

Allocations from the Contingency & Emergency Account

Report to the Joint Legislative Commission
On Governmental Operations

Office of State Budget and Management

February 5-6, 2008

Reporting Allocations from the Contingency & Emergency Account

A report on allotments from the Contingency and Emergency Account that have been approved since the December 11-12, 2007 meeting of the Joint Legislative Commission on Governmental Operations as required by G.S. § 143C-4-4.

1) An allotment to the Department of Agriculture and Consumer Services for the NC Agriculture Cost Share Program---- up to \$3,500,000

The continuing drought has drastically reduced hay production this year and winter weather has disrupted shipments from other states. The shortage of hay is having a significant impact on all livestock farmers.

The Department of Agriculture and Consumer Services has requested an allotment of up to \$3,500,000 from the Contingency and Emergency Fund for two hay relief programs.

- Hay Resale Program - the Department of Agriculture purchases hay and transports the hay to North Carolina where it is resold to farmers at the same price the State pays. Hay is available at six locations across the state - agriculture research stations at Waynesville, Salisbury, Laurel Springs, Kinston, and Oxford and at the Farmers Market in Greensboro.
- Hay Transportation Relief Program - provides \$250,000 for help with transportation cost of moving hay to the areas most adversely affected. The program provides cost-share funds of up to \$500 per load (for up to three loads) to farmers to help offset transportation costs to ship hay from other states. This funding combined with continued private funding in the NC Agriculture Cost Share Program.

The initial pilot program has provided \$200,000 for the hay resale program and \$250,000 for the hay transportation relief program.

This request was approved by the Council of State at their meeting of December 4, 2007.

2) Industrial Commission Award - Award of Compensation to Claimant Pursuant to G.S. 148-82 - \$368,493.14

A request for payment from the Contingency and Emergency Fund was received from the N. C. Department of Commerce in accordance with an Order from the Industrial Commission awarding Dwayne Allen Dail \$368,493.14. Mr. Dail received a Pardon of Innocence on October 10, 2007 after being incarcerated for 6,725 days. G.S. § 148-84 requires payment of \$20,000 for each year of imprisonment served by a person who is later vindicated. The source of funds is determined by G.S. §§ 148-82, 148-84; approval of the Council of State is not required. The request was processed by OSBM on January 25, 2008