1999-2000

HOUSE AGRICULTURE COMMITTEE

MINUTES

AGRICULTURE COMMITTEE

1999-2000 SESSION

REP. DEWEY L. HILL, CHAIRMAN

VIRGINIA M. MCCANN
COMMITTEE ASSISTANT

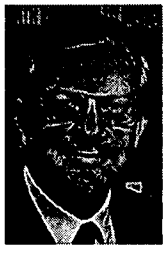
AGRICULTURE COMMITTEE MEMBERSHIP

Rep. Dewey L. Hill
Chairman

Rep. Nurham Warwick
Vice-Chairman

Rep. John Brown
Vice-Chairman

Rep. Stephen R. Wood
Vice-Chairman



Rep. Cary Allred

Rep. Rex Baker

Rep. Donald Bonner

Rep. Charles Buchanan

Rep. Nelson Cole

Rep. Leslie Cox

Rep. Arlie Culp

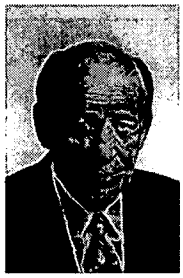
Rep. Don Davis

Rep. Rick Eddins

Rep. Milton Fitch, Jr.

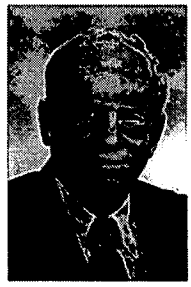
AGRICULTURE COMMITTEE MEMBERSHIP
PAGE 2

Rep. Joe Kiser



Rep.Paul McCrary

Rep.MarianMcLawhorn



Rep. Frank Mitchell

Rep. Edd Nye

Rep. Bill Ownes

Rep. Gene Rogers

Rep. Carolyn Russell

Rep. W. B. Teague

Rep. Joe Tolson

Rep. Russell Tucker

Rep. Edith Warren

Rep. Gene Wilson

Rep. Douglas Yongue

HOUSE COMMITTEE ON AGRICULTURE
1999-2000 SESSION

MEMBER	ASSISTANT	PHONE	OFFICE
Hill, Dewey, Chairman	Virginia McCann	733-5830	1309
Brown, John, Vice Chair	Ann Kidd	733-5935	1111
Warwick, Nurham, Vice Chair	Carolyn Honeycutt	715-3003	419C
Wood, Stephen, Vice Chair	Perkins, Sylvia	733-5807	2208
Allred, Cary	Allred, Jean	733-5607	609
Baker, Rex	Ellis, Dawn	733-5787	608
Bonner, Donald	Johnson, Lucy	733-5803	1313
Buchanan, Charles	Jones, Glenda	733-5825	536
Cole, Nelson	Smith, Suzanne	733-5779	1218
Cox, Leslie	Stainback, Ferebee	733-5827	1221
Culp, Arlie	Lord, Waneta	733-5865	1010
Davis, Don	Johnson, Audrey	715-0959	504
Eddins, Rick	Monroe, Dorie	733-5800	1319
Fitch, Milton	Branch, Carolyn	715-2241	1202
Kiser, Joe	Holder, Marilyn	733-5782	1317
McCrary, Paul	Berry, Barbara	733-5878	611
McLawhorn, Marian	Jeffryes, Shelby	715-3017	417B

Mitchell, Frank	West, Susan	733-5931	513
Nye, Edd	Bobbitt, Jo	733-5477	639
Owens, Bill	Verose, Judy	733-0010	632
Rogers, Gene	Gillis, Sallly	715-3023	416A
Russell, Carolyn	Brothers, Susan	715-0873	1213
Teague, W. B.	Hines, Linda	733-5530	1017
Tolson, Joe	Christian, Gayle	715-3024	402
Tucker, Russell	Henderson,Surena	715-3015	417C
Warren, Edith	Willis, Nancy	715-3019	417A
Wilson, Gene	Jones, Rebecca	733-7727	1109
Yongue, Douglas	Umstead, Jenny	733-5821	1303

ATTENDANCE

AGRICULTURE COMMITTEE

DATES	2/23	3/2	3/23	3/30	4/6	4/13	4/20	4/27	5/18	6/1	6/29	7/6	7/18		
Rep. Dewey L. Hill, Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rep. John Brown, Vice Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Nurham Warwick, Vice Chair	✓	✓	✓	✓	✓			✓							
Rep. Steve Wood, Vice Chair	✓	✓							✓				✓		
Rep. Cary Allred	✓	✓							✓				✓		
Rep. Rex Baker	✓	✓	✓	✓	✓	✓		✓	✓	EXA	✓	✓	✓		
Rep. Donald Bonner	✓	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓		
Rep. Charles Buchanan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Nelson Cole		✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓		
Rep. Leslie Cox	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Arlie Culp	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Don Davis		✓	✓	✓	✓	✓	✓	✓	✓	EXA	✓	EXA	EXA		
Rep. Rick Eddins	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Milton Fitch															
Rep. Joe Kiser	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Paul McCrary	✓	✓	✓	✓		✓	✓		✓		✓	✓	✓		
Rep. Marian McLawhorn	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Frank Mitchell	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓		
Rep. Edd Nye		✓	✓	✓	✓		✓			✓	✓	✓	✓		
Rep. Bill Owens	✓	✓	✓	✓			✓		✓		✓	✓			
Rep. Gene Rogers	✓	✓	✓	✓	✓		✓				✓	✓	✓		
Rep. Carolyn Russell	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓		
Rep. W. B. Teague		✓		✓		✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Joe Tolson		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓			
Rep. Russell Tucker	✓		✓	✓	✓	✓	✓	✓	✓		✓	✓			
Rep. Edith Warren	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		

ATTENDANCE

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AGRICULTURE COMMITTEE

DATES	2/23	3/2	3/23	3/30	4/6	4/13	4/20	4/27	5/18	6/1	6/29	7/6	7/8		
Rep. Gene Wilson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rep. Douglas Yongue	✓	~~DY~~	~~✓~~	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
EX OFFICIO MEMBERS:															
Rep. Phillip A. Baddour, Jr.															
Rep. Pete Cunningham															
Rep. Andrew Dedmon															
Rep. Beverly Earle															
Rep. Joe Hackney															
STAFF:															
Barbara Riley, Committee Counsel	√	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			
Virginia McCann, Committee Ass't.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			

NORTH CAROLINA GENERAL ASSEMBLY

COMMITTEE SUMMARY REPORT

1999-2000 Biennium — HOUSE: AGRICULTURE — Valid Through 3-AUG-1999

BILL	INTRODUCER	SHORT TITLE	LATEST ACTION ON BILL	IN DATE	OUT DATE
H 334=	HILL	OBSOLETE AGRICULTURE STATUTES	R -CH. SL 99-0044	03-04-99	03-23-99
H 819=	HENSLEY	SPAY/NEUTER PROGRAM	HF-REPTD UNFAV	04-01-99	05-18-99
H1009=	HILL	FUNDS FOR AGRICULTURAL RESEARCH	R -CH. SL 99-0172	04-13-99	04-20-99
H1010=	HILL	COTTON GINS, WAREHOUSES, MERCHANTS	*H -PRES. TO GOV. 07-20	04-13-99	06-01-99
H1078=	HUNTER	SWINE GROWER PROTECTION ACT	H -REF TO COM ON AGRICULT	04-15-99	
H1132=	INSKO	PRESERVE FARMLANDS/SMALL FARMS	*S -REF TO COM ON FINANCE	04-15-99	04-27-99
H1132=	INSKO	PRESERVE FARMLANDS/SMALL FARMS	*S -REF TO COM ON FINANCE	05-17-99	07-08-99
H1233=	HILL	STRUCTURAL PEST CONTROL AMENDMENTS	*H -PRES. TO GOV. 07-19	04-15-99	06-29-99
H1284=	REDWINE	TURF GRADE FERTILIZER ASSESSMENT	H -REF TO COM ON AGRICULT	04-15-99	
S 365=	ALBERTSON	DEATH ROW INMATE RESTRICTIONS	*S -PRES. TO GOV. 07-21	04-23-99	07-13-99
S1082=	ALBERTSON	FUNDS FOR AGRICULTURE RESEARCH	H -REF TO COM ON AGRICULT	05-20-99	

NOTES- = AFTER BILL NUMBER SHOWS THAT BILL IS IDENTICAL, AS INTRODUCED, TO ANOTHER BILL.
* AFTER NUMBERS INDICATES THAT TEXT OF BILL WAS ALTERED BY ACTION ON THE BILL.
BOLDED LINE INDICATES BILL INDEXED AS AFFECTING APPROPRIATIONS.

HOUSE AGRICULTURE COMMITTEE
Minutes: February 23, 1999

The House Agriculture Committee met in Room 1425 at 10:00 a.m. There were 21 members present, 6 absent and one excused absence.

Chairman Hill called the meeting to order at 10:10, and recognized staff and all members of the committee to introduce themselves. The Chairman then made a few opening remarks (see attachment). Upon completion of his remarks, he recognized Deputy Commissioner Weldon Denny who gave a general overview regarding the plight of farmers, hog price increases, our dairy farms and loans vs grants. Advised the committee that the department is currently in the process of evaluating over 200,000 soil samples. Talked about the new Farmers Market in Lumberton which is due to open in June of this year and stated that these markets are not built to make money, but that they are the life line for our farmers.

Mr. Denny then proceeded to give a brief overview of the tobacco Phase I and Phase II programs. He stated that Phase I money will pay the General Assembly and must pass by March 15th. Phase II of the program has not been signed as of this date. He stated that there is a three member national board, a 14 member state board that will determine who gets money and how much. These members will be appointed by the Governor. He further stated that all payments will be out of Washington.

Chairman Hill then opened the floor for questions from the members and there was some discussion. Rep. Russell questioned why our state has to do what the federal government said.

Chairman Hill recognized Deputy Commissioner Maurice A. Weaver for his remarks. Mr. Weaver passed out three pamphlets for the committee (copies attached). There were some questions with regard to the termite issue and that work force. After a brief discussion on this issue, Chairman Hill stated that the committee will take up whatever bills are sent to the committee and all will be given an opportunity to be heard.

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

Representative Dewey L. Hill, Chairman
AGRICULTURE COMMITTEE
Tuesday, February 23, 1999

I am pleased that the Speaker has allowed me the opportunity to chair this House Agriculture Committee, but I was even more pleased when I saw the list of the membership. We have much talent to help us with the many issues we will be facing.

North Carolina is the 2nd largest agricultural Production State in the United States. Food processing combined with crop and livestock/poultry production (agribusiness) gives the agricultural sector a tremendous impact on the gross revenues, international export, employment and tax base for both the state and counties.

Agriculture is in crisis in our state and in the nation. If this issue is not addressed, be reminded of the old adage, "as goes the farm economy, so goes the general economy two years later".

Tobacco is the target of everyone. There is no doubt that this industry has seen its best days.

Low commodity prices are putting many of our farm folks out of business – North Carolina as well as the nation is facing major agriculture/agribusiness bankruptcies.

As a food retailer and food distributor, I saw the Goodness Grows and Flavors of the Carolinas programs market many of our North Carolina grown and produced items.

This committee will be fair to all members; all bills will receive proper hearing.

I solicit your input. Together we will work to pass good legislation that will help our agriculture/agribusiness programs.

Last – let me say, you are important. This committee is important. As Commissioner Graham remarked at a breakfast a few days ago – "Education is important, but you can't learn on an empty belly".

file cc

AGRICULTURE COMMITTEE

Tuesday, February 23, 1999
Room 1425 LB
10:00 AM

A G E N D A

INTRODUCE PAGES

RECOGNIZE MEMBERS AND ANY COMMENTS

RECOGNIZE STAFF

OPENING STATEMENT BY CHAIRMAN HILL

REMARKS FROM WELDON B. DENNY, DEPUTY COMMISSIONER, DEPARTMENT OF AGRICULTURE

CLOSING REMARKS AND ADJOURNMENT

VISITOR REGISTRATION SHEET

HOUSE AGRICULTURE COMMITTEE — **Tuesday, February 23, 1999**

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
C. Parker Porter	Bone & Associates
Cam Cover	BPMHL
Lu-Ann Coe	FFF
Steve Woodson	NC Farm Bureau Federation
[illegible]	NCDA&CS
Maurice [illegible]	NCDA&CS
George Ward	Caswell County Tobacco Assoc.
F. L. Cobb	Caswell County Tobacco Assoc.
Randall K Page	Caswell Co. Tobacco Assoc.
Billy Willis	Caswell Co. Tob. Assoc.
Laura DeVivo	DENR
[illegible]	UNC-GA / NCSU Ag Programs
Robert Smothers	Rockingham Co. Tobacco Producers
Claire Smothers	" " " " wife
John [illegible]	" " "
Martin C. Daniel	Caswell Co. tobacco farmer
Richard Johnston	Caswell County Tob. Farmer
Nancy Strader	Rockingham Cty Tobacco Farmer
Tommy Strader	Rockingham Co. Tob. farmer
Pat Jones	Rockingham Co Tobacco Farmer
John C. Slade	Caswell Co. Tobacco Farmer
Jim M. Eller	Wilkes Co. Poultry Farmer
Rufus Wyatt	Lexington N.C.
[illegible]	" "
Z. Carlyle Teague	Co-op Council / Raleigh
[illegible]	NC Pork Council
Douglas Fowlkes	Farmer Tobacco
Gay Daniel	Caswell County Tobacco Farmer

VISITOR REGISTRATION SHEET

HOUSE AGRICULTURE COMMITTE — 2/23/95
Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
[signature]	NCFB
Kelli Kukura	DuPont

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, February 23, 1999**

TIME: **10:00 a.m.**

LOCATION: **Room 1425**

The following bills will be considered (Bill # & Short Title):
Organizational - Deputy Commissioner, Weldon B. Denny

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee clerk at the following offices at **3:00** on **Thursday, February 18, 1999.**

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Legislative Assistant)

2/23 fee

North Carolina Department of Agriculture and Consumer Services

1999 – 2001 Capital Improvements Request

James A. Graham, Commissioner

North Carolina Department of Agriculture and Consumer Services

Board of Agriculture

Maurice K. Berry, Jr.
Elizabeth City, N.C.

Thomas S. Edwards
Polkton, N.C.

Dan Finch
Bailey, N.C.

William (Billy) E. Holliday
Snow Camp, N.C.

C. Osmond Kearney, Jr.
Snow Hill, N.C.

Peggy Laughter
Hendersonville, N.C.

Roger D. Oxendine
Rowland, N.C.

Jeffery B. Turner
Rose Hill, N.C.

Richard W. Vaughan
Lasker, N.C.

Hyman Young, Jr.
Asheville, N.C.

For additional budget information please contact:

James A. Graham, Commissioner
(919) 733-7125

Weldon B. Denny, Deputy Commissioner
(919) 733-7125

Maurice A. Weaver, Deputy Commissioner
(919) 733-7314

- **SAFE, ABUNDANT FOOD**
- **ENVIRONMENTAL PROTECTION**
- **SUSTAINABLE AGRICULTURE**
- **CONSUMER PROTECTION**
- **HEALTH & ECONOMIC WELL-BEING**

The Department of Agriculture operates a broad range of service and regulatory programs that ensure the availability of life sustaining food a natural fiber, free of adulteration and contamination, and produced in a manner consistent with environmentally sound production practices. While the Department's mission continues to be heavily tied to agricultural production, programs are operated to benefit consumers, to protect the environment, and the health and economic well-being of all North Carolina citizens and business enterprises.

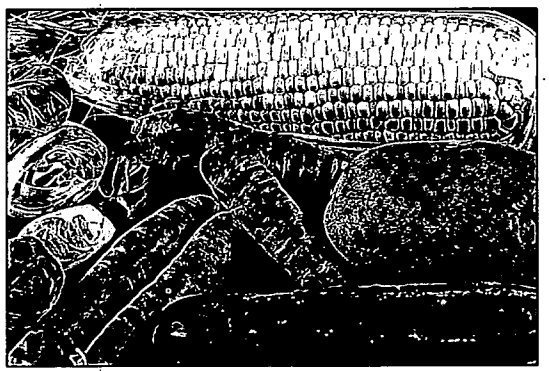
The stated goals for these agricultural and consumer programs cannot be achieved without adequate facilities to support agency activities. Resources are needed to construct and/or develop the infrastructure that makes departmen services to agriculture and all citizen possible.

Capital Improvements 1999–2000

Exhibit Building - State Fair	$ 12,640,800
Center for Environmental Farming Systems	6,037,100
w Motor Fuels Laboratory	4,910,900
Multi-Purpose Building - Western Agricultural Center	3,350,900
Metal Frame Storage Building - Food Warehouse	134,400
Broiler/Turkey Research Facility - Piedmont Research Station	3,234,700
Phase II Aquaculture Research Facility - Tidewater Research Station	772,400
Land Development - Oxford Tobacco Research Station	1,584,900
Land Development - Peanut Belt Research Station	357,600
Storage Bldg. and Irrigation System - Mountain Research Station	142,600
Multi-Purpose Building - Horticultural Crops Research Station	437,700
Beef Facility Addition - Mountain Research Station	408,700

The Benefits

The Center for Environmental Farming Systems is developing profitable agricultural systems that satisfy two inescapable needs: a clean environment and a safe, high quality supply of food and fiber. As an educational facility, gathering place and focal point, the Center increases public understanding of agriculture and its relationship with the environment. The health and prosperity of future generations depends upon a mutually beneficial partnership of agriculture, environment and consumers. At our Center for Environmental Farming Systems, this partnership finds a home.



For more information about this proposal, please contact:

Maurice A. Weaver
Deputy Commissioner

North Carolina Department of
Agriculture and Consumer Services

P.O. Box 27647
Raleigh, NC 27611-7611
919-733-7314

E-mail:
maurice_weaver@ncdamail.agr.state.nc.us

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2/23 file

Is Environmentally Compatible Agriculture Possible?

The Center for Environmental Farming Systems

Budget Proposal

North Carolina Department of Agriculture and Consumer Services
James A. Graham, Commissioner

North Carolina State University
College of Agriculture & Life Sciences
James L. Oblinger, Dean

North Carolina A&T State University
School of Agriculture
Daniel D. Godfrey, Dean

The Answer

We believe the answer to be a resounding "yes"! We believe farmers are doing a very good job, with the technology available to them today. But will today's technology provide adequate food and fibre, with minimal impact on the environment into the next century? Given the critical nature of these issues, enviromental farming systems must be our focus.

The Focus

Located at the North Carolina Department of Agriculture and Consumer Services (NCDA&CS) Cherry Farm Unit, the Center for Environmental Farming Systems is the first research facility of its kind in the state. The Center focuses on whole farm systems that are environmentally, economically and socially sustainable. The Center is dedicated to protecting and enhancing North Carolina's environme quality as well as the long term productivity and fitability of its farms. A partnership comprised of farmers, citizens, government agencies and universities is working on answers to North Carolina's agricultural questions.

Budget Proposal:

Capital Development:		1999-00	2000-01
Irrigation System		$2,479,200	
Research/Laboratory Facility		$900,600	
No-Till Operations Facility		$556,900	
Greenhouse/Headhouse		$938,100	
Office/Conference Center		$581,000	
Hay Storage Bldgs. (2)		366,900	
Composting Shed		$214,400	
		6,037,100	
Operating Support:	NCDA&CS	$1,972,862	$2,165,962
Operating Grants:	NCSU/NCA&T	$520,000	$600,000
Research Grants:	NCSU/NCA&T	$100,000	$150,000

The Center for Environmental Farming Systems will benefit all citizens of North Carolina through the research of more efficient, environmentally sensitive agricultural practices that provide the safest and best agricultural products for consumers.

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, March 2, 1999

CALL TO ORDER Chairman Hill

INTRODUCTION OF PAGES

REMARKS BY COMMISSIONER GRAHAM

Reminder: Breakfast, Tuesday, March 9, 1999 @ 7:00 a.m. , Symphony Room
Capital City Club

Breakfast, Wednesday, March 17, 1999 @ 7:00 a.m. Farmers Market

ADJOURNMENT: Chairman Hill

file (e-mail)

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, March 2, 1999**

TIME: **10:00**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
No bills - Commissioner James A. Graham will address the committee.

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **10:00 a.m.** on **Thursday, February 25, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

HOUSE AGRICULTURE COMMITTEE
Minutes: March 2, 1999

The committee met in Room 1425 at 10:00 a.m. All members were in attendance with the exception of Rep. Fitch and Rep. Tucker.

Chairman Hill called the meeting to order and recognized the former chairman of the committee, Vernon James, who stated that he had chaired the committee for eighteen years.

Committee Counsel, Barbara Riley, shared a bumper sticker she had received from the American Farmland Trust in Washington, D. C. Chairman Hill stated that he would request stickers for all the members. The sticker indicates, No Farms – No Food.

Chairman Hill welcomed Commissioner Graham and thanked him for attending the meeting today.

Please see attached copy of the Commissioner's remarks.

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

House Agriculture Committee
Report by
Commissioner of Agriculture *Jim Graham*

Tuesday, March 2, 1999

Good Morning.

First, let me thank you and your associates for your longtime support of the Department of Agriculture and Consumer Services and its many programs to **promote** and **protect** our **wholesome** and very **affordable** food supply from the third most diversified state in the nation.

This morning I want to make two main points: First, commodity and livestock prices at the farm level and second, our concerns for every consumer in this state.

Last week I heard a world known economist remark that the good times for folks in the US economy today were being paid for by the American Farmer. By his efficiency to produce enough food for **himself and 130 other people**. By his willingness to borrow from the assets that were saved by past generations and to spend assets that need to be saved for future generations just to pay his monthly bills.

When I became Commissioner some 35 years ago, it took about **25 percent** of your take home pay just to feed your family. Today we spend **less than 10 percent** on food, the lowest in the entire world. This extra 15 percent that we once spent on food now buys new homes, new cars and luxury vacations. Our farmers cannot carry this load much longer.

We need your help as we try to develop programs to get crop and livestock prices back up to a level where a family can **make a decent living**. Our Tele-Auction, selling cattle on the Internet has been very successful. Futures contracts is another way to get higher prices. Most farmers are taking less for their crops and livestock now than it cost to raise them. This cannot last much longer.

Our **Farmer's Markets** were developed to give farmers a place to sell their fresh produce directly to consumers and also a place where consumers could go to get fresh vegetables all season long. During these critical times these are important outlets for our producers as a means of supplementing their incomes.

Our four markets in Asheville, Greensboro, Charlotte and Raleigh provide income to thousands of small farm families that they would not otherwise have.

Farmers that raise the food we eat and fiber for the clothes we ware on fewer and fewer farms each year, as farmers in general, are **still taking more risks** from adverse weather conditions, insects, and diseases than any non-farm business has to take.

We need your help to address these issues before most family farmers are forced to sell out. You have been a tremendous help to us in developing some very successful promotional programs and we solicit your continued support. Programs like our **Flavors** is one use we will make of the new **multi-purpose building** on our fairgrounds.

Last year we had a total of 2,154,663 people attend a function on our fairgrounds in one of the several rented buildings. Of that number, 779,356 attended the 1998 Annual State Fair, the largest attendance on record. At present, we only have one building that is heated and has air conditioning.

We have outgrown the livestock building and the Farm Equipment and Home Builder shows have outgrown our space. This year we even tried to set up part of these shows outdoors. The adverse weather hurt our attendance and in many cases tents are too expensive to rent and use only for one show. This years Circus event broke all records for attendance and rental income.

We live in a global market, in fact **the entire world is our market**. You can help us as we try to promote rules and regulations that allow more exporting of **North Carolina grown farm products.**

Almost two years ago, you changed the name of the Department of Agriculture by adding the words **"and Consumer Services"**. I'd like to give you a brief report on how we are serving **every consumer** in the state.

Nine of our Divisions administer more than **50 laws** and regulations and issue over **70 licenses, permits or certificates** to protect every consumer in the state. These cover everything from licenses for Pest Control Operators to wholesale Prescription Drug Distributors. We also make sure that over-the-counter drugs are not out of date.

Our Standards Division checks anything that measures, weighs or contains any product sold or consumed by any of our citizens. During any year we will check scanners in over 1,300 retail stores to make sure the prices are the same at the register as they are on the shelf. We will inspect 27,000 heavy scales that weigh trucks and livestock as well as 27,900 small scales like those in grocery stores.

In the past 12 months we checked 97,624 gas pump nozzles for accuracy, so when you **pay for a gallon of gas** you will **get a gallon of gas**. We took 4,000 oil samples to make sure they are what the label says, checked and calibrated 1,000 grain and tobacco moisture meters for accuracy and checked more than 41,000 petroleum samples for quality and proper octane.

Within the last year our Agronomic Division tested well over 200,000 soil samples and give recommendations on the proper amounts of fertilizer or animal waste to apply to the crop being planted so **all the nutrients** will be taken up by the plant and none will be left to run off into nearby streams and rivers.

We will sample and test dozens of grocery store items on a daily basis looking for any signs of pesticides or other impurities that could cause serious illness or worse.

Remember our job is to **Promote** and **Protect** the state's food supply and we take our job very seriously. In fact, we do this on less than **one half penny per dollar of the state's budget.**

We worry a lot so you won't have to. With your continued help we plan to do this job the **best we know how**.

Thank you for your support!

VISITOR REGISTRATION SHEET

AGRICULTURE — Name of Committee

Tuesday, March 2, 1999 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Garrett Pearce	Zeb Alley, PA
David Simmons	ZDA, PA
June Grotheer	UNC-GA / NCSU Ag Programs
Jim Knight	NCDA&CS
Natalie English	NC Agribusiness Council
Lu-Ann Coe	FFF
Steve Woodson	NC Farm Bureau
John H. Cyrus	N.C. State Grange
Vinna James	Farmer
Wilda Denny	NCDA&CS
David McLeod	NCDA&CS
Pam Dees	RCT
Harry T Daniel	NCDA&CS
Barbara Gardner	Cyrus, NC
Norflet Gardner	Coats, N.C.

HOUSE AGRICULTURE COMMITTEE
Minutes: March 23, 1999

The committee met in Room 1425 at 10:00 a.m. All members were in attendance with the exception of Rep. Warwick, Rep. Allred, Rep. Fitch and Rep. Teague.

Chairman Hill called the meeting to order and opened the floor to discussion on HB 334 – An Act to Repeal Certain Obsolete Agriculture Statues. (Please see attached explanation of bill). There was some light dialogue concerning certain aspects of the bill such as the width of bread. Rep. Baker made the motion for a favorable report on the bill and the motion carried. The bill received a favorable report.

Chairman Hill then recognized Mr. M. Wayne Miller, Director of Marketing to come forward and give his presentation.

Mr. Miller stated that he was pleased to have the opportunity to speak to the committee, and he also recognized Commissioner Graham who was in attendance today. In 1993 the state had 59,000 farms and today that number is 57,000. He stated that our farms are experiencing something much similar to what is going on in the corporate world – small companies being bought by large companies. The state produced 2 billion in hogs last year and 1.3 billion in poultry, and over a million dollars in tobacco. The single largest jump has been in nursery products in the last ten years (Christmas trees etc.). At this point the floor was opened to questions regarding the average farm acreage which has changed a great deal. Mr. Miller stated that North Carolina currently has 57,000 different tracts of land - the state has lost more than 2,000 farms. Mr. Miller further stated that we have lost in China and Japan because of the dollar problem – but that should pick up itself. Seafood and Aquaculture represent a base of about $124 million to the State. Mr. Miller stated the potential with row crops – strawberries -. North Carolina strawberries taste best. He further stated that sweet potatoes, asparagus and melons – which the Cunningham Farm is experimenting with – have tremendous potential. Mr. Miller thanked the General Assembly for their help with the Cunningham farm. At this point there was some discussion with regard to processing and the effects on seafood particularly. Mr. Miller stated that the State has the best potential to use other crops – particularly asparagus – we must learn different ways.

Mr. Miller stated that foodservice is a big part of the food dollar – two working families. He went on to explain the Goodness Grows Program – which consists of over 700 companies and over 10,000 products. It is the largest state program in the United States which generated over one hundred million dollars last year. He stated that the

program started last year with money from the General Assembly in the generous amount of $200,000 as one time money. He stated that their normal budget is $71,000. He stated that the arithmetic tells you just how good the program has been. He further stated that every program which the department has – the farmers are asked to invest – they are not welfare programs. This insures commitment - $792 thousand dollars was raised. For every dollar the General Assembly gave – the department raised 3.9%. He stated that it is a good program and it works.

Rep. Hill asked the question of just how many products were included and Mr. Miller stated that the number is over 10,000 – and that the following three stores are participating and they are: Hannaford, Kroger and Lowes. These stores all have the Goodness Grows section in their stores.

Mr. Miller made some remarks concerning the International Market and stated that Japan, Canada, Mexico and China is probably a wild card, but that will change. He stated that 94% of the world population lives outside the United States, and consequently the department now employs people who speak French, Spanish, German, Italian, Japanese and Chinese. He stated that North Carolina has tremendous potential in the world market.

Mr. Miller's concluding remarks concerned the issue of transportation and a method of processing called oxidation which is currently being used in California. The issue of transportation would be greatly aided by the Global Transpark.

Chairman Hill invited Commissioner Graham to speak to the committee. The Chairman stated that he felt we are going through a transition period. He stated that we will continue to make progress and diversification is the key word.

Chairman Hill recognized former Senate Agriculture Chairman Speed who was in attendance today.

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, March 23, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
HB 334 - Obsolete Agriculture Statutes

M. Wayne Miller, Director of Marketing, Agriculture and Consumer Services

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **10:00** on **Thursday, March 18, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

file

AGRICULTURE COMMITTEE

AGENDA

Tuesday, March 23, 1999
Room 1425 LB
10:00 a.m.

CALL TO ORDER: Rep. Dewey L. Hill, Chairman

INTRODUCE PAGES

BILLS TO BE CONSIDERED: HB 334 – Obsolete Agriculture Statutes

PRESENTATION BY: Mr. M. Wayne Miller, Director of Marketing
Goodness Grows & Flavors of Carolina Programs

ADJOURNMENT

THE MEASURE OF A LOAF; Legislators look to scrap half-baked, obsolete laws

Morning Star

Staff photo /

On-Line edition of the

Wilmington, N.C.
North Carolina's
oldest daily newspaper

Return to home page
Today's News index
Return to Local/State index

Next Local/State story
Previous Local/State story

Local/State / Wednesday, March24, 1999

**By KIRSTEN B. MITCHELL, Raleigh Bureau Chief
Wilmington Morning Star**

WILMINGTON, N.C. -- RALEIGH - Check out the state law known as G.S. 81A-41 and you might think lawmakers are working with half a loaf.

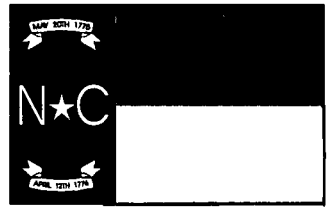
The law defines the standard loaf of bread. Forget a crusty French baguette or a seeded round rye. The standard loaf is baked in a rectangular pan with straight-up or flared sides and sold in half-pound increments from 1 pound to 2 pounds. The law even establishes standard lengths and widths for each increment.

In effect since 1949, the law is one of seven state laws that the state Department of Agriculture and Consumer Services says have outlived their shelf life.

Why the bread loaf standard is even on the books is a mystery to Rep. Dewey Hill, who's sponsoring a bill to repeal the obsolete laws.

"We could not find out and the people who put it in are not with us anymore," said Rep. Hill, D-Columbus.

David McLeod, the



The *Goodness Grows in North Carolina* program is the official marketing program of the North Carolina Department of Agriculture & Consumer Services. The program, which started in 1985, is administered under the Department's Division of Marketing with an annual budget of approximately $71,000. Products included in the program range from fresh produce and processed food products of every type to nursery plants and Christmas trees. There are currently 709 participating companies producing more than 4,300 food products and 7,000 nursery products. With over $100 million in sales last year, these companies continue to help secure agriculture as our state's leading industry.

Membership has three criteria that must be met in order to participate in the program. The criteria are that a product must be top-quality, it must be produced or processed in the state of North Carolina, and, if it is a processed item, it must contain North Carolina agricultural products when available.

The *Goodness Grows in North Carolina* program assists our member companies in a variety of ways. These include:

* Consultation with Marketing Specialists to discuss Company Marketing Strategies, Plans and Goals
* Special Presentations and Meetings with the Retail Grocery Stores, Food Service & Restaurants, Specialty Gourmet Stores and Military Food Industries
* Product Labeling and Packaging Advice
* Cooperative and Umbrella Advertising and Promotional Opportunities through Electronic, Print and Outdoor Mediums
* Consumer Directed Promotional Campaigns
* Participation through the *Flavors of Carolina* Food Show and other Specialty or Industry Food Shows
* Marketing Opportunities through use of the *Virtual Supermarket*, *Goodness Grows in North Carolina Gift Catalog*, and other uses of the Internet
* Consultation with Trade Specialists for Assistance with International Marketing

Juli

1999 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES

The following report(s) from standing committee(s) is/are presented:
By Representative(s) **Hill** for the Committee on **AGRICULTURE**.

☐ Committee Substitute for
H.B. 334 A BILL TO BE ENTITLED AN ACT TO REPEAL CERTAIN OBSOLETE AGRICULTURAL STATUTES.

☑ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report as to committee substitute bill (#), ☐ which changes the title, unfavorable as to (original bill) (Committee Substitute Bill #), (and recommendation that the committee substitute bill #) be re-referred to the Committee on .)

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

2/24/99

File

HOUSE BILL 334:
Repeal Obsolete Agricultural Statutes

BILL ANALYSIS

Committee:	House Agriculture Committee	**Introduced by:**	Representative Hall
Date:	March 22, 1999	**Summary by:**	Barbara Riley
Version:	1st Edition		Committee Counsel

SUMMARY: ***The bill, filed on request of the Department of Agriculture and Consumer Resources, would repeal a number of statutes adminsitered by the Department***

BILL ANALYSIS: Sections 1 and 2 repeal provisions in Chapter 81A of the General Statutes, the Weights and Measures Act of 1975. Specifically repealed are G.S. 81A-41, Establishment of standard loaves of bread and G.S. 81A-44, Authority to prescribe standards of weight or measurement for sale of milk or milk products. G.S. 81A-41 sets forth a requirement that bread loaves must be either 1lb., 11/2 lbs., or 21/2 lbs. in weight and setting the length and width for each size loaf. G.S. 81A-44 authorizes the Board of Agriculture to adopt standards for milk bottles.

Section 3 of the bill repeals Article 37 of Chapter 106 governing cotton grading.

Section 4 of the bill repeals a portion of Article 40 of Chapter 106 governing leaf tobacco sales. Specifically the bill repeals G.S. 106-456 through 460 requiring tobacco warehouse operators to keep records of the number of pounds sold and to report such to the Commissioner of Agriculture.

Section 5 of the bill repeals Article 41 of Chapter 106 governing scrap tobacco dealers.

Sections 6 and 7 repeal Articles 59 and 60 of Chapter 106 governing the Northeastern North Carolina Farmers Market Commission and the Southeastern North Carolina Farmers Market Commission respectively. Each Commission is charged with selecting a site for a farmers market, making programming decisions on its construction, and advising the Commissioner of Agriculture on its operation.

On the reverse of this memorandum is an explanation from the Department of Agriculture and Consumer Services detailing why each of the statutes covered in the bill is obsolete and should be repealed.

The act is effective when it becomes law.

Explanation of Bill to Repeal Obsolete Agricultural Statutes

Section 1. Repeal G.S. 81A-41. Establishes standard sizes for loaves of bread and prohibits all others. This law was preempted by the federal Nutrition Labeling and Education Act, P.L. 101-535, which prohibits states from establishing standards of identity for food products which differ from federal standards. Regulations of the U.S. Food & Drug Administration, 21 CFR 136, require bread products to be at least one-half pound. G.S. 81A-41 conflicts with this because it requires a loaf of bread to be at least one pound, and of certain lengths and widths. The American Bakers Association has been notified of the proposed repeal of this law, and we have received no comments either for or against.

Section 2. Repeal G.S. 81A-44. Authorizes the Board of Agriculture to establish standard sizes for milk containers. There are no such rules currently in effect, and we have no record of when there were such rules in the past. The Carolina-Virginia Dairy Products Association has been notified of the proposed repeal of this law, and has no objection.

Section 3. Repeal G.S. 106-424 through 106-429. These statutes authorize the Department to provide cotton grading services. The Department has not done this for many years because cotton is now graded by the United States Department of Agriculture.

Section 4. Repeal G.S. 106-456 through 106-460. Enacted in 1907, these statutes require tobacco warehouses to report tobacco sales to the Commissioner of Agriculture. This information is now available from the USDA. Repeal of this law will remove an unnecessary burden on the tobacco warehouse operator.

Section 5. Repeal Article 41 of Chapter 106. This 1935 law requires dealers in scrap or untied tobacco to obtain a $500 license from the Secretary of Revenue for each county in which they do business. There are no dealers currently licensed under this law.

