Waste Resources
2012 <u>2018</u>	0.07%
2015 <u>2021</u>	0.14%
2018 <u>2024</u>	0.20%"

SECTION 17.(b) The North Carolina Utilities Commission may continue to use its authority under G.S. 62-133.8(i)(2) to modify or delay the provisions of G.S. 62-133.8(e) in whole or in part if it determines that it is in the public interest to do so. Incremental costs incurred by an electric power supplier prior to the effective date of this section to comply with any requirement amended by this section may be recovered as provided in G.S. 62-133.8(h).

MODIFY IMPLEMENTATION OF THE ODOR CONTROL OF FEED INGREDIENT MANUFACTURING PLANTS RULE

SECTION 18.(a) Definitions. – "Odor Control of Feed Ingredient Manufacturing Plants Rule" means 15A NCAC 02D .0539 (Odor Control of Feed Ingredient Manufacturing Plants) for purposes of this section and its implementation.

SECTION 18.(b) Odor Control of Feed Ingredient Manufacturing Plants Rule. – Until the effective date of the revised permanent rule that the Environmental Management Commission is required to adopt pursuant to subsection (d) of this section, the Commission and the Department of Environment and Natural Resources shall implement the Odor Control of Feed Ingredient Manufacturing Plants Rule as provided in subsection (c) of this section.

SECTION 18.(c) Implementation. – Notwithstanding the Odor Control of Feed Ingredient Manufacturing Plants Rule, the Commission shall implement the rule as follows:

- (1) Raw material shall be considered in "storage" after it has been unloaded at a facility or after it has been located at the facility for at least 36 hours.
- (2) A vehicle or container holding raw material, which has not been unloaded inside or parked inside an odor controlled area within the facility, shall be unloaded for processing of the raw material prior to the expiration of the following time limits:
 - a. For feathers with only trace amounts of blood, such as those obtained from slaughtering houses that separate blood from offal and feathers, no later than 48 hours after being weighed upon arrival at the facility.
 - b. For used cooking oil in sealed tankers, no later than 96 hours after being weighed upon arrival at the facility.

SECTION 18.(d) Additional Rule-Making Authority. – The Commission shall adopt a rule to replace the Odor Control of Feed Ingredient Manufacturing Plants Rule.

1 Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section
2 shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted
3 pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General
4 Statutes. Rules adopted pursuant to this section shall become effective as provided in
5 G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by
6 G.S. 150B-21.3(b2).

7 **SECTION 18.(e)** Effective Date. – Subsection (c) of this section expires when
8 permanent rules to replace subsection (c) of this section have become effective, as provided by
9 subsection (d) of this section.

10
11 **EXEMPT CERTAIN WETLANDS MITIGATION ACTIVITIES FROM**
12 **REQUIREMENTS UNDER THE SEDIMENTATION POLLUTION CONTROL ACT**

13 **SECTION 19.** G.S. 113A-52.01 reads as rewritten:

14 **"§ 113A-52.01. Applicability of this Article.**

15 This Article shall not apply to the following land-disturbing activities:

- 16 (1) Activities, including the breeding and grazing of livestock, undertaken on
17 agricultural land for the production of plants and animals useful to man,
18 including, but not limited to:
19 a. Forages and sod crops, grains and feed crops, tobacco, cotton, and
20 peanuts.
21 b. Dairy animals and dairy products.
22 c. Poultry and poultry products.
23 d. Livestock, including beef cattle, llamas, sheep, swine, horses, ponies,
24 mules, and goats.
25 e. Bees and apiary products.
26 f. Fur producing animals.
27 (2) Activities undertaken on forestland for the production and harvesting of
28 timber and timber products and conducted in accordance with best
29 management practices set out in Forest Practice Guidelines Related to Water
30 Quality, as adopted by the Department.
31 (3) Activities for which a permit is required under the Mining Act of 1971,
32 Article 7 of Chapter 74 of the General Statutes.
33 (4) For the duration of an emergency, activities essential to protect human life,
34 including activities specified in an executive order issued under
35 G.S. 166A-19.30(a)(5).
36 (5) Activities undertaken to restore the wetland functions of converted wetlands
37 to provide compensatory mitigation to offset impacts permitted under
38 Section 404 of the Clean Water Act.
39 (6) Activities undertaken pursuant to Natural Resources Conservation Service
40 standards to restore the wetlands functions of converted wetlands as defined
41 in Title 7 Code of Federal Regulations § 12.2 (January 1, 2014 Edition)."
42

43 **CLARIFY REIMBURSEMENT OF THIRD-PARTY CLAIMS FROM THE**
44 **COMMERCIAL AND NONCOMMERCIAL LEAKING PETROLEUM**
45 **UNDERGROUND STORAGE TANK CLEANUP FUNDS**

46 **SECTION 20.(a)** G.S. 143-215.94V(e) reads as rewritten:

47 "(e) If the Commission concludes under subsection (d) of this section that no cleanup, no
48 further cleanup, or no further action will be required, the Department shall not pay or reimburse
49 any costs otherwise payable or reimbursable under this Article from either the Commercial or
50 Noncommercial Fund, other than reasonable and necessary to conduct the risk assessment
51 required by this section, unless:

(1) Cleanup is ordered or damages are awarded in a finally adjudicated judgment in an action against the owner or landowner. To be eligible for reimbursement of damages arising from a third-party claim for bodily injury or property damage awarded in a finally adjudicated judgment, however, an owner or operator shall (i) notify the Department of any such claim; (ii) provide the Department with all pleadings and other related documents if a lawsuit has been filed; and (iii) provide the Department copies of any medical reports, statements, investigative reports, or certifications from licensed professionals necessary to determine that a claim for bodily injury or property damage is reasonable and necessary. Reimbursement of claims for damages arising from a third-party claim for bodily injury or property damage awarded in a finally adjudicated judgment shall be subject to the limitations set forth in G.S. 143-215.94B(b)(5) and G.S. 143-215.94D(b1)(2), as applicable, and any other provision governing third-party claims set forth in this Article.

...."

SECTION 20.(b) G.S. 143-215.94A is amended by adding three new subdivisions to read:

"§ 143-215.94A. Definitions.

Unless a different meaning is required by the context, the following definitions shall apply throughout this Part and Part 2B of this Article:

- ...
- (12) "Third party" means a person other than the owner or operator of an underground storage tank from which a release has occurred or employees or agents of an owner or operator. A property owner shall not be considered a third party if the property was transferred by the owner or operator of an underground storage tank in anticipation of damage due to a release.
- (13) "Third-party bodily injury" or "bodily injury" when used in connection with "third-party" means specific physical bodily injury proximately resulting from exposure, explosion, or fire caused by the presence of a petroleum release and that is incurred by a person other than the owner or operator of an underground storage tank from which a release has occurred or employees or agents of an owner or operator.
- (14) "Third-party property damage" or "property damage" when used in connection with "third-party" means actual physical damage or damage due to specific loss of normal use that proximately resulted from exposure, explosion, or fire caused by the presence of a petroleum release and that is incurred to property owned by a person other than the owner or operator of an underground storage tank from which a release has occurred or employees or agents of an owner or operator."

SECTION 20.(c) G.S. 143-215.94B reads as rewritten:

"§ 143-215.94B. Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund.

(a) There is established under the control and direction of the Department the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund. This Commercial Fund shall be a nonreverting revolving fund consisting of any monies appropriated for such purpose by the General Assembly or available to it from grants, other monies paid to it or recovered on behalf of the Commercial Fund, and fees paid pursuant to this Part.

(b) The Commercial Fund shall be used for the payment of the following costs up to an aggregate maximum of one million dollars (\$1,000,000) per occurrence resulting from a discharge or release of a petroleum product from a commercial underground storage tank:

- 1 ...
2 (5) Compensation to third parties for bodily injury and property damage in
3 excess of one hundred thousand dollars (\$100,000) per occurrence. Claims
4 for third-party property damage shall be based on the rental costs of
5 comparable property during the period of loss of use up to a maximum
6 amount equal to the fair market value. In the case of property that is actually
7 destroyed as a result of a petroleum release, reimbursement shall be at an
8 amount necessary to replace or repair the destroyed property.

