

TH CAROLINA GENERAL ASSEMBLY **AMENDMENT** Senate Bill 711

AMENDMENT NO (to be filled in by Principal Clerk)

Page 1 of 4

S711-ATQ-14 [v.4]

Amends Title [NO] Third Edition

Date June 1

2018

Senator B. Jackson

moves to amend the bill on page 1, lines 2 and 3, by inserting between those lines:

1 2

3 4

5

6

7

8

9

10 11

12

13

14

15

16

17

18

"Whereas, frivolous nuisance lawsuits threaten the very existence of farming in North Carolina; and

Whereas, in response to the long-standing threat to agriculture, in 1979 the General Assembly enacted the State's first effort to statutorily protect the ability of farms and forestry operations to continue to operate as surrounding development encroached; and

Whereas, following the 1979 enactment, at least three succeeding General Assemblies in 1992, 2013, and 2017 tried to perfect a statutory framework that broadly fosters a cooperative relationship between farms and forestry operations and their neighbors across North Carolina; and

Whereas, recently a federal trial court incorrectly and narrowly interpreted the North Carolina Right to Farm Act in a way that contradicts the intent of the General Assembly and effectively renders the Act toothless in offering meaningful protection to long-established North Carolina farms and forestry operations; and

Whereas, regrettably, the General Assembly is again forced to make plain its intent that existing farms and forestry operations in North Carolina that are operating in good faith be shielded from nuisance lawsuits filed long after the operations become established; Now therefore,";

19 20 21

and on page 6, line 50, through page 8, line 13, by rewriting the lines to read:

22 23

24

25

29

30 31

32

"AMEND NORTH CAROLINA RIGHT TO FARM LAW

SECTION 10.(a) G.S. 106-701 reads as rewritten:

26 27 28

"§ 106-701. When agricultural and forestry operation, etc., not constituted nuisance by changed conditions in or about the locality outside of the operation. Right to farm defense; nuisance actions.

No agricultural or forestry operation or any of its appurtenances shall be or become a nuisance, private or public, by any changed conditions in or about the locality outside of the operation after the operation has been in operation for more than one year, when such operation was not a nuisance at the time the operation began. No nuisance action may be filed against an agricultural or forestry operation unless all of the following apply:



ADOPTED

LINA GENERAL ASSEMBLY **AMENDMENT** Senate Bill 711

41 42

in the future.

		AMENDMENT NO. 4
		[v.4] AMENDMENT NO
	S711-ATQ-14	[v.4] Principal Clerk)
		Page 2 of 4
1	(1)	The plaintiff is a legal possessor of the real property affected by the conditions
2		alleged to be a nuisance.
3	(2)	The real property affected by the conditions alleged to be a nuisance is located
4		within one half-mile of the agricultural or forestry operation. When the
5		operation consists of multiple parcels, the one half-mile radius shall be
6		measured from the parcel that is the alleged source of the nuisance.
7	<u>(3)</u>	The action is filed within one year of the establishment of the agricultural or
8		forestry operation or within one year of the operation undergoing a
9		fundamental change.
10	` ,	provisions of subsection (a) of this section shall not apply when the plaintiff
11		nat the agricultural or forestry operation has undergone a fundamental change. A
12		es of subsection (a) of this section, a fundamental change to the operation does not
13	include any of the following:	
14	(1)	A change in ownership or size.
15	(2)	An interruption of farming for a period of no more than three years.
16	(3)	Participation in a government-sponsored agricultural program.
17	(4)	Employment of new technology.
18	(5)	A change in the type of agricultural or forestry product produced.
19		provisions of subsection (a) of this section shall not apply whenever a nuisance
20	results from the negligent or improper operation of any agricultural or forestry operation or its	
21	appurtenances.	
22	` '	the purposes of this Article, "agricultural operation" includes, without limitation,
23	any facility for the production for commercial purposes of crops, livestock, poultry, livestock products, or poultry products.	
24		• •
25 26		the purposes of this Article, "forestry operation" shall mean those activities
20 27		growing, managing, and harvesting of trees. provisions of subsection (a) shall not affect or defeat the right of any person, firm,
28		to recover damages for any injuries or damages sustained by him on account of
29		of, or change in condition of, the waters of any stream or on the account of any
30	overflow of lands of any such person, firm, or corporation.	
31		and all ordinances of any unit of local government now in effect or hereafter
32	adopted that w	yould make the operation of any such agricultural or forestry operation or its
33	appurtenances a nuisance or providing for abatement thereof as a nuisance in the circumstance	
34	set forth in this section are and shall be null and void; provided, however, that the provisions of	
35	this subsection shall not apply whenever a nuisance results from the negligent or improper	
36	operation of any such agricultural or forestry operation or any of its appurtenances. Provided	
37	further, void. Provided, however, that the provisions shall not apply whenever a nuisance results	
38	from an agricultural or forestry operation located within the corporate limits of any city at the	
39	time of enactment hereof.	
40	(e) This section shall not be construed to invalidate any contracts heretofore made but	
41	insofar as contracts are concerned it is only applicable to contracts and agreements to be made	