Section 6. Repeal Article 59 of Chapter 106. The Northeastern Farmers Market Commission was created in 1986 to study the feasibility of establishing a State farmers market in the northeastern part of the state. It was determined that a market was not feasible, but the commission's work led to the establishment of a marketing assistance office in Elizabeth City and the Senator Bob Martin Eastern North Carolina Agricultural Center in Williamston. The commission has completed its work and should be abolished.

Section 7. Repeal Article 60 of Chapter 106. The Southeastern Farmers Market Commission has likewise served its purpose and should be abolished. The Department is nearing completion of the Southeastern Agricultural Center in Lumberton, which will include a farmers market.

VISITOR REGISTRATION SHEET

AGRICULTURE — Name of Committee

March 23, 1999 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Wayne Miller	NCDA&CS
Teresa Daniels	NCDA&CS
C. Porter	Bone & Associates
Steve Woodson	NC Farm Bureau
[illegible]	NC. Pork Council
Lu-Ann Coe	Farmers for Fairness
Natalie English	NC Agribusiness
John Cyrus	N.C. State Grange
Jim Speed	Louisburg
Maurice Weaver	NCDA&CS
Jim Graham	NCDA
David McLeod	NCDA&CS
June Brotherton	UNC-GA / NCSU Ag. Programs
J. Allen Adams	Poyner, Spruill [illegible]
DAVID RICE	W-S JOURNAL
Glenn Jernigan	Agricultural Alliance of N.C.

file

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, March 30, 1999

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCTION OF PAGES

ORDER OF BUSINESS:

Dean James Oblinger, College of Agriculture and Life Sciences
~~Dr. Johnny Wynne, Dean and Director NC Agricultural Research Service~~
Dr. Blake Brown, Tobacco Economist

ADJOURNMENT: Chairman Hill

HOUSE AGRICULTURE COMMITTEE
Minutes: March 30, 1999

The committee met in Room 1425 at 10:00 a.m. All members were in attendance with the exception of Rep. Warwick, who had an excused absence; Rep. Wood; Rep. Allred; Rep. Bonner and Rep. Fitch.

Chairman Hill called the meeting to order and invited Dean James Oblinger, College of Agriculture and Life Sciences to come forward and give his presentation. Dean Oblinger thanked the committee for the opportunity to speak to them, and stated that Dr. Johnny Wynne, Dean and Director of the NC Agriculture Research Center, who was scheduled to speak to the committee today, was unable to attend today's meeting.

Please see attached copy of Dean Oblinger's presentation, and all materials and handouts associated with his remarks.

Chairman Hill opened the floor to discussion and upon conclusion of the discussion he invited Dr. Blake Brown to come forward and give his presentation.

Dr. Brown stated that there are 3 sectors in tobacco industry, and each sector delivers a tremendous amount of dollars to the North Carolina economy. He stated that the value- added amount for shipment is about $12 million per year, leaf processing is about $2.2 billion per year, and farm level tobacco makes up about 14% of gross farmer's receipts. He further stated that during the next three to five years the state would probably see a reduction of 15 to 35% in US cigarette consumption. He stated that it is very difficult to forecast just what the permanent reduction will be in the United States. He stated that all this coupled with the global downturn has had an impact on all three fronts of the industry.

Chairman Hill opened the floor to questions, and upon conclusion of this discussion, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

Last printed 03/30/99 8:15 AM

Presentation to

House Agriculture Committee

~~Tuesday March 16, 1999 10:00 a.m~~. Tuesday March 30, 1999 10:00 a.m.

Slides
1. Agricultural Programs Budget
2. Agricultural Economy Impacts
3. Agriculture and Environment Under Great Stress
4. Agricultural Programs Budget--ARS and CES
5. Partnerships
6. Research Centers
7. Key Themes
8. Genomic Science
9. Environmental Sustainability
10. Alternative Enterprises

Extras:
11. Why fund Agricultural Programs Line?
12. The "Practice"

Good morning and thank you for this opportunity to be with you today. I have some prepared remarks for today, but I will try to maximize time for questions. Also, we have provided a folder of information for you-- a copy of the slides I will be using and additional information on the College and our Agricultural Programs budget request.

Slide #1

- I am here today to talk with you about the ***Agricultural Programs Budget*** -- which is, as you know, a separate line within the UNC System Budget
- The ***College of Agriculture and Life Sciences is*** **A Unique**

Combination of Disciplines, with the ability to impact many important issues facing this state and its citizens.

- **This combination of disciplines in Agriculture and the Life Sciences (everything from agronomy, animal science and horticulture to genetics, toxicology and zoology) provides us with a tremendous advantage, and this combination is also very unique. We are one of only 6 institutions organized in this way in the United States. This is a distinct advantage to both faculty and students in our programs.**
- ***As you already know, the Academic Programs Budget Line, within NC State University's budget, funds the undergraduate and graduate teaching effort in our 22 departments. We currently have approximately 4800 students enrolled in our College's programs.***

The Agricultural Programs Budget Line at the System level funds the North Carolina Agricultural Research Service and the North Carolina Cooperative Extension Service.

Slide #2

- Agriculture has a critical Impact on North Carolina's Economy; and the agricultural economy certainly impacts the urban economy

in terms of both goods and services as well as employment.

Agriculture or agribusiness in NC is responsible for:

- 23% of the Gross State Product and
- 21% of total employment in this state.

Agriculture in NC:

- is the 3rd most diverse in terms of the numbers of different commodities produced behind California and Texas; and NC's agriculture
- generates the 3rd highest net farm income behind California and Iowa
- The College of Agriculture and Life Sciences, in partnership with the NC Department of Agriculture and Consumer Services as well as with farm and commodity organizations, and our colleagues at NC A&T State University have been, at least, partially, responsible for these successes. However,

Slide #3 I probably don't have to tell you that Agriculture and the Environment in North Carolina are Under Great Stress; and on this slide you can see where some of the stress is coming from:

--the uncertainty of commodity prices--

--the Asian Economic Crisis--

--regulatory and environmental issues--all these are stresses.

The Agricultural Programs' effort will be a significant educational partner in short, and long-term, solutions to these challenges, through knowledge creation from research and knowledge application through extension. After all, we are part of a land grant institution with statewide responsibilities and impacts.

Slide #4

- ***Let me move specifically now, to the Agricultural Programs Budget Line.***
- Dr. Johnny Wynne is Director of the North Carolina Agricultural Research Service. This program has laboratories and greenhouses on the NC State campus, 2 regional research & extension centers in Fletcher and Plymouth, respectively, 9 field laboratories in the Raleigh area, and 15 research stations across the state in partnership with the NCDA&CS. Dr. Wynne's organization has strong relationships with agencies at the federal level, too.
- Dr. Jon Ort is Director of the North Carolina Cooperative Extension Service. Extension has County Extension Centers in all 100 counties of NC as well as one on the Cherokee Reservation.
- Extension has unique federal, and county, partnerships, both fiscal and programmatic.

- Both research and extension have faculty paid by the Agricultural Programs Budget Line. These people are not paid from the teaching budget, but many are tenure-track faculty doing research and extension activities.
- We also enjoy a productive partnership with the research and extension programs of our sister land grant institution, NC A&T State University.

- Please remember we are proud of, and take very seriously, our statewide mission in both agriculture and the life sciences and that mission certainly encompasses the environment and natural resources. The state dollars that we are awarded are combined with federal dollars, grants and gifts to support a coordinated systems approach to our research and extension programs.

Slide #5

- ***The College of Agriculture and Life Sciences has cooperative relationships, particularly in research and extension, and a few of our cooperators are listed here:***
- College of Forest Resources
- College of Veterinary Medicine
- NC A&T State University

- UNC Greensboro
- East Carolina University--Agrimedicine Program
- North Carolina Department of Agriculture and Consumer Services
- US Department of Agriculture with special relationships with the Animal and Plant Health Inspection Service, Agricultural Research Service and the Cooperative State Research, Education and Extension Service.
- I mention these partnerships because I believe we attain more for this state by joining forces where appropriately beneficial to all parties involved.

Slide #6

- We have also developed partnerships with Federal and State agencies, and private industry through our ***Research Centers, which are listed here. Many of you here today have helped make several of these Centers a reality, and we thank you for your assistance. Please note the spectrum of activities across agriculture, the life sciences, the environment as well as natural resources <u>in these centers of faculty teams</u>.***

Slide #7

Our budget request has been approved by the UNC System and it has 5 key themes embedded in it:

1. An agricultural production system that is highly competitive in the global economy. A major thrust in reaching this goal is Genomic Science, and I will discuss this further in a moment.
2. A safe and secure food and fiber system -- we are very involved in Hazard Analysis and Critical Control Point education and we are close to constructing our new research and teaching Meat Processing Laboratory which will further impact the food safety arena and help provide much needed research and education effort geared toward enhancing food safety for all North Carolinians.
3. A healthier, better-nourished population is evident in our extension service nutrition programs. These programs are across all age groups--from infant nutrition to geriatric nutrition.
4. Greater harmony between agriculture and the environment has been a commitment of ours for decades.
5. Finally, enhanced economic opportunities and quality of life for all North Carolinians has been a theme of ours as well.

And because our College comprises both the agricultural and life sciences we have unique strengths and abilities to work in all these

areas and achieve significant impacts through our research and education programs.

Slide #8 Let me discuss 3 areas of importance in our budget request.

- ***Genomic Science***
- A genome is the master "blueprint"--the genetic code that determines characteristics --good or bad-- for plants or animals. the "Code of Life," if you will.
- On our campus, genomic science is a multidisciplinary, multi-college effort by faculty who specialize in Bioinformatics (Statistics) and Functional Genomics (primarily molecular biology). We're cooperating with several colleges in this effort: CVM, CFR, PAMS.
- Once the mapping, or sequencing, of genomes is complete, the development of value-added characteristics or components in plants and animals will be a significant tool in advancing the understanding and treatment of diseases as well as environmental stress tolerance and/or resistance in plants and animals. Transgenic plants and animals will enable amazing opportunities in human health, such as transplant organs and vaccine production.
- It is estimated that the potential world market for agricultural

products developed through genomics is $500 billion. And NC can be a part that market.

- There are obvious human dimensions to this work as well.
- This new field of genomics has great potential for partnering with the pharmaceutical industry in our state and with our colleagues at UNC-CH.
- As we move into the 21st century, in addition to research and extension in this arena, our students must be prepared in this new field of study to be competitive.
- Genomic Science is an area we must strengthen

Slide #9

- ***Environmental Sustainability***
- We have long been leaders in addressing environmental issues and environmental education. Our water quality research and extension programs have been recognized nationally and internationally. There is excellent team work here among our faculty and students.
- I want to call your attention to several specific initiatives we are

working on that address environmental sustainability.

- The Animal and Poultry Waste Management Center

  this center has state and federal $$$ support
  several land grant univeristy cooperators from around the country, and receives corporate funding as well

- The Center for Environmental Farming Systems at Goldsboro. . .

  NCDA, NC A&T, NC State-- in the NCDA&CS budget

- Natural Resources Leadership Institute brings people together to discuss natural resource issues and opportunities

  Business/Industry Private citizens
  Academia Environmental Groups
  Governement

- Youth Environmental Education is a priority, particularly through 4-H

  Youth represent our future

- Neuse River Education Team

  River Basin education - a model approach applicable to other basins such as the Cape Fear and Tar/Pamlico

- CMAST – Center for Marine Science & Technology

  Morehead City--UNC-CH, Carteret Community College, NC State

- Environmental and Natural Resources Economic Policy, a planned center to study the

  Economic ramifications of policy decisions related to the E & NR.

Slide #10 Finally,

- ***Alternative Enterprises*** – I mentioned earlier we rank 3rd in the US in terms of a very diversified agriculture. This did not happen overnight or by accident. And we can do better by finding more ways for North Carolina producers to diversify and remain profitable. Some potential areas include:
- Aquaculture--from our work with striped bass (coast), mountain trout [2nd in US], Talapia and yellow perch (piedmont), and our fundamental nutritional and reproductive physiology work with fresh water flounder
- Niche Market Crops will be very important-- specialty fruits & vegetables, like the white flesh peach 'China Pearl', organically grown crops, herbs, meat Goats, and Emus are areas with real potential
- Ecotourism-- with CFR
- Alternative uses of Tobacco--vaccine production, protein source, pesticide from nicotene
- Ornamentals and landscaping-- $2B industry and growing
- Turfgrass -- $1B industry and thriving

We need your support for <u>research, education & technology transfer</u> using our <u>statewide network</u> of research & extension facilities for

these and other areas of our educational efforts as a Research I University with unique capacities and capabilities in agriculture and the life sciences.

Wrap-Up:

- I want to thank you again for this opportunity to appear before you. We would welcome the opportunity to bring you to campus to see some of the exciting things we are doing for our students and the citizens of this state – things like our aquaculture facilities, the pfiesteria laboratory, the waste management center, or other centers of faculty and student activity.
- I would hope that this committee would endorse this Agricultural Programs Budget proposal as it moves forward to the appropriations committees.

STOP

Thank you.

Extra Slides if needed----

Slide #11

Why should this committee be asked to fund the Agricultural Programs Line? What's the connection to Education? I hope that connection is obvious--from our historic land-grant mission through the promise of genomic science in the 21st century.

It's about research and education in unique disciplines with significant economic impact in NC. Only NC State and NC A&T State Universities this work in the agricultural sciences at the 4 year and graduate level. Superimpose this uniqueness for us on our Research I status and our Land Grant Mission of Teaching, Research and Extension.

Slide #12

It comes down to the "practice" of science, engineering and technology. We engage undergraduate and graduate students in the research and education enterprise. We create knowledge, transmit knowledge and apply knowledge. And are ever-mindful of the fact that our students learn by doing--or by practice of the science. And we share that expertise base statewide through our extension centers.

This College, through the land-grant educational enterprise, has a direct impact on an economic engine of this State. Our students as well as numerous constituencies in NC, derive benefit from our work on their behalf.

slides used in presentation by Dean Oblinger

1

NC STATE UNIVERSITY

NC State University
College of Agriculture and Life Sciences

A Unique Combination of Disciplines with Statewide Impact

- ***Academic Programs Budget Line***
- ***Agricultural Programs Budget Line – separate line within the UNC System Budget***

4

NC STATE UNIVERSITY

Agriculture's Impact on North Carolina's Economy

Agricultural Economy Impacts Urban Economy

- 23% Gross State Product
- 21% of total employment
- 3rd most diverse behind California and Texas
- 3rd highest net farm income behind California and Iowa

2

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Agriculture and the Environment Under Great Stress

- Uncertain future for tobacco, hogs and peanuts
- Generally low commodity prices for corn, cotton, wheat, soybeans and dairy
- Asian Economic Crisis
- US Freedom to Farm Act of 1996
- Regulatory Issues
- Environmental Issues

5

NC STATE UNIVERSITY

Agricultural Programs

- ***North Carolina Agricultural Research Service*** Laboratories and greenhouses on NC State campus, 2 regional research & extension centers, 9 field laboratories, and 15 research stations
- ***North Carolina Cooperative Extension Service*** 100 County Offices and Cherokee Reservation with Federal and County Partnerships
- ***Faculty and Staff (County and Campus) Paid Under Agricultural Programs Budget Line***
- ***Partnership with NC A&T State University***
- ***Systemic Approach to Research and Extension – continuum of Life Sciences and Agriculture***

3

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Partnerships

- College of Forest Resources
- College of Veterinary Medicine
- NC A&T State University
- UNC Greensboro
- East Carolina University
- NC Department of Agriculture & Consumer Services
- US Department of Agriculture
  - Animal Plant Health Inspection Service
  - Agricultural Research Service
  - Cooperative States Research, Education & Extension Service

6

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Research Centers

- Animal & Poultry Waste Management Center (APWMC)
- Center for Applied Aquatic Ecology (planned)
- Center for Aseptic Processing & Packaging (CAPPS)
- Center for Environmental Farming Systems (CEFS)
- Center for Integrated Pest Management
- Center for Marine Science & Technology (CMAST)
- Center for Quantitative Genetics
- Small Fruit Center
- Southeast Dairy Foods Research Center

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7

Key Issues

- An agricultural production system that is highly competitive in the global economy
- A safe and secure food and fiber system
- A healthier, more well-nourished population
- Greater harmony between agriculture and the environment
- Enhanced economic opportunities and quality of life for North Carolinians
- Unique strengths/advantages of linkage of Life Sciences with Agricultural Sciences

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9

Genomic Science

- The master "blueprint" of the genetic code for all cellular structures and characteristics -- for any plant or animal
- Multidisciplinary, multi-college effort by scientists who specialize in Bioinformatics (Statistics) and Functional Genomics (molecular biology)
- Key to:
  - **Development of value-added characteristics or components in plants and animals**
  - **Understanding and treatment of diseases**
  - **Environment Stress Tolerance/Resistance**
  - **Transgenic plants and animals (transplant organs/vaccines)**

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8

Environmental Sustainability

- Animal & Poultry Waste Management Center
- Center for Environmental Farming Systems
- Natural Resources Leadership Institute
- Youth Environmental Education
- Neuse River Education Team
- Center for Marine Science & Technology
- Environmental & Natural Resources Economic Policy

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10

Alternative Enterprises

- Aquaculture
- Niche Market Crops - Specialty fruits & vegetables, organics, herbs, meat goats, emus
- Ecotourism
- Ornamentals and landscaping
- Turfgrass

NC STATE UNIVERSITY

1999–2001

Agricultural Programs

Enhancement Budget Request

1. Competitive Agricultural Production Technologies
$750,000

North Carolina farmers face critical challenges posed by changing federal farm programs and increasingly complex global markets. If farmers are to remain competitive, they must adopt new profitable and economically sound technologies. They must understand the potential of genetically engineered crop varieties, precision farming and powerful information systems. They also must use nutrient and pesticide management practices that maximize production while minimizing environmental impacts. Intensive, research-based educational programs are needed to help producers strategically meet these challenges. Such programs will link production and marketing and capitalize on available resources. NC State University would expand research and extension programs focused on optimizing production with minimal or no impact on the environment, through the use of precision agriculture, integrated pest management practices, and best management practices.

2. Statewide Research and Extension Initiative
$1.4 million

Outlying facilities enable the College of Agriculture and Life Sciences to conduct applied research, teaching and extension programs

Request titles and funding summary

	Research	*Extension*	*Total*
1. Competitive Agricultural Production Technologies	$ 450,000	$ 300,000	$ 750,000
2. Statewide Research and Extension Initiative	$ 900,000	$ 500,000	$1,400,000
3. Alternative Crops for Specialty and Niche Markets	$ 200,000	$ 200,000	$ 400,000
4. Environmental & Natural Resource Economic Policy	$ 250,000	$ 150,000	$ 400,000
5. Aquaculture and Marine Sciences	$ 350,000	$ 150,000	$ 500,000
6. Genomic Science	$ 850,000		$ 850,000
7. Food Safety, Hazard Analysis and Meat Processing	$ 300,000	$ 100,000	$ 400,000
8. Basinwide Water Quality Education		$ 200,000	$ 200,000
9. Youth Environmental Education Programs		$ 250,000	$ 250,000
10. Nutrition and Health Education		$ 250,000	$ 250,000
11. Community Leadership and Economic Development		$ 350,000	$ 350,000
12. Urban Horticulture	$ 100,000	$ 150,000	$ 250,000
TOTAL	**$3,400,000**	**$2,600,000**	**$6,000,000**

directly applicable to the state's diverse population, climate and geography. However, many of the college's older facilities need repair, and some equipment and scientific instruments are so out-of-date that they make cutting-edge research impossible. The physical infrastructure must be maintained at University Field Laboratories in Wake County, Aurora and Butner; at outlying research stations in Reidsville, Kinston, Castle Hayne, Clayton, Fletcher and Jackson Springs; and at regional research and extension centers in Plymouth and Fletcher. For campus- and field-based faculty and students to conduct applied research and educational programs, they need specialized, modern equipment. In addition, six 4-H camps and centers need to be renovated and enhanced to comply with state insurance and safety codes, county health department regulations and accreditation standards. Total needs exceed $15 million in one-time costs and more than $1 million in recurring costs.

3. Alternative Crops for Specialty and Niche Markets
$400,000

Market changes for traditional North Carolina crops are forcing farmers to consider alternatives. They need sound information about ways to diversify, and they need educational programs that focus on the entire system of food, fiber and forestry production, processing, economics and marketing. At the Center for Environmental Farming Systems, the Specialty Crops Center, the Mountain Horticultural Crops Research and Extension Center, and some county Extension centers, NC State addresses these issues in partnership with N.C. A&T State University and the N.C. Department of Agriculture and Consumer Services. Researchers and extension specialists are exploring new crops and new production practices as well as new uses for existing crops for health foods and medicinal products. To enhance economic returns while protecting the environment, greater attention must be paid to developing comprehensive, sustainable and environmentally compatible systems. In a related initiative, the university would intensify research and educational programs that educate homeowners, lawn-care professionals and golf-course managers about environmentally sound practices that reduce excess nutrient applications that can pollute surface and ground waters.

4. Environmental and Natural Resource Economic Policy
$400,000

Current and projected population growth adds a particular urgency to environmental issues, making them among the most formidable challenges facing North Carolina. To enhance the relationship among the diverse interests considered in environmental policymaking, NC State's Natural Resources Leadership Institute will continue to bring together leaders from agriculture, forestry, fisheries, environmental groups and local and state government agencies to discuss issues, resolve conflicts and lead others to jointly solve specific problems. Environmental and natural resource policies and regulations are often made without the benefit of cost-benefit analyses. Researchers will conduct cost-benefit and risk-assessment analyses associated with improved water quality and with domestic and foreign trade policies related to sanitary, phytosanitary and other regulations to assist in developing appropriate policies.

5. Aquaculture and Marine Sciences
$500,000

From the mountains to the sea, an increasing number of growers are taking advantage of North Carolina's natural resources for successful aquaculture operations. Research and education programs on premium species will enable North Carolina producers to lead this relatively new area of food production. In addition, marine science research and education will improve the management of the state's fisheries and aquatic resources. Research related to population biol-

ogy, coastal and watershed ecology and the influence of habitat on reproduction, growth and survival of fish will contribute significantly to the formulation of policy to manage the state's recreational and commercial fisheries.

6. Genomic Science
$850,000

Now more than ever, investments are needed to support research aimed at increasing agricultural productivity and protecting the environment and the natural resource base. To enhance competitiveness, North Carolina agriculture must produce at lower costs while achieving higher yields than competitors. Private industry and public institutions are making significant commitments to the rapidly emerging area of genomic science in order to compete for the potential $500 billion world market for value-added agricultural products. If North Carolina is to remain as a leader in high technology agriculture, the College of Agriculture and Life Sciences must receive new funding to combine with existing resources to support a competitive initiative on genomics. By expanding this science and application of genomics, NC State University can provide the basic knowledge and technology required to increase the productivity and usefulness of plants and animals. This initiative will allow the college to compete for federal funding in genomics and interact with the life science companies in North Carolina.

7. Food Safety, Hazard Analysis and Meat Processing
$400,000

Given new regulations and rising public concern about food safety, North Carolina needs to take advantage of opportunities that would enable the food-processing industry to become more environmentally compatible while adding value to their products, ensuring safety, health and quality, protecting the safety of food-processing workers and enhancing the environment. The university will conduct research and education programs related to Hazard Analysis and Critical Control Points methodology and to find ways to reduce processing and marketing costs while enhancing product quality and appeal and reducing food product losses. The result will be an economic advantage to all in the food-production system, from producers and processors to distributors and consumers.

8. Basinwide Water Quality Education
$200,000

North Carolinians want – and need – an abundant supply of high-quality water for drinking, for recreation and to sustain the environment. Education and assistance to farmers, livestock producers, municipalities and homeowners by environmental agents of the Cooperative Extension Service has had significant impact in the Neuse River Basin. Similar education programs in the Cape Fear and Tar-Pamlico river basins could build upon that success. Both basins have high urban populations and intensive agriculture.

9. Youth Environmental Education Programs
$250,000

This initiative will expand current science-based enrichment programs and help develop local and regional coalitions and networks to cooperatively address issues faced by today's youths. A permanent staff would manage the 4-H Eastern Environmental Education Center. This center, a significant outreach of the college's 4-H Youth Development Program, serves more than 200,000 youths and adults.

10. Nutrition and Health Education
$250,000

Poor nutrition leads to poor health, jeopardizing people's ability to work, attend and perform well in school, or raise healthy infants and children. NC State will work in partnership with

N.C. A&T State University and the University of North Carolina at Greensboro to deliver research-based, audience-appropriate nutrition and health education programs where traditional efforts are not available. Also, a program that helps farmers with disabilities learn to continue their vocation will be expanded to reach those facing disabilities, cultural differences or language barriers.

11. Community Leadership and Economic Development
$350,000

As North Carolina's communities undergo rapid demographic change, their infrastructures are becoming inadequate. Changes in agricultural employment patterns and enterprises pose challenges. The North Carolina Cooperative Extension Service will help communities address infrastructure and organizational needs by developing the leadership capabilities of citizens. In addition, research and extension programs will be undertaken in the areas of agritourism and ecotourism. These enterprises build upon North Carolina's unique natural and ecological resources and traditions while contributing to local economies and enhancing the environment. Finally, Extension will develop and deliver culturally appropriate programs to North Carolina's fastest-growing minority group, the Hispanic-Latino community, and to help low-income workers or those on welfare improve their job skills and learn to manage their limited resources.

12. Urban Horticulture
$250,000

In 1970, the rural farm population accounted for 10.4 percent of North Carolina's people. Today, that percentage is a mere 1.8 percent. The decline is expected to continue into the 21st century as urban areas grow. With increased growth and development, issues related to residential and community horticulture and pest management have become more important. In particular, stringent regulations related to water-quality protection in residential areas have increased the need for a greater public awareness of such issues as the movement of pesticides and fertilizers from urban lawns into ground water, rivers and streams. In addition, regulations related to soil conservation, waste management and pesticide use require education and lifestyle changes for many North Carolinians. NC State is currently providing leadership in this area and plans to expand training for environmentally sound landscape management in yards and gardens. Such efforts would help people become aware of and accountable for managing natural resources to ensure a high quality of life for all North Carolinians.

NC STATE UNIVERSITY

For additional information, please call:

- Marye Anne Fox, *Chancellor,* 919.515.2191
- James L. Oblinger, *Dean, College of Agriculture and Life Sciences; and Executive Director, Agricultural Programs,* 919.515.2668
- June M. Brotherton, *Assistant to the Chancellor for Governmental Relations and Associate Vice Chancellor for Extension,* 919.515.9340

Prepared January 1999
College of Agriculture and Life Sciences, North Carolina State University

W99 35637

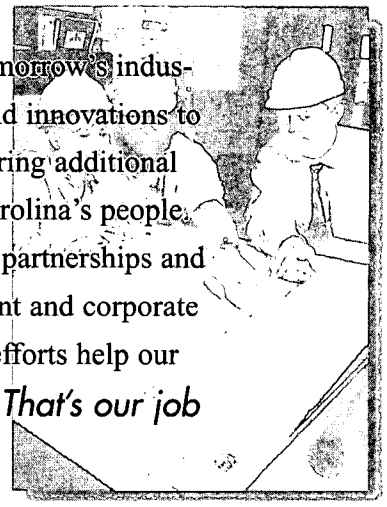
NC STATE UNIVERSITY 1999 Legislative Request

GROWING

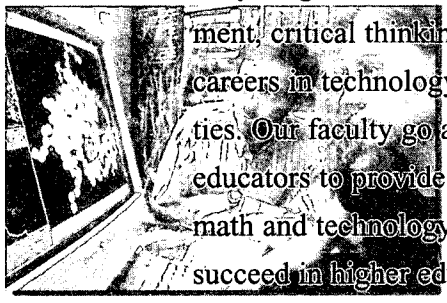
NC's Economy Through Tomorrow's

TECHNOLOGIES

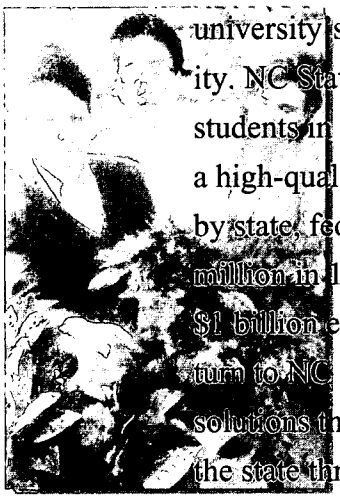
Agriculture...forestry...textiles...furniture...traditional North Carolina industries that pack a huge economic wallop in terms of jobs, economic prosperity and community vitality. NC State's faculty excel in technology-driven solutions and applications that will sustain and propel these industries into the next century and beyond. They work diligently to develop new knowledge and technologies in key areas of strength for the university – genomic sciences/bioinformatics, communications/networking/information technology, environmental sciences, materials manufacturing and other unique specialties. Their work helps North Carolina industries remain environmentally sustainable and economically competitive. *That's our job as the state's leader in science, engineering and technology.*



NC State's faculty are visionaries and creators of tomorrow's industries. They develop, transfer and apply new knowledge, technologies and innovations to create new and technologically transformed traditional industries and bring additional opportunities, higher wages and economic prosperity to all of North Carolina's people. In doing so, NC State leads in building state, national and international partnerships and in fostering collaborations. By late 1999, almost 30 industry, government and corporate partners will be located on the university's Centennial Campus. These efforts help our state's industries remain globally competitive and economically viable. *That's our job as an economic engine for the state.*



The mindpower of NC State's faculty provides educational opportunities for young North Carolinians that will help them to develop the leadership, management, critical thinking, and communication and technical skills needed for future careers in technology-based industries or businesses, government agencies or universities. Our faculty go a step further by working with primary and secondary public educators to provide new technological and pedagogical expertise, to develop science, math and technology-based curricula, and to prepare North Carolina's youths to succeed in higher education and the competitive job marketplace. *That's our job as an engaged university that prepares knowledge workers and responds to the state's emerging educational needs.*



NC State's teaching, research and extension programs demonstrate the university's commitment to the values of excellence, partnerships and social responsibility. NC State is the largest university in The UNC System, where one out of every five students in The UNC System chooses to matriculate. Our students understand the value of a high-quality, high-tech education. NC State's sponsored research expenditures, funded by state, federal and private partnerships, have grown from $125 million in 1988 to $372 million in 1998. It's a good investment that brings tangible returns to the state through a $1 billion economic impact annually. Government, business, communities and industries turn to NC State for help with pressing problems facing them. NC State can provide new solutions that address a broad spectrum of critical social and economic problems facing the state through its local presence in all 100 counties and the Cherokee Reservation.

That's why North Carolinians value NC State.

NC STATE UNIVERSITY

Expansion Budget Request for Current Operations

**signifies cumulative totals for 1999-2001*

	1999-2000	*2000-2001**
Collaborative University/Schools Program		
Public Schools/Outreach & Teacher Education		
NC Center for the Prevention of School Violence	$ 580,000	$ 580,000
Public Service and University Outreach		
UNC SeaGrant College Program - NCSU	$ 200,000	$ 200,000
Manufacturing Extension Partnership - NCSU	$ 900,000	$ 900,000
AGRICULTURAL PROGRAMS		
NC State University		
Competitive Agricultural Production Technologies	$ 750,000	$ 750,000
Statewide Research & Extension Initiative	$ 1.4 M	$ 1.4 M
Alternative Crops for Specialty & Niche Markets	$ 400,000	$ 400,000
Aquaculture & Marine Sciences	$ 500,000	$ 500,000
Food Safety, Hazard Analysis & Meat Processing	$ 400,000	$ 400,000
Basinwide Water Quality Education	$ 200,000	$ 200,000
Environmental & Natural Resource Economics	$ 400,000	$ 400,000
Genomic Sciences	$ 850,000	$ 850,000
Youth Environmental Education Programs	$ 250,000	$ 250,000
Nutrition & Health Education	$ 250,000	$ 250,000
Community Leadership & Economic Development	$ 350,000	$ 350,000
Urban Horticulture	$ 250,000	$ 250,000

To meet the accelerating need for solutions to problems, for practical applications of knowledge and for prepared leaders of government, business and industry, NC State's teaching, research, and extension programs must grow. That growth requires new resources in facilities, repair and renovation of current facilities and program expansion. *Those needs are listed below.*

1999-2001 NC STATE CAPITAL IMPROVEMENTS PRIORITIES

(Based on The UNC Six-Year Facilities Plan)

	1999-2000	*2000-2001*	*2001-2002*	*2002-2003*	*2003-2004*
1. Undergraduate Science Teaching Laboratory - Phase I Construction *(Total Cost: $ 20.4 M)*	$10.2 M	$10.2 M			
2. College of Veterinary Medicine Research Addition & Renovation *(Total Cost: $ 17.2 M)*	$ 8.6 M	$ 8.6 M			
3. College of Engineering Complex Phase I Construction *(Total Cost: $ 31.2M)*	$15.6 M	$15.6 M			
4. David Clark Laboratory Renovation & Addition *(Total Cost: $ 11.0 M)*		$566,000	$5.2 M	$5.2 M	
5. Withers Hall Renovation *(Total Cost: $ 10.9 M)*				$719,000	$10.2 M
6. Administrative Services Center II Planning & Construction *(Total Cost: $ 9.8 M)*				$624,000	$ 9.2 M
7. Undergraduate Science Teaching Laboratory - Phase II Construction *(Total Cost: $ 11.6 M)*				$736,000	$10.9 M
8. Jordan Hall Addition Planning & Construction *(Total Cost: $ 12.9 M)*				$664,000	$12.2 M

For additional information, contact:

Marye Anne Fox • *Chancellor • NC State University • 919.515.2191*

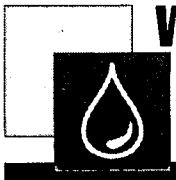
June M. Brotherton • *Assistant to the Chancellor for Governmental Relations*
NC State University 919.515.9340 • 919.508.9505 (beeper)

THE UNIVERSITY OF NORTH CAROLINA
EXPANSION BUDGET REQUEST FOR CURRENT OPERATIONS

	1999-2000	2000-2001*
Access		
Regular Term Enrollment Growth	$ 19.5 M	$ 10.6 M
Distance Education/Extension Enrollment Growth	$ 5.5 M	$ 8.2 M
New Degree Programs	$ 2.4 M	$ 2.4 M
Transition of ECU to Doctoral II Status	$ 1.5 M	$ 3.0 M
Additional Need-Based Student Financial Aid	$ 1.0 M	$ 1.0 M
Efforts to Improve College-Going Rate (PATHWAYS)	$ 1.2 M	$ 1.1 M
Productivity and Efficiency		
Information Technology	$ 20.0 M	$ 20.0 M
Operating Improvement Efficiencies for Smaller Universities	$ 2.4 M	$ 2.4 M
UNC-General Administration Organizational Changes	$ 2.0 M	$ 1.7 M
Strategic Initiatives Reserves	$ 5.0 M	$ 5.0 M
Competitiveness		
Rewarding Teaching Excellence	$ 7.1 M	$ 14.5 M
Distinguished Professorships - State Matching Funds	$ 3.0 M	$ 3.0 M
Professional Development/Teaching & Learning Centers	$ 2.0 M	$ 2.0 M
Graduate Assistant Tuition Remissions & Other Support	$ 4.0 M	$ 4.0 M
Libraries	$ 9.0 M	$ 11.9 M
Collaborative University/Schools Program		
UNC Center for School Leadership Development		
Center Programming & Operational Support	$ 257,000	$ 525,000
High Performance Lighthouse Schools	$ 260,000	$ 260,000
Public Schools/Outreach & Teacher Education		
UNC School Services Matching Incentives Grants - K-16	$975,000	$ 975,000
UNC Center for Public Television		
Learning Link	$ 386,000	$ 457,000
Late Night Learning	$ 358,000	$ 360,000
School Technology Users' Task Force	$ 348,000	$ 521,000
Mathematics & Science Education Center - ECSU	$ 158,000	$ 158,000
Mathematics & Science Education Pre-College Center - ECU	$ 93,000	$ 93,000
Summer Ventures in Science & Mathematics	$ 200,000	$ 200,000
Principal Fellows Scholarship Loans	$ 380,000	$ 380,000
NC Center for International Understanding		
Internat'l. Educ. Exchange Initiative - K-12 Educators	$ 112,000	$ 112,000
Internat'l School Partnerships Through Technology	$ 68,000	$ 68,000
Reading Together USA	$ 250,000	$ 250,000
Public Service and University Outreach		
Area Health Education Centers	$ 3.0 M	$ 3.0 M
Biomedical/Biotechnology Research Institute - NCCU	$ 350,000	$ 350,000
Institute of Nutrition - UNC-CH	$ 50,000	$ 50,000
Institute on Aging - UNC-CH	$ 450,000	$ 450,000
The North Carolina Center for Nursing - UNC-General Administration	$ 40,000	$ 40,000
Highlands Biological Station - WCU	$ 50,000	$ 50,000
Small Business & Technology Development Centers - UNC-CH	$ 250,000	$ 350,000
North Carolina Arboretum - UNC-A	$ 500,000	$ 500,000
Institute of Government - UNC-CH	$ 850,000	$ 789,000
UNC Center for Public Television		
Extending Educational/Public TV to Deaf & Hard-of-Hearing	$ 352,000	$ 564,000
Statewide Event Production	$ 211,000	$ 211,000
International Outreach		
NC/Israel Matching Funds	$ 250,000	$ 250,000
UNC Exchange Program	$ 150,000	$ 150,000
NC Center for International Understanding - Hispanic Initiative	$ 100,000	$ 100,000
NC State Education Assistance Authority	$ 76,000	$ 76,000
NC Alliance for Minority Participation - NC A&T	$ 1.5 M	$ 1.5 M
AGRICULTURAL PROGRAMS		
NC A&T State University		
State Matching Funds for Agricultural Research & Cooperative		
Extension Programs	$ 750,000	$ 750,000
UNC HOSPITALS		
Restore appropriations to 1996 level	$ 4.9M	$ 4.9 M
RELATED EDUCATIONAL PROGRAMS		
Medical Scholarships	$ 172,000	$ 166,000
Dental Scholarships	$ 64,000	$ 64,000
Incentive Scholarships/Native Americans	$ 54,800	$ 54,800
Legislative College Opportunity Programs	$ 57,600	$ 57,600
NC SCHOOL OF SCIENCE & MATHEMATICS		
Coordinated Growth of Outreach, Residential & Support Services	$ 595,000	$ 595,000
Student leadership Development Program with Israel	$ 118,000	$ 118,000
Residential Program Enhancements	$ 650,000	$ 650,000
Salary Plan	$ 207,000	$ 207,000

1999-2001 UNC SYSTEM CAPITAL IMPROVEMENTS PRIORITIES

1. *Repairs & Renovations*	$ 140.0 M
2. *Fire Safety Improvements - Student Residence Halls*	$ 58.0 M
3. *Six-Year University-Wide Facilities Plan*	$ 1.0 B



WASTE MANAGEMENT PROGRAMS

COLLEGE OF AGRICULTURE & LIFE SCIENCES

North Carolina Agricultural Research Service

College of Agriculture and Life Sciences

NORTH CAROLINA STATE UNIVERSITY

Executive Summary: Animal Waste Management Research Projects

Alternative Animal Waste Management Technologies

Atmospheric Deposition of Nitrogen in the Neuse River Estuary

Odor Control Technology Study

Groundwater Impacts of Lagoons

Tracing Excess Nitrogen in the Neuse River Basin

March 1999

In 1996 the North Carolina General Assembly provided funding for five research projects designed to provide a better understanding of the environmental impact of waste management in the state's swine industry and to develop waste management technology with less potential for adverse environmental impact. These projects have for the most part been completed; however, it should be noted that this research was part of a larger waste management research and extension effort within the College of Agriculture and Life Sciences at N.C. State University. This larger effort, focused on acquiring a better understanding of all the elements and implications of waste management and on developing new waste management systems and technologies that will allow North Carolina farmers to raise hogs, poultry and other animals profitably without adversely affecting the environment, is continuing as are some elements of these projects. Following are summaries of the five projects.