9"

10 **SECTION 20.(d)** G.S. 143-215.94D reads as rewritten:

11 "**§ 143-215.94D. Noncommercial Leaking Petroleum Underground Storage Tank**
12 **Cleanup Fund.**

13 (a) There is established under the control and direction of the Department the
14 Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund. This
15 Noncommercial Fund shall be a nonreverting revolving fund consisting of any monies
16 appropriated for such purpose by the General Assembly or available to it from grants, or other
17 monies paid to it or recovered on behalf of the Noncommercial Fund.

18 ...

19 (b1) The Noncommercial Fund shall be used for the payment of the costs of:

- 20 (1) For releases discovered or reported to the Department prior to August 1,
21 2013, the cleanup of environmental damage as required by
22 G.S. 143-215.94E(a).
23 (1a) For releases discovered or reported to the Department on or after August 1,
24 2013, the cleanup of environmental damage as required by
25 G.S.143-215.94E(a) in excess of two thousand dollars (\$2,000) or the sum of
26 the following amounts, whichever is less:
27 a. A deductible of one thousand dollars (\$1,000) per occurrence.
28 b. A co-payment equal to ten percent (10%) of the costs of the cleanup
29 of environmental damage, per occurrence.
30 (2) Compensation to third parties for bodily injury and property damage in
31 excess of one hundred thousand dollars (\$100,000) per occurrence. Claims
32 for third-party property damage shall be based on the rental costs of
33 comparable property during the period of loss of use up to a maximum
34 amount equal to the fair market value. In the case of property that is actually
35 destroyed as a result of a petroleum release, reimbursement shall be at an
36 amount necessary to replace or repair the destroyed property.

37"

38 **SECTION 20.(e)** This section is effective when it becomes law and applies to
39 claims for reimbursement pending or submitted on or after that date.

40
41 **ESTABLISH THE RENEWABLE ENERGY ECONOMIC DEVELOPMENT STUDY**
42 **COMMITTEE TO STUDY RENEWABLE ENERGY POLICIES IN NORTH**
43 **CAROLINA**

44 **SECTION 21.(a)** Establishment. – There is established the Renewable Energy
45 Economic Development Study Committee. The Committee shall have four cochairs, the two
46 Senate members appointed to the Committee and the two House members appointed to the
47 Committee. The Committee shall meet upon the call of the cochairs. Vacancies shall be filled
48 by the appointing authority. A quorum of the Committee shall be a majority of the members.

49 **SECTION 21.(b)** The Commission shall be composed of 17 members as follows:

- 50 (1) Eight members with experience in renewable energy appointed by the
51 Speaker of the House of Representatives, as follows:

- 1 a. Two members of the House of Representatives.
- 2 b. One representative of a North Carolina electric public utility.
- 3 c. One representative of ElectriCities of North Carolina.
- 4 d. One representative of North Carolina industrial electric customers.
- 5 e. One representative of the North Carolina renewable energy industry.
- 6 f. One representative of the North Carolina environmental community.
- 7 g. One representative of North Carolina military interests with
- 8 experience in energy management.
- 9 (2) Eight members with experience in renewable energy appointed by the
- 10 President Pro Tempore of the Senate, as follows:
- 11 a. Two members of the Senate.
- 12 b. One representative of North Carolina electric public utility.
- 13 c. One representative of a North Carolina Electric Membership
- 14 Corporations.
- 15 d. One representative of North Carolina commercial electric customers.
- 16 e. Two representatives of the North Carolina renewable energy
- 17 industry, one with experience in swine or poultry waste.
- 18 f. One representative of North Carolina higher education interests with
- 19 experience in energy management.
- 20 (3) The Executive Director of the Public Staff of the North Carolina Public
- 21 Utilities Commission or the Executive Director's designee.
- 22 **SECTION 21.(c) Duties.** – The Committee shall:
- 23 (1) Identify classes of costs and benefits of North Carolina's current policies
- 24 related to renewable energy and distributed generation.
- 25 (2) Identify, study, and recommend changes, if any, to those policies identified
- 26 in subdivision (1) of this section that will promote the integration of
- 27 renewable and distributed energy resources in a manner that is consistent
- 28 with facilitating the operation of reliable, resilient, and safe electric systems
- 29 in the State.
- 30 (3) In making any recommended changes to those policies identified in
- 31 subdivision (1) of this section, the Committee shall consider and identify the
- 32 impact the recommended changes would have on the promotion of economic
- 33 development in the State, the provision of reliable and affordable electric
- 34 service to the citizens of the State, and the inducement of investments in
- 35 North Carolina's electric grid to support energy conservation and the
- 36 promotion and integration of distributed energy resources.
- 37 (4) In carrying out its duties, the Committee shall specifically consider:
- 38 a. Whether State laws and policies should be changed to allow
- 39 third-party sales of electricity from renewable energy facilities to
- 40 allow customers to utilize solar and nonsolar energy power purchase
- 41 agreements, or other similar financing agreements, to finance
- 42 generation. If these agreements are authorized, what should be the
- 43 oversight, if any, provided by the North Carolina Utilities
- 44 Commission to ensure electric customers and ratepayers are
- 45 protected.
- 46 b. Whether changes to the State renewable energy portfolio standard
- 47 (REPS) are needed, and how the REPS fits into the overall State
- 48 incentive strategy for renewable energy and distributed energy
- 49 resources.

- 1 c. Whether changes to existing renewable energy laws and policies are
2 needed to further promote the energy independence and security
3 goals of the State's military installations.
- 4 d. Whether changes to existing renewable energy laws and policies are
5 necessary to protect the reliability, resilience, and safety of North
6 Carolina's electric grid and the impacts from increased distributed
7 generation and large-scale renewable generation.
- 8 e. Whether North Carolina's current laws and policies to promote and
9 incentivize large-scale and small-scale distributed generation and
10 net-metering customers are appropriate given the cost and benefit
11 impact of the polices on North Carolina's electric consumers and
12 citizens.
- 13 f. Whether a North Carolina State investment tax credit for renewable
14 technologies should be extended to encourage energy infrastructure
15 and economic development.
- 16 g. Whether changes to existing State laws and policies related to North
17 Carolina's implementation of the Public Utility Regulatory Policy
18 Act of 1978 and interconnection procedures for Qualifying Facilities
19 should be considered to promote economic development and ensure
20 affordable and reasonable rates for North Carolina electric
21 customers.
- 22 h. Whether electric utilities should be allowed to recover all of the costs
23 of Qualifying Facilities power purchases through G.S. 62-133.2.
- 24 i. Whether changes to existing State laws and policies should be
25 considered by the North Carolina General Assembly in order to
26 promote the development of advanced grid technologies to encourage
27 energy conservation and distributed generation resources, and
28 integration of same, to provide enhanced energy consumption data to
29 electric customers, and to promote the advancement and adoption of
30 electric vehicles.

31 **SECTION 21.(d)** The Renewable Energy Economic Development Study
32 Committee shall make a final report to the 2016 General Assembly when it reconvenes in May
33 2016. The report shall include the findings and recommendations of the study including any
34 legislative proposals.
35

36 **DIRECT DIVISION OF MARINE FISHERIES AND WILDLIFE RESOURCES**
37 **COMMISSION TO DEVELOP A PILOT AMERICAN EEL AQUACULTURE PLAN**

38 **SECTION 22.(a)** The Division of Marine Fisheries of the Department of
39 Environment and Natural Resources and the Wildlife Resources Commission shall jointly
40 develop a pilot American Eel Aquaculture Plan for the harvest and aquaculture of American
41 eels (*Anguilla rostrata*). The pilot American Eel Aquaculture Plan shall include all of the
42 following conditions:

- 43 (1) The pilot project shall allow for a minimum harvest of 200 pounds of the
44 glass eel stage of the American eel annually for use in domestic aquaculture
45 facilities.
- 46 (2) The harvest may only occur in watersheds that minimally contribute to the
47 spawning stock of the American eel.
- 48 (3) The Division shall submit the pilot American Eel Aquaculture Plan to the
49 Atlantic States Marine Fisheries Commission for its approval. The requested
50 pilot Plan shall include the pounds requested; the location, method, and dates
51 of harvest; the duration of requested harvest; prior approval of any

1 applicable permits; descriptions of each facility, including the capacity of
 2 each facility in which the glass eels will be held, and husbandry methods;
 3 descriptions of the markets the eels will be distributed to; a monitoring
 4 program to ensure harvest is not exceeded; and adequate enforcement
 5 capabilities.