insofar as contracts are concerned, it is only applicable to contracts and agreements to be made

ADOPTED

LINA GENERAL ASSEMBLY AMENDMENT Senate Bill 711

A₄

S711-ATQ-14 [v.4]

AMENDMENT NO. (to be filled in by Principal Clerk)

Page 3 of 4

- (f) In a nuisance action against an agricultural or forestry operation, the court shall award costs and expenses, including reasonable attorneys' fees, to:
 (1) The agricultural or forestry operation when the court finds the operation was
 - not a nuisance and the nuisance action was frivolous or malicious; or

 The plaintiff when the court finds the agricultural or forestry operation was a
 - (2) The plaintiff when the court finds the agricultural or forestry operation was a nuisance and the operation asserted an affirmative defense in the nuisance action that was frivolous and malicious."

SECTION 10.(b) G.S. 106-702 reads as rewritten:

"§ 106-702. Limitations on private nuisance actions against agricultural and forestry operations.

- (a) The compensatory damages that may be awarded to a plaintiff for a private nuisance action where the alleged nuisance emanated from an agricultural or forestry operation shall be as follows:
 - (1) If the nuisance is a permanent nuisance, compensatory damages shall be measured by the reduction in the fair market value of the plaintiff's property caused by the nuisance, but not to exceed the fair market value of the property.
 - (2) If the nuisance is a temporary nuisance, compensatory damages shall be limited to the diminution of the fair rental value of the plaintiff's property caused by the nuisance.
- (a1) A plaintiff may not recover punitive damages for a private nuisance action where the alleged nuisance emanated from an agricultural or forestry operation that has not been subject to a criminal conviction or a civil enforcement action taken pursuant to a notice of violation for the conduct alleged to be the source of the nuisance within the three years prior to the first act on which the nuisance action is based.
- (b) If any plaintiff or plaintiff's successor in interest brings a subsequent private nuisance action against any agricultural or forestry operation, the combined recovery from all such actions shall not exceed the fair market value of his or her property. This limitation applies regardless of whether the subsequent action or actions were brought against a different defendant than the preceding action or actions.
- (c) This Article shall apply to any private nuisance claim brought against any party based on that party's contractual or business relationship with an agricultural or forestry operation.
- (d) This Article does not apply to any cause of action brought against an agricultural or forestry operation for negligence, trespass, personal injury, strict liability, or other cause of action for tort liability other than nuisance, nor does this Article prohibit or limit any request for injunctive relief or punitive damages that are that is otherwise available."

SECTION 10.(c) This section is effective when it becomes law and applies to causes of action commenced on or after that date.".

DOPTED

LINA GENERAL ASSEMBLY **AMENDMENT** Senate Bill 711

S711-ATQ-14 [v.4]

AMENDMENT NO (to be filled in by Principal Clerk)

Page 4 of 4

Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED 35-11

___ FAILED _____ TABLED

Surah Holland June 11, 2018

ADOPTE.

The official copy of this document, with signatures and vote information, is available in the **Senate Principal Clerk's Office**