Alternative Animal Waste Management Technologies

This project focused on evaluating technologies that might serve as alternatives to the lagoon system now used by most North Carolina swine producers to treat the waste produced by their animals. A portion of this funding was used to purchase laboratory equipment to analyze alternative technologies. Three alternative technologies were or are being evaluated as part of this project.

❑ *An aerobic treatment system designed by Animal Waste Abatement System Holding Co. (also known as the AWASH system)*
This system experienced frequent mechanical problems with blowers, pumps and the solids separator. The design appears inadequate to treat the waste generated by the swine operation where this evaluation was done.

❑ *Anaerobic Digestion/Photosynthetic System for Swine Waste Treatment*
This system uses an aquatic plant called duckweed to help remove nutrients as well as some minerals from lagoon liquid. The nutrient-rich plants may then be harvested for use as an animal-feed additive. Researchers have identified duckweed strains that appear to be suited to this system. The evaluation of the system is continuing.

❑ *Alpha Feeds Photosynthetic Treatment*
This two-stage treatment system is similar to the activated sludge systems used in many municipal waste treatment plants. Waste flows first to a reactor, or tank, where it is treated with bacteria to remove carbon. It then moves to a settling tank, where solid portions settle out. Some of these solids are recycled to the first treatment tank, while the remainder may be dried for use as a soil amendment. Liquid waste then flows to a second reactor, which contains algae. The algae use the nitrogen in the waste as a nutrient source. The nutrient-rich algae may then be harvested for use as an animal feed ingredient. If the operation of bacterial cultures and algae to be used in the system can be validated, it is proposed that a full-scale system be built and evaluated at the North Carolina Department of Agriculture and Consumer Service's Upper Coastal Plain Research Station near Rocky Mount.

Atmospheric Deposition of Nitrogen in the Neuse River Estuary

The activities included in this project are aimed at helping to develop a better understanding of the movement of nitrogen through the atmosphere. Nitrogen cycles, or moves, through the environment, and as it does so, it takes different forms. As animal waste decomposes, for example, the nitrogen in the waste is broken down by bacteria into ammonia. Ammonia may volatilize, or move into the atmosphere as a vapor. Once in the atmosphere, ammonia may be carried by the wind, then move back to earth with rainfall or as dry deposition. While scientists know that nitrogen moves through the atmosphere in this manner, it is not clear how much nitrogen is transported in this manner nor is it clear where atmospheric nitrogen is deposited.

The elements of this project are designed to support the Regional Atmospheric Deposition Model, a computer model developed by the U.S. Environmental Protection Agency to assess the movement of industrial pollutants that cause acid rain. As part of this project, for example, researchers gathered climatological data that may be used with the model. They have also experimented with different methods of measuring ammonia in the atmosphere in an effort to determine which works best.

Researchers also attempted by analyzing existing historical data on atmospheric deposition and by collecting new data to determine how the growth of the swine industry in North Carolina has affected deposition and how the swine industry influences dry deposition. Based on the relatively limited amount of nitrogen deposition data analyzed for this project, it appears that the growth of the swine industry in North Carolina has contributed to increased atmospheric deposition of nitrogen in the state. Moreover, atmospheric deposition of nitrogen in North Carolina appears to be concentrated in the southeastern area of the state, the same part of the state where swine farming is concentrated.

At the same time, this project has shown that ammonia emissions from swine lagoons and housing units enhance dry deposition of ammonium to forest canopies in the immediate vicinity of the animal operations. Indeed, this limited study indicates that atmospheric deposition of nitrogen from animal operations tends to be concentrated in

the immediate vicinity of a farm and decreases within a relatively short distance (less than 50 miles) from the farm.

Odor Control Technology Study

This project focused on odor control or abatement alternatives available to the North Carolina swine industry. Much of the odor from the buildings in which hogs are raised is thought to be carried from the buildings on dust particles. Researchers are experimenting or have experimented with windbreak walls, biofilters, an evaporative pad cooling system and ozonation in an effort to limit or remove dust that escapes from buildings. All these methods have been shown to affect odor; however, all also have limitations and none appears to be a panacea for all North Carolina swine farms. It is not yet clear whether these methods of odor control will be cost effective. It does appear, however, that on some farms these methods of odor control may be useful.

As part of this project, a protocol was developed for the evaluation of manure and feed additives designed to control odor. This protocol is being used in the N.C. State University Animal and Poultry Waste Management Center Odor Abatement Laboratory to evaluate additives available to growers. Evaluations are also being conducted on the sites of commercial producers throughout North Carolina. Odor neutralizers, adsorbents, microbials and chemical odor control additives have been or are in the process of being evaluated. Each product is evaluated for its effect on odor concentration, irritation and quality. Only a few of the products tested have significantly reduced or masked odor.

Scientists believe they can have a significant effect on the odor of swine manure by manipulating pig diets. To provide the infrastructure necessary to test this idea, an odor emission laboratory was built as part of this project. This facility includes two environmental chambers in which pigs may be raised. The chambers are equipped with a ventilation system that allows scientists to analyze the air that goes into and comes out of the chambers. This facility is designed primarily to allow scientists to study the impact of nutrition on odor emission. Researchers showed in a study not related to the emission laboratory but included within this project that increasing the amount of copper in a swine diet appears to decrease manure odor.

Studying odor is difficult because odor is so hard to quantify. An odor considered strong and repulsive by one person may be hardly noticeable to another. Significant progress was made as part of this project on development of a reliable electronic nose, an instrument that employs sensors that respond to the various chemical compounds that make up an odorant. Researchers compared evaluations of odor from hog farms by a trained human odor panel with an analysis of the same odor by the electronic nose. In this way, the electronic nose was "trained" to recognize the odor from a hog farm. Researchers demonstrated that at least with regard to one odor experiment, the electronic nose can produce the same perceptions of odor intensity, odor irritation and odor pleasantness or unpleasantness as the human nose. However, the sensors used thus far are capable of detecting odor only from point sources such as a swine building or lagoon. Researchers are working to develop a next generation electronic nose with sensors that are 10 times as sensitive as the sensors used in the current model. It is thought that an electronic nose equipped with these more sensitive sensors would be capable of detecting odors from nonpoint sources such as at the boundary line of a hog farm. Development of a reliable electronic nose will give researchers and regulatory agencies an objective method of continuously measuring odor exposure.

The alternative waste management technologies described at the beginning of this report are not the only ones being evaluated by N.C. State researchers. Other technologies are being tested, and as part of this project, the affect of these technologies on odor is being evaluated. While some of these evaluations have been completed, many are ongoing. Information on these evaluations is available from the Animal and Poultry Waste Management Center.

Groundwater Impacts of Lagoons

This project was designed to help determine whether seepage of liquid from lagoons poses a threat to groundwater. The study includes only older lagoons, those built prior to 1993. Beginning in 1993, lagoons had to meet new state regulations designed to limit seepage to acceptable levels. Researchers collected and analyzed samples from lagoons at 34 locations.

The results of this study are consistent with earlier studies of lagoon seepage, although this project is thought to be the largest study of its kind. Based

on this study, it appears that seepage of liquid from a third to half of older, unlined waste lagoons built before more stringent lagoon construction regulations were put in place is of a magnitude that the seepage poses a potential hazard to contaminate wells in the immediate vicinity of the lagoon. Wells that are not properly constructed and particularly shallow wells near such lagoons should be considered vulnerable. However, whether or not such lagoons pose a threat to wells depends on local topographic and other conditions.

A second component of this project provided a picture of the location of major nutrient sources and how nutrients might move through the environment. This project relied on computer software to merge the contents of computer databases, then present the information in graphic form, in this case, as maps. Researchers began with a database containing the locations of all registered swine operations in the state with more than 250 head. This information was combined with geographic information (state and county boundaries; river basin, sub-basin and hydrologic unit boundaries; stream locations and land cover data). Researchers were then able to produce maps showing the locations of swine operations with more than 250 head. At the same time, swine nutrient and manure production information was added to the mix. It was then possible to estimate annual manure and lagoon liquid output and nutrient production for each swine operation. Researchers developed maps containing this information. The maps may be used by scientists and regulators to draw conclusions about the potential risk to groundwater and down-gradient surface water from swine facilities.

Tracing Excess Nitrogen in the Neuse River Basin

This project, which is ongoing, is designed to provide a clearer picture of where nitrogen that ends up in the Neuse River is produced. Stable isotopes of nitrogen are being used to determine nitrogen sources. All nitrogen compounds contain isotopes, and the ratio of isotopes in a compound may be used to identify it. The ratio is an isotopic signature that may be used to identify nitrogen from a particular source, a municipal waste treatment plant, for example. Isotopic ratios are not so distinctive that they may be used to identify nitrogen that was produced at a specific location, a particular swine farm, for example. But isotopic sampling can be used to identify nitrogen produced generally at hog farms or municipal waste treatment plants.

By analyzing nitrogen samples from various sources over a two-year period, scientists identified isotopic signatures for various sources and showed that the signatures are a reliable method of identifying a nitrogen source. The samples used to determine the isotopic signature of nitrogen from swine operations were collected at two swine operations in Sampson County. Liquid from lagoons, groundwater beneath spray fields and a riparian (vegetative) buffer, and nearby surface waters were analyzed. These samples were analyzed both for isotopic ratio and for nitrogen concentration, the amount of nitrogen in the samples. Researchers determined that while some of the nitrogen in lagoon liquid applied to spray fields was moving through the ground and through a riparian buffer into nearby surface water, this nitrogen movement was slight. Over a two-year period that was unusually wet, which would have enhanced nitrogen movement, very little nitrogen in groundwater below spray fields moved into nearby surface waters.

Researchers also collected samples of water from the Neuse River throughout the river's basin and analyzed these samples both for concentration (amount) of nitrogen and for isotopic composition. This work showed little nitrogen in the upper basin, while nitrogen concentration rose dramatically in the middle of the basin, then decreased again in the lower portion of the basin below Kinston.

Collection of samples and analysis of the samples is continuing; however, it appears that during periods of low river flow, municipal waste treatment plants are the primary source of nitrogen in the river. During periods of high flow, nonpoint nitrogen sources, such as fertilizer runoff, appear to dominate. When compared to a similar study done a decade ago, it appears the composition of nitrogen in the river has changed little at low flow. During periods of high flow, however, it appears nitrogen composition may have changed. Where the nitrogen in the river during high-flow periods 10 years ago appeared to come primarily from fertilizer runoff, there now is more nitrogen in the river, and more of it appears to be coming from both municipal sewage treatment plants and swine operations. It is too early in this project, however, to make conclusive statements about the nitrogen composition of the river.

College of Agriculture and Life Sciences' Research and Education Programs Addressing Environmental Quality Issues

The College of Agriculture and Life Sciences is a national leader in obtaining funding from many national and state agencies, as well as the private sector, for addressing priority issues related to environmental quality through scientifically sound and comprehensive research and education programs. CALS faculty are working with local, state, and federal agencies, private organizations, and other Universities to identify, develop and implement sustainable best management practices for maintaining or improving environmental quality. The following is a sample list of those programs.

1. Water, air and soil pollution prevention for agricultural production systems.
   - Crop fertilizer and pesticide management
   - Allelopathy and no-till agriculture and the interaction of crop cover, plant roots, soil micro-organisms, and allelochemicals on inhibition of weed seed germination
   - Soil erosion control and drainage management
   - Natural resource conservation systems
   - Riparian buffers and stream corridor management
   - Livestock and poultry waste management systems and value added product production
   - Animal waste management systems for nutrient conservation and odor control
   - Research, demonstration and outreach programs at the Animal and Poultry Waste Management Center at Lake Wheeler Road Field Laboratory
   - Air quality research and monitoring, including monitoring in the western NC mountains for ozone, acid rain, etc. and NH_3 volatilization and transport from intensive animal agriculture
   - Sociological implications and stakeholder input to development of animal waste management systems
   - Nutritional studies and feed development to reduce volume and mineral content of animal wastes
   - Transfer of municipal and industrial wastewater treatment technology appropriate for animal waste treatment
   - Multi-state and industry collaborations through the Animal and Poultry Waste Management Consortium and the Multi-State Consortium and Animal Waste Management

2. Water pollution prevention for residential, urban, and industrial areas.
   - Residential landscape fertilizer and pesticide management
   - Urban storm water control
   - Construction sediment control
   - Municipal and industrial waste management
   - Household waste recycling and composting
   - On-site septic system management
   - Private drinking water supply well testing and protection
   - Septic and municipal waste management, including research, demonstration and outreach at the On-site Waste Management Center at Lake Wheeler Road Field Laboratory.

3. Human and ecological impacts of water pollution.
   - Impacts of the toxic dinoflagellate, Pfiesteria piscicida, on estuarine food webs and its biology, nutritional ecology (including stimulation by nutrient over-enrichment from sewage, animal wastes, fertilizer runoff, and other sources) and environmental controls
   - Characterization of the toxins from the Pfiesteria complex, and their impacts on fish and mammalian health
   - Impacts of eutrophication on North Carolina's freshwater ecosystems
   - Impacts of coastal development on seagrass species that serve as vital fisheries habitat
   - Impacts of animal waste on water quality and food webs of rivers and estuaries
   - Integrated management of aquatic weeds
   - Water quality and biological effects of artificial feeding of trout in natural streams

4. Watershed management.
   - Stream stabilization and restoration
   - Wetland enhancement, restoration and plant identification
   - Land use planning to protect environmentally sensitive areas
   - Water quality monitoring to study trends and evaluate improvement measures
   - River basin education programs to promote sound management practices
   - Citizen involvement through water sampling and public awareness activities

5. Water pollution assessment from both acute and chronic/sublethal impacts.
   - Assessing the impacts of sediment and phosphorus loading on aquatic communities and water quality of potable water-supply reservoirs
   - Examining impacts of phosphorus loading in stimulating blooms of noxious algae in potable water-supply reservoirs
   - Determining the threshold concentrations of water-column nitrate enrichment that cause estruction of sea grass meadows that serve as critical habitat for commercially important finfish and shellfish
   - Tracking fecal coliform and other pathogenic microbes, nutrients and suspended particulates from spills of sewage and animal waste, and assessing the impacts of these pollutants on receiving rivers and estuaries
   - Tracking the transport and fate of nitrates and pesticides in groundwater resources
   - Basin-by basin assessment of relative importance of various anthropogenic sources of pollution, ie. crop fertilization, human sewage, animal wastes, atmospheric deposition, etc.

7. Fisheries Biology.
   - Population dynamics
   - Fishery habitat response to changes in water quality, e.g., submerged aquatic vegetation's response to nutrient enrichment and fish stock growth and survival
   - Characterization of nursery habitats
   - Ecology and physiology of sea grass habitats, the primary spawning grounds for Atlantic fishes
   - Stock assessment and enhancement
   - Impacts of by-catch practices
   - Modeling of migratory movements and population dynamics
   - Aquaculture production systems, including water quality protection and advanced waste management techniques
   - Food safety associated with selected water pollutants in preparation/consumption of marine fish and shellfish products

8. Conservation Biology.
   - Effects of land use and habitat management on animal populations, including Red Cockaded Woodpeckers, Puerto Rican Parrots, Neotropical Migrants, Shore Birds and Black Bears
   - Development of management practices for game bird habitat on farms increases bird production, gives farmers additional sources of income and contributes to control of agricultural runoff
   - Assessment of acute and chronic/sublethal impacts from various pressures, ie. land disturbance from development, pollutants on wildlife, maintenance of species diversity
   - Aquatic, wetland and terrestrial natural ecosystems characterization of structure, full range of functions and benefits
   - Community ecology of North Carolina mountain forests and forest covers

9. Environmental and natural resource economic analysis.
   - Improved techniques for valuing changes in harvests of marine fish stocks applicable, for example, to estimating effects of harvest regulations; and to valuing fishery benefits associated with water quality improvements
   - Improved techniques for estimating economic effects of reallocating harvests between competing commercial harvesters and recreational anglers

- Cost minimizing model of reducing agricultural nutrient runoff applied to Neuse River watershed; currently being extended to include additional sources of agricultural nutrient runoff
- Risk-benefit analysis of animal waste management systems and technologies
- Natural resource policy education
- Economics of integrated solid waste management through assessment of the relative costs/benefits of alternative waste management options (including landfills, incinerators, municipal composting, and recycling)
- Cost analysis of alternative on-site wastewater management options with special emphasis on difficult sites not amenable to conventional septic tanks

10. Basin-wide education for the Neuse River basin.
    - Involved 4H youth in neighborhood-wide urban nutrient management program designed to educate homeowners on proper lawn fertilization practices
    - Held "Best Management Practice Workshop" to train staff from a number of agencies in the lower Neuse Basin on practices effective in controlling nitrogen movement into the Neuse River
    - Established 'demonstration lawns' in urban neighborhoods and trained master gardeners volunteers to teach homeowners about lawn fertility and water conservation practices
    - Held two Urban Stormwater Workshops where over 100 public and private city planners, engineers, and architects learned about new rules effecting the Neuse along with practices and structures for helping control the flow of nitrogen running off urban lands
    - Established a Neuse River Basin web site to serve as a clearing house for the public regarding information and links to other resources dealing with the Neuse River
    - Urban Stormwater best management practice demonstration sites have been established in Wake, Johnston, Wilson, Wayne, Craven Counties to showcase various practices that municipalities can employ in the Neuse River Basin to control nitrogen
    - Accelerating the adoption of no-till crop production in the middle Neuse Basin through establishment of demonstration sites
    - Trained and certified animal waste system operators and developed a swine waste application record book to help farmers with animal waste management systems protect water quality
    - Established nitrogen management plots on farms in the lower basin to demonstrate to farmers and the fertilizer industry the concept of using RYE (realistic yield estimate) to determine proper nitrogen application rates on crops

11. Fish and Wildlife Sciences, Environmental Sciences, and Natural Resources Curriculums enroll majors who are prepared to be managers of our natural resources, especially fish and wildlife populations, and environmental and natural resource managers.

12. Youth environmental education is achieved through programs conducted at 4-H camps and centers involving more than 20,000 youths annually. 4-H school enrichment programs for K-12 reach 88,854 students through the collaborative efforts of county and campus faculty. Topics include environmental stewardship, water quality, energy, forestry and wildlife, composting, recycling and waste management.

Selection of Strategies for Mitigating Risk

Farmers have many options in managing the types of risks they face. For example, producers may 1) plant short-season crop varieties that mature earlier in the season to beat the threat of an early frost; 2) install supplemental irrigation in an area where rainfall is inadequate or unreliable; or 3) use custom machine services or contract/hired labor to plant and harvest quickly during peak periods.

Most producers use a combination of strategies and tools, because they address different elements of risk or the same risk in a different way. Following are some of the more widely used strategies.

- *Enterprise diversification*—assumes returns from various enterprises do not move up and down in lockstep, so low returns from some activities would likely be offset by higher returns from other activities. Diversification can also even out cash flow. According to USDA data, cotton farmers are among the most diversified in the U.S., while poultry farms, with poultry and poultry products accounting for 96 percent of the value, on average, of their production, are the least diversified.
- *Vertical integration*—generally decreases risk associated with the quantity and quality of inputs (or outputs) because the vertically integrated firm retains ownership control of a commodity across two or more levels of activity. Vertical integration also diversifies profit sources across two or more production processes. In farming, vertical integration is most common for turkeys, eggs, and certain specialty crops.
- *Production contracts*—guarantee market access, improve efficiency, ensure access to capital, and lower startup costs and income risk. Production contracts usually detail inputs to be supplied by the contractor, the quality and quantity of the commodity to be delivered, and compensation to be paid to the grower. The contractor typically provides and retains ownership of the commodity (usually livestock) and has considerable control over the production process. On the downside, production contracting can limit the entrepreneurial capacity of growers, and contracts can be terminated on short notice.
- *Marketing contracts*—set a price (or pricing mechanism), quality requirements, and delivery date for a commodity before harvest or before the commodity is ready to be marketed. The grower generally retains ownership of the commodity until delivery and makes management decisions. Farmers generally are advised to forward price less than 100 percent of their expected crop until yields are well assured to avoid a shortfall that would have to be made up by purchases in the open market.
- *Futures contracts*—shift risk from a party that desires less risk (the hedger) to one who is willing to accept risk in exchange for an expected profit (the speculator). Farmers who hedge must pay commissions and forego interest or higher earning potential on money placed in margin deposits. Generally, the effectiveness of hedging in reducing risk diminishes as yield variability increases and the relationship (correlation) between prices and yields becomes more negative. Hedging can reduce, but never completely eliminate, income risk.
- *Futures options contracts*—give the holder the right, but not the obligation, to take a futures position at a specified price before a specified date. The value of an option reflects the expected return from exercising this right before it expires and disposing of the futures position obtained. Options provide protection against adverse price movements, while allowing the option holder to gain from favorable movements in the cash price. In this sense, options provide protection against unfavorable events similar to that provided by insurance policies. To gain this protection, a hedger in an options contract must pay a premium, as one would pay for insurance.
- *Liquidity*—involves the farmer's ability to generate cash quickly and efficiently in order to meet financial obligations. Some of the methods that farmers use to manage liquidity, and hence financial risk, include: managing the pace of investments (which may involve postponing machinery purchases), selling assets (particularly in crisis situations), and holding liquid credit reserves (such as access to additional capital from lenders through an open line of credit).
- *Crop yield insurance*—provides payments to crop producers when realized yield falls below the producer's insured yield level. Coverage may be through private hail insurance or federally subsidized multi-peril crop insurance. Risk protection is greatest when crop insurance (yield risk protection) is combined with forward pricing or hedging (price risk protection).
- *Crop revenue insurance*—pays indemnities to farmers based on revenue shortfalls instead of yield or price shortfalls. As of 1998, three revenue insurance programs (Crop Revenue Coverage, Income Protection, and Revenue Assurance) were offered to producers in selected locations. All three are subsidized and reinsured by USDA's Risk Management Agency.
- *Household off-farm employment*—may provide a stream of income to the farm operator household that is more reliable and steady than returns from farming. In essence, household members working off the farm is a form of diversification. In 1996, according to USDA's ARMS data, 82 percent of all farm households reported off-farm income exceeding farm income. In every sales class (including very large farms), at least 28 percent of the associated farm households had off-farm income greater than farm income.

TOBACCO SITUATION AND OPPORTUNITIES TO SUPPLEMENT/REPLACE TOBACCO INCOME

BACKGROUND

Economic Impact

The tobacco debate is important to North Carolina not only because of health concerns associated with tobacco use, but because of the concentration in the state of tobacco farming, processing and manufacturing.

Farm sales of tobacco in 1997 were almost $1.2 billion and accounted for 14 percent of North Carolina farm receipts. The annual value of shipments in 1995 was almost $12 billion for cigarette manufacturing and $2.2 billion for tobacco processing.

Effect of Declining Use

The 1999 flue-cured tobacco quota declined by 17.5 percent in 1999 after an 18 percent decline in 1998. The 1999 burley tobacco quota declined by 28 percent. North Carolina farm sales of tobacco in 1998 will probably be reduced over $160 million from 1998 and $380 million from 1997.

Tobacco Program Elimination (A Potential Scenario)

Tobacco prices would fall at least 25 percent and become more volatile. Total tobacco production would expand despite a large reduction in the number of growers. The number of tobacco farms would decrease by at least 50 percent. Production in the mountains and piedmont would decline but production would expand in the coastal plain. Total farm revenue from tobacco sales could increase in areas of expansion but decrease in areas of decline.

OPPORTUNITIES TO SUPPLEMENT OR REPLACE TOBACCO INCOME

Strategies

Strategies to reduce risk and manage change include the following: Enterprise diversification; vertical integration; production contracts; marketing contracts; future contracts; future options contracts; liquidity; crop yield insurance; crop revenue insurance; and household off-farm income

While all producers should use a combination of strategies and tools to reduce risk and manage change, replacing or supplementing tobacco income will primarily involve enterprise diversification and household off-farm employment

Role of College

No one enterprise can replace tobacco because of its large acreage and high value per acre. However, the college is working on a menu of options that individual farmers may choose from based on their individual situation. These enterprises are as follows:

Diversification: Research and Extension

1. Speciality fruits and vegetables
   NC Speciality Crops Program at Cunningham Research Station

2. Aquaculture
   a. Fish barns for the Piedmont for Tilapia and yellow perch
   b. Present production
   c. Development of aquaculture for flounder

3. Organic production systems for niche markets of both agronomic and vegetable crops at Center for Environmental Farming Systems and Mountain Horticultural Research Station.

4. Rotational Grazing Dairies -- Demonstrated and evaluated at Center for Environmental Farming Systems.

5. Meat goat production at Reedy Creek Field Laboratory.

6. Herb and nutriceuticals at Mountain Horticultural Research Station.

7. Floral and Ornamental Production through NC State University Arboretum and breeding programs for gerber daisies and woody ornamentals.

8. Small Fruit Center for economic development of strawberry, blueberry, grape and bramble industries (includes micropropagation unit and breeding programs for strawberries, blueberries and brambles).

9. Greenhouse tomato and other greenhouse crops using bio-resources from swine waste.

10. Alternative use of tobacco using transgenes from various sources.

11. Value-enhanced crops through genomics, transformation and plant breeding.

12. Environmental sustainability of swine and poultry industries

Grower Education Programs

Current

1. Local and statewide presentations on the tobacco situation

2. Local programs on technology and practices to improve profitability

3. Programs advising farmers of alternative enterprises

4. Programs providing financial information on tobacco program alternatives and potential impact

5. One-on-one consultations with growers

Planned

1. Training of agents and specialists to assist farmers and farm families on a strategic approach to managing through changes that have and will continue to occur

2. An enhanced educational effort on new technologies such as precision agriculture and biotechnology

3. An enhanced educational program on marketing in a global environment

4. Train agents to assist farmers and families to deal with personal and financial stress

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, March 30, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
No bills
Dean James Oblinger - College of Agriculture and Life Sciences
Dr. Johnny Wynne, Associate Dean Agriculture Research
Dr. Blake Brown, Tobacco Economist

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **10:00** on **Thursday, March 25, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

VISITOR REGISTRATION SHEET

AGRICULTURE — 3/30/99

Name of Committee — Date

VISITORS: Please sign below and return to Committee Clerk.

NAME	FIRM OR STATE AGENCY AND ADDRESS
Heather Cherry	NC Pork Council
[illegible]	NC State
[illegible]	UNC-GA/NCSU Ag Program
Katie B. Perry	NC State - College of Agric. & Life Sciences
Blake Brown	NC State
Greg Jennings	NC State
John Cyrus	N.C. State Grange
Jim Speed	Bone & Associates
Steve Woodson	NC Farm Bureau
Tracy Hadaty	NCPC
Natalie English	NC Agribusiness Council
JIM WILDER	NC Soybean Assn.
R.E. McNair Jr	Georgia-Pacific Grp
[illegible]	NCDA&CS
Rob Christensen	N&O
Sue-Ann Coe	FFF
Michelle Cook	Weyerhaeuser
[illegible]	Bone & Assoc — Pork Producers

HOUSE AGRICULTURE COMMITTEE
Minutes: April 6, 1999

The committee met in Room 1425 at 10:00 a.m. All members were in attendance with the exception of Rep. Wood; Rep. Allred; Rep. Eddins; Rep. Fitch; Rep. McCrary; Rep. Owens and Rep. Teague.

Chairman Hill called the meeting to order and recognized Dr. Daniel D. Godfrey to come forward with his presentation. Dr. Godfrey thanked the committee for the opportunity to speak. He stated that he wanted to proceed with the agenda and that at the end of all presentations, he would give a quick overview regarding the budget.

Dr. Manuel Reyes, Assistant Professor was the first presenter and his enthusiastic presentation was very well received by the committee members. Please refer to the attached "Titles and Presenters" document for the remarks of Dr. Reyes; Dr. Reedy; Dr. Glass; Dr. Shahbazi and Dr. Williams. All during the presentations, Chairman Hill opened the floor to questions.

Dr. Godfrey concluded the agenda with a brief overview of the school's budget needs. Please see attached.

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, April 6, 1999

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCE PAGES

ORDER OF BUSINESS:

GUESTS FROM N. C. A&T UNIVERSITY, GREENSBORO

Dr. Daniel D. Gordfrey, Dean and Administrator
School of Agriculture

De. Mamuel Reyes, Assistant Professor
Department of Natural Resources & Environmental Design

Dr. Marihelen Glass , Professor
Department of Landscape Architecture and Horticulture

Dr. Ghasem Shahbazi , Agricultural Engineer
School of Agriculture

Dr. Robert Williamson
Natural Resource Specialist, Cooperative Extension Program

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, April 6, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
No bills
Dr. Daniel D. Godfrey, Dean and Administrator, N. C. A&T University

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **10:00** on **Thursday, April 1, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

VISITOR REGISTRATION SHEET

AGRICULTURE — Name of Committee

4/6/99 — Date

VISITORS: Please sign below and return to Committee Clerk.

NAME	FIRM OR STATE AGENCY AND ADDRESS
Manuel R. Reyes	NC A&T State Univ, GSO, NC 27411
Bhaskar Reddy	NC A&T State Univ, G'boro, NC
Daniel Godfrey	N.C. A&T St. Univ.
Marihelen Glass	N.C. A&T St Univ
Ghasem Shahbazi	NC. A&T St. Univ.
Robert Williamson	NC A&T St. Univ.
Godfrey Gayle	NC A&T State Uni.
David Meredith	N.C. State Grange
Robert Caldwell	N C State Grange
John Cyrus	N.C. State Grange
Steve Woodson	NC Farm Bureau
[illegible]	NC Pork Council
Natalie English	NC Agribusiness Council
Lu-Ann Coe	Farmers for Fairness
Jim Speed	NCFB
Harold Webb	New Millennium
Rogena Bone	Bone & Assoc. - NCPC

Titles and Presenters

Erosion and Water Quality Modeling

M. R. Reyes

Constructed Wetlands

G. B. Reddy

Biotechnology, NCA&T State University

M. Glass

Utilization of Wood Waste & Residue to Produce Fuel and Value-Added Products in NC

A. Shahbazi

NCA&T Natural Resources and Environmental Management Program

R. Williams

Erosion and Water Quality Modeling (EWQM)

Dr. Manuel R. Reyes
Dr. Godfrey A. Gayle

A&T Facts:

•At least $1,000,000 in FEDERAL funding

•EXPERIMENTATION:

•Sixteen Tillage, Runoff, Agricultural Chemical Erosion (TRACE) plots

Only ONE in the state and nationally few

Proved several environmental benefits of no-tillage

A&T Facts:

•At least $1,000,000 in FEDERAL funding

•EVALUATION:

•Computers for testing the performance of several Erosion and Water Quality Models (EWQM)

Only ONE in the state, and possibly only ONE in the nation

Finding out what is the best EWQM

A&T Facts:

•At least $1,000,000 in FEDERAL funding

•EDUCATION:

•Undergraduates trained in EWQM. Since 1996, eight went to graduate school.

Only ONE in the nation with an accredited agricultural and biosystems engineering degree in an 1890 HBCU

Proved excellent quality of the agricultural and biosystems engineering program

A&T Facts:

•At least $1,000,000 in FEDERAL funding

•EXTENSION:

•Hands on training on several EWQMs

•Field demonstrations on the benefits of no tillage

Only ONE in the state, and possibly only ONE in the nation

Trained NRCS staff, faculty, scientists, and engineers in EWQM, or on the benefits of no tillage

A&T Facts:

•At least $1,000,000 in FEDERAL funding

EWQM:

•past proposal — •EXPERIMENTATION

•present proposal — •EVALUATION

•future proposal — •EDUCATION

•EXTENSION

Center for Erosion and Water Quality Modeling

•At least $?????????? in STATE funding

Constructed Wetlands

Dr. G. B. Reddy
Professor
Mr. Richard L. Phillips
Agricultural Engineer

Measurements

- Nitrogen quantities in and nitrogen quantities out
- Temperature, redox potential, pH, precipitation
- Data loggers, automatic samplers, phone connections, solar panels in place to gather and record data

Some Results

- Wastewater applied in 1998 for 4.5 months only
- Daily rate was 7 lbs per acre for 2 cells, 945 lbs of N applied per acre, 700 lbs removed (75%)
- Daily rate was 21 lbs per acre for 2 cells, 2840 lbs of N applied, 1420 lbs removed (50%)
- Compares with crop or hay removal rate of 120-150 lbs per acre per year, or a rate of 6 to 20 times as much

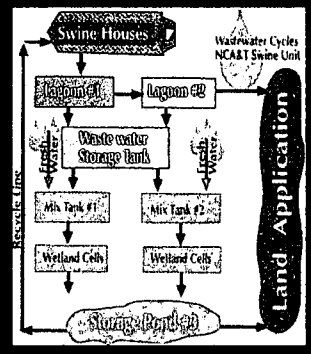
Goals of Future Research

- Determine Maximum loading rate (up to 12,000 lbs per acre)
- Determine odor reduction
- Determine ammonia stripping
- Research to eliminate lagoons

Principal Cooperators

- USDA, Agricultural Research Service, Florence, S.C.
- N.C.S.U. Biological Engineering Department

Diagram



Constructed Wetland

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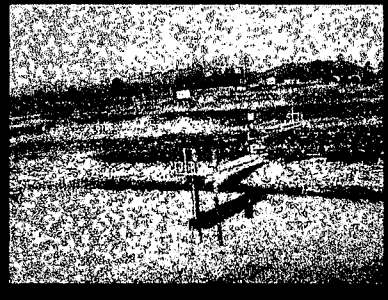

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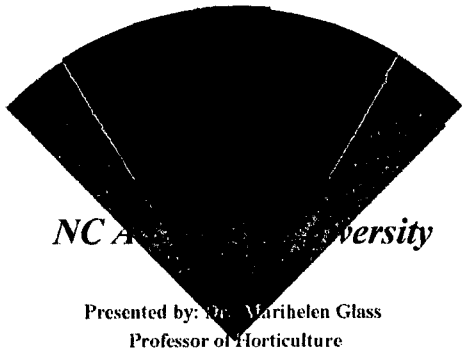


NC A[illegible]versity

Presented by: Dr. Marihelen Glass
Professor of Horticulture
Department of Natural Resources and
Environmental Design

Biotechnology at NC A&T State University

- Biotechnology involves the use of organisms, cells, or molecules isolated from cells to make products or solve problems. Biotechnology is becoming a key resource for many industries working in pharmaceuticals, agriculture, chemical products, environmental remediation, and energy.
- Career opportunities open to biotechnologists include: teaching, research and development, production and quality control, sales and marketing, regulatory affairs, legal affairs, public relations, communications, training, and management.
- In North Carolina more than 70 companies are involved in biotechnology research, development and manufacturing.