- 6 (4) American eels harvested under the pilot American Eel Aquaculture Plan may
 7 not be sold until they reach the legal size in the jurisdiction of operations,
 8 unless otherwise specified in the Plan.

9 **SECTION 22.(b)** The Division and the Wildlife Resources Commission shall
 10 make every effort to have the pilot American Eel Aquaculture Plan approved by the Atlantic
 11 States Marine Fisheries Commission to be implemented during 2016. Persons interested in
 12 participating in the pilot American Eel Aquaculture Plan shall submit all information required
 13 by the Division and the Wildlife Resources Commission, in a form acceptable to the Division
 14 and the Wildlife Resources Commission, no later than November 1, 2015. The Division and the
 15 Marine Fisheries Commission shall issue no permits for the harvest and aquaculture of the glass
 16 eel stage of American eels in the State until the pilot American Eel Aquaculture Plan has been
 17 approved by the Atlantic States Marine Fisheries Commission.

18
 19 **AMEND DEFINITION OF MINING RELATIVE TO AGRICULTURAL ACTIVITIES**

20 **SECTION 23.** G.S. 74-49(7) reads as rewritten:

21 **"§ 74-49. Definitions.**

22 Wherever used or referred to in this Article, unless a different meaning clearly appears from
 23 the context:

24 ...
 25 (7) "Mining" ~~means:~~means any of the following:

- 26 a. ~~The (i) the~~ breaking of the surface soil in order to facilitate or
 27 accomplish the extraction or removal of minerals, ores, or other solid
 28 ~~matter.~~
- 29 b. ~~Any matter;~~ (ii) any activity or process constituting all or part of a
 30 process for the extraction or removal of minerals, ores, soils, and
 31 other solid matter from their original ~~location.~~
- 32 e. ~~The location;~~ or (iii) the preparation, washing, cleaning, or other
 33 treatment of minerals, ores, or other solid matter so as to make them
 34 suitable for commercial, industrial, or construction use.

35 "Mining" does not include:

- 36 a. Those aspects of deep mining not having significant effect on the
 37 surface, where the affected land does not exceed one acre in area.
- 38 b. Mining operations where the affected land does not exceed one acre
 39 in area.
- 40 c. Plants engaged in processing minerals produced elsewhere and
 41 whose refuse does not affect more than one acre of land.
- 42 d. Excavation or grading when conducted solely ~~in aid of on-site~~
 43 ~~farming or offor~~ on-site construction for purposes other than mining.
- 44 e. Removal of overburden and mining of limited amounts of any ores or
 45 mineral solids when done only for the purpose and to the extent
 46 necessary to determine the location, quantity, or quality of any
 47 natural deposit, provided that no ores or mineral solids removed
 48 during exploratory excavation or mining are sold, processed for sale,
 49 or consumed in the regular operation of a business, and provided
 50 further that the affected land resulting from any exploratory
 51 excavation does not exceed one acre in area.

- f. Excavation or grading where all of the following apply:
 1. The excavation or grading is conducted to provide soil or other unconsolidated material to be used without further processing for a single off-site construction project for which an erosion and sedimentation control plan has been approved in accordance with Article 4 of Chapter 113A of the General Statutes.
 2. The affected land, including nonpublic access roads, does not exceed five acres.
 3. The excavation or grading is completed within one year.
 4. The excavation or grading does not involve blasting, the removal of material from rivers or streams, the disposal of off-site waste on the affected land, or the surface disposal of groundwater beyond the affected land.
 5. The excavation or grading is not in violation of any local ordinance.
 6. An erosion and sedimentation control plan for the excavation or grading has been approved in accordance with Article 4 of Chapter 113A of the General Statutes.
- g. Excavation or grading when conducted solely for activities undertaken on agricultural land that are exempt, pursuant to G.S. 113A-52.01(1), from the requirements of Article 4 of Chapter 113A of the General Statutes."

AMEND THE HOLDING AND ADVERTISING PERIOD FOR UNCLAIMED LIVESTOCK

SECTION 24.(a) G.S. 68-20 reads as rewritten:

"§ 68-20. Notice of sale and sale where owner fails to redeem or is unknown; application of proceeds.

If the owner fails to redeem his livestock within three days after the notice and demand as provided in G.S. 68-18 is received or within three days after the determination of the costs and damages as provided in G.S. 68-19, ~~then, upon written notice fully describing the livestock, stating the place, date, and hour of sale posted at the courthouse door and three or more public places in the township where the owner resides, and after the impounder shall notify the local Sheriff's office and the Sheriff shall post a notice fully describing the livestock and stating the place, date, and hour of sale on the Web site of the Sheriff's department. After 10 days from such posting, the impounder shall sell the livestock at public auction. If the owner of the livestock remains unknown to the impounder, then, 30-three days after publication of the notice required by G.S. 68-18.1, the impounder shall post at the courthouse door and three public places in the township where the livestock is impounded a written notice fully describing the livestock, and stating the place, date, and hour of sale. notify the local Sheriff's office and the Sheriff shall post a notice fully describing the livestock and stating the place, date, and hour of sale on the Web site of the Sheriff's department. After 20-10 days from such posting, the impounder shall sell the livestock at public auction. The proceeds of any such public sale shall be applied to pay the reasonable costs of impounding and maintaining the livestock and the damages to the impounder caused by the livestock. Reasonable costs of impounding shall include any fees paid pursuant to G.S. 68-18.1 in an attempt to locate the owner of the livestock. The balance, if any, shall be paid to the owner of the livestock, if known, or, if the owner is not known, then to the school fund of the county where the livestock was impounded."~~

SECTION 24.(b) This section is effective when this act becomes law and applies to livestock impounded on or after that date.

MODIFY DEPARTMENT OF AGRICULTURE REPORTING REQUIREMENTS

SECTION 25.(a) G.S. 106-815 is repealed.

SECTION 25.(b) G.S. 19A-62(c) reads as rewritten:

"(c) Report. – In ~~February~~ March of each year, the Department must report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division. The report must contain information regarding all revenues and expenditures of the Spay/Neuter Account."

PRESCRIBED BURNING ACT MODIFICATIONS

SECTION 26. G.S. 106-968 reads as rewritten:

"§ 106-968. Prescribed burning.

(a) Prior to conducting a prescribed burning, the landowner shall obtain a prescription for the prescribed burning prepared by a certified prescribed burner and filed with the North Carolina Forest Service of the Department of Agriculture and Consumer Services. A copy of the prescription shall be provided to the landowner. A copy of this prescription shall be in the possession of the responsible burner on site throughout the duration of the prescribed burning. The prescription shall include:

- (1) The landowner's name and address.
- (2) A description of the area to be burned.
- (3) A map of the area to be burned.
- (4) An estimate ~~in~~ of tons of the fuel located on the area.
- (5) The objectives of the prescribed burning.
- (6) A list of the acceptable weather conditions and parameters for the prescribed burning sufficient to minimize the likelihood of smoke damage and fire escaping onto adjacent areas.
- (7) The name of the certified prescribed burner responsible for conducting the prescribed burning.
- (8) A summary of the methods that are adequate for the particular circumstances involved to be used to start, control, and extinguish the prescribed burning.
- (9) Provision for reasonable notice of the prescribed burning to be provided to nearby homes and businesses to avoid effects on health and property.

