

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

H.B. 458
Mar 30, 2021
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40260-MCf-25

Short Title: Food Desert Agriculture Incentive Zones. (Public)

Sponsors: Representative Brown.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO INCENTIVIZE HEALTHY FOOD AVAILABILITY IN FOOD DESERT
3 ZONES.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Chapter 106 of the General Statutes is amended by adding a new
6 Article to read:

7 "Article 55B.

8 "Food Desert Agriculture Grants.

9 **"§ 106-652. Food Desert Agriculture Grant Program.**

10 (a) Fund Established; Purpose. – The North Carolina Food Desert Agriculture Grant
11 Fund is established as a special fund in the Department of Agriculture and Consumer Services.
12 The Department is responsible for administering the Fund using personnel and other
13 administrative resources of the Agricultural Development and Farmland Preservation Trust Fund
14 program. The Fund may receive funds appropriated by the General Assembly and any gifts,
15 grants, or donations from any public or private sources. The Fund shall be used, as available, to
16 encourage agricultural production and availability in food desert zones in the State. Grants from
17 the Fund shall be made upon application pursuant to this section.

18 (b) Definitions. – The definitions in G.S. 105-164.3 apply and the following definitions
19 apply in this Article:

20 (1) Department. – The North Carolina Department of Agriculture and Consumer
21 Services.

22 (2) Eligible activity. – The use of real property for the production of crops or
23 plants for sale as food or as a farmers market.

24 (3) Food desert zone. – An area designated as a food desert zone by the Economic
25 Research Service of the United States Department of Agriculture.

26 (c) Grants. – An owner of property located in a food desert zone using the property for
27 an eligible activity may apply for a grant from the Fund. The Department shall specify the form
28 and contents of the application, including procedures for the submission of applications
29 electronically. The Department may establish a fee for grant applicants to recover the reasonable
30 costs of reviewing and processing applications. The amount of a grant under this section shall
31 not exceed the property tax due for the property in the year the application is submitted reduced
32 by the amount of any rent charged for using the property for an eligible activity and reduced
33 proportionately for (i) any amount of the property not used for the eligible activity and (ii) any
34 full months during the tax year when the property was not used for the eligible activity. Awards
35 shall be issued in the order that each completed eligible application is received. In the event that



1 the amount of eligible grants requested in a fiscal year exceeds the funds available in the Fund,
2 the grants shall be paid in the next fiscal year in which funds are available.

3 (d) Rulemaking. – The Department may issue rules to implement the requirements of this
4 Article.

5 (e) Reports. – The Department shall report on the grants made from the Fund no later
6 than February 1 of each year following a year in which a grant from the Fund was made and shall
7 provide a copy to the Joint Legislative Oversight Committee on Agriculture and Natural and
8 Economic Resources and the Fiscal Research Division of the Legislative Services Office of the
9 General Assembly. The report shall include the number of applications, the total amount
10 requested, the total amount awarded, and a list of the recipients, including the amount received
11 by each."

12 **SECTION 2.** There is appropriated from the General Fund to the Department of
13 Agriculture and Consumer Services the sum of five hundred thousand dollars (\$500,000) in
14 nonrecurring funds for the 2021-2022 fiscal year to be used for Food Desert Agriculture Grants
15 pursuant to Article 55B of Chapter 106 of the General Statutes, as enacted by this act.

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