Biotechnology Relates to Every Aspect of Agriculture

- In the developed world, consciousness of environmental issues such as chemical contamination of groundwater with pesticides, herbicides and fertilizers, has led to a growing use of genetic technologies to replace traditional methods of agriculture.
- In the under developed world, the industry needed to build and maintain modern farming equipment is lacking. Costs for agri-chemicals are prohibitive. Modified crops can be grown with traditional non-mechanical methods and provide the same results as mechano-chemical methods.

Relevant Aspects of Agricultural Biotechnology

- Genetically modified trees are resistant to diseases and grow at high rates to replace forest resources.
- Biological replacements for agricultural chemicals protect the environment.
- Genetically modified foods have increased nutritive values and resist spoiling
- Modification of traditional crops allows nitrogen fixation and insect resistance in non-fixing plant crops.
- Plants today are engineered to produce valuable bio-pharmaceutical products.
- Cultured, modified insect cells produce bio-pharmaceuticals. Engineered plants produce insect specific toxins.

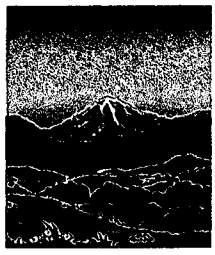
Forestry

- Genetically modified trees are resistant to diseases and grow at high rates to replace forest resources.

Crops

- Modification of traditional crops allows nitrogen fixation and insect resistance in non-fixing plant crops.

Ecology

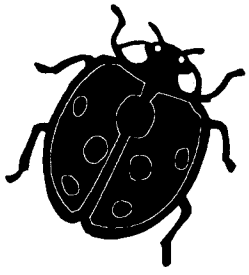


- Biological replacements for agricultural chemicals protect the environment.

Food

- Genetically modified foods have increased nutritive values and resist spoiling.

Insect use and control



- Cultured, modified insect cells produce bio-pharmaceuticals.
- Engineered plants produce insect specific toxins

Animal Science Research

- Evaluation of the molecular mechanism of anti-inflammatory activity of Cat's Claw. Potential application to emphysema and chronic inflammatory diseases of the lung.
- Alternative model of developmental toxicology using molecular end-points in brine shrimp at various stages of development. Potential understanding of environmentally induced genetic defects.
- Investigation of the molecular mechanism of ozone-induced lung damage in mice. Potential understanding of pollutant effects on lung tissue at molecular level leading to treatment.
- Use of polymerase chain reaction technology to diagnose Campylobacter jejunin in poultry at the time of processing
- Analysis of the mechanism of antibiotic resistance in infectious diseases and development of diagnostic assays for immune function..

Natural Resources and Environmental Design

- Development of an acid/aluminum soil tolerant alfalfa which can grow without lime input in Piedmont and Appalachian soils. Worlds number one forage crop. Two cultivars developed at NCA&T are soon to be released by the USDA
- Establishing a model in-vitro regeneration system for phyto-remediation. Due to its dense root structure, alfalfa h an excellent plant for use in soil conservation and bio-remediation.
- Establishment of an efficient in-vitro regeneration system for chestnut transformation. To transform any species it is necessary to develop a method of going from single, altered cells back to whole plants.
- Enhancing American Chestnut blight- resistance through genetic transformation. Some resistance has been developed, but complete resistance will require genetic manipulation..

Interdisciplinary Certificate

- A certificate in biotechnology is offered for students in Animal Science, Biology, Chemical Engineering, Chemistry and Natural Resources and Environmental Design.
- Students must complete 18 credits from a course list. Nine from core courses and nine hours of specific Biotechnology courses.
- 1998, the first class eligible for the certificate graduated. Ten students received the certificate.

Utilization of Wood Waste & Residue to Produce Fuel and Value-Added Products in NC

Dr. Ghasem Shahbazi, Agricultural Engineer
School of Agriculture, NC A&T SU

Current Project: Assessing the Volume of Wood Waste & Residue

- Sources of Wood Waste & Residue are:
- Harvested Wood
  - loggers, chippers, land clearers, developers, ..
- Mill Residue
  - saw mills, planing & flooring mills, timber mills
- Pallet Wastes
- Construction and Demolition Wood

Energy Extraction & Use

- Thermochemical Conversions:
  - Direct Combustion of wood pellets
  - Gasification of wood pellets
- Conversion of a coal burning boiler to a wood pellet burning boiler in a private company

Future Research & Development

- Identify wood waste producers & users
- Haul waste to a central processing plant
- Use mobile chippers & stationary grinders
- Produce wood pellets for fuel & landscaping
- Create multiple value-added products
- Market value-added products
- Create international markets for NC products

Benefits

- Recycling of valuable renewable energy supplies and replacing fossil fuel
- Offering wood related industries a means of disposing wood waste efficiently and economically
- Freeing up landfill capacity to extend landfill longevity
- Developing a sustainable forestry industry in North Carolina by using the pelletized wood waste

Benefits (continued)

- Reduction of emission from coal fired boilers
- Generation of clean air credits for NC (textile industry in particular)
- Identification & extraction of pine oils and anti-toxins from pine wood for commercial applications
- Use of wood pellets to manage hog and poultry waste and odor
- Creation of local jobs and income

NC A&T Natural Resources and Environmental Management Program

Goal: North Carolina youth receive **balanced** educational experiences enabling them to appreciate an urban and rural coexistence of people through development of informed decision-making skills.

Flagship Program -- "Down-to-Earth"

- use experimental gardens as hands-on learning sites
- supported by university and community-based partnerships
- adaptable for formal and non-formal educational settings

Youth Learn

- to use the scientific method
- sustainable food and fiber production
- how to reduce agricultural hazards
- environmental interconnections
- career opportunities

Related Benefits

- improve problem solving and critical thinking skills
- enhancement of team building and self esteem skills

Academic Changes Observed

- increased knowledge in 7 of 9 content areas
- 79% increased their knowledge about health and human safety

Key Impacts Since 1997

- 500 educators trained from 55 NC counties
- 3,000 students reached
- 3 NC school districts received $1.3 million in grants
- 30 states requested program components

Expansion Needs

- mini-grants for startup costs
- purchase and development of supplemental resources
- periodic update training of educators
- dissemination of program via distant learning opportunities
- establishment of regional learning sites

Proof of Program Adoption

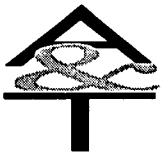
- media reports
- Extension impact reports
- anecdotal success stories
- requests for program materials
- letters of endorsement

Website

http://www.ag.ncat.edu/extension/programs/dte/index.html

Small Farm Development Center

North Carolina A&T State University
School of Agriculture



The Context

The trend in American agriculture towards large, commercial farms and these farms' domination of commodity prices are having a devastating effect on small-scale agriculture — traditional family farms — in the United States. The diminished viability of small-scale agriculture is, in turn, bringing economic turmoil to rural communities, as declining small-farm profits and land values have led to higher taxes and reduced services.

North Carolina's farm population remains demographically substantial, and of the nearly ,000 farms in this state, 40,000 are classified as mall-scale farms. The small-farm crisis is especially keen in North Carolina not only because of pure numbers, but also because of the traditional importance of tobacco, and the large number of African-American owned farms in the state. The rapidly declining viability of tobacco production has taken a key pillar from small-scale agriculture in North Carolina, and because of discriminatory lending policies, minority-owned small-scale farms are vanishing at an even more alarming rate than other small farms. The reliance on tobacco and predominance of minority-owned farms which have for so long added to the importance of small-scale agriculture in North Carolina now exacerbate the state's stake in the small-farm crisis.

The United States Department of Agriculture inaugurated the "Center of Excellence" concept in 1992. Several Centers of Excellence, operating from the campuses of Historically Black Land-Grant Institutions in the Southeast, have since become model success stories for organizing and coordinat- a central hub through which to focus the re- ources of several agencies on an issue of pressing concern. In addition to assisting small-scale agriculture in North Carolina by offering farmers and farm-support agencies one-stop-shopping for cutting-edge research and timely information, a **Small Farm Center** at North Carolina A&T would also serve as an important complement to the School of Agriculture's graduate and undergraduate programs, and help A&T expand its capacity to supply much needed human capital for the food and fiber industries.

The Goals and Objectives

All scientific research and educational outreaches at the proposed **Small Farm Center** will be part of one of four initiatives:

- Small-Scale Agricultural Research
- Agricultural Trade and Marketing
- Information Technology and Technology Transfer
- Agricultural and Rural Policy

In each of these four areas, the Center will enhance learning opportunities — for the general public as well as professionals — through research projects and extension demonstrations, and it will serve as an incubator for multidisciplinary research.

Small-Scale Agricultural Research Initiative

- Development of collaborative research projects and educational outreaches among scientists and educators from North Carolina State University, the North Carolina Department of Agriculture and Consumer Services, and North Carolina A&T
- Training for professionals in sustainable agriculture, integrated pest management, integrated nutrient management, integrated natural resource management, and integrated farm enterprise management
- Research and development of specialty crops and alternative enterprises which offer competitive advantages to small-scale producers

Agricultural Trade and Marketing Initiative

- Foster increased awareness of local and global marketing opportunities, and assist small- and medium-size producers in gaining access to these markets
- Training for professionals, with Cooperative Extension and other farm support agencies, in integrated farm enterprise management
- A database of trade and business opportunities for small-scale farms
- Effective business management tools and training, which will allow small-scale farm operators to track and control their financial and material resources
- Assistance for producers in organizing cooperatives and expanding production capacity, and with enterprise selection and marketing

Information Technology and Technology Transfer Initiative

- A high-speed, digital network connecting departments and faculty within the A&T School of Agriculture to other outreach organizations
- Faculty training for optimal use of networks in the delivery of educational programs and technical assistance
- Annual training for small-scale farmers through the Adopt-A-Computer Project
- Dissemination of information to small-scale producers concerning technologies with potential for immediate impact on the profitability of their farms

Agricultural and Rural Policy Initiative

- Heightened public awareness of the impact of legislation and public policy on the economics of small-scale agriculture
- Educational outreaches to African-American farmers whose land ownership is in jeopardy
- Economic development analysis for rural communities
- Community-based micro enterprise development programs

Existing Resources

The University Farm

North Carolina A&T's 467-acre University Farm is located conveniently close to the A&T campus, and the farm is closer still to two major interstates (I-85 and I-40). The farm's proximity to the interstates, along with its central location, make it an ideal location for serving the North Carolina agricultural sector with research demonstrations and educational programs. Greensboro's extensive hospitality industry make the city a well-suited resource for hosting workshops which might entail an overnight stay for some participants.

For purposes of scientific research, the University Farm is invaluably representative of the topographic, climatic and soil conditions facing small-scale farmers in North Carolina. Forested acreage on the University Farm is ideally suited for research into, and educational demonstrations related to agroforestry, urban forestry and landscape architecture. Pasture land is available for experiments with forages and livestock grazing.

A long-standing working relationship with the nearby Triad Farmer's Market offers an exceptionally strong base for research into agricultural economics and marketing, and the Triad Farmer's Market also opens the door for workshops and educational programs of unrivaled timeliness and practicality.

Although the A&T State University Farm has been used primarily for research projects, it has facilities which hold tremendous potential for instructional purposes in addition to the applied and basic research for which they were originally intended. This resource base includes:

- Administrative Offices and Storage Facilities
- Constructed Wetlands
- Beef and Sheep Research Unit (complete with a surgical suite)
- Dairy Unit
- Environmental Sciences Lab (complete with greenhouses)
- Poultry Unit (complete with processing facilities)
- A "farrow-to-feeder" Swine Research Unit (complete with surgical facilities, outdoor farrowing huts, and waste lagoons)
- Tillage and Runoff Plots (equipped to measure erosion and chemical movement through soils)
- Weather Station

Agricultural Research Program

Among the current research efforts which reflect the overall and ongoing objectives at the University Farm are studies into:

- The impact of agricultural production on water quality
- Tissue culture biotechnology, as applied to the development of varieties of alfalfa which will have a greater tolerance to aluminum-rich soils
- The effects of poultry and green manures on soybeans, corn and other vegetable crops
- Swine breeding, and studies in bovine and ovine reproductive physiology
- Soil erosion and nitrogen transformation

Cooperative Extension Program

The North Carolina A&T Cooperative Extension provides research-based information and educational programs to communities, families and individuals. To accomplish its objectives, Cooperative Extension utilizes a vast array of delivery methods — ranging from time-tested on-farm demonstrations and one-on-one instruction, to such cutting-edge information delivery methods as videoconferencing and online computer-assisted training. North Carolina A&T Cooperative Extension has a Congressional mandate to focus its educational programs and outreaches on individuals and families without the financial resources and educational backgrounds mainstream America enjoys.

North Carolina A&T Extension's programs have gained regional, national and international recognition for their success in addressing the needs of individuals, families and communities with limited resources. Among the A&T Extension Program's landmark efforts to assist small-scale farmers are:

- Down-to-Earth — using the scientific method to unlock young minds and help them understand sustainable agricultural production
- The Farm Opportunities Program — delivering one-on-one, hands-on instruction in efforts to help small-scale and limited-resource farmers
- Small Farmer Outreach Training and Technical Assistance Project — basic business management training for farmers with overextended credit and cash-flow problems
- Ways To Grow — helping small-scale farmers explore alternatives to traditional crops and livestock enterprises

Two other programs coordinated by the North Carolina A&T Cooperative Extension Program have received numerous awards for their innovative approaches to rural leadership development and community economic development:

- Community Voices — building communities by developing untapped leadership potential.
- Voices Reaching Visions — fostering regional and local economic development.

The Plan

For the **Small Farm Center** to function as a place where researchers, educators, and agribusiness professionals can exchange ideas, and investigate breaking agricultural technologies it must have enough space to support research, and extension and community activities. Proposed facilities improvements include:

- Multipurpose rooms capable of accommodating large gatherings for workshops, educational programs, and new product expositions
- A telecommunications system fully equipped to tap into the broad array of educational programming and information sources which are now available
- A greenhouse specifically equipped for the propagation of woody ornamentals
- A farm land directory and data base, to help newcomers to small-scale agriculture locate reasonably priced farm land, and to help retiring farmers pass along their farms to individuals interested in keeping the land in production
- A greenhouse capable of accommodating emerging technologies in horticultural crops production, such as hydroponic production and aquaculture

New and expanded educational outreaches will include:

- Farmers Adopting Computer Training (FACT) — a program which will rely on "pass it along" training to help small-scale farmers acquire home computers inexpensively, and basic knowledge of spreadsheet, record keeping and other business management software
- The Beginning Farmers Mentoring Program — a program which will link individuals just getting into agriculture with established farmers willing to serve as mentors

Staffing and Administration

The **Small Farm Center** will be staffed by a mix of faculty already employed by the School of Agriculture, and new faculty in: forestry, environmental toxicity, horticulture, plant pathology, entomology, farming systems and sustainable agriculture. The Center will be ideally suited to interdisciplinary research into the development of sustainable agricultural systems, improved natural resource management, and business management methods for increasing earnings of North Carolina's small-scale farmers. Multidisciplinary staffing will give the **Small Farm Center** the human resources to serve the North Carolina small-farm sector through innovative research into alternative enterprises and educational programs that will result in improved economic conditions both locally and statewide.

The operational and fiscal policies affecting the **Small Farm Center** would be parallel to those governing the Experiment Station of the North Carolina Agricultural Research Service and North Carolina Cooperative Extension Service. Collaborative activities will at times include the North Carolina Department of Agriculture and Consumer Sciences, the North Carolina Farm Bureau, the North Carolina State Grange, the Forest Service, the Natural Resources Conservation Service, the Cooperative State Research, Education and Extension Service, and other USDA agencies.

An executive committee consisting of the dean and associate deans of the School of Agriculture, the **Small Farms Center** Director and two representatives from among Departments will establish policies for the daily operations of the Center. An Advisory Committee, with membership from government and nongovernmental organizations, will be established to develop long-range plans for the Center.

Benefits

- New research into alternative enterprises and niche markets
- Stability for the current small farms in North Carolina, and an increase in the number of small farms
- Diversified income among North Carolina's small farms
- Increased environmentally sustainable production practices on small farms
- Growth in public awareness of laws and regulations affecting the economics and environmental viability of small-scale agriculture
- Diminished land loss among African-American farmers, and an increased number of minority owned farms
- Growth in the number of small, community-based businesses
- Greater access to local and global markets for small-scale farmers
- New models of decision-making and management skills to help producers effectively manage risks
- More farm cooperatives
- Increased networking and interaction among land-grant researchers, Extension specialists, community groups, and federal, state and local farm support agencies
- Greater public access to research and Extension information
- Greater utilization of distance learning technologies
- Greater efficiency in program design and implementation

Budget

Personnel Costs:

Professional (4 FTEs)	*$240,000*
Technical (4 FTEs)	*$120,000*

Capital Improvements:

Buildings	*$1,400,000*

Operating Costs:

Equipment	*$275,000*
Supplies	*$125,000*
Contractual Services	*$50,000*
Program Development	*$60,000*
Communications	*$30,000*
Total	**$2,300,000**

For more information, contact:

Dr. D. D. Godfrey, Dean
North Carolina A&T State University School of Agriculture
Greensboro, NC 27411
(336) 334-7979

NC A&T's School of Agriculture Focus on Small Farms, Families and Individuals

Dr. Daniel D. Godfrey, Dean and Administrator,
NC A & T State University

The Changing Rural/Urban Landscape

- Demographics
- Ethnicity

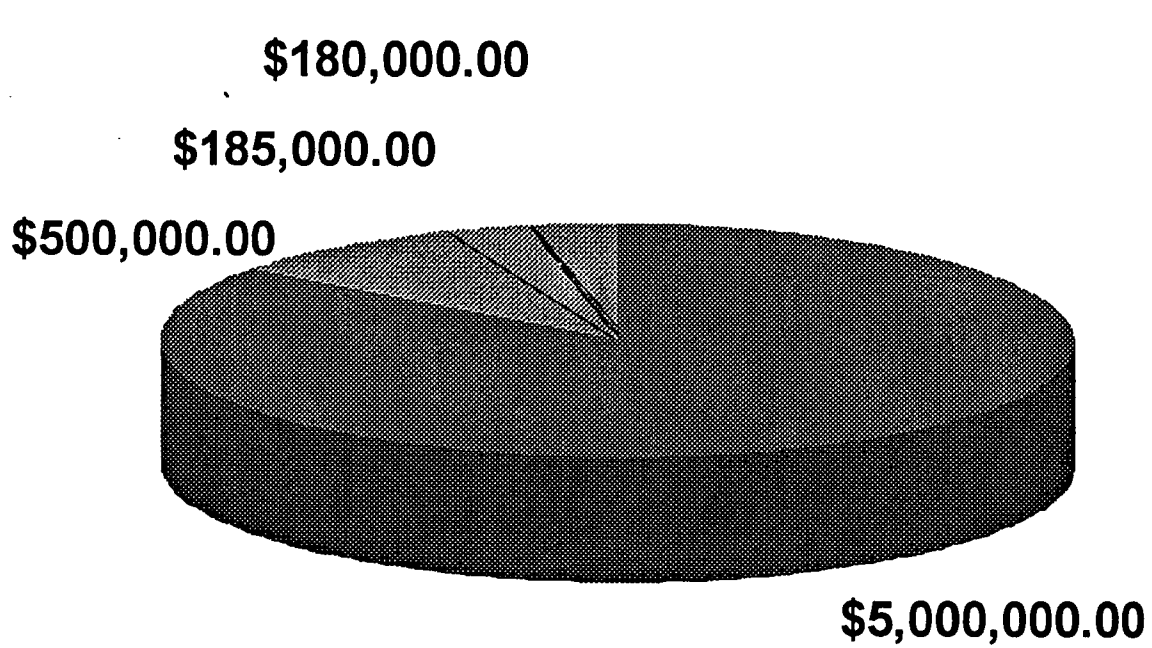
Impact on:

- The Rural Community
- Agribusiness
- Quality of Life

Key Points (continued)

- A&T has a history of working with diverse audiences, and disadvantaged families.
- With minimal funding, A&T continues to work collaboratively with NCSU to support a responsive extension and research network.
- A&T has professional and paraprofessional staff in nearly 1/3 of NC's counties.

Research and Extension, FY 1999



National Agriculture Research, Extension and Teaching Policy Act

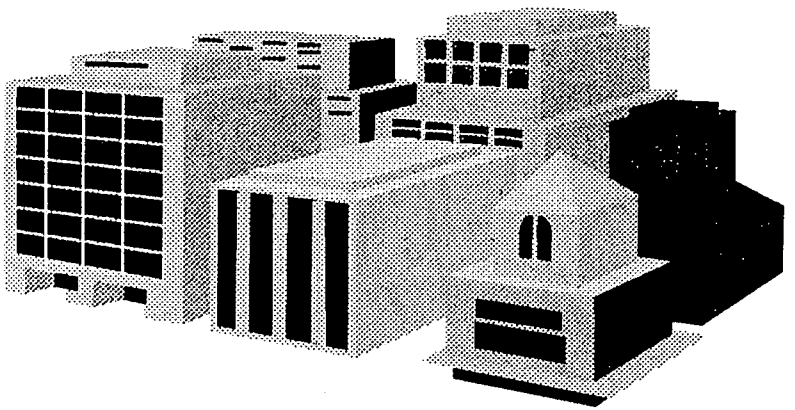
- Section 212 amends the 1977 act
- By fiscal yr. 2000, 30% non-federal match required.
- By fiscal yr. 2002, 50% non-federal match required.
- Must meet requirements or lose a percentage of federal appropriations.

Priority Initiatives for Fiscal Years 1999-2003

2000	2001	2002	2003	2004
30%	45%	50%	75%	100%
1.5m	2.25m	2.5m	3.75m	5m

National/Regional Centers

- Small Farm Commission Recommendations
- Establishment of a National Small Farm Advisory Council
- Establishment of 4-5 Regional Centers
  - South
  - Mid-Atlantic
  - Northeast
  - Midwest
  - West



Selected Centers within States

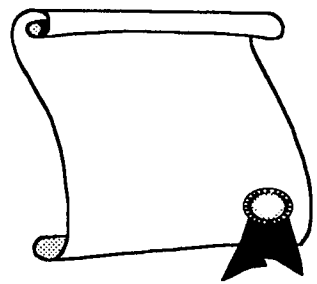
- Network links to National/Regional and other Centers
- Program sharing-Alternative Enterprise Production
- Links to states, national and international market niches
- Enhanced resources availability
- Business management practices

Legislative Opportunities

- Legislation to establish a Small Farm Center at NC A&T State University
  - regional data base on small farms research
  - information on alternative and sustainable ag
  - specialty marketing
  - networking among small-scale farms
  - ag policy issues

States Pass legislation

- Identify lead Institution within a state 1890/1862
  - Mississippi State Legislature passed such legislation in 1988 naming Alcorn State University as Lead
  - A North Carolina Bill has been introduced this session



Proposed Small Farm Center: Potential Impacts

- Small-scale farms will show increased income diversification.
- Production will become environmentally safe and socially acceptable.
- Increased local marketing.
- Small-scale farms will remain a viable part of NC's rural landscape.

Proposed Small Farm Center: Resources Needed

Resources	
Personnel	360K
Capital Improvements	1.4M
Operating Cost	450K
Program Development	60K
Communications	30K
Total	2.3M

Recommendations

Needs to be a partnership between
Congress, USDA,
1890 Land Grant Institutes (States),
Public/Private Entities,
farm organizations, industries and
stakeholders

Recommendations (con't)

- USDA needs to establish a National Advisory Council
- USDA needs to endorse the concept of a national and 4-5 regional centers
- Congress/USDA needs to provide start-up funding with some percentage of state matching

Recommendations (con't)

- Each state needs to designate 1890's as the lead Institution for Small Farms leadership.

- Funds need to be identified and set aside for the start-up of national and 4 to 5 regional centers.

Summary

- 1890's responsibility along with USDA ,for putting in place the mechanism for operation of all centers.
- Established Target dates for all centers locations should be by November 2000.

HOUSE AGRICULTURE COMMITTEE
Minutes: April 13, 1999

The Committee met in Room 1425 of the Legislative Building at 10:00 a.m. Those members in attendance are indicated on the attendance document.

Chairman Hill called the meeting to order and recognized former House Agriculture Chairman Vernon James who was in attendance today. The Chairman then recognized Rep. Brown who made comments to the committee concerning the fires in Wilkes County and Rep. Baker had a question with regard to the source of the water being used in the fire fighting efforts, and Rep. Brown stated that the water was from the Scott Reservoir.

Chairman Hill then called on Ms. Louise Lamm, Director of the Ag in the Classroom Program to come forward and give her presentation.

Ms. Lamm stated that the program was funded by the Farm Bureau, but that it is a national program which teaches the basics of agriculture. She further stated that in 1790 98% of our population farmed for a living - in 1990 that figure drops to less than 2%. Ms. Lamm's enthusiasm for the program was very evident in her presentation. She stated that she felt it very important for our children to understand the source of our food and fiber. Ms. Lamm continued to explain the program (please see attached information for information concerning the program). She stated that all teachers receive this information so they have it on hand and are able to proceede with the program that the teachers recognize the value of.

Ms. Lamm stated that the second phase of the program is one of workshops for teachers which can be from 10 hours to 3 days. This summer five such workshops will be made available to both public and private school teachers. As part of the workshops, teachers are taken on site to a variety of farms, and that this is a particularly good part of the program. These workshops are held at both county and local level, and the expense is at the North Carolina Farm Bureau. She further stated that there are 100 farm bureaus and they have volunteer members – so there is a great deal of interest and support. Ms. Lamm stated that we must make sure our youth understand the importance of agriculture and that the program is all about the opportunity and experience. The program is also endorsed by the State Department of Public Instruction.

Upon conclusion of Ms. Lamm's presentation, there was a discussion period, and Committee Counsel, Barbara Riley stated that the General Assembly funds $125.000 per year through an appropriation. There being no further business, the meeting adjourned.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

Ag in the Classroom

The following are sample lesson plans from several *Ag* in the Classroom grade level packets.

Sample 2nd Grade Lesson: Lesson plan

number three

Title	"Twenty-Eight Heads Are Better Than One"
Purpose	To help students understand that agriculture is interdependent with other segments of society.
Competency	The learner will be able to compute with whole numbers. The learner will participate in group activities. The learner will understand the concept of division of labor. The learner will know that people take on many roles in families, neighborhoods and communities. The learner will work independently. The learner will work cooperatively with others. The learner will have an understanding of basic physical science concepts.
Student Objectives	1. divide a given figure into two, three or four parts 2. use multiple arrays to group objects for counting 3. determine the total number of objects by repeated addition of groups of 2's, 3's, or 5's 4. engage in group decision-making 5. analyze specialized jobs and division of labor 6. identify multiple roles occupied by familiar adults 7. participate in class activities with confidence 8. work cooperatively in large and small groups 9. have knowledge of how machines help us do work
Vocabulary	agribusiness competition cooperation independent interdependent machines
Materials Provided	activities: "Dairyman Dan" (3a), "Dairy Dictionary" (3b), "Cooperation Casserole" (3c), "Farm Products" (3d)
Materials Needed	crayons, flip chart paper, scissors, alphabet cards, paste, number cards
Teaching Strategies	1. Print the words, a) COMPETITION, b) INDEPENDENCE, and c) INTERDEPENDENCE on the chalkboard. Let students define each orally as you write their responses under each word. a. Help students understand that people who compete are trying to win, which implies that others lose. Cite examples such as two people in a race with each trying to win. b. Make sure that students get the idea that independent people work by themselves free from the control of other people. c. Help students understand that interdependence, or people being dependent

grade level **2**

upon each other, involves cooperation and the attitude that they will accomplish more by working together than by themselves.

2. Divide the class into three groups. Give each group one of the three words used above as its topic. Let one group brainstorm, and list on large paper, situations in which competition is appropriate (soccer, spelling bee, business, etc.). Group two lists things their families and teachers expect them to do independently (brush teeth, tie shoes, feed the fish, make up bed, keep pencils sharpened, come to class prepared, etc.). Group three's members list ways they depend upon their various family members (big brother - walks me to bus stop, mother - buys groceries, parents - earn money, father - fixes car, aunt - mends clothes, cousin - plays ball with me, etc.). Have group reporters lead a class discussion about the three topics and the importance of each in our society.
3. Relate these words to agribusiness (including farming, transporting commodities, packaging and marketing). Emphasize the interdependence of cities and farms. Students should understand that towns' people depend upon farmers to grow food, fiber for clothing, and forestry products for building materials and paper products. Farmers, in turn, depend upon towns' people to convert many raw materials they raise into usable products and also to purchase them. This is an excellent time to show and discuss the K-3 Video which is a part of the ***Ag* In the Classroom** curricula materials. Read "Dairyman Dan" to the students, after cuing them to listen for ways the farmer and city dwellers depend on one another.
4. Use the "Dairy Dictionary" to review the story of Dairyman Dan.
5. Use the alphabet and numbers games to expand the concepts of positive interdependence and cooperation. The principles of each are the same, and cooperation is essential.

   Alphabet and Numbers Games: Before play begins, print one large card for each letter of the alphabet and any numbers that suit your purpose; ideas follow. Prepare two or three sets. Divide the class into 2 or 3 heterogeneous groups with 10 or fewer students per team. Line up teams against classroom walls so they face each other. Give each group an identical set of cards; each student gets one card. On cue, each team races to reorganize and to complete the task announced by the teacher.

   The following list includes examples of games that could be played:

   a. Call out words and see which team can realign first to spell each word correctly.
   b. Line up in alphabetical order.
   c. Consonants sit down in line; vowels remain standing.
   d. Spell the longest word possible using the letters given.
   e. All multiples of a given number remain standing while others sit. Example: multiples of 2
   f. Realign in order counting by 2's, or 3's, or 5's, etc.
   g. Divide the line into two groups with equal sums.

h. Create an addition or subtraction problem using team members' cards.

6. Use "Cooperation Casserole" to study interdependence. First group your class into teams of six or fewer. Go over the questionnaire. Explain to students that they must cooperate for their team to complete the exercise within the time limit. Everyone must contribute and help each other. Each team needs a recorder and a leader. Allow 15 minutes or more and see who completes most of the questionnaire. Congratulate teams for good, cooperative efforts.
7. You may wish to refer to the first set of ***Ag* in the Classroom** second-grade materials to expand understanding of the machines mentioned in "Dairyman Dan."
8. Use "Farm Products" if your students need to review dairy products.

Answer Key-Activity

3b. dairy, milk, milking parlor, udder, refrigerated tank, clover, alfalfa, corn, silo, co-op.

3a

Activity

story for lesson 3

Title "Dairyman Dan"

Instructions

My name is Dan, and I am a dairy farmer. Does anyone know what that means? Right! I raise cows - about 70 of them, in fact. And they produce milk for you and me to drink.

Many people depend on me to send good milk to the grocery store. There are lots of people that I depend on, too. Can you think of any? Well, listen carefully to my story so you will be able to name some of the people who help me.

Every morning about 4 o'clock, I wake up. How many hours is this before you wake up? I have been waking up early for so long that I do not even need an alarm clock to help me. By 4:30 a.m., I am in the barn herding my cows to the milking parlor.

First, my helper and I fix breakfast for the cows. The cows nibble clover and corn so they will stay calm and still while they are being milked. Next, we wash all of the cows' udders. Do you know what udders are? An udder is a big pouch under the mother cow's stomach where her milk is stored. To her babies, it is like having four baby bottles, all full of milk!

In times past, farmers milked cows by hand. Now milking machines can milk up to 100 cows in an hour. How long do you think it would take to milk 100 cows by hand? Whew! It gives me Nintendo cramp to think about it! The milk is pumped into a refrigerated tank where it will stay cold and not spoil.

After the milking is finished, the cows go to the pasture while my helper and I clean up the milking parlor. All of the equipment, the walls and the floors must be spotless to ensure that our milk is clean. The Health Department inspects our farm from time to time to be certain that everything is clean and is in good working condition.

About 6:30 a.m., I am ready to eat breakfast with my children before they leave for school. William - he's in second grade - eats like a horse! Kenny - he's an eighth-grader this year - eats like a herd of elephants! But it's a good thing they don't eat like cows. If a hungry second-grader eats 3 or 4 pounds of food a day and drinks at least 3 big glasses of milk, who can guess how much a cow eats and drinks each day? Did anyone guess 90 pounds of food and up to 30 gallons of water?

That would be a big grocery bill, so we buy some feed from town and grow the rest. My helper and I spend much of the morning in the field. We grow clover, alfalfa and corn for the cows. It takes a lot of time to plow the field, plant the seeds and harvest the crops.

We have to borrow money from the bank to buy the machines we need to grow our crops. We use a tractor to help prepare the soil for planting. A big machine called a harvester helps get the crops out of the field. The grains and silage are stored in silos until the cows eat them.

We buy seeds and fertilizer from the local farmers' cooperative. A farmers' co-op is owned by farmers and sells many things farmers need. My helper and I figure out all the things we need. Then we list the items on a form, and the co-op delivers what we order.

During the morning, a hauler comes to the farm to pick up our milk. Sometimes he looks at and smells the milk as a preliminary test of its quality. Then he takes a sample to a laboratory where it is tested to make sure it is safe to drink.

The milk is pumped into a tank truck that works like a giant thermos bottle. Here it stays cold on its way to the processing plant. Then people at the plant get the milk ready to drink, package it, and send it to the grocery store for you to buy. Maybe the next time you drink a glass of milk, you will think about all the people who helped to provide that milk for you. And don't forget about the cow!

My day starts very early and I work hard all morning, so I take time for a big, nutritious lunch. Although we grow a lot of our own food, we also buy many groceries from the store in town. During lunch, I listen to the farm report on the television. This report keeps me up-to-date on the weather and on crop prices.

Sometimes the veterinarian comes by to check on a sick cow or to help deliver a baby cow. Who knows what a baby cow is called? A calf! Right! Sometimes I need to call an expert at the Farm Bureau,the Department of Agriculture, the Soil Conservation Service, or the local cooperative extension office to get advice about a farming problem. My insurance agent is a big help to me when the weather causes damage to my farm or my crops. Have you ever thought about how dependent a farmer is on the weather? How can bad weather interfere with farming?

My family and I also depend upon many of the same people that you do, like doctors, dentists, teachers, carpenters, electricians, mail carriers, lawyers, librarians, store clerks, state employees and political leaders.

Before supper, we milk the cows again. How much milk would you expect to get from a good cow? Our cows are well fed and healthy so they produce a lot of milk - over 6 gallons or about 100 glasses of milk a day per cow! Who could imagine how many glasses a day that is for a herd of 70 cows, like mine?

story for lesson 3
(continued)

Instructions (cont.)

My cows give us milk. The milk is turned into many dairy products that you buy at the grocery store. How many can you name?

Before the day is over, I listen to the weather report on the radio so I can plan my activities for the next day. I also put information about my farm on my computer. I am a businessman who must make a profit to support my family. I keep accurate records on how much milk each cow produces and how much money I spend to run the farm.

I probably go to bed earlier than many of you since I have to wake up early in the morning. Many nights as I drift off to sleep, I think about how lucky I am to be a farmer in a society where people are interdependent and live cooperatively to make life better for each other. Can you think of ways in which you cooperate to make life better for your class at school? for your family? for your friends and neighbors?

3b

Activity

reading review for lesson 3

Title "Dairy Dictionary"

Instructions Write the words in the blanks to show the correct meanings. Choose from these words:

clover	**udder**	**milk**	**milking parlor**	**alfalfa**
refrigerated tank	**corn**	**silo**	**dairy**	**co-op**

A _____ farmer raises cows. We depend upon these cows to produce _____ for us to drink. The cows are milked by big machines in a clean building called a _____. A cow stores milk in a pouch called an _____. The milk is pumped into a _____. Farmers grow _____, _____ and _____ for cows to eat. Feed for cows is stored in a tall building called a _____. Farmers buy seeds and other things they need from the farmers' _____.

3c

Activity

game for lesson 3

Title "Cooperation Casserole"

Instructions As a group, complete the following activities on another sheet of paper.

1. Write the first names of your group members in alphabetical order.
2. Add the number of girls in your group to the number of blue-eyed people in your group.
3. Subtract the age of the youngest person in your group from the number of boys who are NOT in your group.
4. Write the number of brown-eyed students in the classroom. Subtract the number of green-eyed students in your group.
5. Correctly spell the state in which your teacher was born.
6. Add the number of people in your group who know a farmer to the number in your group who have ever lived on a farm.
7. Spell correctly the names of the city where you go to school and the capital of North Carolina. Circle the city containing the most letters.
8. Write down the shoe size of the person with the biggest foot in your group.
9. Find someone in the classroom whose birthday is during

   December _____

   March _____

   summer vacation _____.