(b) The prescribed burning shall be conducted by a certified prescribed burner in accordance with a prescription that satisfies subsection (a) of this section. The certified prescribed burner shall be present on the site and shall be in charge of the burning throughout the period of the burning. A landowner may conduct a prescribed burning and be in compliance with this Article without being a certified prescribed burner if the landowner is burning a tract of forestland of 50 acres or less owned by that landowner and is following all conditions established in a prescription prepared by a certified prescribed burner.

(c) Prior to conducting a prescribed burning, the landowner or the landowner's agent shall obtain an open-burning permit under Article 78 of this Chapter from the North Carolina Forest Service of the Department of Agriculture and Consumer Services. This open-burning permit must remain in effect throughout the period of the prescribed burning. The prescribed burning shall be conducted in compliance with all the following:

- (1) The terms and conditions of the open-burning permit under Article 78 of this Chapter.
- (2) The State's air pollution control statutes under Article 21 and Article 21B of Chapter 143 of the General Statutes and any rules adopted pursuant to these statutes.
- (3) Any applicable local ordinances relating to open burning.

- 1 (4) The ~~voluntary~~-smoke management guidelines adopted by the North Carolina
2 Forest Service of the Department of Agriculture and Consumer Services.
3 (5) Any rules adopted by the North Carolina Forest Service of the Department
4 of Agriculture and Consumer Services, to implement this Article.
5 (d) The North Carolina Forest Service may accept prescribed burner certification from
6 another State or other entity for the purpose of prescribed burning under this Article."
7

8 MODIFY PENALTY FOR FAILURE TO GUARD A FIRE BY WATCHMAN

9 SECTION 27. G.S. 14-140.1 reads as rewritten:

10 "§ 14-140.1. Certain fire to be guarded by watchman.

11 Any person, firm, corporation, or other legal entity who shall burn any brush, grass, or other
12 material whereby any property may be endangered or destroyed, without keeping and
13 maintaining a careful watchman in charge of the burning, shall be guilty of a ~~Class 3~~
14 ~~misdemeanor~~ an infraction which may include a fine of not ~~less than ten dollars (\$10.00)~~ or
15 more than fifty dollars (\$50.00). Fire escaping from the brush, grass, or other material while
16 burning shall be prima facie evidence of violation of this provision."
17

18 ESTABLISH FARM WINERY PERMIT

19 SECTION 28.(a) G.S. 18B-902(d), as amended by S.L. 2015-98, reads as
20 rewritten:

21 "(d) Fees. – An application for an ABC permit shall be accompanied by payment of the
22 following application fee:

- 23 (1) On-premises malt beverage permit – \$400.00.
24 (2) Off-premises malt beverage permit – \$400.00.
25 (3) On-premises unfortified wine permit – ~~\$400.00~~ \$400.00, unless the
26 application is for a farm winery, in which case the fee shall be \$100.00.
27 (4) Off-premises unfortified wine permit – \$400.00.
28 (5) On-premises fortified wine permit – \$400.00.
29 (6) Off-premises fortified wine permit – \$400.00.
30 (7) Brown-bagging permit – \$400.00, unless the application is for a restaurant
31 seating less than 50, in which case the fee shall be \$200.00.
32 (8) Special occasion permit – \$400.00.
33 (9) Limited special occasion permit – \$50.00.
34 (10) Mixed beverages permit – \$1,000.
35 (11) Culinary permit – \$200.00.
36 (12) Unfortified winery permit – \$300.00.
37 (13) Fortified winery permit – \$300.00.
38 (14) Limited winery permit – \$300.00.
39 (15) Brewery permit – \$300.00.
40 (16) Distillery permit – \$300.00.
41 (17) Fuel alcohol permit – \$100.00.
42 (18) Wine importer permit – \$300.00.
43 (19) Wine wholesaler permit – \$300.00.
44 (20) Malt beverage importer permit – \$300.00.
45 (21) Malt beverage wholesaler permit – \$300.00.
46 (22) Bottler permit – \$300.00.
47 (23) Salesman permit – \$100.00.
48 (24) Vendor representative permit – \$50.00.
49 (25) Nonresident malt beverage vendor permit – \$100.00.
50 (26) Nonresident wine vendor permit – \$100.00.
51 (27) Any special one-time permit under G.S. 18B-1002 – \$50.00.

- 1 (28) Winery special event permit – \$200.00.
 2 (29) Mixed beverages catering permit – \$200.00.
 3 (30) Guest room cabinet permit – \$1,000.
 4 (31) Liquor importer/bottler permit – \$500.00.
 5 (32) Cider and vinegar manufacturer permit – \$200.00.
 6 (33) Brew on premises permit – \$400.00.
 7 (34) Wine producer permit – \$300.00.
 8 (35) Wine tasting permit – \$100.00.
 9 (36) Repealed by Session Laws 2005-380, s. 1, effective September 8, 2005, and
 10 applicable to wine shipper permit applications submitted on or after that
 11 date.
 12 (37) Wine shop permit – \$100.00.
 13 (38) Winemaking on premises permit – \$400.00.
 14 (39) Wine shipper packager permit – \$100.00.
 15 (40) Malt beverage special event permit – \$200.00.
 16 (41) Malt beverage tasting permit – \$100.00.
 17 (42) Spirituous liquor tasting permit – \$100.00.
 18 (43) Antique spirituous liquor permit – \$100.00.
 19 (44) Farm winery permit – \$150.00."

20 **SECTION 28.(b)** G.S. 18B-1001(3) reads as rewritten:

21 **"§ 18B-1001. Kinds of ABC permits; places eligible.**

22 ...

- 23 (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine
 24 permit authorizes (i) the retail sale of unfortified wine for consumption on
 25 the premises, either alone or mixed with other beverages, (ii) the retail sale
 26 of unfortified wine in the manufacturer's original container for consumption
 27 off the premises, and (iii) the retail sale of unfortified wine dispensed from a
 28 tap connected to a pressurized container utilizing carbon dioxide or similar
 29 gas into a cleaned, sanitized, resealable container that is filled or refilled and
 30 sealed for consumption off the premises and that identifies the permittee and
 31 the date the container was filled or refilled. The permit also authorizes the
 32 permittee to transfer unfortified wine, not more than four times per calendar
 33 year, to another on-premises unfortified wine permittee that is under
 34 common ownership or control as the transferor. Except as authorized by this
 35 subdivision, transfers of wine by on-premises unfortified wine permittees,
 36 purchases of wine by a retail permittee from another retail permittee for the
 37 purpose of resale, and sale of wine by a retail permittee to another retail
 38 permittee for the purpose of resale are unlawful. In addition, a particular
 39 brand of wine may be transferred only if both the transferor and transferee
 40 are located within the territory designated between the winery and the
 41 wholesaler on file with the Commission. Prior to or contemporaneous with
 42 any such transfer, the transferor shall notify each wholesaler who distributes
 43 the transferred product of the transfer. The notice shall be in writing or
 44 verifiable electronic format and shall identify the transferor and transferee,
 45 the date of the transfer, quantity, and items transferred. The holder of the
 46 permit is authorized to ship unfortified wine in closed containers to
 47 individual purchasers inside and outside the State. Orders received by a
 48 winery by telephone, Internet, mail, facsimile, or other off-premises means
 49 of communication shall be shipped pursuant to a wine shipper permit and not
 50 pursuant to this subdivision. The permit may be issued for any of the
 51 following:

- a. Restaurants;
- b. Hotels;
- c. Eating establishments;
- d. Private clubs;
- e. Convention centers;
- f. Cooking schools;
- g. Community theatres;
- h. Wineries;
- i. Wine producers.
- j. Farm wineries."

SECTION 28.(c) G.S. 18B-1100 is amended by adding a new subdivision to read:

"§ 18B-1100. **Commercial permits.**

...

(21) Farm winery."

SECTION 28.(d) Article 11 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1103A. **Authorization of farm winery permit.**

(a) Special Qualifications. – Except as provided in subsection (c) of this section, any winery that produces at least seventy-five percent (75%) of its wine from honey, grapes, or other fruit or grain grown in this State may obtain a farm winery permit.