10. As a group, decide on answers to the following statements. Give only one answer for each.

    a. The best farm animal is _____.

b. Our favorite dairy product is _____.

c. The best food served by our school cafeteria is _____.

d. The best fruit is _____.

e. The worst vegetable is _____.

f. The best flavor of ice cream is _____.

g. The best part of school is _____.

h. The best age to be is _____.

i. Our favorite sport is _____.

j. Our favorite color is _____.

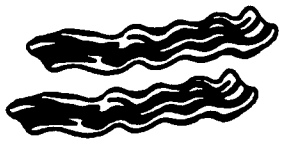
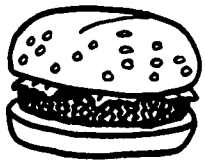
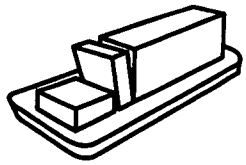
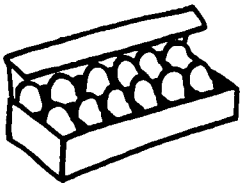
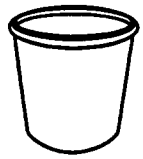
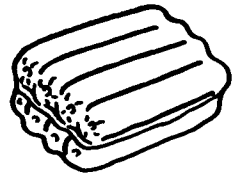
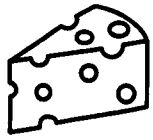
3d

Activity

sorting for lesson 3

Title "Farm Products"

Instructions Divide a piece of paper into four equal parts. Label each part as follows: PIG PRODUCTS, DAIRY PRODUCTS, BEEF CATTLE PRODUCTS, POULTRY PRODUCTS. Then cut out the pictures below and paste them in the correct category.

 pork bacon	 hamburger	 butter	 chicken leg
 large eggs	 cottage cheese	 yogurt	 chicken franks
 foot long pork hot dog	 pork chop	 chocolate ice cream	 milk
 steak	 swiss cheese	 pork sausage	 sour cream

Sample 4th Grade Lesson:

Math

lesson plan

Purpose — To help students visualize an acre

Competency — The learner will understand and use standard units of metric and customary measure.
The learner will solve problems and reason mathematically.
The learner will demonstrate an understanding and use of graphing, probability and statistics.
The learner will develop the ability to use science process skills.
The learner will use language for the acquisition, interpretation, and application of information.

Student Objectives
1. measure the perimeter and area of an acre
2. create a bar graph from information provided
3. discuss reasons farmers continue to choose to grow tobacco in NC

Vocabulary — acre perimeter profit

Materials Needed — tobacco twine, 100 foot measuring tape

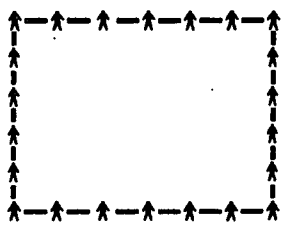
Teaching Strategy:

1. Invite a local farmer to be a resource person in your classroom for this lesson.
2. Challenge students to discover the dimensions of an acre. Have them ask their parents if their houses/apartments are on a piece of land which is measured in acres or in portions of an acre (examples: 3.5 acres; 1/2 acre).
3. Class discussion: What kinds of things are measured in acres? (Answers may include housing lots, fields, farms, specific crops.)
4. How big is an acre? Today's lesson will help to provide you with an answer to that question.
5. What are the dimensions of an acre? (210 feet by 210 feet)
6. Discuss: If an acre is 210 feet by 210 feet, how can we measure that distance to physically see how big it is? One solution: Have students measure a piece of tobacco twine 840 feet in length. Collectively determine how far apart students will need to stand in order to be equal distances in the formation of the square acre. Reach the conclusion that

Math

lesson plan

to determine the distance, the class must divide the 840 feet (total perimeter of the square acre) by the number of students in the class. The quotient is the distance each student will need to stand apart from the student next to him/her. One example: If there are 30 students in the class, each student would be 28 feet from the next student, since 840 divided by 30 is 28. Collectively decide what type of measuring device will be needed to measure the distances. A 100 foot measuring tape would be useful, but it could be done with a yard stick. Take the tobacco twine and measuring tape into the school yard. Have students physically measure an acre by forming a square 210 feet by 210 feet by 210 feet by 210 feet. Students should stand, holding the tobacco twine or ribbon, equidistance apart. The following diagram is an example of how this can be done. The lines represent the string held by the students.



7. Have students work in cooperative groups to solve the following problem: You are going to plant an acre of tobacco. If you plant the seedlings 2' apart in rows 4' apart, how many seedlings will you need? How many rows will you plant?
8. Discuss the fact that in North Carolina, an acre of tobacco brings more money to a farmer than an acre of any other crop. Use the data below to show how much difference there is among the various cash crops listed.

The farm value of one acre of certain NC crops:

Tobacco	$3862
Wheat	101
Hay	157
Soybeans	191
Corn	262
Cotton	380
Peanuts	691

9. As a follow up activity, have students graph the data presented in #5. Begin by reviewing or teaching the procedure for bar graphing.
10. Why might North Carolina farmers want to continue to grow tobacco? Ask the farmer to share his thoughts throughout this session.

Sample 9th Grade Lesson: Lesson plan

number four

Title	"North Carolina and the Trade Balance"
Purpose	To know the benefits of international trade.
Competency	The learner will analyze features of the economic system of the United States.
Student Objectives	1. assess the importance of imported goods to American consumers 2. define the terms ***comparative advantage*** and ***trade imbalance*** 3. give reasons for marketing products in a foreign country 4. recognize the value of foreign trade to the U.S. economy
Materials Provided	activity: "Foreign Trade: Surplus or Deficit?" (4a) and background information
Teaching Strategies	1. Have students make a list of imported items sold in stores such as shoes, clothing, VCRs, cars, and food products. Also have them identify imported items owned by their families. Ask them to bring a list of these items to class. List all imports on the board. Based on the class list, have students assess the importance of imported goods to the American consumer. 2. Introduce the terms ***trade imbalance*** and ***comparative advantage***. Every year since 1980, the United States has had a negative trade balance or a trade deficit. In 1990, the United States had a trade deficit of over $129 million. Read the background information prior to the class discussion of these terms and their applications to North Carolina's international trade. 3. List the following products and commodities on the board: coffee, iron and steel, petroleum, airplanes, cotton, soybeans, automobiles. Have students predict whether Americans export or import more of each item. Tell students they will have a chance to check the accuracy of their predictions during the next activity. 4. Distribute "Foreign Trade: Surplus or Deficit?" Ask students to compare the dollar value of American exports and imports for each item listed. Let them decide whether each makes a positive or negative contribution to the nation's trade balance. 5. Have students make one list of items that contributed favorably to the United States trade balance and a second list of items that added to its deficit. Focus discussion on the types of products or commodities that contribute positively to our country's trade balance. Have students identify the foreign-made items on which Americans are most dependent.
Extension Activities	1. Have students write a short paper titled, "Buy American or Buy Foreign," comparing the advantages of each to the consumer. 2. Have students investigate the position taken by Americans on free trade vs. protectionism. Students can survey current opinions or look for examples in American history.

grade level **9**

Answer Key - Activity

(4a) chart

- Coffee	- Textiles (Yarn and Fabrics)	+ Animal Feed Grains
+ Dairy Products and Eggs	- Iron and Steel Products	+ Corn
- Sugar	- Furniture and Parts	+ Cotton
+ Cigarettes	- Clothing and Footwear	+ Rice
+ Tobacco (unmanufactured)	+ Airplanes	+ Soybeans
- Petroleum and Products	+ Wheat	- Motorcycles and Bicycles
- Watches/Clocks/Parts	- Vegetables and Fruits	- Automobiles

Items that contribute positively to U.S. balance of trade: dairy products and eggs, cigarettes, tobacco, airplanes, wheat, animal-feed grains, corn, cotton, rice, soybeans

Items that add to U.S. deficit: coffee, sugar, petroleum, watches, textiles, iron and steel, furniture, clothing and footwear, vegetables and fruits, motorcycles and bicycles, automobiles

Terms to Define

comparative advantage– ability of an area (i.e. state, country) to produce a good or a service more efficiently than another area

balance of trade– the value of exports from an area (i.e. state, country) equals t value of its imports

Background Information

To help students understand the concept of comparative advantage, note that North Carolina has a comparative advantage over such states as Minnesota and North Dakota in growing tobacco because of its soil and climate. North Carolina and other tobacco-producing states also have a comparative advantage over most other states in tobacco production because of soil, technology and labor efficiency. North Carolina does not have a comparative advantage over such states as Florida and California in the production of citrus fruits because these crops grow best in largely frost-free climates.

In examining international trade, point out that when a country imports more than it exports, it has a negative trade balance or trade deficit. When it exports more than it imports, it has a positive balance or trade surplus. All of the products a country imports and exports contribute to its trade balance. Many products Americans use come from both domestic and foreign producers. For example, in 1989, the United States sold over $1 billion in tobacco abroad. But it also imported $668 million of raw tobacco.

Many commodities that North Carolina farmers produce make a positive contribution to the nation's and the state's trade balances. North Carolina ranks as the 10th-largest state that exports agricultural products. The effects of North Carolina agricultural exports on the state's balance of trade is substantial. In 1989, North Carolina had $1.7 billion in agricultural exports. These exports translate into jobs for North Carolinans who package and transport Carolina-raised wheat, feed g cotton, soybeans and tobacco products. The exports also mean employment in such areas as government inspection, port authority work, freight loading and forwarding, and banking. Agriculture makes North Carolina a trade-surplus state.

grade level **9**

Activity

chart for lesson four

Title "Foreign Trade: Surplus or Deficit?"

Some U.S. Exports and General Imports

	U.S. Exports (Millions of $)	U.S. Imports (Millions of $)	Balance of Trade +	Balance of Trade −
Coffee	9.8	1,738		
Dairy Products and Eggs	454	452		
Sugar	12	713		
Cigarettes	4,238	130		
Tobacco (unmanufactured)	1,430	989		
Petroleum and Products	12,081	54,056		
Watches/Clocks/Parts	225	2,285		
Textiles (Yarn and Fabrics)	5,482	6,981		
Iron and Steel Products	4,211	8,301		
Furniture and Parts	2,120	4,936		
Clothing and Footwear	3,758	35,756		
Airplanes	24,335	3,347		
Wheat	3,350	66		
Vegetables and Fruits	5,342	5,391		
Animal Feed Grains	3,192	312		
Corn	5,146	39		
Cotton	2,514	16		
Rice	754	80		
Soybeans	3,995	27		
Motorcycles and Bicycles	1,308	1,636		
Automobiles	9,761	44,753		

Source: World Almanac

NORTH CAROLINA
DEPARTMENT OF PUBLIC INSTRUCTION

116 West Edenton Street, Education Building
Raleigh, NC 27603-1712

BOB ETHERIDGE
State Superintendent

June 12, 1992

To Whom It May Concern:

The North Carolina Farm Bureau sponsors an educational program, **Ag in the Classroom,** in schools across our state. The program makes available curriculum materials to teachers in grades K-9.

The staff of Program Services in the Department of Public Instruction has reviewed the **Ag in the Classroom** materials and found them to be most appropriate, usable and useful. The Farm Bureau people have worked with the Department of Public Instruction for input and reactions throughout the extensive development process. We will continue this close relationship as materials are updated and expanded.

In view of this, we heartily endorse the North Carolina Farm Bureau's **Ag in the Classroom** program. We urge school systems to make the program available to its teachers and trust that teachers will find many ways to integrate these materials into their routine lesson planning.

We wish to thank the Farm Bureau for its positive contribution in helping to enrich and enhance the understanding of our students about the relationship of food and fibre to agriculture.

Sincerely,

Bob Etheridge

mwp

Agriculture...

- the #1 industry in North Carolina and the United States
- generates 21,000,000 jobs in the national economy; 640,000 in the state economy
- provides our daily necessities of food, clothing, and shelter
- conserves and wisely uses our forestry, soil, and water resources
- comprises about one-fifth of both U.S. and North Carolina business
- makes up a major share of our international trade
- is a high-tech science, relying on mechanization, research and development
- works with government to provide consumers with quality food and fiber at reasonable prices
- shapes history and is an important part of our heritage

A strong, viable agriculture is essential to the economy of the United States. It is necessary for our very survival, especially if we are to maintain our independence and our position of power among the world's nations. However, a strong agriculture cannot endure or prosper without the support of an informed public.

***Ag* in the Classroom** is a comprehensive program designed to foster a greater appreciation of agriculture among our state's young people. The program provides teachers with professionally developed curricula materials featuring agriculture and the agricultural industry.

Developed by teachers, these lessons are designed to integrate with and supplement the existing classroom curricula. Every lesson states the student competencies as dictated by the North Carolina Competency-Based Curriculum or Teacher's Handbook. Lessons are included for math, science, social studies, and language arts classes. Science and social studies are emphasized in secondary materials. All materials are fully interdisciplinary. There is much emphasis on the development of writing and critical thinking skills. Materials are updated and expanded on a regular basis.

Materials are now available for every teacher in North Carolina in grade levels K-5 and for every science and social studies teacher in grades 6-9. ***Ag* in the Classroom** curricula materials are provided to teachers at no cost to the teacher or school. Materials are copyrighted.

Teachers may look to their county Farm Bureau for additional support for the ***Ag* in the Classroom** program. The name(s) and address(es) of county Farm Bureau leaders are available upon request.

Teacher in-service workshops for which teachers receive renewal credit are available. They may be scheduled with the Special Programs Department, North Carolina Farm Bureau, (919)782-4326.

" . . . we heartily endorse the North Carolina Farm Bureau's ***Ag* in the Classroom** program. We urge school systems to make the program available to its teachers and trust that teachers will find many ways to integrate these materials into their routine lesson planning."

Bob Etheridge
State Superintendent of Public Schools

"Thank you so much! I love ***Ag* in the Classroom**! Many thanks!"

quote from lesson packet evaluation

"Students gain insight into the *business* of farming. It is a business and must be managed well to be profitable."

Carol Ramsey
Wake County Schools

"This lesson fits in beautifully with the curriculum. Good background information for the teacher. Provided variety and sparked interest among the students."

Freda Jones
Rutherford County Schools

"***Ag* in the Classroom** is a wonderful opportunity for students and teachers to broaden their knowledge of North Carolina's vast agricultural resources. The lesson materials are easily applied to the different subject areas in my classroom. My students truly enjoy learning about our state's many native plants, animals and products."

Pamela Lamm
Wake County Schools

"I feel the ***Ag* in the Classroom** lessons were enjoyable and beneficial. I am glad we have started taking more time for the study of agriculture. It is so important to our future."

quote from lesson packet evaluation

Major Curriculum Goals Addressed through *Ag* in the Classroom

	K-3	4-5	6-8	9
COMMUNICATION	• build vocabulary • listen, view and communicate • gain information from reading	• read for understanding • communicate in writing • use research materials	• conduct research • communicate orally and in writing	• read for comprehension • write expressively and expositionally • listen and view discriminatingly
MATHEMATICS	• count • manipulate whole numbers	• manipulate numbers • solve mathematical problems	• use basic math skills to solve problems	• use basic math skills to solve problems • manipulate numbers • interpret statistical information
SCIENCE	• understand physical and life science concepts • observe and classify	• increase understanding of physical and life science concepts	• increase understanding of physical and life science concepts	• increase understanding of physical and life science concepts
SOCIAL STUDIES	• gather information • become aware of likenesses and differences among people • learn about people's roles as family members and workers	• consider the uses of various economic resources • evaluate technological changes to people's work • study North Carolina	• evaluate economic resources • consider impact of geography and climate on economic development • locate, organize and evaluate information • participate in groups	• analyze and evaluate economic, social and political problems and policies • gain historical perspective • become better informed and more competent in using information about national and world affairs • gain a basic understanding of the American system of private enterprise
THINKING SKILLS	• develop curiosity • observe, compare and classify	• hypothesize • interpret and evaluate information • examine beliefs and values	• improve problem solving and decision making skills • increase sensitivity to different cultures	• improve problem-solving and decision-making skills • develop skills in higher order thinking

VISITOR REGISTRATION SHEET

Ag. Committee 4/13/99

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY
1. Lu-Ann Coe	FFF
2. [illegible] English	NC Agribusiness Council
3. [illegible]	NCFO
4. Louise Lamm	NC Farm Bureau
5. Jamie Nottinger	NC Farm Bureau
6. John Cyrus	N.C. State Grange
7. Vernon James	NC State Grange
8. David Meredith	NC State Grange
9. David McLeod	NCDA & CS
10. Jimmy Wilder	NC Soybean Assn.
11. Roger [illegible]	Bone & Assoc.
12.	
13.	
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16.	
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20.	
21.	

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, April 13, 1999

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCTION OF PAGES

ORDER OF BUSINESS:

Ms. Louise Lamm, Director
Ag in the Classroom

ADJOURNMENT: Chairman Hill

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, April 13, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
No bills
Ag in the Classroom Program - overview

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **10:30** on **Thursday, April 8,, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

file

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, April 20, 1999

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCTION OF PAGES

BILLS TO BE DISCUSSED:

HB 1009 – Funds for Agricultural Research

Guest Speaker:
Glenn R. Jernigan – Overview on the Food Quality Protection Act

ADJOURNMENT: Chairman Hill

HOUSE AGRICULTURE COMMITTEE
Minutes: April 20, 1999

The committee met in Room 1425 at 10:00 a.m. Members in attendance are indicated on the attendance sheet. Reps. Warwick; Rep. Wood; Rep. Allred; Rep. Baker; Rep. Fitch; and Rep. Mitchell were not in attendance.

Chairman Hill called the meeting to order and recognized Rep. Teague and Rep. Cole who had guests from Western and Williams High School visiting the committee this morning.

Chairman Hill stated that the committee had HB 1009 on the agenda today and recognized Mr. Kieth Oakley, Executive Director of the North Carolina Agriculture Foundation at North Carolina State University. Mr. Oakley stated that the bill is an amendment to the current nickels legislation that has been in place since late 1940. He further stated that this is a volunteer corporation of farmers and agribusiness people from across the state. All funds are used for research and extension activities at North Carolina State University. He further stated that at its inception, the program started out with one nickel, then raised to a second nickel and now the third. This referendum has never passed by less than 90%. He further stated that they are delaying the implementation of the third nickel for one year and all are in agreement. There was some discussion and Mr. Oakley stated that the amount generated with the two nickels brings in between $700,000 to $790,000 per year and the third nickel will add another $350,000 to $375.000. He further stated that there has never been a request for a refund.

Chairman Hill recognized Rep.Yongue who made the motion for a favorable report on the bill bill and that it be re-referred to Finance. The motion passed. There being no further bills on the agenda, Chairman Hill recognized Mr. Glenn R. Jernigan to come forward and give an overview of House Resolution 1007 – which urges Congress to take steps to implement the Food Quality Protection Program.

Mr. Jernigan stated that the Food Quality Protection Act (FQPA) was passed by the Congress in 1996. He stated that as a former member of the Agriculture Committee he has first-hand knowledge of the importance of this committee with regard to our nation's food supply. Mr. Jernigan further stated that our nation has the safest and most economical food in the world. There are 2 billion malnourished people and of that nearly 25% are children under the age of five. He made comments with regard to agriculture production and the fact that farmers must feed 90 million additional mouths a year ,and production must triple within the next fifty years to feed an expected population of some twelve billion world citizens. Mr. Jernigan stated just how vital the use of pesticides will be in this projected food production. He stated just how vital pesticides are in the safety and production of our food supply and that eliminating crop production products would

result in a 40% drop in the world food supply. The loss of chemicals would result in an increase of 40 to 75% of the cost of food. He listed many foods that would be affected by not using pesticides, and the effect on our school cafeterias, restaurants and our homes. He stated that the American farmer is this nation's first line of nation defense. He stated that it takes 40 days for most Americans to pay for their food supply for the year – it takes 129 days to pay our taxes. Mr. Jernigan gave a comparison of purchasing food in the United States and Europe – he listed articles of foods that would cost $18.79 here in the United States – London - $23.19 – Italy $27.38 – Spain $28.14. France $30.10 – Tokyo $74.23.

Mr. Jernigan stated again the importance of the FQPA and is now being evaluated by the Environmental Protection Agency and the monumental effect it can have on the continued production of crops so essential to the American farmer. He further stated that his associations do not oppose this legislation, but they have undertaken a grassroots campaign to say to the EPA that they must simply use good science in their evaluation. He further stated that Chairman Hill and Chairman Allbertson have been requested to introduce legislation advocating the good science evaluation.

Upon completion of his remarks, Mr. Jernigan introduced Mr. Bobby Wall, President of the Crop Protection Association of North Carolina to come forward with his presentation.

Mr. Walls thanked the Chairman for the opportunity and stated he has been involved with agriculture since 1995 because of his love of the industry. He continued to give an overview of FQPA – the issue of safe food, the certainty of no harm to infants and children and the risk factors involved with crop tolerances as well as the time frame involved. At this point a slide presentation was given and Mr. Walls explained the risk factors in detail. He stated that the main problem with regard to risk factors is how the FQPA guidelines change the way the factors are determined. He stated just how important pesticides are to food production. Mr. Walls stated his concerns with the implementations of the FQPA. Firstly, the new requirements in the registration process, and creating policy on the fly with little advance notice. He stated that they are using unrealistic assumptions and one of those assumptions is drinking water, especially as it relates to farm pond water which is sprayed with pesticides.

Mr. Walls stated that there is a strong potential that we will be loosing many products, which could put us at a disadvantage. The FQPA requirements are strict, but they are achievable provided the EPA will allow the development of the best scientific methodology to meet the new safety standards. He further stated that our food is safe to eat – and that only 10.7% of our disposable income is spent on food. He urged the committee members to let Congress know their feelings on the FQPA.

Rep. Tolson was recognized for a question as to who pays for all these tests, and Mr. Walls stated that the chemical companies do. There were additional questions and Mr. Walls stated that they were marketing questions which he could not address.

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

file

HOUSE BILL 1009:
Funds for Agriculture Research

BILL ANALYSIS

Committee:	House Agriculture	**Introduced by:**	Rep. Hill
Date:	April 19, 1999	**Summary by:**	Barbara Riley
Version:	1st Edition		Committee Counsel

SUMMARY: ***House Bill 1009 increases the amount that may be assessed, after referendum,on fertilizers and feed from ten cents to fifteen cents per ton to provide funds through the North Carolina Agricultural Foundation, Inc. for agricultural research.***

CURRENT LAW: Article 50A of Chapter 106 of the General Statutes provides that farmers may, by referendum held among themselves, levy on themselves an assessment of ten cents per ton on fertilizers, commercial feed, and their ingredients. The assessment is collected by the Department of Agriculture from the manufacturers and remitted to the North Carolina Agricultural Foundation who disburses the funds for the purposes delineated in their charter. The governing boards of the North Carolina Farm Bureau Federation, The North Carolina State Grange, and the North Carolina Agricultural Foundation must file a petition for the referendum with the Department of Agriculture who then authorizes the holding of the referendum. Two-thirds of the eligible farmers participating in the referendum must vote in favor of the assessment for it to be collected. Farmers who are dissatisfied with the assessment may demand a refund in writing from the North Carolina Agricultural Foundation. The last increase in the amount of the assessment was made in 1981, from five cents to ten cents. *See, Chapter 181 of the Session Laws of 1981.*

BILL ANALYSIS: House Bill 1009 would allow farmers to increase the amount of the assessment from ten cents to fifteen cents. The increased assessment would not be levied or collected before January 1, 2001.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE BILL 1009*

Short Title: Funds for Agriculture Research. (Public)

Sponsors: Representatives Hill, Brown, Mitchell; Yongue, and Bonner.

Referred to: Agriculture.

April 13, 1999

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FUNDS FOR AGRICULTURAL RESEARCH BY INCREASING THE ASSESSMENT ON FERTILIZER, COMMERCIAL FEED, OR THEIR INGREDIENTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-568.2 reads as rewritten:

"**§ 106-568.2. Policy as to referendum and assessment.**

It is declared to be in the public interest and highly advantageous to the economic development of the State that farmers, producers, and growers of agricultural commodities using commercial feed and/or fertilizers or their ingredients be permitted by referendum held among themselves to levy upon themselves an assessment of ~~ten cents (10¢)~~ fifteen cents (15¢) per ton on mixed fertilizers, commercial feed, and their ingredients (except lime and land plaster) to provide funds through the Agricultural Foundation to supplement the established program of agricultural research and dissemination of research facts.

It is further declared to be in the public interest and highly advantageous to the economic development of the State that tobacco producers be permitted by referendum to levy upon themselves an assessment not to exceed ten cents (10¢) per hundred pounds of tobacco marketed to provide funds through the North Carolina Tobacco Research Commission for research and dissemination of research facts concerning tobacco."

Section 2. G.S. 106-568.8(a) reads as rewritten:

"(a) Fertilizer and feed assessments. In the event two-thirds or more of the eligible farmers and producers participating in said referendum vote in favor of such

assessment, then said assessment shall be collected for a period of six years under rules, regulations, and methods as provided for in this Article. The assessments shall be added to the wholesale purchase price of each ton of fertilizer, commercial feed, and/or their ingredients (except lime and land plaster) by the manufacturer of said fertilizer and feed. The assessment so collected shall be paid by the manufacturer into the hands of the North Carolina Commissioner of Agriculture on the same tonnage and at the same time and in the same manner as prescribed for the reporting of the inspection tax on commercial feeds and fertilizers as prescribed by G.S. 106-284.40 and 106-671. The Commissioner shall then remit ~~said ten cents (10¢) per ton~~ the assessment for the total tonnage as reported by all manufacturers of commercial feeds, fertilizers, and their ingredients to the treasurer of the North Carolina Agricultural Foundation, Inc., who shall disburse such funds for the purposes herein enumerated and not inconsistent with provisions contained in the charter and bylaws of the North Carolina Agricultural Foundation, Inc. Signed copies of the receipts for such remittances made by the Commissioner to the treasurer of the North Carolina Agricultural Foundation, Inc., shall be furnished the Commissioner of Agriculture, the North Carolina Farm Bureau Federation, and the North Carolina State Grange. The treasurer of the North Carolina Agricultural Foundation, Inc., shall make an annual report at each annual meeting of the Foundation directors of total receipts and disbursements for the year and shall file a copy of said report with the Commissioner of Agriculture and shall make available a copy of said report for publication.

It shall be the duty of the Commissioner of Agriculture to audit and check the remittances of ~~ten cents (10¢) per ton~~ the assessment by the manufacturer to the Commissioner in the same manner and at the same time as audits and checks are made of remittances of the inspection tax on commercial feeds and fertilizers.

Any commercial feed excluded from the payment of the inspection fee required by G.S. 106-284.40 shall nevertheless be subject to the assessment provided for by this Article and to quarterly tonnage reports to the Department of Agriculture and Consumer Services as provided for in G.S. 106-284.40(c)."

Section 3. This act is effective when it becomes law; however, the increased assessment of five cents (5¢) per ton under G.S. 106-568.2, as amended by Section 1 of this act, shall not be levied nor collected before January 1, 2001.

VISITOR REGISTRATION SHEET

Ag. Comm
Name of Committee

4/20/99
Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
John Cyrus	N.C. State Grange
Keith Oakley	NC Agriculture Foundation
Jim Warren	NC Soybean Producers Assn.
Steve Woodson	NC Farm Bureau
Walter Cherry	NC Pork Council
John Adams	Pork Producer
[illegible]	Pork Council
[illegible] Brotherton	UNC-GA / NCSU Ag Program
L. Carlyle Teague	Co-op Council / AgAlliance
Lu-Ann Coe	Farmers for Fairness Inc
W.C. Strain	Citizen - Guilford County - [illegible]
Natalie English	NC Agribusiness Council
Robin J. Vogt	Western Alamance High & Williams High
[illegible]	NC Crop Protection Assn
Bobby Walls	NC Crop Protection

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1999 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES

The following report(s) from standing committee(s) is/are presented:
By Representative(s) **Hill** for the Committee on **AGRICULTURE**.

☐ Committee Substitute for
H.B. 1009 A BILL TO BE ENTITLED AN ACT TO PROVIDE FUNDS FOR AGRICULTURAL RESEARCH BY INCREASING THE ASSESSMENT ON FERTILIZER,COMMERCIAL FEED, OR THEIR INGREDIENTS.

☐ With a favorable report.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☒ ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report as to committee substitute bill (#), ☐ which changes the title, unfavorable as to (original bill) (Committee Substitute Bill #), (and recommendation that the committee substitute bill #) be re-referred to the Committee on .)

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

2/24/99

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 1

HOUSE RESOLUTION 1007

Sponsors: Representatives Hill; Wainwright, Yongue, and Barefoot.

Referred to: Rules, Calendar and Operations of the House.

April 13, 1999

A HOUSE RESOLUTION URGING CONGRESS TO TAKE STEPS TO IMPLEMENT THE FOOD QUALITY PROTECTION ACT.

Whereas, the Food Quality Protection Act of 1996 (FQPA) was signed into law on August 3, 1996, by President William J. Clinton; and

Whereas, the FQPA establishes new safety standards that pesticides must meet to be newly registered or remain on the market; and

Whereas, the FQPA requires the Environmental Protection Agency (EPA) to ensure that all pesticide tolerances meet these new FQPA standards by reassessing one-third of the 9,700 existing pesticide tolerances by August 1999, and all existing tolerances in 10 years; and

Whereas, the FQPA institutes changes in the types of information the EPA is required to evaluate in the risk assessment process for establishing tolerances for pesticide residues in food and feed; and

Whereas, the FQPA was to assure that pesticide tolerances and policies are formulated in an open and transparent manner; and

Whereas, the FQPA further emphasizes the need for reliable information about the volume and types of pesticides being applied to individual crops and what residues can be anticipated on these crops; and

Whereas, risk estimates based on sound science and reliable, real-world data are essential to avoid misguided decisions, and the best way for the EPA to obtain this data is to require its development and submission by the registrant through the data call-in process; and

Whereas, the implementation of FQPA by the EPA could have a profound negative impact on domestic agricultural production and on consumer food prices and availability; and

Whereas, the possibility of elimination of these products will result in fewer pest control options for the United States and the State of North Carolina and significant disruption of successful integrated pest management programs which would be devastating to the economy of our State and jeopardize the very livelihood of many of our agricultural producers; and

Whereas, the absence of reliable information is expected to result in fewer pest control options for urban and suburban uses, with potential losses of personal property, damage to valuable recreational areas and managed green space and increased human health concerns; Now, therefore,

Be it resolved by the House of Representatives:

Section 1. The House of Representatives urges Congress to direct the Environmental Protection Agency to (i) immediately initiate appropriate public administrative guidance or rule making to ensure that the policies, standards, and procedures it intends to apply in reassessing existing pesticide tolerances are subject to thorough public notice and comment prior to final tolerance determinations being made by the agency, (ii) use sound science and real-world data from the data call-in process in establishing realistic models for evaluating risks, and (iii) implement the the Food Quality Protection Act of 1996 in a manner that will not disrupt agricultural production nor negatively impact the availability, diversity, and affordability of food, threaten public health nor diminish the quality of valuable recreational areas and managed green spaces. The House of Representatives further urges Congress to immediately conduct oversight hearings to ensure that actions by the Environmental Protection Agency are consistent with the provisions of the Food Quality Protection Act of 1996 and congressional intent.

Section 2. The Principal Clerk shall transmit a certified copy of this resolution to the North Carolina Congressional delegation.

Section 3. This resolution is effective upon adoption.

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AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, April 27, 1999

10:00 a.m., Room 1425

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCTION OF PAGES

BILLS TO BE DISCUSSED:

HB 1233 – Structural Pest Control Amendments – Rep. Hill
HB 1132 – Preserve Farmlands/Promote Small Farms – Rep. Insko

Guest Speaker:
Dr. Steve Wing, Associate Professor, Dept. Epidemiology UNC-Chapel Hill

ADJOURNMENT: Chairman Hill

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, April 27, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
HB 1132 - Preserve Farmlands/Promote Small Farms - Rep. Insko
HB 1233 - Structural Pest Control Amendments - Rep. Hill

Dr. Steve Wing, Dept. Epidemiology - UNC-Chapel Hill

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **4:00** on **Thursday, April 22, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

HOUSE AGRICULTURE COMMITTEE
Minutes: April 27, 1999

The committee met in Room 1425 at 10:00 a.m. Member attendance is reflected on the attendance sheet.

Chairman Hill called the meeting to order and stated that the first item on the agenda was his bill, HB 1233, Structural Pest Control Amendments. He stated that he had an amendment (please see attached amendment for the members this morning. . Chairman Hill stated that the bill requires much more work from staff, and this amendment puts a fee into the bill which will carry it past the crossover deadline, thereby giving the committee an opportunity to discuss it more fully at a later date. Rep. Yongue made the motion to give the amendment a favorable report and the amendment was adopted.

The next bill on the agenda HB 1132, Preserve Farmland/Promote Small Farms by Rep. Insko. Rep. Insko stated that she had a committee substitute for the bill, and without objection, the committee had the substitute before them for discussion. Rep. Insko stated that it was unusual for her to have such a bill since she was from an urban area, but she stated that she grew up on a small family farm. She stated that it was a good bill, but she recognized that there were concerns about the bill, and she would like to have an opportunity to defend the bill. (Please see attached copy of bill explanation by committee counsel, Barbara Riley).

Chairman Hill opened the floor for discussion, and Rep. Cox was recognized. He stated his concerns about the bill, and the fact that the members had just seen the committee substitute this morning. Chairman Hill stated that in fairness to Rep. Insko, he thought it best that the bill be displaced and he asked for such a motion. Rep. Cox was recognized for the motion, which was seconded by Rep. Davis. The motion carried.

Chairman Hill then called upon Associate Professor, Dr. Steve Wing to come forward and give his presentation. Dr. Wing stated that he was pleased to be with the committee today, and introduced Mr. Gary Grant, Executive Director of the Concerned Citizens of Tillery.

Dr. Wing stated that the research he had done was funded federally – part of the Environmental Justice Program of the National Institute of Environmental Sciences which is headquartered in Research Triangle Park. The program funds approximately fifteen projects across the county, and this project was the only one in the southeast (rural project) It represents a collaboration among three organization – this was a requirement of the federal institute in order to receive the funding – Environmental Health Sciences from the university, community based organization, Concerned Citizens of Tillery and the Halifax County Health Department. This a program designed to provide research and education on environmental justice issues with participation of community based organizations, and environmental health sciences.

Dr. Wing went on to explain the study presented at the annual meeting of the Society of Toxicology in New Orleans. He stated that the press release which resulted from that meeting was the reason for his invitation to the meeting today. (please see attached copy of press release).

Dr. Wing stated that his study concerns the location of intensive hog operations here in North Carolina - areas which are predominantly people of color and the poor. This is a concern because these populations are already at risk and this is seen as an environmental injustice. Dr. Wing stated that this is not a study of why the operations are located in these areas. His study concerns the locations not the reasons. He stated that the study is based on two data sources - the first being NC Division of Water Quality data – the permitting system. He stated his concerns about the validity of the information of the Division of Water Quality. He referred to the Census Data used and continued with a slide presentation giving a great deal of data. He stated that the one clear issue is that agriculture industry is located in rural areas where there is more and less expensive land. He stated that this is a fact that does not require any research to show. Dr. Wing further stated that he wanted to state once again that his study shows that there is a clear relationship between the prevalence and presence of hog operations with three variable that are important to North Carolina in terms of health – poverty, race and use of well water. The eastern part of the state is an area known as the "stroke belt".

Dr. Wing concluded his remarks and invited Mr. Gary Grant to come forward and give his presentation. Mr. Grant thanked the committee for the opportunity. He stated that he came from a farm family, and that he was angry because once again his area was being dumped on by politicians and big corporate business who have no respect for them. He stated that this was a mode of madness – that he comes from Halifax County the fourth poorest county in the State of North Carolina. He stated that they had done their own studies before Dr. Wing became involved – and that they were told great economic opportunities would come to them – but that they were still waiting. He sated that the Halifax County Commissioners were ultimately responsible for the people of Halifax County. They passed an intensive livestock ordnance that did not tell the pork industry that they could not come - if they were coming they would do it right. He stated that poor people get nothing without struggle – we have not at this time called for the one action that we know will bring this industry to it's knees – boycott the other white meat.

Upon conclusion of his remarks, Chairman Hill opened the floor to discussion, and Dr. Wing stated once again that his study does not provide an explanation of why – it simply shows that the industry is located in these areas. Dr. Wing stated that it is very difficult to distinguish between corporate and family farms. They have been studying the data base and hope to be able to provide data at a later date. He stated that of the 2,500 operations on record in January of 1998 a little less than 1,000 do not list any integrator.