(b) Special Qualifications for Large Wineries. – Except as provided in subsection (c) of this section, any winery that produces at least 10,000 gallons of wine per year from honey, grapes, or other fruit or grain grown in this State may obtain a farm winery permit. A winery obtaining a farm winery permit under these conditions may only affix the label in subdivision (10) of subsection (d) of this section to bottles of wine bearing a North Carolina State appellation of origin or a North Carolina American Viticultural Area appellation of origin.

(c) Exceptions to Special Qualifications. – In the event that the Commissioner of Agriculture determines that a natural disaster, act of God, or continued adverse weather condition has destroyed no less than forty percent (40%) of a certain grape varietal grown or produced in this State and used for winemaking, the Commissioner, in consultation with the Chairman of the Alcoholic Beverage Control Commission, may give authorization to a duly licensed farm winery to manufacture or sell wine produced from grapes grown outside the State. No such authorization shall be granted to a farm winery permittee unless such permittee certifies to the Commissioner the quantity of North Carolina grown grapes unavailable to the licensee due to the natural disaster, act of God, or continuing adverse weather condition and satisfies the Commissioner that reasonable efforts were made to obtain grapes from a North Carolina source for the purpose of making wine. A farm winery that has produced at least 10,000 gallons of wine from honey, grapes, or other fruit or grain grown in this State for at least three of the previous five years shall not lose its qualification as a farm winery if it is unable to produce 10,000 gallons of wine from honey, grapes, or other fruit or grain grown in this State in a year due to a natural disaster, act of God, or continued adverse weather condition. No farm winery shall exceed the amount of out-of-state grown grapes or juice authorized by the Commissioner.

(d) Authorized Acts. – The holder of a farm winery permit may:

(1) Manufacture unfortified wine.

(2) Sell, deliver, and ship unfortified wine in closed containers to wholesalers licensed under this Chapter as authorized by the ABC laws, except that wine may be sold to exporters and nonresident wholesalers only when the purchase is not for resale in this State.

- 1 (3) Ship its wine in closed containers to individual purchasers inside and outside
2 this State in accordance with the provisions of G.S. 18B-1001, 18B-1001.1,
3 and 18B-1001.2 and other applicable provisions of this Chapter.
- 4 (4) Furnish or sell "short-filled" packages, on which State taxes have been or
5 will be paid, to its employees for the use of the employees or their families
6 and guests in this State. A sale under this subdivision shall not be considered
7 a retail or wholesale sale under the ABC laws.
- 8 (5) Regardless of the results of any local wine election, sell the wine owned by
9 the winery at the winery for on- or off-premise consumption, upon obtaining
10 the appropriate permit under G.S. 18B-1001.
- 11 (6) Sell the wine manufactured by the winery for on- or off-premise
12 consumption at no more than three other locations in the State, upon
13 obtaining the appropriate permit under G.S. 18B-1001. This subdivision
14 shall not authorize a winery that holds both a farm winery permit and an
15 unfortified winery permit to sell wine manufactured by the winery for on- or
16 off-premise consumption at more than three other locations in total.
- 17 (7) Receive, in closed containers, and sell at the winery, unfortified wine
18 produced inside North Carolina under contract with the winery. Such
19 contract wine must have the winery's name clearly displayed on each bottle.
20 The contract wine may be sold also at affiliated retail outlets of the winery
21 physically located on or adjacent to the winery. Any wine received by a
22 winery under this provision must be made available for sale by the winery to
23 wholesalers for distribution to retailers, without discrimination, in the same
24 manner as if the wine were being imported by the winery.
- 25 (8) Allow winemaking on premises as allowed by a permit issued pursuant to
26 G.S. 18B-1001(17).
- 27 (9) Give visitors free tasting samples of the wine manufactured at the farm
28 winery. The Commission may issue rules regulating these tastings.
- 29 (10) Affix to the bottle a label certifying that the wine originates from a permitted
30 farm winery. The North Carolina Department of Agriculture and Consumer
31 Services may issue rules regulating the certification label. Nothing in this
32 subdivision shall be construed as altering or superseding any other State or
33 federal wine labeling laws."

34 **SECTION 28.(e)** G.S. 18B-1112 reads as rewritten:

35 "**§ 18B-1112. Authorization of vendor representative permit.**

36 (a) Authorized Acts. – The holder of a vendor representative permit may represent an
37 unfortified winery, fortified winery, limited winery, farm winery, brewery, bottler, importer,
38 nonresident malt beverage vendor, or nonresident wine vendor, either as an employee or an
39 agent, to solicit orders for that commercial permittee's product. The vendor representative may
40 sell, deliver, and ship alcoholic beverages in this State only to permittees to whom the
41 commercial permittee he represents may sell, deliver, or ship.

42 (b) Number of Permits. – A vendor representative shall secure a separate permit for
43 each commercial permittee he represents. A permit may not be issued without the approval of
44 the commercial permittee."

45 **SECTION 28.(f)** G.S. 18B-1114.1 reads as rewritten:

46 "**§ 18B-1114.1. Authorization of winery special event permit.**

47 (a) Authorization. – The holder of an unfortified winery permit, a limited winery
48 permit, a farm winery permit, a viticulture/enology course authorization, or a wine producer
49 permit may obtain a winery special permit allowing the winery or wine producer to give free
50 tastings of its wine, and to sell its wine by the glass or in closed containers, at trade shows,
51 conventions, shopping malls, wine festivals, street festivals, holiday festivals, agricultural

1 festivals, balloon races, local fund-raisers, and other similar events approved by the
2 Commission.

3 (b) Limitation. – A winery special event permit is valid only in a jurisdiction that has
4 approved the establishment of ABC stores or has approved the sale of unfortified wine."

5 **SECTION 28.(g)** G.S. 18B-1201 reads as rewritten:

6 **"§ 18B-1201. Definitions.**

7 As used in this Article, unless the context requires otherwise:

8 (1) "Agreement" means a commercial relationship between a wine wholesaler
9 and a winery. The agreement may be of a definite or indefinite duration and
10 is not required to be in writing. Any of the following constitutes prima facie
11 evidence of an "agreement" within the meaning of this definition:

- 12 a. A relationship whereby the wine wholesaler is granted the right to
13 offer and sell a brand offered by a winery;
- 14 b. A relationship whereby the wine wholesaler, as an independent
15 business, constitutes a component of a winery's distribution system;
- 16 c. A relationship whereby the wine wholesaler's business is
17 substantially associated with a brand offered by a winery;
- 18 d. A relationship whereby the wine wholesaler's business is
19 substantially reliant on a winery for the continued supply of wine;
- 20 e. The shipment, preparation for shipment, or acceptance of any order
21 by any winery or its agent for any wine or beverages to a wine
22 wholesaler within this State;
- 23 f. The payment by a wine wholesaler and the acceptance of payment by
24 any winery or its agent for the shipment of any order of wine or
25 beverages intended for sale within this State.

26 (2) "Territory" or "sales territory" means the area of primary sales responsibility
27 expressly or implicitly designated by any agreement between any wine
28 wholesaler and winery for a brand offered by any winery.

29 (3) "Wine wholesaler" means any holder of a wine wholesaler permit, wine
30 importer permit, or bottler permit issued under the authority of this Chapter.

31 (4) "Winery" means any holder of an unfortified winery permit, fortified winery
32 permit, limited winery permit, farm winery permit, or nonresident wine
33 vendor permit issued under the authority of this Chapter who sells at least
34 1,250 cases of wine in North Carolina per year."

35 **SECTION 28.(h)** The North Carolina Department of Agriculture and Consumer
36 Services shall study ways to promote farm wineries within the State, including the development
37 of a "passport" program where customers visiting a given number of farm wineries may receive
38 a form of special recognition, such as a special sticker for their car. The Department shall report
39 its findings and recommendations, including any legislative proposals, to the Agriculture and
40 Forestry Awareness Study Commission no later than February 1, 2016.

41 **SECTION 28.(i)** Subsection (h) of this section is effective when this act becomes
42 law. The remainder of this section becomes effective July 1, 2016, and applies to permits issued
43 on or after that date.