Chairman Hill recognized Rep. Cox who stated that he had a handout (see attached) concerning an industrial spill which he felt far surpassed the hog operation

problems. He asked Dr. Wing specifically if he was stating that these hog operations are located in African American areas because of that. Dr. Wing stated that "they are there" and that is a fact. Dr. Wing stated that he is working on a report which will be made available very soon.

Rep. Brown was recognized for a question of Dr. Wing – he asked if he had read every word of the work of the study commission, and Dr. Wing stated that he had not read every word. Rep. Brown asked what group other than the anti-pork producers were included in his research, and Dr. Wing stated that it was a collaboration of three organizations: The University of North Carolina School of Public Health, The Concerned Citizens of Tillery, and the third is the Halifax County Health Department. Rep. Brown continued with his question of just how many pork producers were called upon for information. Rep. Brown and Dr. Wing visited the issue in more depth concerning just how long they had known Mr. Carter Wrenn, and Dr. Wing stated that he had gone to school with him.

Rep. Warwick had a question of Dr. Wing as to whether any research was done as to how the hog industry may have helped economically in these areas and Dr. Wing stated that that his study did not include that information. He requested that a report on the issue of the reasons why these hog farms are located in specific areas. He mentioned a recent "News and Observer" article on this issue which may be quite true, but it is not verified at this point.

Chairman Hill recognized Mr. Gary Grant for one final remark. Mr. Grant stated the they were not opposed to the pork industry, they are opposed to invasion in their community and if their representatives are not willing to protect them as much as they do big business, then we need to start looking at who is representing us. It is your responsibility to protect the citizens of the state and you need to be held accountable.

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

file

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 1233

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

H1233-ARF-001 Page 1 of __

Date_____,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Hill

moves to amend the bill on page 11, between lines 27 and 28, by adding between the lines a new Section 7.1 to read:

"Section 7.1. G.S. 106-65.31(b) reads as rewritten:

'(b) License. -- The fee for the issuance or renewal of a license for any one phase of structural pest control shall be ~~one hundred twenty-five dollars ($125.00).~~ three hundred dollars ($300.00). Each additional phase shall be ~~fifty dollars ($50.00).~~ one hundred dollars ($100.00). The fee for each subphase shall be ~~ten dollars ($10.00).~~ twenty-five dollars ($25.00). Licenses shall expire on June 30 of each year and shall be renewed annually. All licensees who fail or neglect to renew their license on or before June 30, but who make application before January 1 of the following year, may have their license renewed without having to be reexamined, unless the applicant is scheduled for periodic reexamination under regulations adopted pursuant to G.S. 106-65.27(d)(3). No structural pest control work may be performed until the license has been renewed or until a new license has been issued.

Any licensee whose employment is terminated by his employer or any licensee who is transferred to another company or location other than the company or location shown on his license certificate, may at any time, have his license reissued for the remainder of the license year for a fee of ten dollars ($10.00).

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 1233

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

H1233-ARF-001 Page 2 of __

Any licensee whose license is lost or destroyed may secure a duplicate license for a fee of ten dollars ($10.00).'".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

HOUSE BILL 1132:
Preserve Farmland/Promote Small Farms

BILL ANALYSIS

Committee:	House Agriculture Committee	**Introduced by:**	Rep. Insko
Date:	April 27, 1999	**Summary by:**	Barbara Riley
Version:	Proposed Committee Substitute		Committee Counsel

SUMMARY: ***House Bill 1132 amends Article 67 of Chapter 105 of the General Statutes, known as the Farmland Preservation Enabling Act.***

CURRENT LAW: The Farmland Preservation Enabling Act was 1st enacted in 1986 to authorizse counties to undertake farmland preservation programs. The act establishes qualifications for land to be participate in the program and allows counties to adopt ordinances establishing voluntary agricultural districts. It also authorizes ordinances holding water and sewer assessments in abeyance, providing public hearings on the condemnation of qualifying agricultural land and providing notice in for title searchers in a county's land records that a tract is located within ½ mile of a poulry, swine, or dairy qualifying farm, within 600' of any qualifying farm, or within ½ mile of an agricultural district.

The Farmland Preservation Enabling Act also authorizes counties to purchase agricultural conservation easements over qualifying farmland and establishes a trust fund, administered by the Commissioner of Agriculture, to assist in the purchase of such easements.

BILL ANALYSIS: The proposed committee substitute for House Bill 1132 requires counties to provide matching funds in order to receive funds from the North Carolina Farmland Preservation Trust Fund. The county matching requirments are:

1. 30% if the county has not undertaken either long term agricultural zoning or prepared a farmland protection plan.

2. 20% if the county has either prepared a countywide farmland protection plan or zoned areas of the county for long term agricultural use.

3. 10% if the county has prepared a countywide farmland protection plan and zoned areas of the county for long term agricultural use.

A Farmland Protection Plan is defined as a plan that contains:

1. A list and description of existing county agricultural activity.

2. A list of continuing challenges to family farming in the county.

3. A list of opportunities for maintaining or enhancing small family-owned farms and the local agricultural economy.

4. A description of county plans to maintain a viable agricultural community including use of farmland protection tools, agricultural economic development,

infrastructure financing, linkage with young farmers, and voluntary agricultural districts.

5. A schedule for implementing the plan and identification of possible funding sources for the long term support of the plan.

Finally, House Bill 1132 amends the definition of subdivision, under G.S. 153A-335, to regulate the division of land into parcels of less than 50 acres. The current definition exempts land divided into parcels of 10 acres or more.

Sections 1 and 2 of the act become effective July 1, 1999. The remainder of the act is effective when it becomes law.

Wing

CAROLINA

NEWS

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Embargoed until 4 p.m.
Wednesday, March 17

March 11, 1999 -- No. 179

Research reveals environmental injustice in N.C. communities with large hog farms

By DAVID WILLIAMSON
UNC-CH News Services

CHAPEL HILL – Perceptions that hog operations in North Carolina have been disproportionately established in poorer communities across the state and in areas with more non-white residents are accurate, a new University of North Carolina at Chapel Hill study concludes.

Funded by the National Institute of Environmental Health Sciences' Environmental Justice Program, researchers analyzed 1998 data from the N.C. Division of Water Quality on intensive hog operations and 1990 data from the U.S. census. They conducted the study in cooperation with the Concerned Citizens of Tillery, a community-based organization headed by Gary R. Grant.

"The presence of intensive hog operations was clearly related to poverty levels, predominance of black and non-white populations and dependence of households on well water for drinking," said Dr. Steven Wing, associate professor of epidemiology at the UNC-CH School of Public Health.

Wing presented the findings Wednesday (March 17) in New Orleans at the 38th annual meeting of the Society of Toxicology.

"Previous studies have shown that since the early 1980s, hog production in North Carolina has moved from dispersion throughout the state to being concentrated in the coastal plain," he said. "During the same time, the average size of a hog facility has increased as corporate growers expanded larger operations and smaller independent producers went out of business. Although previous reports have shown that hog production is greater in counties with larger black populations, the extent to which operations were disproportionately located in poor and non-white communities was not known."

Before conducting their research, Wing and his colleagues had to complete geographic information that was missing or incorrect for 257 hog operations and excluded 67 that had closed, had insufficient data, didn't use a liquid waste management system, or were owned by universities.

(More)

They analyzed the remaining 2,514 hog farms in conjunction with data on 4,177 census block groups, areas of about 500 households used for counting U.S. residents. They excluded the state's five largest cities and western counties with no intensive hog production.

"Eight hundred and eleven operations were located in the 20 percent of block groups with the most poverty while only 43 operations were located in the 20 percent of block groups with the least poverty," Wing said.

One reason for excess hog production in poor areas where people depend on well water is because they are rural. Researchers therefore developed a statistical model to estimate the number of hog operations that would be expected in census block groups based on their population density. They compared those numbers to the actual number of hog farms in the groups.

In the poorest block groups, where 811 operations were located, only 620 were expected based on their population density, Wing said. In contrast, in the richest block groups, where 43 operations were located, 265 would be expected based on their population density.

"Thus, compared to the 20 percent of block groups with lowest poverty, the 20 percent of block groups with highest poverty had about eight times as many hog operations as would be expected," he said. "Compared to the 20 percent of block groups with the lowest proportion of non-white people, the 20 percent of block groups with the highest proportion of non-whites had about six times as many hog operations as would be expected."

The study showed the greatest discrepancies occurred when poor and non-white communities were compared with the wealthiest white communities, he said.

More than a third of intensive hog operations were located in 418 block groups where more than 96 percent of households depended on well water for drinking, they found. Even after adjusting for population density, those areas had 11 times the number of hog farms compared with areas where less than 1 percent of households relied on wells.

"Our findings raise numerous public health and social justice issues," Wing said. "Intensive swine production and its attendant pollution are concentrated in areas of our state that have the highest disease rates, the least access to medical care and the greatest need for positive economic development and better educational systems."

Environmental injustice such as what researchers found in the hog industry does not necessarily reflect deliberate racist attitudes, but rather institutional factors and lack of political influence, he said. The result is a system that favors whiter and wealthier communities at the expense of others.

COX
Hand out

1998 Municipal / Industrial Spill Data – N.C. Division of Water Quality

1. 2,899 spills from municipal/industrial spills (primarily municipal) in 1998
2. 2,318 spills were listed as having no treatment
3. 2,234 of the spills reached surface waters of N.C.
4. 179,184,433 gallons listed as reaching surface waters of N.C.
5. 1,865 untreated spills totaling 126,185,340 gallons listed as reaching surface waters of N.C.

1998 DWQ/DSWC Annual Report on Animal Operations Inspections – 6,209 inspections conducted

1. 154 discharges from animal waste systems
2. 45 discharges that reached surface waters (31 swine, 12 cattle, 2 poultry)
3. 290 evidence of over application
4. 55 lacked certified operator in charge
5. 16 did not meet setbacks
6. 188 with freeboard of less than 1 foot

REPRESENTATIVE LESLIE COX
NORTH CAROLINA HOUSE OF REPRESENTATIVES
19TH DISTRICT

1221 LEGISLATIVE BUILDING
RALEIGH, NC 27601-1096
(919) 733-5827
(919) 733-2599 FAX
E-MAIL:
Lesliec@ms.ncga.state.nc.us

HOME ADDRESS
P.O. BOX 3001
SANFORD, NC 27331-3001
(919) 718-1998
(919) 718-1999 FAX

THE UNIVERSITY OF NORTH CAROLINA
AT
CHAPEL HILL

School of Public Health
sph
UNC at Chapel Hill

Department of Epidemiology
CB #7400, McGavran-Greenberg Hall
Chapel Hill, NC 27599-7400
FAX: (919) 966-2089
phone: (919) 966-7416
email: steve_wing@unc.edu

January 28, 1999

The Honorable Dewey L. Hill
North Carolina General Assembly
House of Representatives
State Legislative Building
Raleigh, NC 27601-1096

Dear Mr. Hill:

Thank you for your letter of invitation to speak before the House Agriculture Committee on April 27, 199 at 10:00 a.m. I accept with pleasure, and, as you suggest, will stop by your office before the meeting at about 9:30.

Your assistant suggested that I consider bringing with me one of my research collaborators. I have asked Gary R. Grant my co-principal investigator on this federally-funded project, to appear with me before your committee. We look forward to meeting you and to discussing our research with you and other members of the committee.

Sincerely,

Steve Wing

Steve Wing
Associate Professor

VISITOR REGISTRATION SHEET

Ag — Name of Committee

4/27/99 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Clarine Fenner	C.C.T of Tillery
Olzvia McGee	CCT of Tillery
[illegible] Fox	CCT of Tillery
Charlotte Branch	CCT of Tillery NC
Katherine B. Lee	C.C.T. Tillery NC
Ma-Sue Weathersbee	C.C.T. Tillery NC
Emma Boone	CWEA Ahoskie
Lola Williams	CWEA Ahoskie
Marilyn Gilliam	CWEA Ahoskie
Mary Ann Granger	CWEA Ahoskie
Martha Sawnna	CCT Tillery
Rachel Edmonds	CCT Tillery
Mamie Barnes	CCT Tillery
Elnora Johnson	CCT Tillery
Elsie Davenport	CCT Tillery
Elvina Russell	CCT Tillery
Doris J. Davis	CCT Tillery
Granville O. Carter	CCT Tillery
Virginia Hines	CCT Tillery
Maggie Caswell	CCT Tillery
Benjamin Wilson	CWEA
Quilen Wilson	CWEA
Clementine Hedges	C.C.T. Tillery
Dorothy White Cannon	Concerned Citizens of Tillery NC
[illegible] Farmer	C.W.E.A Ahoskie
Shirley [illegible]	C.W.E.A. Ahoskie
Liz Dessoine	CWEA Ahoskie
Daniel Whitaker	

VISITOR REGISTRATION SHEET

AGRICULTURE — Name of Committee

Tuesday, April 27, 1999 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Dorothy Martin	C.C.T. Tillery N.C.
Edith Miles	C.C.T. Tillery N.C.
Bobby West	Stantonsburg
Don Webb	ARSI.
[illegible]	UNC-GA / NCSU Ag Pgm
John Cyrus	N.C. State Grange
[illegible]	NC Pork Council
F. Carlyle Teague	Cooperative Council / Hog Alliance
Jim Blackburn	Counties
Lu-Ann Coe	Farmers for Fairness
Ian Rose	UNC
David Knight	NC Sierra Club, NC Wildlife Fed
Nat Mund	Conservation Council of NC
Jacquelyn M. Pickard	Hog Roundtable of NC
Michelle Nowlin	Southern Environmental Law Center
Jim Speed	Bone associates
Ron Akins	GNANC
Thomas Hill	OAGS

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, May 18, 1999

10:00 a.m., Room 1425

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCTION OF PAGES

BILLS TO BE DISCUSSED:

HB 819 – Spay/Neuter Program – Rep. Hensley

Guest Speaker:

Admiral Paul E. Busick, President and Executive Director
North Carolina Global Transpark Authority

ADJOURNMENT: Chairman Hill

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, May 18, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 Legislative Building**

The following bills will be considered (Bill # & Short Title):
HB 819 - Spay/Neuter Program - Rep. Hensley

Admiral Paul E. Busick, President and Executive Director
North Carolina Global Transpark Authority

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **11:00** on **Thursday, May 13, 1999.**

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

VISITOR REGISTRATION SHEET

AGRICULTURE — **Tuesday, May 18, 1999**

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Stephanie Kordick	DHHS (OEES) Parker Lincoln Bldg
[illegible]	[illegible] Associates
Steve Woodson	NC Farm Bureau
[illegible]	Integrated Aviation Solutions
John [illegible]	
[illegible]	NC Pork Council
David Meredith	NC State Grange
Henry Jones	Attorney - Raleigh
[illegible] Wells	DHHS / Public Health
Jim [illegible]	NC GTP Authority
Paul [illegible]	NC GTP Authority
Donald [illegible]	NCDA & CS
Walter Cherry	NCPC
[illegible]	NCDA & CS
Natalie English	NC Agribusiness Council
Mark Randal	Carolina Farm Show - Farm Progress
Ed Regan	N.C. Assoc of Co. Comm
Kelly Stuart	NC GTP Authority
Lu-Ann Coe	F3
Lynn Bonner	N&O

HOUSE AGRICULTURE COMMITTEE
Minutes: May 18, 1999

The committee met in Room 1425 at 10:00 a.m. Please refer to attendance sheet for member attendance.

Chairman Hill called the meeting to order and recognized Rep. Hensley to come forward and support HB819, Spay/ Neuter Program. Rep. Hensley thanked the members, and proceeded to give a brief synopsis of his bill, stating just how severe the problems with overpopulation of animals is. (Please see explanation of the bill prepared by Committee Counsel, Barbara Riley attached)

Rep. Yongue was recognized for an amendment on the bill (see attached). At this time Rep. Cox was recognized, and brought to the attention of the members a memorandum from Commissioner Graham (copy attached) which states the department's concerns regarding the bill. Chairman Hill opened the floor for discussion after which Chairman Hill asked if there were any members in support of the bill. Rep. Baker was recognized for the motion to give the bill an unfavorable report – the motion carried.

Chairman Hill then recognized Admiral Paul E. Busick, President and Executive Director, North Carolina Global Transpark Authority to come forward for his presentation. (Please see attached copy).

Upon conclusion of Admiral Busick's remarks, Chairman Hill recognized Mr. Mark Randall of the Carolina Farm Show to come forward. Mr. Randall presented a very informative slide presentation. He stated that economic benefits in terms of dollars from the farm show was $40 million. They have had inquiries from South America and Argentina to participate in the show. Mr. Randall stated once again just how significant the economic impact was on the entire area. (Please see attached copies of Farm Shows booklet).

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann, Committee Assistant

Rep. Dewey L. Hill, Chairman

JAMES A. GRAHAM
COMMISSIONER

State of North Carolina
Department of Agriculture and Consumer Services
Raleigh

MEMORANDUM

TO: House Agriculture Committee Members

FROM: James A. Graham
Commissioner of Agriculture

Jim Graham

DATE: May 17, 1999

Thank You

RE: House Bill 819 - Spay/Neuter Program

We have serious concerns about House Bill 819 as introduced.

We have expressed these concerns to Senator Kinnaird, sponsor of the identical Senate Bill 330. A copy of that letter is attached.

We would be glad to work with the sponsors to come up with a program which is practical and cost-effective.

Please let me know if we can provide further information.

With all good wishes.

JAG/gr

Attachment

hac.jag

POST OFFICE BOX 27647 • RALEIGH, NORTH CAROLINA 27611
PHONE (919) 733-7125 • FAX (919) 733-1141

JAMES A. GRAHAM
COMMISSIONER

State of North Carolina
Department of Agriculture and Consumer Services
Raleigh

May 13, 1999

Senator Ellie Kinnaird
NC Senate
Legislative Building, Room 2115
Raleigh, North Carolina 27601

Re: Senate Bill 330

Dear Senator Kinnaird:

We have some concerns about Senate Bill 330, which would set up a spay/neuter program in the Department of Agriculture and Consumer Services.

While the intent is laudable, it appears to us that the administrative costs would be significant and that there are perhaps more efficient means of implementing spay/neuter programs.

At present, we have no involvement with rabies vaccinations. Rabies vaccination tags are distributed to veterinarians by the Department of Health and Human Services. We would have to contact all licensed veterinarians in the State and establish a system for collecting the proposed fee of fifty cents per rabies vaccination. Since the Department of Health and Human Services is already involved in the sale of rabies vaccination tags, it would appear to be more efficient to collect the proposed spay/neuter fee in the same manner.

The proposed legislation also provides for cities and counties to apply for grants from the spay/neuter fund for local spay/neuter programs. This would require us to notify cities and counties of the program, process applications and monitor use of the funds. It seems to us that it would be more efficient for cities and counties to use their own funds for such programs, thus avoiding the administrative costs of collecting and distributing the funds at the State level.

Post Office Box 27647 • Raleigh, North Carolina 27611
Phone (919) 733-7125 • Fax (919) 733-1141 • Email james_graham@ncdamail.agr.state.nc.us

We commend the sponsors of this legislation for their good intentions, and we hope these comments will lead to a more workable proposal.

Please let me know if we can be of assistance.

With all good wishes.

Sincerely,

James A. Graham
Commissioner of Agriculture

JAG:jm
S330.com

Talking Points for Admiral Paul E. Busick
N.C. House Agriculture Committee
10 a.m., Tuesday, May 18, 1999

THANK YOU CHAIRMAN HILL. IT IS INDEED A PLEASURE TO BE HERE WITH YOU AND THE MEMBERS OF THE COMMITTEE TODAY, AND I APPRECIATE YOU GRACIOUS INVITATION TO JOIN YOU THIS MORNING.

I SHOULD NOTE THAT THE GLOBAL TRANSPARK PROJECT LIES WITHIN THE DISTRICT OF ONE OF YOUR MEMBERS – REPRESENTATIVE CAROLYN RUSSELL – AND A NUMBER OF YOUR OTHER MEMBERS ARE EITHER FROM COUNTIES THAT ARE PART OF THE IMMEDIATE REGION OR REPRESENT PORTIONS OF COUNTIES THAT LIE NEAR THE PROJECT.

OBVIOUSLY, I'M GETTING TO KNOW THOSE MEMBERS, AND I LOOK FORWARD TO GETTING TO KNOW ALL OF YOU.

MY INTENTION THIS MORNING IS NOT REALLY TO TALK TO YOU IN GREAT DETAIL ABOUT THE GLOBAL TRANSPARK ITSELF – AND I WON'T DO THAT. BUT WHILE I'M HERE, I'LL GIVE YOU A THUMBNAIL PROGRESS REPORT. I CAN TELL YOU THAT THE GTP AUTHORITY…

- HAS COMPLETED A MASTER PLAN THAT COVERS 15-THOUSAND ACRES
- HAS COMPLETED ALL ENVIRONMENTAL STUDIES

- HAS RECEIVED ALL ITS ENVIRONMENTAL CLEARANCES AND PERMITS
- HAS SECURED FEDERAL FUNDING FOR RUNWAY CONSTRUCTION AND THE FIRST STAGE OF STATE CONSTRUCTION-MATCH MONEY
- HAS WORK UNDERWAY ON THE KEY PROJECT TO EXTEND THE RUNWAY TO 10,600 FEET
- HAS ITS ON-SITE EDUCATION AND TRAINING CENTER UNDER CONSTRUCTION AND NEAR COMPLETION
- HAS SEEN FOUR COMPANIES AND A MAJOR EVENT LOCATED AS TENANTS WITHIN THE FOOTPRINT OF ITS SIX-THOUSAND ACRE INITIAL PERMIT AREA
- HAS ACHIEVED FOREIGN TRADE ZONE STATUS AND IS ACTIVATING ITS ZONE AS IT PROVIDES SUB-ZONE STATUS TO CONSOLIDATED DIESEL CORPORATION IN WHITIKERS
- HAS ASSUMED OWNERSHIP OF THE KINSTON REGIONAL JETPORT

THE LONG AND SHORT OF IT IS THAT WE'RE OFF AND ROLLING.

CONSTRUCTION ON THE RUNWAY EXTENSION PROJECT IS DUE TO BE COMPLETED BY THE END OF NEXT YEAR, AND WE'LL BE ABLE TO ACCEPT A FULL RANGE OF CARGO AIRCRAFT AT THAT POINT. THE REMAINING AIRFIELD IMPROVEMENTS WILL BE COMPLETED IN 2001.

WE ARE CURRENTLY INVOLVED WITH SEVERAL PROSPECTIVE INDUSTRIAL TENANTS, INCLUDING A PLASTICS COMPANY…A DEFENSE CONTRACTOR…A PHARMACEUTICAL FIRM…TWO AVIATION MANUFACTURERS…TWO FREIGHT FORWARDERS…AND TWO DEVELOPMENT COMPANIES.

IN ADDITION, WE ARE WORKING CLOSELY WITH AGRICULTURE INTERESTS IN THE AREA. SINCE IT'S INCEPTION, THE STATE HAS RECOGNIZED THAT THE GTP COULD BE A TREMENDOUS ASSET TO OUR FARMERS.

AFTER ALL – WHEN YOU THINK ABOUT IT – AGRICULTURE INVENTED THINGS LIKE "JUST-IN-TIME" DELIVERY AND "SUPPLY CHAIN MANAGEMENT." NECESSITY DROVE FARMERS AND OTHERS INVOLVED IN PUTTING FOOD ON OUR TABLES TO MAKE CERTAIN THAT THEY COULD GET FRESH GOODS TO MARKET IN A TIMELY AND COORDINATED FASHION.

FOOD PRODUCTS HAVE ALWAYS BEEN PERISHABLE ITEMS.

NOW – IN A DIFFERENT WAY – THE GLOBAL MARKETPLACE IS MAKING PERISHABLES OUT OF OTHER THINGS, TOO. BOTH BUSINESSES AND INDIVIDUAL CONSUMERS ARE DEMANDING "FRESH" GOODS. THERE USED TO BE TALK OF THE DIFFICULTY IN SELLING "LAST-YEAR'S MODEL." NOW PEOPLE WANT NOTHING OLDER THAN YESTERDAY'S VERSION OF THIS AND THAT, AND THEIR REAL PREFERENCE IS TO HAVE TODAY'S. NO

– THAT'S NOT TRUE – THEIR REAL PREFERENCE IS TO HAVE TOMORROW'S VERSION TODAY.

THIS TREND IS BEING FUELED BY THE RAPID TECHNOLOGICAL CHANGES THAT ARE A FACT OF LIFE IN OUR TIMES. FROM COMPUTERS TO CARS – IF IT'S ON THE MARKET, IT'S QUICKLY ON ITS WAY TO BECOMING OBSOLETE.

BUSINESS ARE RESPONDING TO CONSUMER DEMANDS BY CUTTING CYCLE TIMES...REDUCING INVENTORY...REPLACING MASS PRODUCTION WITH MASS CUSTOMIZATION...AND BY OPERATING FLEXIBLE MARKETING AND DISTRIBUTION SYSTEMS THAT CAN RESPOND QUICKLY TO CHANGES IN BUYING PATTERNS AND TASTES.

THAT'S WHERE THE GLOBAL TRANSPARK COMES IN.

IT'S BEING DEVELOPED THROUGH A PUBLIC/PRIVATE PARTNERSHIP THAT IS COMMITTED TO CREATING THE MOST ATTRACTIVE SITE POSSIBLE FOR COMPANIES WHO WANT TO TAKE ADVANTAGE OF THE OPPORTUNITIES THAT EXIST IN TODAY'S MARKETPLACE AND WILL RULE IN TOMORROW'S WORLD OF TRADE.

THE KEY TO THE SUCCESSFUL DEVELOPMENT OF THE GLOBAL TRANSPARK RESTS WITH INFRASTRUCTURE – NOT JUST AT THE GTP SITE, BUT WITHIN THE REGION AS WELL.

TALKING ABOUT INFRASTRUCTURE ACTUALLY LEADS ME TO THE FOCAL POINT OF THE PRESENTATION WE WANT TO BRING TO YOU TODAY – BECAUSE OUR DEVELOPING INFRASTRUCTURE PLAYED A LEADING ROLE IN ATTRACTING THE CAROLINA FARM SHOW TO THE GTP AND TO NORTH CAROLINA.

WE BELIEVE THAT THE FACT THAT WE OFFERED A RUNWAY THAT COULD HANDLE CORPORATE JETS – COMBINED WITH THE FACT THAT WE WERE BUILDING AN ON-SITE EDUCATION AND TRAINING CENTER – HELPED TO MAKE THE DIFFERENCE IN GETTING IT HERE.

AND LADIES AND GENTLEMEN, LET ME TELL YOU THAT THIS IS A VERY BIG DEAL FOR NORTH CAROLINA. STATES IN THE SOUTHEAST COMPETED FOR THIS THING THEY WAY THEY WOULD HAVE GONE AFTER A BIG INDUSTRIAL CLIENT – AND FOR GOOD REASON.

THE ECONOMIC IMPACT OF THIS SHOW WILL BE TREMENDOUS – AND EVERY YEAR IT WILL BRING TO OUR STATE AN ARRAY OF THE TOP LEADERSHIP OF FROM A HOST OF NATIONAL AND INTERNATIONAL AGRIBUSINESS AND EQUIPMENT COMPANIES.

AS THE SHOW GROWS OVER TIME, IT'S POSSIBLE THAT IT WILL RANK NEAR SUCH THINGS AS THE FURNITURE MARKET IN HIGH POINT AMONG THE STATE'S TOP SPECIAL EVENTS.

WE ARE PLEASED TO BE ABLE TO CALL THEM A "TENANT" OF THE GLOBAL TRANSPARK, BECAUSE IF YOU COMPARE THEIR ECONOMIC IMPACT, YOU'LL SEE THAT IT'S EQUAL THAT OF A BIG INDUSTRIAL PLANT.

BUT I'M NOT THE BEST PERSON TO BE TELLING ABOUT THE CAROLINA FARM SHOW – NOT WHEN WE HAVE AN EXPERT WITH US.

MR. CHAIRMAN, WITH YOUR PERMISSION, I'D LIKE TO TURN THINGS OVER TO MR. MARK RANDAL WHO'S WITH THE COMPANY THAT IS RUNNING THE CAROLINA FARM SHOW – AND MORE LIKE IT AROUND DIFFERENT REGIONS OF THE COUNTRY – AND LET HIM TELL THE COMMITTEE AND YOU MORE ABOUT IT.

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. 1ST

H. B. No. 819 DATE 5/18/99

S. B. No. _____ Amendment No. _____
(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.)
) _____
Sen.)

1 moves to amend the bill on page 3, line 19

2 ( ) WHICH CHANGES THE TITLE

3 by deleting the term "January 1, 1999"

4 _____

5 and substituting the term "October 1, 1999".

6 _____

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

13 _____

14 _____

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

file

HB 819:
Spay/Neuter Program

BILL ANALYSIS

Committee:	House Agriculture	**Introduced by:**	Rep. Hensley
Date:	May 18, 1999	**Summary by:**	Barbara Riley
Version:	1st Edition		Committee Counsel

SUMMARY:

House Bill 819 encourages the spay/neutering of pets by creating a spay/neuter program funded through a fee imposed on rabies vaccines, establishing a Statewide education program, and providing incentives for local governments to levy a differential tax on pets that are not spayed/neutered.

BILL ANALYSIS:

House Bill 819 creates a nonreverting account in the Animal Welfare Section of the North Carolina Department of Agriculture and Consumer Services to be funded with a 50 cent fee levied on rabies vaccinations for cats and dogs. 20% of the money is to be used by the Department of Agriculture to establish a Statewide education program on the benefits of spaying and neutering cats and dogs. The balance of the funds is to be distributed to eligible cities and counties for programs to lower the cost of spaying and neutering dogs and cats.

To be eligible to receive money from the Spay/Neuter Fund, a county or city must levy an animal tax on all dogs and cats and that tax must be three times higher for intact pets than for those that have been spayed or neutered. In addition, the local government unit must offer a year round program for reducing the costs of spay/neuter procedures. Cities and counties must apply for the funds by April 1 of each year. Each city or county will receive funding based on the number of dogs and cats in that local government unit that have received rabies vaccines during the preceding year to the total number of dog and cat rabies vaccines administered during the year.

The rabies vaccine fees are to be collected by the licensed veterinarian or rabies vaccinator administering the rabies vaccine. They are to be submitted to the Department within 30 days after the end of each calendar quarter. The fee does not apply to vaccines administered at countywide rabies vaccine clinics where the fee for the vaccine is established by the county board of commissioners.

file

1999 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES

The following report(s) from standing committee(s) is/are presented:
By Representative(s) **Hill** for the Committee on **AGRICULTURE**.

☐ Committee Substitute for
H.B. 819 A BILL TO BE ENTITLED AN ACT TO CREATE A STATE SPAY/NEUTER FUND, TO IMPOSE A FEE OF FIFTY CENTS ON RABIES VACCINATIONS TO RAISE MONEY FOR THE SPAY/NEUTER FUND, TO ESTABLISH A STATEWIDE EDUCATIONAL PROGRAM ON THE BENEFITS OF SPAYING AND NEUTERING PETS, AND TO PROVIDE AN INCENTIVE TO COUNTIES AND CITIES TO LEVY A DIFFERENTIAL TAX ON DOGS AND CATS THAT ARE NOT SPAYED OR NEUTERED.

☐ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report as to committee substitute bill (#), ☐ which changes the title, unfavorable as to (original bill) (Committee Substitute Bill #), (and recommendation that the committee substitute bill #) be re-referred to the Committee on .)

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☑ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

2/24/99

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, June 1, 1999

10:00 a.m., Room 1425

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCTION OF PAGES

BILLS TO BE DISCUSSED:

HB 1010, Cotton Gins, Warehouses, Merchants – Rep. Hill

Guest Speaker:

Tom W. Wllis, III, Director, Aquaculture & Natural Resources
Ross Williams, Assistant Director of Marketing, Horticulture

ADJOURNMENT: Chairman Hill

HOUSE AGRICULTURE COMMITTEE
Minutes: June 1, 1999

The committee met in Room 1425 at 10:00 a.m. Please refer to attendance sheet for member attendance.

Chairman Hill called the meeting to order and stated that the committee had a proposed committee substitute for HB 1010, Cotton Gins, Warehouses, Merchants. The chairman recognized Rep. Eddins who made the motion for the committee to accept the committee substitute for purposes of discussion, and the motion carried. Chairman Hill called upon Committee Counsel, Barbara Riley, to come forward and explain the bill. (See attached copy of bill explanation).

Chairman Hill recognized Mr. Marshall Grant to come forward and speak on the bill. Mr. Grant stated that there have been tremendous changes in the cotton industry. He further stated his concerns with regard to lack of regulation in the industry. This bill will help alleviate wrongdoings the industry has been experiencing at the Gin all the way from the grower, and he is not aware of any opposition.

Mr. John Cooper, President, Carolina Cotton Growers Cooperative was recognized by Chairman Hill to come forward. He stated that he knew of no opposition to the bill, and expressed his concerns regarding selling of cotton without written consent of the producer. The chairman opened the floor for questions. There was some interest expressed as to why they needed to be bonded, and Mr. Cooper stated that approximately 80% of the business is done by word, and they felt this was not the best way to do business. He further stated that no merchant was opposed to the bill.

Rep. Nye was recognized for the motion to give the committee substitute a favorable report, unfavorable to original bill - rereferred to Finance. The motion carried.

Chairman Hill called upon Mr. Tom W. Willis, III, Director, Aquaculture & Natural Resources to come forward and give his presentation. Mr. Willis stated that the future for Aquaculture is bright and growing. (Please see attached sheet giving detailed figures for many facets of the industry.

Chairman Hill recognized Mr. Ross Williams, Assistant Director of Marketing, Horticulture, to come forward and give his presentation. Mr. Willliams stated that horticulture crops in North Carolina are a $1.4 billion farm industry. He further stated that $900 million in farm income comes from the nurseries. He spoke about alternative crops and specialty or "niche" markets. He asked the members to look at the two booklets – Pick-Your-Own Strawberry Directory for 1999-2000, and the North Carolina

Fruit & Vegetable Directory (attached). He referred to the Flavors of Carolina Program an excellent opportunity to meet buyers from grocery stores. He further stated that his department works with growers to help market their crops. They take buyers on tours of the farms to meet the growers personally. The Goodness Grows in North Carolina Program is a tremendous help in marketing. He further stated that they encourage people to use the Internet to access more complete information. Mr. Williams stated in his concluding remarks that the best thing they do is to try to expand their programs to create a demand for all North Carolina products.

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann, Committee Assistant

Rep. Dewey L. Hill, Chairman

file

HB 1010:
Cotton Gins, Warehouses, Merchants

BILL ANALYSIS

Committee:	Agriculture	**Introduced by:**	Representative Hill
Date:	June 1, 1999	**Summary by:**	Barbara Riley
Version:	2nd Edition		Committee Counsel

SUMMARY: House Bill 1010 requires the registration of all cotton gins, warehouses, merchants in the State. Registration fees are set at $25 per year. The bill also requires cotton warehouses to submit with their application for registration a bond in the amount of $300,000, if the warehouse is not bonded and licensed under the U.S. Warehouse Act.

Cotton gins, cotton warehouses, cotton merchants, and cotton marketing cooperatives are required to keep records of producer owned cotton transactions for 7 years. Gins are required, within 48 hours of ginning to provide the grower with a written document showing the bale number and weight for each bale of cotton ginned. Gins, warehouses,merchants, and marketing co-ops may not obligate or dispose of agrower's cotton without written consent from the grower. Finally, these entities are required to assist the agents of the NCDA in weighing or reweighing cotton bale samples stored on their premises.

Engaging in business as a cotton gin, warehouse, or merchant without registration is a class 2 misdemeanor. The Commissioner may also seek injunctive relief from the court to prevent violation of the act.

The act becomes effective January 1, 2000.