44
45 **CLARIFY THE PESTICIDE BOARD'S AUTHORITY TO RELICENSE AND**
46 **RECERTIFY LICENSEES FOR PESTICIDE DEALERS, APPLICATORS, AND PEST**
47 **CONTROL CONSULTANTS**

48 **SECTION 29.(a)** G.S. 143-449 reads as rewritten:

49 **"§ 143-449. Qualifications for pesticide dealer license; examinations.**

50 (a) An applicant for a license must present evidence satisfactory to the Board
51 concerning his qualifications for such license.

1 (b) Each applicant shall satisfy the Board as to his responsibility in carrying on the
 2 business of a pesticide dealer. Each applicant for an original license must demonstrate upon
 3 written, or written and oral, examination to be prescribed by the Board his knowledge of
 4 pesticides, their usefulness and their hazards; his competence as a pesticide dealer; and his
 5 knowledge of the laws and regulations governing the use and sale of pesticides. A
 6 nonrefundable fee of fifty dollars (\$50.00) shall be charged for each examination required by
 7 this section. This examination fee is in addition to any fee authorized pursuant to any other
 8 provision of Article 4C of Chapter 106 of the General Statutes.

9 (c) The Board shall by regulation:

- 10 (1) Designate what persons or class of persons shall be required to pass the
 11 examination in the case of a pesticide dealer operating more than one
 12 location, and in the case of an applicant that is a corporation, governmental
 13 unit or agency, or other organized group;
 14 (2) Provide for license renewal ~~license examinations~~ by completion of
 15 continuing certification credit requirements as prescribed by the Board or
 16 reexaminations at intervals not more frequent than four years."

17 **SECTION 29.(b)** G.S. 143-453 reads as rewritten:

18 **"§ 143-453. Qualifications for pesticide applicator's license; examinations.**

19 ...
 20 (c) The Board shall by regulation:

- 21 (1) Designate what persons or class of persons shall be required to pass the
 22 examination in the case of an applicant that is a corporation or governmental
 23 unit or agency;
 24 (2) Provide for license renewal ~~examinations~~ by completion of continuing
 25 certification credit requirements as prescribed by the Board or
 26 reexaminations at intervals not more frequent than four years, or more
 27 frequently if found by the Board to be required to be necessary in order to
 28 qualify North Carolina's State pesticide control plan for federal approval."

29 **SECTION 29.(c)** G.S. 143-455 reads as rewritten:

30 **"§ 143-455. Pest control consultant license.**

31 ...
 32 (d) Pest control consultants shall be subject to the same provisions as pesticide
 33 applicators concerning penalties for late applications for license, changes of address,
 34 transferability of licenses, continuing certification credit requirements, periodic reexamination,
 35 and examinations for corporate applicants."

36
 37 **CLARIFY THAT PROJECTS FOR THE PURPOSE OF COMMERCIAL RESALE OF**
 38 **NATURAL GAS OR PROPANE GAS ARE NOT ELIGIBLE FOR THE EXPANDED**
 39 **GAS PRODUCTS SERVICE TO AGRICULTURE FUND**

40 **SECTION 30.** G.S. 143B-437.020(a)(3) reads as rewritten:

41 **"§ 143B-437.020. Natural gas and propane gas for agricultural projects.**

42 (a) Definitions. –

- 43 ...
 44 (3) Eligible project. – A discrete and specific economic development project
 45 that would expand agricultural production or processing capabilities that
 46 requires new or expanded natural gas or propane gas service. A project
 47 intended for the purpose of commercial resale of natural gas or propane gas
 48 shall not be an eligible project."

1 **LIMIT THE PERSONALLY IDENTIFYING INFORMATION THAT THE**
2 **DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES MAY DISCLOSE**
3 **ABOUT ITS ANIMAL HEALTH PROGRAMS**

4 **SECTION 31.** G.S. 106-24.1 reads as rewritten:

5 **"§ 106-24.1. Confidentiality of information collected and published.**

6 All information published by the Department of Agriculture and Consumer Services
7 pursuant to this Part shall be classified so as to prevent the identification of information
8 received from individual farm operators. All information generated by any federal agency
9 received pursuant to this Part from individual farm operators that is confidential under federal
10 law shall be held confidential by the Department and its employees. All information collected
11 by the Department from individual farm operators for the purposes of its animal health
12 programs, farm owners or animal owners, including, but not limited to, certificates of
13 veterinary inspection, animal medical records, laboratory reports, reports received or generated
14 from samples submitted for analysis, or other records that may be used to identify a person or
15 private business entity subject to regulation by the Department shall not be disclosed without
16 the permission of the owner unless the State Veterinarian determines that disclosure is
17 necessary to prevent the spread of an animal disease or to protect the public health, or the
18 disclosure is necessary in the implementation of these animal health programs."

19
20 **ALLOW DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES TO**
21 **REGISTER OUTSOURCING FACILITIES ENGAGED IN THE COMPOUNDING OF**
22 **STERILE DRUGS**

23 **SECTION 32.** G.S. 106-140.1, as amended by S.L. 2015-241, reads as rewritten:

24 **"§ 106-140.1. Registration of producers of prescription drugs and devices.**

25 (a) On or before December 31 of each year, every person doing business in North
26 Carolina and operating as a wholesaler, manufacturer, outsourcing facility, or repackager, as
27 those terms are defined in subsection (j) of this section, shall register with the Commissioner
28 his name and business location(s) in North Carolina. If said person has no business locations in
29 North Carolina, he shall register his name and location of his corporate offices.

30 (b) Every person, upon first operating as a wholesaler, ~~manufacturer~~ manufacturer,
31 outsourcing facility, or repackager in North Carolina shall immediately register with the
32 Commissioner his name, place of business, and such establishment. If said person has no
33 business locations in North Carolina, he shall register his name and location of his corporate
34 offices.

35 (c) Every person duly registered in accordance with subsections (a) and (b) of this
36 section shall register with the Commissioner any additional establishment that he owns or
37 operates in the State of North Carolina prior to doing business as a manufacturer,
38 ~~wholesaler~~ wholesaler, outsourcing facility, or repackager.

39 (d) The Commissioner may assign a registration number to any person or any
40 establishment registered in accordance with this section.

41 (e) The Commissioner shall make available for inspection to any person so requesting
42 any registration filed pursuant to this section.

43 (f) The following classes of people are exempt from the registration requirements of
44 this section:

- 45 (1) Pharmacists as defined in G.S. 90-85.3(q) holding a valid permit as defined
46 in G.S. 90-85.3(m);
- 47 (2) Practitioners licensed or registered by law to prescribe or administer drugs
48 and who manufacture, prepare, compound, or process drugs or devices
49 solely for use in the course of their professional practice.
- 50 (3) Persons who manufacture, prepare, compound, or process drugs solely for
51 use in research, teaching, or chemical analysis and not for sale.