Mr Tom Willis III, D.C.
Aquaculture + Natural Resources

Aquaculture in North Carolina

Economics, 1998 Farm Gate Estimate

Rainbow trout	$6.8 million	4.5 million pounds	58 Growers
Catfish	$2.6 million	3.2 million pounds	34 Growers
Hybrid Striped Bass	$3.2 million	1.3 million pounds	23 Growers
Goldfish and Koi	$1 + million		4 Growers
Crawfish	$50,000	20,000 pounds	6 Growers
Shellfish (clams and oysters)	$750,000	2,170 acres	279 Leases
Soft-shell Crabs	$2.8 million	713,898 pounds	742 Producers
Bait fish, eels, plants and others	$1+million		

NC Aquaculture Development Act

Aquaculture is Agriculture
Aquaculture Advisory Board – meets when problems arise
Separates privately owned farm raised aquatic life from public wild fishery resources
Licenses – Propagation, Fee Fishing and Holding tank – registration – 250+
Species allowed to be farm raised – listed in statute
Exotic and species of special concern need written permission from Wildlife Resources
Special considerations for American Alligators
- One farm – 2000 alligators – Richmond County
- CITES plan approved and tags issued for harvest

Assistance to Aquaculture - NC Department of Agriculture and Consumer Services

Information - www.agr.state.nc.us/aquacult
Business Planning
Regulatory Assistance
Marketing – domestic and international
HACCP – Inspections for food safety
Veterinary – 8 regional diagnostic labs with trained Veterinarians
Research Stations

Educational Opportunities and Assistance

UNC Sea Grant – research and technical assistance – marine and estuarine species
NCSU – Research and Extension
- Aquaculture Specialists
- Area Specialized Agents

Western Carolina – Center for Mountain Living
UNC- Wilmington – Marine Aquaculture
East Carolina – Hybrid Striped Bass Nutrition
Brunswick Community College – two-year degree and non-degree programs

Future areas of opportunity and diversification

Yellow Perch – two fingerling producers, two food fish producers
Southern Flounder – one farm is currently in production
Water Reuse Systems – Production in a controlled environment – 4 under construction

VISITOR REGISTRATION SHEET

AGRICULTURE — Name of Committee

June 1, 1999 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jim Speed	Bone & Associates
Natalie English	NC Agribusiness Council
Terry Harlow	NC Pork Council
David Meredith	NC State Grange
John L. Cooper	Carolina Cotton Growers Cooperative
Marcia Ware	NCDA&CS
Tom Ellis	NCDA&CS
John Crawford	N.C. State Grange
Bonnie Hollomon	N.C. Cotton Promotion Assoc.
Ross Williams	NCDA&CS
Steve Woodson	NC Farm Bureau Federation
Fred Fry	N.C. Farm Bureau
Walter Denny	NCDA&CS
David McLeod	NCDA&CS

file

1999 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES

The following report(s) from standing committee(s) is/are presented:
By Representative(s) **Hill** for the Committee on **AGRICULTURE**.

☐ Committee Substitute for
H.B. 1010 A BILL TO BE ENTITLED AN ACT TO REGULATE COTTON GINS, COTTON WAREHOUSES, AND COTTON MERCHANTS.

☐ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☑ With a favorable report as to committee substitute bill ~~(#)~~, ☐ ~~which changes the title,~~ unfavorable as to ~~(original bill)~~ (~~Committee Substitute Bill # ~~), ~~(~~and recommendation that the committee substitute bill # ~~)~~ be re-referred to the Committee on FINANCE.

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

2/24/99

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, June 1, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
HB1010, Cotton Gins, Warehouses, Merchants - Rep. Hill

Tom W. Ellis, III, Director, Aquaculture & Natural Resources
Ross Williams, Assistant Director of Marketing, Horticulture

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **10:30** on **Thursday, May 27, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, June 29, 1999

10:00 a.m., Room 1425

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCTION OF PAGES

BILLS TO BE DISCUSSED:

HB 1132 Preserve Farmlands/Promote Small Farms – Rep. Insko
HB 1233 Structural Pest Control Amendments – Rep. Hill

ADJOURNMENT: Chairman Hill

HOUSE AGRICULTURE COMMITTEE
Minutes: June 29, 1999

The committee met in Room 1425 at 10:00 a.m. All members were in attendance with the exception of Rep. Warwick; Rep. Wood; Rep. Allred and Rep. Fitch.

Chairman Hill was called away for a few moments, and Rep. Brown called the meeting to order. Rep. Brown recognized the pages, and continued to chair the meeting as the first bill on the agenda was sponsored by Chairman Hill. HB 1233 Structural Pest Control Amendments. Rep. Buchanan was recognized for the motion to adopt the proposed committee substitute for the purposes of discussion and the motion carried. Committee Counsel, Barbara Riley stated that the bill makes several changes to the Structural Pest Control Statutes, including a clarification of the responsibilities of the Department of Agriculture and the Structural Pest Control Committee, the allowance of branch offices, and the increase of annual licensing fees. She further stated that the bill concerns household pests and the issuance or denial of licenses – it clarifies the rules. (Please see attached explanation of the PCS).

Rep. Kiser was recognized for a question of who asked for the bill, and how the industry feels about it. David McLeod, Director of Legal Affairs for the department stated that the department had requested it and suggested some of the changes. Mr. Chuck Hazlewood, President of the North Carolina Pest Control Association made several comments concerning the fact that his association had been working on changes with the rules and regulations. He stated that the big problem was with licensing – people actually rent licenses. He stated that his association was trying to close that loophole. Rep. Gene Wilson stated his concerns for the small businessmen, and Mr. Hazlewood stated that there would be no benefit to either large or small businesses. Rep. Cole had a question regarding liability insurance and was advised that the amount would be $300,000.

Rep. Cole was recognized for the motion to give the original bill an unfavorable report and the committee substitute a favorable report - the motion carried. Chairman Hill asked the members if there was any one present who were opposed to the bill and there were none.
Rep. Cole's motion carried.

Chairman Hill recognized Rep. Insko to come forward and support HB1132, Preserve Farmland/Promote Small Farms. Re. Insko stated that she had a proposed committee substitute for the committee's consideration today, and Chairman Hill recognized Rep. Buchanan for the motion to adopt the pcs for discussion purposes. After some opening remarks on the bill, Chairman Hill recognized Mr. Charles Rowe, Director

of the Conservation Trust for North Carolina to come forward. He stated that the Agriculture Department contacted him to help administer the bill. He further stated that they are neutral – but he did express his concerns that the 50% match was not good for the poorer counties. He also stated that private-non-profits could receive money from the trust fund. Both can now get money, and the counties must match the amount received. He stated that federal money is available for the trust fund as well.

Chairman Hill recognized David S. McLeod, Director of Legal Affairs for the Department of Agriculture who stated that he felt this was a good program. Chairman Hill then recognized Rep. Mitchell who made a motion to give the original bill an unfavorable report and favorable to the committee substitute. A discussion continued concerning the matching funds, the sale of property rights and the transfer of property rights. Chairman Hill recognized Mr. Jim Blackburn with the County Commissioners Association who expressed his concerns with the match.

Chairman Hill stated that we have run out of time, and not action was taken on the bill.
With no further business on the agenda, the meeting was adjourned.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill
Chairman

file

REVISED NOTICE 6/24/99 - HB 1233 ADDED

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, June 29, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
HB 1132 Preserve Farmlands/Promote Small Farms - Rep. Insko
HB 1233 Structural Pest Control Amendments - Rep. Hill

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **1:00** on **Thursday, June 24, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, June 29, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
HB 1132 Preserve Farmlands/Promote Small Farms - Rep. Insko

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **11:00** on **Thursday, June 24, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

HOUSE BILL 1132:
Preserve Farmland/Promote Small Farms

BILL ANALYSIS

Committee:	House Agriculture Committee	**Introduced by:**	Rep. Insko
Date:	April 27, 1999	**Summary by:**	Barbara Riley
Version:	Proposed Committee Substitute		Committee Counsel

SUMMARY: House Bill 1132 amends Article 67 of Chapter 105 of the General Statutes, known as the Farmland Preservation Enabling Act.

CURRENT LAW: The Farmland Preservation Enabling Act was 1st enacted in 1986 to authorizse counties to undertake farmland preservation programs. The act establishes qualifications for land to be participate in the program and allows counties to adopt ordinances establishing voluntary agricultural districts. It also authorizes ordinances holding water and sewer assessments in abeyance, providing public hearings on the condemnation of qualifying agricultural land and providing notice in for title searchers in a county's land records that a tract is located within ½ mile of a poulry, swine, or dairy qualifying farm, within 600' of any qualifying farm, or within ½ mile of an agricultural district.

The Farmland Preservation Enabling Act also authorizes counties to purchase agricultural conservation easements over qualifying farmland and establishes a trust fund, administered by the Commissioner of Agriculture, to assist in the purchase of such easements.

BILL ANALYSIS: The proposed committee substitute for House Bill 1132 requires counties to provide matching funds in order to receive funds from the North Carolina Farmland Preservation Trust Fund. The county matching requirments are:

1. 30% if the county has not undertaken either long term agricultural zoning or prepared a farmland protection plan.

2. 20% if the county has either prepared a countywide farmland protection plan or zoned areas of the county for long term agricultural use.

3. 10% if the county has prepared a countywide farmland protection plan and zoned areas of the county for long term agricultural use.

A Farmland Protection Plan is defined as a plan that contains:

1. A list and description of existing county agricultural activity.

2. A list of continuing challenges to family farming in the county.

3. A list of opportunities for maintaining or enhancing small family-owned farms and the local agricultural economy.

4. A description of county plans to maintain a viable agricultural community including use of farmland protection tools, agricultural economic development,

infrastructure financing, linkage with young farmers, and voluntary agricultural districts.

5. A schedule for implementing the plan and identification of possible funding sources for the long term support of the plan.

Finally, House Bill 1132 amends the definition of subdivision, under G.S. 153A-335, to regulate the division of land into parcels of less than 50 acres. The current definition exempts land divided into parcels of 10 acres or more.

Sections 1 and 2 of the act become effective July 1, 1999. The remainder of the act is effective when it becomes law.

JOHNIE C. GARRASON

Professional Land Surveyor No. L-1347

810 Bluebird Lane

Wilmington, North Carolina 28409-5603

Fax No. (910) 392-7127
Mobile No. (910) 520-7080
e-mail address: ggarrason@aol.com

Tel. (910) 791-1657
Home (910) 791-6797

May 3, 1999

TO: Representatives and Senators, Members of the North Carolina General Assembly

RE: House Bill 1132, Senate Bill 930

Dear Members:

On Saturday the 1st of May, 1999, I was provided with a copy of the above referenced Bill.

As the owner of what qualified as a Century Farm some years ago, I have no problems with the G.S. 106-737 portion of the Bill.

As a Professional Land Surveyor, owner of the above mentioned farm, as a parent, and as the representative of all my surveying clients who are your constituents and the taxpayers of North Carolina, I have serious problems with the attached portion of the Bill (the revision of G.S. 153-335 Subdivision defined).

To recap the existing law, one of the exceptions to the definition of subdivision, excepts divisions of lands into parcels greater than 10 acres when no street dedication is involved. That, in effect, allows the landowner to divide property that exceeds 20 acres into 2 parcels, 30 acres into 3 parcels, etc.

If a landowner owns a parcel on a state road or other dedicated street that is exactly 20 acres or less, he or she cannot divide for sale or to give to his or her children without following all of the requirements of the county in its subdivision ordinance. In some cases, the costs may possibly approach the value of the parcel being given away.

The proposed change under consideration in the Bill would increase the size of the exception from greater than 10 acre parcels to greater than 50 acre parcels. That, in effect, would not allow the landowner to divide a parcel that is not greater than 100 acres into two parcels because he could not get two parcels greater than 50 acres without having to contend with the subdivision ordinance, topographic survey, stormwater plans, erosion control plans and all other requirements of the ordinance.

As an example, a parent with 99.99 acres could not get two parcels greater than 50 acres to give to a child without having to pay me as a surveyor, pay my engineer who does my stormwater plans, erosion control plans, and flood studies, if applicable, to be able to conform with the subdivision regulations under the proposed changes. Many of you are probably able to put yourselves or someone you know in one of the situations I have given.

As a Professional Land Surveyor, I should sit back and be quiet because this proposed change is a money maker for the surveyors and engineers, but that is not the way our profession works. We want to be fair with our clients, your constituents.

I do not know where the proposed change came from but many think that it came from persons who want total control over all aspects of our clients, your constituents, property.

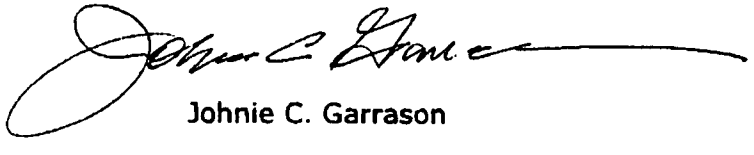
Some people may try to tell you that family divisions are exempt, but there are only 2 occasions when this is so. One occasion is when a county has had a local Bill passed in the legislature to accomplish this and the other being in accordance with the North Carolina Court of Appeals decision in Williamson vs. Avant 21 NC App. 211. This decision is relative to heirs. As long as my client is alive he or she has no heirs and that occasion does not apply.

Several counties have already decided that the 10 acre size was too large and have, on their own, reduced it to 5 acres. This is probably illegal if they did not have a local Bill in the legislature.

If you want to make changes, why not reduce it to 5 acres as those counties have already wisely decided to do and that will codify their previous decisions.

I am available for consultation at your request by contacting me at one of the above numbers.

Respectfully,



Johnie C. Garrason

JCG:g

VISITOR REGISTRATION SHEET

AGRICULTURE	Tuesday, June 29, 1999
Name of Committee	Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Johnie C Garrason	N.C. Society of Surveyors
MARK SEFFELS	N.C. SOCIETY OF SURVEYORS
Steve Taylor	Capitol Pest Services - Raleigh
Mark Harrison	Whitco Pest Control
David Nimocks	Terminix
DON HAMBY	NC Pest Control Assoc
Chuck Hazelwood	NC Pest Control Association
Steve Woodson	NC Farm Bureau
Jim Speed	Louisburg
[illegible]	NCMBA
Charles Roe	Conservation Trust
Nat Mund	CCNP
David Knight	NC Wildlife Fed, NC Sierra Club
Jon Black	NC Pest Control Assoc.
Natalie English	NC Agribusiness Council
Kim Hibbard	NCLM
Jim Blackburn	County Commissioners
John Cyrus	N.C. State Grange
Sara Robertson	P.O. Box 850 Knightdale NC 27545
[illegible]	Bone & Associates
Weldon [illegible] Denny	NCDA&CS
David McLeod	NCDA&CS
Molly Diggins	Sierra Club
Carlisle Delaynne	Co-op Council
Barbara [illegible]	Sierra Club
Mary [illegible]	Sierra Club.
Lu-Ann Coe	F3
[illegible]	NCFB
	NC Equity

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BILL ANALYSIS

HB 1233:
Structural Pest Control Act Amendments

Committee:	House Agriculture	**Introduced by:**	Representative Hill
Date:	June 28, 1999	**Summary by:**	Barbara Riley
Version:	PCS		Committee Counsel

SUMMARY:

House Bill 1233 makes several changes to the Structural Pest Control Statutes, including a clarification of the responsibilities of the Department of Agriculture and the Structural Pest Control Committee,the allowance of branch offices, and the increase of annual licensing fees.

BACKGROUND:

Structural pest control is the control of household pests and wood destroying insects, including inspection, identification, and the use of pesticides and other substances to eradicate or control pests in household structures, commercial buildings and other structures and outside areas. G.S. 105-65.24(23). The structural pest control industry is regulated under the Structural Pest Control Act, Article 4C of Chapter 106 of the General Statutes. The act is administered by Structural Pest Control Division (the Division) of the North Carolina Department of Agriculture and Consumer Services. Currently, the Director of the Division is appointed by the Commissioner of Agriculture, who also sets out the Director's duties and authority. The Act also provides for the appointment of a Structural Pest Control Committee (SPCC) that is charged with making the final agency decisions on licensing matters and authorized to make rules on training and education requirments, examination scores, methods and materials to be used in pest control work, safety, credentials and other matters. The membership of the SPCC includes one member appointed by the Commissioner who is not in the structural pest business, one member appointed by the Commissioner who is an employee of NCDA, one member appointed by the Dean of the College of Ag at NCSU who is on the entomology faculty, one member appointed by the Secretary of Health and Human Services who is an epidemiolgist, two members appointed by the Governor who are actively engaged in the structural pest control business, and two members appointed by the General Assembly.

BILL ANALYSIS:

The first portion of House Bill 1233 rewrites the provisions of G.S. 106-65.23 clarifying the powers and duties of the Commissioner and those of the SPCC with respect to the administration of the structural pest control law. The bill provides that Commissioner shall have the power to:

Administer and enforce the provisions of the Act and the rules adopted thereunder.

Assign administrative and enforcement duties.

Direct the work of the Division's employees and personnel assigned to the SPCC.

Develop proposed rules and programsfor consideration for adoption by the SPCC.

Monitor and evaluate existing programs and report on these to the SPCC.

Attend and keep records of the meetings of the SPCC.

Perform othere duties assigned by the SPCC.

The SPCC is given the authority to:

Adopt rules and make policies as provided for in the Article.

Issue, deny, suspend, revoke, modify or restrict licenses.

Report annually to the Board of Agriculture.

In addition, the amendments to Article 4C allow the SPCC a larger role in the selection and oversight of the Director of the Division. Currently appointed by the Commissioner, the bill provides that the Director shall be chosen from a list of nominees provided by the SPCC. The Director's duties are to be set by the Commissioner in consultation with the SPCC and the Director is to be answerable to both the Commissioner and the SPCC for the operation of the Division.

Section 2 of the bill rewrites definitions. The term "call office" is deleted and replaced with the term "branch office". A branch office is any office under the management of a licensee that is not a home office. The term "home office" is redefined to mean the place of business identified to the Division as the principle place of business. The term "licensee" is redefined to mean a person qualified and holding a license for any phase of structural pest control.

Section 3 of the bill makes two substantial changes to G.S. 106-65.25 regarding prohibited acts.

The first major change provides some flexibility to persons who wish to engage in the structural pest control business. Curently such a person must himself be licensed. The amendment would allow a person to advertise, engage in, or supervise work in any phase of structural pest control, or otherwise act in the capacity of structural pest control licensee if the person either is licensed or employes a licensee as a full time regular employee responsible for each phase of structural pest control.

The second major change would allow a licensee to establish branch offices, the maximum number of which is to be set by the SPCC but in no event fewer than two branch offices in addition to a home office. It is unlawful for a licensee to establish more branch offices than allowed by rule, to fail to supervise the work performed out of any office under his management, to allow his license to be used by a person or company for which he is not a full-time regular employee, use prohibited materials or devices or use approved pesticides or devices in an unapproved manner, or to use or supervise the use of a restricted use pesticide for which he is not licensed.

Other portions of G.S. 106-65.25 are also rewritten for clarity and moved within the section.

Section 4 of the bill amends G.S. 106-65.26(d) expanding the bases for refusing to allow a license applicant to sit for an examination. As rewritten these will include violations of G.S. 106-65.25(b), regarding the operation and supervision of branch offices, and felonies, in addtion to crimes involving moral turpitude.

Section 5 of the bill amends G.S. 106-65.27(c1) to allow the SPCC to grant an additional 90 days during which a structural pest control business may operate without a licensee assigned to it in the event of the death or disability of the licensee.

Sec tion 6 of the bill ads a new subsection to G.S. 106-65.28 that would curtail the commercial use of any pesticide, material, or device for which the SPCC has requested information from the manufacturer or

registrant but that request has been denied. Such pesticides and other material may only be used by an individual applying the material on his own property.

Section 7 of the bill would allow the SPCC to adopt rules that would require manufacturers and registrants of pesticides and other materials to provide efficacy data and other technical information on such products. Confidential information provided under these rules is not required to be disclosed by the Division or SPCC.

Section 8 of the bill provides the Division with discretion as to the number of inspections it conducts of work done by licensees.

Section 9 of the bill raises the fee for any one phase of structural pest control from $125 to $150 per year. Each additional phase license fee is raised from $50 to $65. The fee for each subphase license is raised from $10 to $15 annually.

Section 10 of the bill amends G.S. 106-65.33, Violation of Article, to provide that the SPCC and the Commissioner are not required under the provisions of Article 4C to initiate criminal or administrative proceedings for minor violations of the article if the SPCC or Commissioner determins that the public interest would be adequately served by written warning.

Section 11 of the bill amends the civil penalties portion of Article 4C to authorize the SPCC to impose a civil penalty for violations of G.S. 106-65.28(a)(14) and (15). Subsection (14) prohibits applying a substance that contains the active ingredients of a registered pesticide but is not a registered pesticide. Subsection (15) prohibits combining a substance whose application is prohibited pursuant to Subsection (14) with any other substance to apply as a pesticide or for any other reason. The amendment also provides that a civil penalty may be levied against any person who violates the provisions of Article 4C or the rules adopted thereunder by the SPCC.

The act becomes effective October 1, 1999.

1999 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES

The following report(s) from standing committee(s) is/are presented:
By Representative(s) **Hill** for the Committee on **AGRICULTURE**.

☐ Committee Substitute for
H.B. 1233 A BILL TO BE ENTITLED AN ACT TO AMEND THE STRUCTURAL PEST CONTROL LAW.

☐ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☑ With a favorable report as to committee substitute bill ~~(#), ☐ which changes the title;~~ unfavorable as to (original bill) (~~Committee Substitute Bill # ~~), (and recommendation that the committee substitute bill #) be re-referred to the Committee on FINANCE.

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

2/24/99

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H 2

HOUSE BILL 1233
Committee Substitute Favorable 6/29/99

Short Title: Structural Pest Control Amendments. (Public)

Sponsors:

Referred to:

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO AMEND THE STRUCTURAL PEST CONTROL ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-65.23 reads as rewritten:

"**§ 106-65.23. Structural Pest Control Division of Department of Agriculture and Consumer Services recreated; Director; powers and duties of Commissioner; Structural Pest Control Committee created; appointment; terms; powers and duties; quorum.**

(a) There is recreated, within the North Carolina Department of Agriculture and Consumer Services, a Division to be known as the Structural Pest Control Division. The Commissioner of Agriculture may appoint a Director of the ~~Division~~ Division, chosen from a list of nominees submitted to him by the Structural Pest Control Committee created in this section, whose duties and authority shall be determined by the ~~Commissioner.~~ Commissioner in consultation with the Committee. The Director shall be responsible for and answerable to the Commissioner of Agriculture and the Structural Pest Control Committee as to the operation and conduct of the Structural Pest Control Division. The Director shall act as secretary to the Structural Pest Control ~~Committee created in this section.~~ Committee.

(b) The Commissioner shall have the following powers and duties under this Article:

(1) To administer and enforce the provisions of this Article and the rules adopted thereunder by the Structural Pest Control Committee. In order to carry out these powers and duties, the Commissioner may delegate to the Director of the Structural Pest

Control Division the powers and duties assigned to him under this Article.

(2) To assign the administrative and enforcement duties assigned to him in this Article.

(3) To direct, in consultation with the Structural Pest Control Committee, the work of the personnel employed by the Structural Pest Control Committee and the work of the personnel of the Department assigned to perform the administrative and enforcement functions of this Article.

(4) To develop, for the Structural Pest Control Committee's consideration for adoption, proposed rules, policies, new programs, and revisions of existing programs under this Article.

(5) To monitor existing enforcement programs and to provide evaluations of these programs to the Structural Pest Control Committee.

(6) To attend all meetings of the Structural Pest Control Committee, but without the power to vote unless the Commissioner attends as the designee on the Committee from the Department of Agriculture and Consumer Services.

(7) To keep an accurate and complete record of all meetings of the Structural Pest Control Committee and to have legal custody of all books, papers, documents, and other records of the Committee.

(8) To perform such other duties as may be assigned to him by the Structural Pest Control Committee.

(c) There is hereby created a Structural Pest Control Committee to be composed of the following members. The Commissioner shall appoint one member of the Committee who is not in the structural pest control business for a four-year term. The Commissioner of Agriculture shall designate an employee of the Department of Agriculture and Consumer Services to serve on the Committee at the pleasure of the Commissioner. The dean of the School of Agriculture of North Carolina State University at Raleigh shall appoint one member of the Committee who shall serve for one term of two years and who shall be a member of the entomology faculty of the University. The vacancy occurring on the Committee by the expired term of the member from the entomology faculty of the University shall be filled by the dean of the School of Agriculture of North Carolina State University at Raleigh who shall designate any person of the dean's choice from the entomology faculty of the University to serve on the Committee at the pleasure of the dean. The Secretary of Health and Human Services shall appoint one member of the Committee who shall be an epidemologist and who shall serve at the pleasure of the Secretary. The Governor shall appoint two members of the Committee who are actively engaged in the pest control industry, who are licensed in at least two phases of structural pest control as provided under G.S. 106-65.25(a), and who are residents of the State of North Carolina but not affiliates of the same company.

One member of the Committee shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, and one member of the Committee shall be appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121. Vacancies in such appointments shall be filled in accordance with G.S. 120-122.

The initial Committee members from the pest control industry shall be appointed as follows: one for a two-year term and one for a three-year term. The Governor shall appoint one member of the Committee who is a public member and who is unaffiliated with the structural pest control industry, the pesticide industry, the Department of Agriculture and Consumer Services, the Department of Health and Human Services and the School of Agriculture at North Carolina State University at Raleigh. The initial public member shall be appointed for a term of two years, commencing July 1, 1991. After the initial appointments by the Governor, all ensuing appointments by the Governor shall be for terms of four years. Appointments made by the General Assembly shall be for terms of two years. Any vacancy occurring on the Committee by reason of death, resignation, or otherwise shall be filled by the Governor or the Commissioner of Agriculture, as the case may be, for the unexpired term of the member whose seat is vacant.

(d) The Structural Pest Control Committee shall have the following powers and duties:

(1) To adopt rules and make policies as provided in this Article.

(2) To issue, deny, suspend, revoke, modify, or restrict licenses, certified applicator cards, and registered technician cards under the provisions of this Article. In all matters affecting licensure, the decision of the Committee shall constitute the final agency decision.

~~make final decisions under this Article concerning licenses, certified applicator cards, and identification cards. The Committee shall~~

(3) To report annually to the Board of Agriculture the action taken in the Committee's final decisions and the financial status of the Structural Pest Control Division.

~~The Director shall be responsible for and answerable to the Commissioner of Agriculture as to the operation and conduct of the Structural Pest Control Division.~~

(e) Each member of the Committee who is not an employee of the State shall receive as compensation for services per diem and necessary travel expenses and registration fees in accordance with the provisions as outlined for members of occupational licensing boards and currently provided for in G.S. 93B-5. Such per diem and necessary travel expenses and registration fees shall apply to the same effect that G.S. 93B-5 might hereafter be amended.

Five members of the Committee shall constitute a quorum but no action at any meeting of the Committee shall be taken without four votes in accord. The chairman shall be entitled to vote at all times.

The Committee shall meet at such times and such places in North Carolina as the chairman shall direct; provided, however, that four members of the Committee may call a special meeting of the Committee on five days' notice to the other members thereof.

Except as otherwise provided herein, all members of the Committee shall be appointed or designated, as the case may be, prior to and shall commence their respective terms on July 1, 1967.

At the first meeting of the Committee they shall elect a chairman who shall serve as such at the pleasure of the Committee.

Section 2. G.S. 106-65.24 reads as rewritten:

"**§ 106-65.24. Definitions.**

~~For the purposes of this Article, the following terms, when used in the Article or the rules and regulations, or orders made pursuant thereto, shall be construed respectively to mean:~~ As used in this Article:

(1) 'Animal' means all vertebrate and invertebrate species, including but not limited to man and other mammals, birds, fish, and shellfish.

(1a) 'Applicant for a certified applicator's identification card' means any person making application to use restricted use pesticides in any phase of structural pest control.

(2) 'Applicant for a license' means any person in charge of any individual, firm, partnership, corporation, association, or any other organization or any combination thereof, making application for a license to engage in structural pest control, control of structural pests or household pests, or fumigation operations, or any person qualified under the terms of this Article.

(3) 'Attractants' means substances, under whatever name known, which may be toxic to insects and other pests but are used primarily to induce insects and other pests to eat poisoned baits or to enter traps.

(3a) Repealed by Session Laws 1989, c. 725.

(3b) 'Branch Office' means any office under the management of a licensee that is not a home office. ~~'Call office' means any office or telephone answering service other than a licensee's home office which is used by a licensee to conduct structural pest control work and which employs no more than one individual engaged in structural pest control work.~~

(4) 'Certified applicator' means any individual who is certified under G.S. 106-65.25 as authorized to use or supervise the use of any pesticide which is classified for restricted use.

(5) 'Commissioner' means the Commissioner of Agriculture of the State of North Carolina.

(6) 'Committee' means the Structural Pest Control Committee.

(6a) 'Deviation' means failure of the licensee or certified applicator or registered technician card holder to follow any rule adopted by the Committee under provisions of this Article.

(7) 'Device' means any instrument or contrivance (other than a firearm) which is intended for trapping, destroying, repelling, or mitigating any pest or any other form of plant or animal life (other than man and other than bacteria, virus, or other microorganism on or in living man or other living animals); but not including equipment used for the application of pesticides when sold separately therefrom.

(8) Repealed by Session Laws 1975, c. 570, s. 4.

(8a) 'Director' means the Director of the Structural Pest Control Division of the Department of Agriculture and Consumer Services.

(9) 'Employee' means any person employed by a licensee with the exceptions of clerical, janitorial, or office maintenance employees, or those employees performing work completely disassociated with the control of insect pests, rodents or the control of wood-destroying organisms.

(9a) 'Enforcement agency' means the Structural Pest Control Division of the Department of Agriculture and Consumer Services.

(10) 'Fumigants' means any substance which by itself or in combination with any other substance emits or liberates a gas or gases, fumes or vapors and which gas or gases, fumes or vapors when liberated and when used will destroy vermin, rodents, insects, and other pests; but may be lethal, poisonous, noxious, or dangerous to human life.

(11) 'Fungi' means wood-decaying fungi.

(11a) 'Home office' means the ~~licensee's principal place of business.~~ office identified to the enforcement agency by a licensee as his or her principal place of business.

(12) 'Insect' means any of the numerous small invertebrate animals generally having the body more or less obviously segmented, for the most part belonging to the class Insects, comprising six-legged, usually winged forms, as for example, beetles, bugs, bees, flies, and to other allied classes of arthropods whose members are wingless and usually have more than six legs, as for example, spiders, mites, ticks, centipedes, and sowbugs.

(13) 'Insecticides' means substances, not fumigants, under whatever name known, used for the destruction or control of insects and similar pests.

(14) 'Label' means the written, printed, or graphic matter on, or attached to, the pesticide or device or any of its containers or wrappers.

(14a) The term 'labeling' means all labels and other written, printed, or graphic matter:

a. Upon the pesticide (or device) or any of its containers or wrappers;
b. Accompanying the pesticide (or device) at any time;
c. To which reference is made on the label or in literature accompanying the pesticide (or device) except when accurate nonmisleading reference is made to current official publications of the United States Department of Agriculture or Interior, the United States Public Health Service, state experiment stations, state agricultural colleges, or other similar federal institutions or official agencies of this State or other states authorized by the law to conduct research in the field of pesticides.

(15) 'Licensee' means ~~the designated person in charge of the business establishment or business entity, whether it be individual, firm, partnership, corporation, association or any organization, or any combination thereof, engaged in pest control work covered under the provisions of this Article. Each branch office of a business establishment is to be in charge of a person who has a license herein provided for.~~ any person qualified for and holding a license for any phase of structural pest control pursuant to this Article.

(16) 'Person' means any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.

(17) 'Pest' means any living organism, including but not limited to, insects, rodents, birds, and fungi, which the Commissioner declares to be a pest.

(18) 'Pesticide' means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.

(19) 'Registered pesticide' means a pesticide which has been registered by federal and/or State agency responsible for registering pesticides.

(19a) 'Registered technician' means any individual who is required to be registered with the Structural Pest Control Division under G.S. 106-65.31.

(20) 'Repellents' means substances, not fumigants, under whatever name known, which may be toxic to insects and related pests, but are generally employed because of capacity for preventing the entrance or attack of pests.

(21) 'Restricted use pesticide' means a pesticide which has been designated as such by the federal and/or State agency responsible for registering pesticides.

(22) 'Rodenticides' means substances, not fumigants, under whatever name known, whether poisonous or otherwise, used for the destruction or control of rodents.

(23) 'Structural pest control' means the control of wood-destroying organisms or household pests (including, but not limited to, animals such as moths, cockroaches, ants, beetles, flies, mosquitoes, ticks, wasps, bees, fleas, mites, silverfish, millipedes, centipedes, sowbugs, crickets, termites, wood borers, etc.), including the identification of infestations or infections, the making of inspections, the use of pesticides, including insecticides, repellents, attractants, rodenticides, fungicides, and fumigants, as well as all other substances, mechanical devices or structural modifications under whatever name known, for the purpose of preventing, controlling and eradicating insects, vermin, rodents and other pests in household structures, commercial buildings, and other structures (including household structures, commercial buildings and other structures in all stages of construction), and outside areas, as well as all phases of fumigation, including treatment of products by vacuum fumigation, and the fumigation of railroad cars, trucks, ships, and airplanes, or any one or any combination thereof.

(24) 'Under the direct supervision of a certified applicator' means, unless otherwise prescribed by its labeling, a pesticide shall be considered to be applied under the direct supervision of a certified applicator if it is applied by a competent person acting under the instructions and control of a certified applicator who is available if and when needed, even though such certified applicator is not physically present at the time and place the pesticide is applied."

Section 3. G.S. 106-65.25 reads as rewritten:

"**§ 106-65.25. Phases of structural pest control; prohibited acts; license required; exceptions.**

(a) The Committee shall classify license phases to be issued under this Article. Separate phases or subphases shall be specified for:

(1) Control of household pests by any method other than fumigation ('P' phase);

(2) Control of wood-destroying organisms by any method other than fumigation ('W' phase); and

(3) Fumigation ('F' phase).

(b) It shall be unlawful for any person ~~to act in the capacity of a structural pest control licensee,~~ to:

(1) ~~advertise~~ Advertise as, offer to engage in, or engage in or supervise work as a manager, owner, or owner-operator in any phase of structural pest control or otherwise act in the capacity of a structural pest control licensee unless ~~he~~ the person is licensed ~~as provided for in~~ pursuant to this ~~Article.~~ Article or has engaged the services of a licensee as a full-time regular employee who is responsible for the structural pest control performed by the

company. A license is required for each phase of structural pest control. ~~No person may hold~~

(2) Hold more than one license for each ~~phase.~~ phase of structural pest control. ~~The licensee shall be responsible for the supervision of the work performed under his license.~~

(3) Use a restricted use pesticide in any phase of structural pest control, whether it be on the person's own property or on the property of another, unless the person:

a. Qualifies as a certified applicator for that phase of structural pest control; or

b. Is under the direct supervision of a certified applicator who possesses a valid certified applicator's identification card for that phase of structural pest control.

(4) Use or supervise the use of restricted use pesticides in demonstrating or supervising a demonstration to the public of the proper use and techniques of the application of pesticides or conducting field research with pesticides unless:

a. The person possesses a valid certified applicator's identification card;

b. The person is conducting laboratory research involving restricted use pesticides; or

c. The person is a doctor of medicine or a doctor of veterinary medicine applying restricted use pesticides as drugs or medication during the course of his or her normal professional practice.

This subdivision applies to all persons, including cooperative extension specialists demonstrating pesticide products, individuals demonstrating methods used in public programs, and local, State, federal, commercial, and other persons conducting field research on or using restricted use pesticides.

(c) ~~A licensee may not establish any office other than his home office from which more than one employee is performing structural pest control work unless a separate licensee is placed in charge of that office.~~ It shall be unlawful for any licensee to do any of the following:

(1) Establish, be in charge of, or manage any branch office in excess of the number of branch offices that may be established, supervised, or managed by a licensee as set forth in rules adopted by the Committee.

(2) Fail to supervise the structural pest control performed out of the licensee's home office or any branch office under the licensee's management.

(3) Allow his or her license to be used by any person or company for which he or she is not a full-time regular employee actively and

personally engaged in the supervision of the structural pest control performed under the license.

(4) Use any pesticide, material, or device prohibited by the Committee or use any approved pesticide, material, or device in a manner prohibited by the Committee.

(5) Use or supervise the use of restricted use pesticides in a phase of structural pest control for which the person is not licensed or qualified as a certified applicator unless the person's use is under the supervision of a licensee or certified applicator certified in that phase of structural pest control.

(c1) The Committee shall adopt rules that permit a licensee to establish branch offices in addition to a home office. In no event shall the rules adopted restrict the number of branch offices a licensee can establish, supervise, or manage to fewer than two branch offices. The rules shall include provisions to ensure that the licensee can adequately supervise all structural pest control performed from the offices and under his or her license.

(d) A license is not required for any person (or ~~his~~ the person's full-time regular employees) doing structural pest control ~~work~~ on ~~his~~ the person's own ~~property: provided, however, that no~~ property. No fee may be charged for structural pest control ~~work~~ performed by any such person.

~~(e) Any person who uses a restricted use pesticide in any phase of structural pest control, whether it be on his own property or on the property of another, must:~~

~~(1) Qualify as a certified applicator for that phase of structural pest control; or~~

~~(2) Be under the direct supervision of a certified applicator possessing a valid identification card for that phase of structural pest control.~~

~~(f) Persons who demonstrate to the public the proper use and techniques of application of pesticides or supervise such demonstration or conduct field research with pesticides, and in doing so, use or supervise the use of restricted use pesticides must possess a valid certified applicator's identification card. Included in the first group are such persons as extension representatives demonstrating pesticide products and those individuals demonstrating methods used on public programs. The second group includes local, State, federal, commercial, and other persons conducting field research on or utilizing restricted use pesticides.~~

~~This subsection does not apply to the following persons:~~

~~(1) Persons conducting laboratory-type research involving restricted use pesticides; or~~

~~(2) Doctors of medicine and doctors of veterinary medicine applying restricted use pesticides as drugs or medication during the course of their normal practice.~~

(g) Any person issued a license for any one or any combination of the phases of structural pest control shall be deemed to be a 'certified applicator' to use or supervise the use of restricted use pesticides so long as the pesticides are being used only in the ~~phase(s)~~ phase of structural pest control for which the person is licensed.