- 1 (4) Other classes of persons the Commissioner may by rule exempt from the
2 application of this section upon a finding that registration by these classes of
3 persons in accordance with this section is not necessary for the protection of
4 the public health.
- 5 (5) Wholesale distributors of prescription drugs licensed under G.S. 106-145.3.
- 6 (g) Every establishment in the State of North Carolina registered with the
7 Commissioner pursuant to this section shall be subject to inspection pursuant to G.S. 106-140.
- 8 (h) The Commissioner shall adopt rules to implement the registration requirements of
9 this section. These rules shall provide for an annual registration fee of one thousand dollars
10 (\$1,000) for companies operating as ~~manufacturers~~manufacturers, outsourcing facilities, or
11 repackagers and seven hundred dollars (\$700.00) for companies operating as wholesalers. The
12 Department of Agriculture and Consumer Services shall use these funds for the implementation
13 of the North Carolina Food, Drug and Cosmetic Act.
- 14 (i) For the purposes of this act, name means the name of the partnership if a partnership
15 and the name of the corporation if a corporation.
- 16 (j) As used in this section:
- 17 (1) The term "manufacturer" means a person who prepares, derives, or produces
18 a prescription drug. Pharmacists are specifically excluded from this
19 definition if they are acting in the course of their professional practice as
20 defined in Chapter 90 and rules adopted pursuant to it.
- 21 (2) The term "prescription drug" means a drug that under federal law is required,
22 prior to being dispensed or delivered, to be labeled with the following
23 statement: "Caution: Federal law prohibits dispensing without a
24 prescription."
- 25 (3) The term "repackager" means a person who repacks, relabels, or manipulates
26 a prescription drug which was in a unit packaged and sealed by a
27 manufacturer. Pharmacists are specifically exempted from this definition if
28 they are acting in the course of their professional practice as defined in
29 Chapter 90 and rules adopted pursuant to it.
- 30 (4) The term "wholesaler" means a person acting as a jobber, wholesale
31 merchant, salvager, or broker, or agent thereof, who sells or distributes for
32 resale a prescription drug. Pharmacists are specifically exempted from this
33 definition if they are acting in the course of their professional practice as
34 defined in Chapter 90 and rules adopted pursuant to it.
- 35 (5) The term "outsourcing facility" means a manufacturer at a single geographic
36 location or address that is engaged in the compounding of sterile drugs, has
37 elected to register as an outsourcing facility with the Food and Drug
38 Administration, and complies with the requirements as provided in 21
39 U.S.C. § 353b. Exemptions provided by 21 U.S.C. § 353b(a) with respect to
40 labeling, new drug registration, and distribution supply chain requirements
41 shall also apply to compounded drugs distributed in North Carolina by an
42 outsourcing facility."

43
44 **EXEMPTIONS FROM CERTAIN DEPARTMENT OF ENVIRONMENTAL AND**
45 **NATURAL RESOURCES PERMITS AND WASTE ANALYSIS DURING IMMINENT**
46 **THREAT OF CONTAGIOUS ANIMAL DISEASE**

47 **SECTION 33.(a)** G.S. 106-399.4(a) reads as rewritten:

48 "(a) When determined by the State Veterinarian, in consultation with the Commissioner
49 of Agriculture and with the approval of the Governor, that there is an imminent threat within
50 the State of a contagious animal disease that has the potential for very serious and rapid spread,
51 is of serious socioeconomic and public health consequence, or is of major importance in the

1 international trade of animals and animal products, the State Veterinarian or an authorized
2 representative may develop and implement any emergency measures and procedures that the
3 State Veterinarian determines necessary to prevent and control the animal disease. Any
4 emergency measure or procedure relating to composting of dead domesticated animals pursuant
5 to this Part shall be deemed to be permitted pursuant to G.S. 143-215.1(b) and it shall not be
6 necessary for the Department of Environment and Natural Resources to issue individual
7 permits."

8 **SECTION 33.(b)** G.S. 143-215.10C is amended by adding a new subsection to
9 read:

10 "(f2) Periodic testing of waste products as required in subdivision (6) of subsection (e) of
11 this section, subsection (f) of this section and subsection (f1) of this section may be temporarily
12 suspended in compliance with G.S. 106-399.4 when the State Veterinarian, in consultation with
13 the Commissioner of Agriculture and with the approval of the Governor, determines that there
14 is an imminent threat within the State of a contagious animal disease. The suspension of testing
15 only applies to the animal operation types designated by the State Veterinarian, and shall be in
16 effect for a period of time that the State Veterinarian deems necessary to prevent and control
17 the animal disease. During the suspension of waste analysis, waste product nutrient content to
18 be used for application of waste at no greater than agronomic rates shall be established by the
19 1217 Interagency Committee as created by Session Law 1995-626."

21 CLARIFY CONSTRUCTION OF FARM BUILDINGS ON STATE PROPERTY

22 **SECTION 34.** G.S. 143-138(b4) reads as rewritten:

23 "(b4) Exclusion for Certain Farm Buildings. – Building rules do not apply to (i) farm
24 buildings that are located outside the building-rules jurisdiction of any municipality, (ii) farm
25 buildings that are located inside the building-rules jurisdiction of any municipality if the farm
26 buildings are greenhouses, (iii) a primitive camp, or (iv) a primitive farm building. For the
27 purposes of this subsection:

28 (1) A "farm building" shall ~~include any~~ include:

29 a. Any structure used or associated with equine activities, including, but
30 not limited to, the care, management, boarding, or training of horses
31 and the instruction and training of riders. Structures that are
32 associated with equine activities include, but are not limited to, free
33 standing or attached sheds, barns, or other structures that are utilized
34 to store any equipment, tools, commodities, or other items that are
35 maintained or used in conjunction with equine activities. The specific
36 types of equine activities, structures, and uses set forth in this
37 subdivision are for illustrative purposes, and should not be construed
38 to limit, in any manner, the types of activities, structures, or uses that
39 may be considered under this subsection as exempted from building
40 rules. A farm building that might otherwise qualify for exemption
41 from building rules shall remain subject only to an annual safety
42 inspection by the applicable city or county building inspection
43 department of any grandstand, bleachers, or other spectator-seating
44 structures in the farm building. An annual safety inspection shall
45 include an evaluation of the overall safety of spectator-seating
46 structures as well as ensuring the spectator-seating structure's
47 compliance with any building codes related to the construction of
48 spectator-seating structures in effect at the time of the construction of
49 the spectator-seating.

50 b. Any structure used for the display and sale of produce, no more than
51 1,000 square feet in size, open to the public for no more than 180

- 1 days per year, and certified by the Department of Agriculture and
2 Consumer Services as a Certified Roadside Farm Market.
- 3 c. Any unoccupied structure built upon land owned by the State of
4 North Carolina and administratively allocated to the North Carolina
5 Department of Agriculture and Consumer Services or North Carolina
6 State University which is used primarily for forestry production and
7 research or agriculture production and research. The term
8 "agriculture" has the same meaning as in G.S. 106-581.1. The term
9 "unoccupied" does not exclude the keeping of livestock.
- 10 (1a) A "farm building" shall not lose its status as a farm building because it is
11 used for public or private events, including, but not limited to, weddings,
12 receptions, meetings, demonstrations of farm activities, meals, and other
13 events that are taking place on the farm because of its farm or rural setting.
- 14 (2) A "greenhouse" is a structure that has a glass or plastic roof, has one or more
15 glass or plastic walls, has an area over ninety-five percent (95%) of which is
16 used to grow or cultivate plants, is built in accordance with the National
17 Greenhouse Manufacturers Association Structural Design manual, and is not
18 used for retail sales. Additional provisions addressing distinct life safety
19 hazards shall be approved by the local building-rules jurisdiction.
- 20 (3) ~~A "farm building" shall include any structure used for the display and sale of~~
21 ~~produce, no more than 1,000 square feet in size, open to the public for no~~
22 ~~more than 180 days per year, and certified by the Department of Agriculture~~
23 ~~and Consumer Services as a Certified Roadside Farm Market.~~
- 24 (4) A "primitive camp" shall include any structure primarily used or associated
25 with outdoor camping activities, including structures used for educational,
26 instructional, or recreational purposes for campers and for management
27 training, that are (i) not greater than 4,000 square feet in size and (ii) are not
28 intended to be occupied for more than 24 hours consecutively. "Structures
29 primarily used or associated with outdoor camping activities" include, but
30 are not limited to, shelters, tree stands, outhouses, sheds, rustic cabins,
31 campfire shelters, picnic shelters, tents, tepees or other indigenous huts,
32 support buildings used only for administrative functions and not for
33 activities involving campers or program participants, and any other
34 structures that are utilized to store any equipment, tools, commodities, or
35 other items that are maintained or used in conjunction with outdoor camping
36 activities such as hiking, fishing, hunting, or nature appreciation, regardless
37 of material used for construction. The specific types of primitive camping
38 activities, structures, and uses set forth in this subdivision are for illustrative
39 purposes and should not be construed to limit, in any manner, the types of
40 activities, structures, or uses that are exempted from building rules.
- 41 (5) A "primitive farm building" shall include any structure used for activities,
42 instruction, training, or reenactment of traditional or heritage farming
43 practices. "Primitive farm buildings" include, but are not limited to, sheds,
44 barns, outhouses, doghouses, or other structures that are utilized to store any
45 equipment, tools, commodities, livestock, or other items supporting farm
46 management. These specific types of farming activities, structures, and uses
47 set forth by this subdivision are for illustrative purposes and should not be
48 construed to limit in any manner the types of activities, structures, or uses
49 that are exempted from building rules.
- 50 (6) ~~A "farm building" shall not lose its status as a farm building because it is~~
51 ~~used for public or private events, including, but not limited to, weddings,~~

1 receptions, meetings, demonstrations of farm activities, meals, and other
2 events that are taking place on the farm because of its farm or rural setting."
3

4 **WILDLIFE SEARCH AND SEIZURE MODIFICATIONS**

5 **SECTION 35.(a)** G.S. 113-136(k) reads as rewritten:

6 "(k) It is unlawful to refuse to exhibit upon request by any inspector, protector, or other
7 law enforcement officer any item required to be carried by any law or rule as to which
8 inspectors or protectors have enforcement jurisdiction. The items that must be exhibited include
9 boating safety or other equipment or any license, permit, tax receipt, certificate, or
10 identification. It is unlawful to refuse to allow inspectors, protectors, or other law enforcement
11 officers to inspect ~~weapons, equipment, fish, or wildlife that~~weapons or equipment if the officer
12 reasonably believes them to be possessed incident to an activity regulated by any law or rule as
13 to which inspectors and protectors have enforcement jurisdiction. ~~jurisdiction and the officer has~~
14 a reasonable suspicion that a violation has been committed, except that an officer may inspect a
15 shotgun to confirm whether it is plugged or unplugged without a reasonable suspicion that a
16 violation has been committed. It is unlawful to refuse to allow inspectors, protectors, or other
17 law enforcement officers to inspect fish or wildlife for the purpose of ensuring compliance with
18 bag limits and size limits. Except as authorized by G.S. 113-137, nothing in this section gives
19 an inspector, protector, or other law enforcement officer the authority to inspect, in the absence
20 of a person in apparent control of the item to be inspected, any of the following:

21 (1) Weapons.

22 (2) Equipment, except for equipment left unattended in the normal operation of
23 the equipment, including, but not limited to, traps, trot lines, crab pots, and
24 fox pens.

25 (3) Fish.

26 (4) Wildlife."

27 **SECTION 35.(b)** The Wildlife Resources Commission shall report to the Joint
28 Legislative Oversight Committee on Justice and Public Safety no later than March 1, 2016, and
29 annually thereafter, on the number of complaints received against Commission law
30 enforcement officers, the subject matter of the complaints, and the geographic areas in which
31 the complaints were filed.

32 **SECTION 35.(c)** Subsection (a) of this section becomes effective December 1,
33 2015, and applies to offenses committed on or after that date. The remainder of this section is
34 effective when it becomes law.
35

36 **TECHNICAL CORRECTIONS**

37 **SECTION 36.(a)** G.S. 14-137, as amended by S.L. 2015-241, reads as rewritten:

38 **"§ 14-137. Willfully or negligently setting fire to woods and fields.**

39 If any person, firm or corporation shall willfully or negligently set on fire, or cause to be set
40 on fire, any woods, lands or fields, whatsoever, every such offender shall be guilty of a Class 2
41 misdemeanor. This section shall apply only in those counties under the protection of the
42 Department of ~~Environmental Quality~~Agriculture and Consumer Services in its work of forest
43 fire control. It shall not apply in the case of a landowner firing, or causing to be fired, his own
44 open, nonwooded lands, or fields in connection with farming or building operations at the time
45 and in the manner now provided by law: Provided, he shall have confined the fire at his own
46 expense to said open lands or fields."

47 **SECTION 36.(c)** G.S. 69-25.5 reads as rewritten:

48 **"§ 69-25.5. Methods of providing fire protection.**

49 Upon the levy of such tax, the board of county commissioners shall, to the extent of the
50 taxes collected hereunder, provide fire protection for the district –

- 1 (1) By contracting with any incorporated city or town, with any incorporated
 2 nonprofit volunteer or community fire department, or with the Department
 3 of ~~Environment and Natural Resources~~ Agriculture and Consumer Services
 4 to furnish fire protection, or
 5 (2) By furnishing fire protection itself if the county maintains an organized fire
 6 department, or
 7 (3) By establishing a fire department within the district, or
 8 (4) By utilizing any two or more of the above listed methods of furnishing fire
 9 protection."

10 **SECTION 36.(d)** G.S. 143-166.13 reads as rewritten:

11 **"§ 143-166.13. Persons entitled to benefits under Article.**

12 (a) The following persons who are subject to the Criminal Justice Training and
 13 Standards Act are entitled to benefits under this Article:

- 14 (1) State Government Security Officers, Department of Administration;
 15 (2) State Correctional Officers, Division of Adult Correction of the Department
 16 of Public Safety;
 17 (3) State Probation and Parole Officers, Division of Adult Correction of the
 18 Department of Public Safety;
 19 (4) Sworn State Law-Enforcement Officers with the power of arrest, Division of
 20 Adult Correction of the Department of Public Safety;
 21 (5) Sworn Law Enforcement Officers in the Medicaid Fraud Unit of the
 22 Department of Justice;
 23 (6) State Highway Patrol Officers, Department of Public Safety;
 24 (7) General Assembly Special Police, General Assembly;
 25 (8) Sworn State Law-Enforcement Officers with the power of arrest,
 26 Department of Health and Human Services;
 27 (9) Juvenile Justice Officers, Division of Juvenile Justice of the Department of
 28 Public Safety;
 29 (10) Insurance Investigators, Department of Insurance;
 30 (11) State Bureau of Investigation Officers and Alcohol Law Enforcement
 31 Agents, Department of Public Safety;
 32 (12) Director and Assistant Director, License and Theft Enforcement Section,
 33 Division of Motor Vehicles, Department of Transportation;
 34 (13) Members of License and Theft Enforcement Section, Division of Motor
 35 Vehicles, Department of Transportation, designated by the Commissioner of
 36 Motor Vehicles as either "inspectors" or uniformed weigh station personnel;
 37 (14) Utilities Commission Transportation Inspectors and Special Investigators;
 38 (15) North Carolina Ports Authority Police, Department of Transportation;
 39 (16) Sworn State Law-Enforcement Officers with the power of arrest,
 40 Department of Environment and Natural Resources;
 41 (17) Sworn State Law-Enforcement Officers with the power of arrest,
 42 Department of Public Safety.
 43 (18) Sworn State Law-Enforcement Officers with the power of arrest,
 44 Department of Revenue.
 45 (19) Sworn State Law-Enforcement Officers with the power of arrest, University
 46 System.
 47 (20) Sworn State Law-Enforcement Officers with the power of arrest,
 48 Department of Agriculture and Consumer Services.

49 (b) The following persons are entitled to benefits under this Article regardless of
 50 whether they are subject to the Criminal Justice Training and Standards Act:

- 1 (1) Driver License Examiners injured by accident arising out of and in the
- 2 course of giving a road test, Division of Motor Vehicles, Department of
- 3 Transportation;
- 4 (2) Employees of the Division of Adult Correction of the Department of Public
- 5 Safety injured by a direct and deliberate act of an offender supervised by the
- 6 Division or while performing supervisory duties over offenders which place
- 7 the employees at risk of such injury.
- 8 (c) As used in this Article, the term "eligible person" or "person" shall mean any
- 9 individual listed under subsection (a) or (b) of this section."

10

11 **EFFECTIVE DATE AND SEVERABILITY CLAUSE**

12 **SECTION 37.(a)** If any provision of this act or its application is held invalid, the

13 invalidity does not affect other provisions or applications of this act that can be given effect

14 without the invalid provisions or application, and to this end, the provisions of this act are

15 severable.

16 **SECTION 37.(b)** Except as otherwise provided, this act is effective when it

17 becomes law.