(h) Licenses and certified applicator's identification cards may only be issued to individuals. License certificates and certified applicator's identification cards shall be issued in the name of the individual, shall bear the name and address of ~~his~~ the individual's business or employer's business and shall indicate the phase or phases for which the individual is qualified and such other information as the Committee may specify."

Section 4. G.S. 106-65.26(d) reads as rewritten:

"(d) All applicants for license must have practical experience and knowledge of practical and scientific facts underlying the practice of structural pest control, control of wood-destroying ~~organisms~~ organisms, or fumigation. ~~No person who has within five years of his application been convicted of or has entered a plea of guilty or a plea of nolo contendere to a crime involving moral turpitude, or who has forfeited bond to a charge involving moral turpitude, shall be entitled to take an examination or the issuance of a license under the provisions of this Article.~~ No applicant is entitled to take an examination for the issuance of a license pursuant to this Article who has within five years of the date of application been convicted, entered a plea of guilty or of nolo contendre, or forfeited bond in any State or federal court for a violation of G.S. 106-65.25(b), any felony, or any crime involving moral turpitude."

Section 5. G.S. 106-65.27(c1) reads as rewritten:

"(c1) When there is a transfer of ownership, management, operation of a structural pest control business or in the event of the death or disability of a licensee there shall be not more than a total of 90 days during any 12-month period in which said business shall operate without a licensee assigned to ~~it.~~ it; provided that, in the event of the death or disability of a licensee, the Committee shall have the authority to grant up to an additional 90 days within the 12-month period in which a business may operate without a licensee assigned to it.

The owner, partnership, corporation, or other entity operating said business shall, within 10 days of such transfer or disability or within 30 days of death, designate in writing to the Division a certified applicator who shall be responsible for and in charge of the structural pest control operations of said business during the 90-day period. If the owner, partnership, corporation, or other entity operating the business fails to designate a certified applicator who shall be responsible for the operation of the business during the 90-day period, the business shall cease all structural pest control activities upon expiration of the applicable notification period and shall not resume operations until a certified applicator is so designated.

During the 90-day period the use of any restricted use pesticide shall be by or under the direct supervision of the certified applicator designated in writing to the Division. The designated certified applicator shall be responsible for correcting all deviations on all existing contracts and for all work performed under his supervision.

The new licensee shall be responsible for correcting all deviations on all existing contracts and for all work performed under his supervision."

Section 6. G.S. 106-65.28 is amended by adding a new subsection to read:

"(g) Any pesticide, material, or device for which such information is requested by the Committee pursuant to G.S. 106-65.29(9a) and denied by the registrant or manufacturer shall not be used in any structural pest control performed for compensation and may only be used by an individual performing structural pest control on the individual's own property."

Section 7. G.S. 106-65.29 reads as rewritten:

"**§ 106-65.29. Rules and regulations.**

In order to ensure that persons licensed and certified under this Article are capable of performing a high quality of workmanship, the Committee ~~is hereby authorized and empowered to make~~ may adopt rules ~~and regulations~~ with respect to:

(1) The amount and kind of training required of an applicant for a license and certified applicator's card to engage in any one or more of the three phases of structural pest control, and the amount and kind of training required of an applicant for a registered technician's identification card.

(2) The type, frequency and passing score of any examination given an applicant for a license and certified applicator's card under this Article.

(3) The amount, kind and frequency of continuing education required of a licensee and certified applicator.

(4) The methods and materials to be used in performing any work authorized by the issuance of a license and certified applicator's card under this Article.

(5) The business records to be made and maintained by licensees and certified applicators under this Article necessary for the Committee to determine whether the licensee and certified applicator is performing a high quality of workmanship.

(6) The credentials and identification required of licensees and certified applicators, their employees and equipment, including service vehicles, when engaged in any work defined under this Article.

(7) Safety methods and procedures for structural pest control work.

(8) Fees for reinspection following a finding of a deviation, as defined by the Committee.

(9) Fees for training materials provided by the Committee or the Division. Such fees may be placed in a revolving fund to be used for training and continuing education purposes and shall not revert to the General Fund.

(9a) Efficacy data and other technical information to be submitted by registrants and manufacturers of pesticides and other materials or devices for review and approval, in order for the Committee and the enforcement agency to ensure the efficacy of pesticides and other materials or devices used in structural pest control in this State. This subdivision does not require either the Committee or

the enforcement agency to disclose any information that is confidential information within the meaning of G.S. 132-1.2.

(10) The policies and programs set forth in this Article."

Section 8. G.S. 106-65.30 reads as rewritten:

"**§ 106-65.30. Inspectors; inspections and reports of violations; designation of resident agent.**

(a) For the enforcement of the provisions of this Article the Commissioner is authorized to appoint one or more qualified inspectors and such other employees as are necessary in order to carry out and enforce the provisions of this Article. The inspectors shall be known as "structural pest control inspectors." The Commissioner ~~shall~~ may enforce compliance with the provisions of this Article by making or causing to be made periodical and unannounced inspections of work done by licensees and certified applicators under this Article who engage in or supervise any one or more phases of structural pest control as defined in G.S. 106-65.25. The Commissioner shall cause the prompt and diligent investigation of all reports of violations of the provisions of this Article and all rules and regulations adopted pursuant to the provisions hereof; provided, however, no inspection shall be made by a representative of the Commissioner of any property without first securing the permission of the owner or occupant thereof.

(b) Prior to the issuance or renewal of a license or certified applicator's identification card, every nonresident owner of a business performing any phase of structural pest control work shall designate in writing to the Commissioner or his authorized agent a resident agent upon whom service of notice or process may be made to enforce the provisions of this Article and rules and regulations adopted pursuant to the provisions hereof or any civil or criminal liabilities arising hereunder.

(c) The Commissioner shall have authority to appoint personnel of the Structural Pest Control Division as special inspectors and said special inspectors are hereby vested with the authority to arrest with a warrant, or to arrest without a warrant when a violation of this Article is being committed in their presence or they have reasonable grounds to believe that a violation of this Article is being committed in their presence. Said special inspectors shall take offenders before the several courts of this State for prosecution or other proceedings. The provisions of this section do not apply to any person holding a valid structural pest control license, or a certified applicator's identification card, or a registered technician's identification card as issued under the provisions of this Article. Special inspectors shall not be entitled to the benefits of the Law Enforcement Officers' Benefit and Retirement Fund or the benefits of the Law Enforcement Officers' and Others Death Benefit Act as provided for in Articles 12 and 12A of Chapter 143 of the General Statutes, respectively."

Section 9. G.S. 106-65.31(b) reads as rewritten:

"(b) License. -- The fee for the issuance or renewal of a license for any one phase of structural pest control shall be ~~one hundred twenty-five dollars ($125.00).~~ one hundred fifty dollars ($150.00). Each additional phase shall be ~~fifty dollars ($50.00).~~ sixty-five dollars ($65.00). The fee for each subphase shall be ~~ten dollars ($10.00).~~ fifteen dollars ($15.00). Licenses shall expire on June 30 of each year and shall be

renewed annually. All licensees who fail or neglect to renew their license on or before June 30, but who make application before January 1 of the following year, may have their license renewed without having to be reexamined, unless the applicant is scheduled for periodic reexamination under regulations adopted pursuant to G.S. 106-65.27(d)(3). No structural pest control work may be performed until the license has been renewed or until a new license has been issued.

Any licensee whose employment is terminated by his employer or any licensee who is transferred to another company or location other than the company or location shown on his license certificate, may at any time, have his license reissued for the remainder of the license year for a fee of ten dollars ($10.00).

Any licensee whose license is lost or destroyed may secure a duplicate license for a fee of ten dollars ($10.00)."

Section 10. G.S. 106-65.33 reads as rewritten:

"**§ 106-65.33. Violation of Article, falsification of records, or misuse of registered pesticide a misdemeanor.**

(a) Any person who shall be adjudged to have violated any provision of this Article or who falsifies any records required to be kept by this Article or by the rules and regulations pursuant to this Article or who uses a registered pesticide in a manner inconsistent with its labeling shall be guilty of a Class 2 misdemeanor. In addition, if any person continues to violate or further violates any provision of this Article after written notice from the Committee, the court may determine that each day during which the violation continued or is repeated constitutes a separate violation subject to the foregoing penalties.

(b) Nothing in this Article shall be construed to require the Committee or the Commissioner to initiate, or attempt to initiate, any criminal or administrative proceedings under this Article for a minor violation of this Article whenever the Committee or Commissioner determines that the public interest will be adequately served in the circumstances by a suitable written notice or warning."

Section 11. G.S. 106-65.41 reads as rewritten:

"**§ 106-65.41. Civil penalties.**

A civil penalty of not more than two thousand dollars ($2,000) may be assessed by the Committee against any person for any one or more of the causes set forth in G.S. 106-65.28(a)(1) through ~~(12).~~ (12) and G.S. 106-65.28(a)(14) and (15), or who violates or directly causes a violation of any provision of this Article or any rule adopted pursuant to this Article. In determining the amount of any penalty, the Committee shall consider the degree and extent of harm caused by the violation. No civil penalty may be assessed under this section unless the person has been given an opportunity for a hearing pursuant to Chapter 150B of the General Statutes. Assessments may be collected, following judicial review, if any, of the Committee's final decision imposing the assessment, in any lawful manner for the collection of a debt.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

Section 12. This act becomes effective October 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H D

HOUSE BILL 1233
Proposed Committee Substitute H1233-PCS1298-RF

Short Title: Structural Pest Control Amendments. (Public)

Sponsors:

Referred to:

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO AMEND THE STRUCTURAL PEST CONTROL ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-65.23 reads as rewritten:

"**§ 106-65.23. Structural Pest Control Division of Department of Agriculture and Consumer Services recreated; Director; powers and duties of Commissioner; Structural Pest Control Committee created; appointment; terms; powers and duties; quorum.**

(a) There is recreated, within the North Carolina Department of Agriculture and Consumer Services, a Division to be known as the Structural Pest Control Division. The Commissioner of Agriculture may appoint a Director of the ~~Division~~ Division, chosen from a list of nominees submitted to him by the Structural Pest Control Committee created in this section, whose duties and authority shall be determined by the ~~Commissioner.~~ Commissioner in consultation with the Committee. The Director shall be responsible for and answerable to the Commissioner of Agriculture and the Structural Pest Control Committee as to the operation and conduct of the Structural Pest Control Division. The Director shall act as secretary to the Structural Pest Control ~~Committee created in this section.~~ Committee.

(b) The Commissioner shall have the following powers and duties under this Article:

(1) To administer and enforce the provisions of this Article and the rules adopted thereunder by the Structural Pest Control Committee. In order to carry out these powers and duties, the Commissioner may delegate to the Director of the Structural Pest

Control Division the powers and duties assigned to him under this Article.

(2) To assign the administrative and enforcement duties assigned to him in this Article.

(3) To direct, in consultation with the Structural Pest Control Committee, the work of the personnel employed by the Structural Pest Control Committee and the work of the personnel of the Department assigned to perform the administrative and enforcement functions of this Article.

(4) To develop, for the Structural Pest Control Committee's consideration for adoption, proposed rules, policies, new programs, and revisions of existing programs under this Article.

(5) To monitor existing enforcement programs and to provide evaluations of these programs to the Structural Pest Control Committee.

(6) To attend all meetings of the Structural Pest Control Committee, but without the power to vote unless the Commissioner attends as the designee on the Committee from the Department of Agriculture and Consumer Services.

(7) To keep an accurate and complete record of all meetings of the Structural Pest Control Committee and to have legal custody of all books, papers, documents, and other records of the Committee.

(8) To perform such other duties as may be assigned to him by the Structural Pest Control Committee.

(c) There is hereby created a Structural Pest Control Committee to be composed of the following members. The Commissioner shall appoint one member of the Committee who is not in the structural pest control business for a four-year term. The Commissioner of Agriculture shall designate an employee of the Department of Agriculture and Consumer Services to serve on the Committee at the pleasure of the Commissioner. The dean of the School of Agriculture of North Carolina State University at Raleigh shall appoint one member of the Committee who shall serve for one term of two years and who shall be a member of the entomology faculty of the University. The vacancy occurring on the Committee by the expired term of the member from the entomology faculty of the University shall be filled by the dean of the School of Agriculture of North Carolina State University at Raleigh who shall designate any person of the dean's choice from the entomology faculty of the University to serve on the Committee at the pleasure of the dean. The Secretary of Health and Human Services shall appoint one member of the Committee who shall be an epidemologist and who shall serve at the pleasure of the Secretary. The Governor shall appoint two members of the Committee who are actively engaged in the pest control industry, who are licensed in at least two phases of structural pest control as provided under G.S. 106-65.25(a), and who are residents of the State of North Carolina but not affiliates of the same company.

One member of the Committee shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, and one member of the Committee shall be appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121. Vacancies in such appointments shall be filled in accordance with G.S. 120-122.

The initial Committee members from the pest control industry shall be appointed as follows: one for a two-year term and one for a three-year term. The Governor shall appoint one member of the Committee who is a public member and who is unaffiliated with the structural pest control industry, the pesticide industry, the Department of Agriculture and Consumer Services, the Department of Health and Human Services and the School of Agriculture at North Carolina State University at Raleigh. The initial public member shall be appointed for a term of two years, commencing July 1, 1991. After the initial appointments by the Governor, all ensuing appointments by the Governor shall be for terms of four years. Appointments made by the General Assembly shall be for terms of two years. Any vacancy occurring on the Committee by reason of death, resignation, or otherwise shall be filled by the Governor or the Commissioner of Agriculture, as the case may be, for the unexpired term of the member whose seat is vacant.

(d) The Structural Pest Control Committee shall have the following powers and duties:

(1) To adopt rules and make policies as provided in this Article.

(2) To issue, deny, suspend, revoke, modify, or restrict licenses, certified applicator cards, and registered technician cards under the provisions of this Article. In all matters affecting licensure, the decision of the Committee shall constitute the final agency decision.

~~make final decisions under this Article concerning licenses, certified applicator cards, and identification cards. The Committee shall~~

(3) To report annually to the Board of Agriculture the action taken in the Committee's final decisions and the financial status of the Structural Pest Control Division.

~~The Director shall be responsible for and answerable to the Commissioner of Agriculture as to the operation and conduct of the Structural Pest Control Division.~~

(e) Each member of the Committee who is not an employee of the State shall receive as compensation for services per diem and necessary travel expenses and registration fees in accordance with the provisions as outlined for members of occupational licensing boards and currently provided for in G.S. 93B-5. Such per diem and necessary travel expenses and registration fees shall apply to the same effect that G.S. 93B-5 might hereafter be amended.

Five members of the Committee shall constitute a quorum but no action at any meeting of the Committee shall be taken without four votes in accord. The chairman shall be entitled to vote at all times.

The Committee shall meet at such times and such places in North Carolina as the chairman shall direct; provided, however, that four members of the Committee may call a special meeting of the Committee on five days' notice to the other members thereof.

Except as otherwise provided herein, all members of the Committee shall be appointed or designated, as the case may be, prior to and shall commence their respective terms on July 1, 1967.

At the first meeting of the Committee they shall elect a chairman who shall serve as such at the pleasure of the Committee.

Section 2. G.S. 106-65.24 reads as rewritten:

"**§ 106-65.24. Definitions.**

~~For the purposes of this Article, the following terms, when used in the Article or the rules and regulations, or orders made pursuant thereto, shall be construed respectively to mean:~~ As used in this Article:

(1) 'Animal' means all vertebrate and invertebrate species, including but not limited to man and other mammals, birds, fish, and shellfish.

(1a) 'Applicant for a certified applicator's identification card' means any person making application to use restricted use pesticides in any phase of structural pest control.

(2) 'Applicant for a license' means any person in charge of any individual, firm, partnership, corporation, association, or any other organization or any combination thereof, making application for a license to engage in structural pest control, control of structural pests or household pests, or fumigation operations, or any person qualified under the terms of this Article.

(3) 'Attractants' means substances, under whatever name known, which may be toxic to insects and other pests but are used primarily to induce insects and other pests to eat poisoned baits or to enter traps.

(3a) Repealed by Session Laws 1989, c. 725.

(3b) 'Branch Office' means any office under the management of a licensee that is not a home office. ~~'Call office' means any office or telephone answering service other than a licensee's home office which is used by a licensee to conduct structural pest control work and which employs no more than one individual engaged in structural pest control work.~~

(4) 'Certified applicator' means any individual who is certified under G.S. 106-65.25 as authorized to use or supervise the use of any pesticide which is classified for restricted use.

(5) 'Commissioner' means the Commissioner of Agriculture of the State of North Carolina.

(6) 'Committee' means the Structural Pest Control Committee.

(6a) 'Deviation' means failure of the licensee or certified applicator or registered technician card holder to follow any rule adopted by the Committee under provisions of this Article.

(7) 'Device' means any instrument or contrivance (other than a firearm) which is intended for trapping, destroying, repelling, or mitigating any pest or any other form of plant or animal life (other than man and other than bacteria, virus, or other microorganism on or in living man or other living animals); but not including equipment used for the application of pesticides when sold separately therefrom.

(8) Repealed by Session Laws 1975, c. 570, s. 4.

(8a) 'Director' means the Director of the Structural Pest Control Division of the Department of Agriculture and Consumer Services.

(9) 'Employee' means any person employed by a licensee with the exceptions of clerical, janitorial, or office maintenance employees, or those employees performing work completely disassociated with the control of insect pests, rodents or the control of wood-destroying organisms.

(9a) 'Enforcement agency' means the Structural Pest Control Division of the Department of Agriculture and Consumer Services.

(10) 'Fumigants' means any substance which by itself or in combination with any other substance emits or liberates a gas or gases, fumes or vapors and which gas or gases, fumes or vapors when liberated and when used will destroy vermin, rodents, insects, and other pests; but may be lethal, poisonous, noxious, or dangerous to human life.

(11) 'Fungi' means wood-decaying fungi.

(11a) 'Home office' means the ~~licensee's principal place of business.~~ office identified to the enforcement agency by a licensee as his or her principal place of business.

(12) 'Insect' means any of the numerous small invertebrate animals generally having the body more or less obviously segmented, for the most part belonging to the class Insects, comprising six-legged, usually winged forms, as for example, beetles, bugs, bees, flies, and to other allied classes of arthropods whose members are wingless and usually have more than six legs, as for example, spiders, mites, ticks, centipedes, and sowbugs.

(13) 'Insecticides' means substances, not fumigants, under whatever name known, used for the destruction or control of insects and similar pests.

(14) 'Label' means the written, printed, or graphic matter on, or attached to, the pesticide or device or any of its containers or wrappers.

(14a) The term 'labeling' means all labels and other written, printed, or graphic matter:

a. Upon the pesticide (or device) or any of its containers or wrappers;
b. Accompanying the pesticide (or device) at any time;
c. To which reference is made on the label or in literature accompanying the pesticide (or device) except when accurate nonmisleading reference is made to current official publications of the United States Department of Agriculture or Interior, the United States Public Health Service, state experiment stations, state agricultural colleges, or other similar federal institutions or official agencies of this State or other states authorized by the law to conduct research in the field of pesticides.

(15) 'Licensee' means ~~the designated person in charge of the business establishment or business entity, whether it be individual, firm, partnership, corporation, association or any organization, or any combination thereof, engaged in pest control work covered under the provisions of this Article. Each branch office of a business establishment is to be in charge of a person who has a license herein provided for.~~ any person qualified for and holding a license for any phase of structural pest control pursuant to this Article.

(16) 'Person' means any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.

(17) 'Pest' means any living organism, including but not limited to, insects, rodents, birds, and fungi, which the Commissioner declares to be a pest.

(18) 'Pesticide' means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.

(19) 'Registered pesticide' means a pesticide which has been registered by federal and/or State agency responsible for registering pesticides.

(19a) 'Registered technician' means any individual who is required to be registered with the Structural Pest Control Division under G.S. 106-65.31.

(20) 'Repellents' means substances, not fumigants, under whatever name known, which may be toxic to insects and related pests, but are generally employed because of capacity for preventing the entrance or attack of pests.

(21) 'Restricted use pesticide' means a pesticide which has been designated as such by the federal and/or State agency responsible for registering pesticides.

(22) 'Rodenticides' means substances, not fumigants, under whatever name known, whether poisonous or otherwise, used for the destruction or control of rodents.

(23) 'Structural pest control' means the control of wood-destroying organisms or household pests (including, but not limited to, animals such as moths, cockroaches, ants, beetles, flies, mosquitoes, ticks, wasps, bees, fleas, mites, silverfish, millipedes, centipedes, sowbugs, crickets, termites, wood borers, etc.), including the identification of infestations or infections, the making of inspections, the use of pesticides, including insecticides, repellents, attractants, rodenticides, fungicides, and fumigants, as well as all other substances, mechanical devices or structural modifications under whatever name known, for the purpose of preventing, controlling and eradicating insects, vermin, rodents and other pests in household structures, commercial buildings, and other structures (including household structures, commercial buildings and other structures in all stages of construction), and outside areas, as well as all phases of fumigation, including treatment of products by vacuum fumigation, and the fumigation of railroad cars, trucks, ships, and airplanes, or any one or any combination thereof.

(24) 'Under the direct supervision of a certified applicator' means, unless otherwise prescribed by its labeling, a pesticide shall be considered to be applied under the direct supervision of a certified applicator if it is applied by a competent person acting under the instructions and control of a certified applicator who is available if and when needed, even though such certified applicator is not physically present at the time and place the pesticide is applied."

Section 3. G.S. 106-65.25 reads as rewritten:

"**§ 106-65.25. Phases of structural pest control; prohibited acts; license required; exceptions.**

(a) The Committee shall classify license phases to be issued under this Article. Separate phases or subphases shall be specified for:

(1) Control of household pests by any method other than fumigation ('P' phase);

(2) Control of wood-destroying organisms by any method other than fumigation ('W' phase); and

(3) Fumigation ('F' phase).

(b) It shall be unlawful for any person ~~to act in the capacity of a structural pest control licensee,~~ to:

(1) ~~advertise~~ Advertise as, offer to engage in, or engage in or supervise work as a manager, owner, or owner-operator in any phase of structural pest control or otherwise act in the capacity of a structural pest control licensee unless ~~he~~ the person is licensed ~~as provided for in~~ pursuant to this ~~Article.~~ Article or has engaged the services of a licensee as a full-time regular employee who is responsible for the structural pest control performed by the

company. A license is required for each phase of structural pest control. ~~No person may hold~~

(2) Hold more than one license for each ~~phase.~~ phase of structural pest control. ~~The licensee shall be responsible for the supervision of the work performed under his license.~~

(3) Use a restricted use pesticide in any phase of structural pest control, whether it be on the person's own property or on the property of another, unless the person:

a. Qualifies as a certified applicator for that phase of structural pest control; or

b. Is under the direct supervision of a certified applicator who possesses a valid certified applicator's identification card for that phase of structural pest control.

(4) Use or supervise the use of restricted use pesticides in demonstrating or supervising a demonstration to the public of the proper use and techniques of the application of pesticides or conducting field research with pesticides unless:

a. The person possesses a valid certified applicator's identification card;

b. The person is conducting laboratory research involving restricted use pesticides; or

c. The person is a doctor of medicine or a doctor of veterinary medicine applying restricted use pesticides as drugs or medication during the course of his or her normal professional practice.

This subdivision applies to all persons, including cooperative extension specialists demonstrating pesticide products, individuals demonstrating methods used in public programs, and local, State, federal, commercial, and other persons conducting field research on or using restricted use pesticides.

(c) ~~A licensee may not establish any office other than his home office from which more than one employee is performing structural pest control work unless a separate licensee is placed in charge of that office.~~ It shall be unlawful for any licensee to do any of the following:

(1) Establish, be in charge of, or manage any branch office in excess of the number of branch offices that may be established, supervised, or managed by a licensee as set forth in rules adopted by the Committee.

(2) Fail to supervise the structural pest control performed out of the licensee's home office or any branch office under the licensee's management.

(3) Allow his or her license to be used by any person or company for which he or she is not a full-time regular employee actively and

personally engaged in the supervision of the structural pest control performed under the license.

(4) Use any pesticide, material, or device prohibited by the Committee or use any approved pesticide, material, or device in a manner prohibited by the Committee.

(5) Use or supervise the use of restricted use pesticides in a phase of structural pest control for which the person is not licensed or qualified as a certified applicator unless the person's use is under the supervision of a licensee or certified applicator certified in that phase of structural pest control.

(c1) The Committee shall adopt rules that permit a licensee to establish branch offices in addition to a home office. In no event shall the rules adopted restrict the number of branch offices a licensee can establish, supervise, or manage to fewer than two branch offices. The rules shall include provisions to ensure that the licensee can adequately supervise all structural pest control performed from the offices and under his or her license.

(d) A license is not required for any person (or ~~his~~ the person's full-time regular employees) doing structural pest control ~~work~~ on ~~his~~ the person's own ~~property: provided, however, that no~~ property. No fee may be charged for structural pest control ~~work~~ performed by any such person.

~~(e) Any person who uses a restricted use pesticide in any phase of structural pest control, whether it be on his own property or on the property of another, must:~~

~~(1) Qualify as a certified applicator for that phase of structural pest control; or~~

~~(2) Be under the direct supervision of a certified applicator possessing a valid identification card for that phase of structural pest control.~~

~~(f) Persons who demonstrate to the public the proper use and techniques of application of pesticides or supervise such demonstration or conduct field research with pesticides, and in doing so, use or supervise the use of restricted use pesticides must possess a valid certified applicator's identification card. Included in the first group are such persons as extension representatives demonstrating pesticide products and those individuals demonstrating methods used on public programs. The second group includes local, State, federal, commercial, and other persons conducting field research on or utilizing restricted use pesticides.~~

~~This subsection does not apply to the following persons:~~

~~(1) Persons conducting laboratory-type research involving restricted use pesticides; or~~

~~(2) Doctors of medicine and doctors of veterinary medicine applying restricted use pesticides as drugs or medication during the course of their normal practice.~~

(g) Any person issued a license for any one or any combination of the phases of structural pest control shall be deemed to be a 'certified applicator' to use or supervise the use of restricted use pesticides so long as the pesticides are being used only in the ~~phase(s)~~ phase of structural pest control for which the person is licensed.

(h) Licenses and certified applicator's identification cards may only be issued to individuals. License certificates and certified applicator's identification cards shall be issued in the name of the individual, shall bear the name and address of ~~his~~ the individual's business or employer's business and shall indicate the phase or phases for which the individual is qualified and such other information as the Committee may specify."

Section 4. G.S. 106-65.26(d) reads as rewritten:

"(d) All applicants for license must have practical experience and knowledge of practical and scientific facts underlying the practice of structural pest control, control of wood-destroying ~~organisms~~ organisms, or fumigation. ~~No person who has within five years of his application been convicted of or has entered a plea of guilty or a plea of nolo contendere to a crime involving moral turpitude, or who has forfeited bond to a charge involving moral turpitude, shall be entitled to take an examination or the issuance of a license under the provisions of this Article.~~ No applicant is entitled to take an examination for the issuance of a license pursuant to this Article who has within five years of the date of application been convicted, entered a plea of guilty or of nolo contendre, or forfeited bond in any State or federal court for a violation of G.S. 106-65.25(b), any felony, or any crime involving moral turpitude."

Section 5. G.S. 106-65.27(c1) reads as rewritten:

"(c1) When there is a transfer of ownership, management, operation of a structural pest control business or in the event of the death or disability of a licensee there shall be not more than a total of 90 days during any 12-month period in which said business shall operate without a licensee assigned to ~~it.~~ it; provided that, in the event of the death or disability of a licensee, the Committee shall have the authority to grant up to an additional 90 days within the 12-month period in which a business may operate without a licensee assigned to it.

The owner, partnership, corporation, or other entity operating said business shall, within 10 days of such transfer or disability or within 30 days of death, designate in writing to the Division a certified applicator who shall be responsible for and in charge of the structural pest control operations of said business during the 90-day period. If the owner, partnership, corporation, or other entity operating the business fails to designate a certified applicator who shall be responsible for the operation of the business during the 90-day period, the business shall cease all structural pest control activities upon expiration of the applicable notification period and shall not resume operations until a certified applicator is so designated.

During the 90-day period the use of any restricted use pesticide shall be by or under the direct supervision of the certified applicator designated in writing to the Division. The designated certified applicator shall be responsible for correcting all deviations on all existing contracts and for all work performed under his supervision.

The new licensee shall be responsible for correcting all deviations on all existing contracts and for all work performed under his supervision."

Section 6. G.S. 106-65.28 is amended by adding a new subsection to read:

"(g) Any pesticide, material, or device for which such information is requested by the Committee pursuant to G.S. 106-65.29(9a) and denied by the registrant or manufacturer shall not be used in any structural pest control performed for compensation and may only be used by an individual performing structural pest control on the individual's own property."

Section 7. G.S. 106-65.29 reads as rewritten:

"**§ 106-65.29. Rules and regulations.**

In order to ensure that persons licensed and certified under this Article are capable of performing a high quality of workmanship, the Committee ~~is hereby authorized and empowered to make~~ may adopt rules ~~and regulations~~ with respect to:

(1) The amount and kind of training required of an applicant for a license and certified applicator's card to engage in any one or more of the three phases of structural pest control, and the amount and kind of training required of an applicant for a registered technician's identification card.

(2) The type, frequency and passing score of any examination given an applicant for a license and certified applicator's card under this Article.

(3) The amount, kind and frequency of continuing education required of a licensee and certified applicator.

(4) The methods and materials to be used in performing any work authorized by the issuance of a license and certified applicator's card under this Article.

(5) The business records to be made and maintained by licensees and certified applicators under this Article necessary for the Committee to determine whether the licensee and certified applicator is performing a high quality of workmanship.

(6) The credentials and identification required of licensees and certified applicators, their employees and equipment, including service vehicles, when engaged in any work defined under this Article.

(7) Safety methods and procedures for structural pest control work.

(8) Fees for reinspection following a finding of a deviation, as defined by the Committee.

(9) Fees for training materials provided by the Committee or the Division. Such fees may be placed in a revolving fund to be used for training and continuing education purposes and shall not revert to the General Fund.

(9a) Efficacy data and other technical information to be submitted by registrants and manufacturers of pesticides and other materials or devices for review and approval, in order for the Committee and the enforcement agency to ensure the efficacy of pesticides and other materials or devices used in structural pest control in this State. This subdivision does not require either the Committee or

the enforcement agency to disclose any information that is confidential information within the meaning of G.S. 132-1.2.

(10) The policies and programs set forth in this Article."

Section 8. G.S. 106-65.30 reads as rewritten:

"**§ 106-65.30. Inspectors; inspections and reports of violations; designation of resident agent.**

(a) For the enforcement of the provisions of this Article the Commissioner is authorized to appoint one or more qualified inspectors and such other employees as are necessary in order to carry out and enforce the provisions of this Article. The inspectors shall be known as "structural pest control inspectors." The Commissioner ~~shall~~ may enforce compliance with the provisions of this Article by making or causing to be made periodical and unannounced inspections of work done by licensees and certified applicators under this Article who engage in or supervise any one or more phases of structural pest control as defined in G.S. 106-65.25. The Commissioner shall cause the prompt and diligent investigation of all reports of violations of the provisions of this Article and all rules and regulations adopted pursuant to the provisions hereof; provided, however, no inspection shall be made by a representative of the Commissioner of any property without first securing the permission of the owner or occupant thereof.

(b) Prior to the issuance or renewal of a license or certified applicator's identification card, every nonresident owner of a business performing any phase of structural pest control work shall designate in writing to the Commissioner or his authorized agent a resident agent upon whom service of notice or process may be made to enforce the provisions of this Article and rules and regulations adopted pursuant to the provisions hereof or any civil or criminal liabilities arising hereunder.

(c) The Commissioner shall have authority to appoint personnel of the Structural Pest Control Division as special inspectors and said special inspectors are hereby vested with the authority to arrest with a warrant, or to arrest without a warrant when a violation of this Article is being committed in their presence or they have reasonable grounds to believe that a violation of this Article is being committed in their presence. Said special inspectors shall take offenders before the several courts of this State for prosecution or other proceedings. The provisions of this section do not apply to any person holding a valid structural pest control license, or a certified applicator's identification card, or a registered technician's identification card as issued under the provisions of this Article. Special inspectors shall not be entitled to the benefits of the Law Enforcement Officers' Benefit and Retirement Fund or the benefits of the Law Enforcement Officers' and Others Death Benefit Act as provided for in Articles 12 and 12A of Chapter 143 of the General Statutes, respectively."

Section 9. G.S. 106-65.31(b) reads as rewritten:

"(b) License. -- The fee for the issuance or renewal of a license for any one phase of structural pest control shall be ~~one hundred twenty-five dollars ($125.00).~~ one hundred fifty dollars ($150.00). Each additional phase shall be ~~fifty dollars ($50.00).~~ sixty-five dollars ($65.00). The fee for each subphase shall be ~~ten dollars ($10.00).~~ fifteen dollars ($15.00). Licenses shall expire on June 30 of each year and shall be

renewed annually. All licensees who fail or neglect to renew their license on or before June 30, but who make application before January 1 of the following year, may have their license renewed without having to be reexamined, unless the applicant is scheduled for periodic reexamination under regulations adopted pursuant to G.S. 106-65.27(d)(3). No structural pest control work may be performed until the license has been renewed or until a new license has been issued.

Any licensee whose employment is terminated by his employer or any licensee who is transferred to another company or location other than the company or location shown on his license certificate, may at any time, have his license reissued for the remainder of the license year for a fee of ten dollars ($10.00).

Any licensee whose license is lost or destroyed may secure a duplicate license for a fee of ten dollars ($10.00)."

Section 10. G.S. 106-65.33 reads as rewritten:

"**§ 106-65.33. Violation of Article, falsification of records, or misuse of registered pesticide a misdemeanor.**

(a) Any person who shall be adjudged to have violated any provision of this Article or who falsifies any records required to be kept by this Article or by the rules and regulations pursuant to this Article or who uses a registered pesticide in a manner inconsistent with its labeling shall be guilty of a Class 2 misdemeanor. In addition, if any person continues to violate or further violates any provision of this Article after written notice from the Committee, the court may determine that each day during which the violation continued or is repeated constitutes a separate violation subject to the foregoing penalties.

(b) Nothing in this Article shall be construed to require the Committee or the Commissioner to initiate, or attempt to initiate, any criminal or administrative proceedings under this Article for a minor violation of this Article whenever the Committee or Commissioner determines that the public interest will be adequately served in the circumstances by a suitable written notice or warning."

Section 11. G.S. 106-65.41 reads as rewritten:

"**§ 106-65.41. Civil penalties.**

A civil penalty of not more than two thousand dollars ($2,000) may be assessed by the Committee against any person for any one or more of the causes set forth in G.S. 106-65.28(a)(1) through ~~(12).~~ (12) and G.S. 106-65.28(a)(14) and (15), or who violates or directly causes a violation of any provision of this Article or any rule adopted pursuant to this Article. In determining the amount of any penalty, the Committee shall consider the degree and extent of harm caused by the violation. No civil penalty may be assessed under this section unless the person has been given an opportunity for a hearing pursuant to Chapter 150B of the General Statutes. Assessments may be collected, following judicial review, if any, of the Committee's final decision imposing the assessment, in any lawful manner for the collection of a debt.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

Section 12. This act becomes effective October 1, 1999.

AGENDA

HOUSE AGRICULTURE COMMITTEE

Tuesday, July 6, 1999

10:00 a.m., Room 1425

CALL TO ORDER Rep. Dewey L. Hill, Chairman

INTRODUCTION OF PAGES

BILLS TO BE DISCUSSED:

HB 1132 Preserve Farmlands/Promote Small Farms – Rep. Insko

ADJOURNMENT: Chairman Hill

HOUSE AGRICULTURE COMMITTEE
Minutes: July 7, 1999

The committee met in Room 1425 of the Legislative Building at 10:00 a.m. Please refer to attendance sheet for member attendance.

Chairman Hill called the meeting to order and recognized Rep. Insko to come forward and support HB 1132 Preserve Farmlands/Promote small Farms.

Rep. Insko sated that she had a proposed committee substitute for the member's consideration this morning, and Chairman Hill recognized Rep. Buchanan for the motion to adopt the pcs for discussion purposes. The motion carried. (Please see attached explanation of the pcs prepared by Committee Counsel Barbara Riley). Rep. Insko continued to support the bill, and asked the members to peruse the Report to the North Carolina General Assembly on the Pilot North Carolina Farmland Preservation Demonstration Project (copy attached). Further discussion continued and Rep. Buchanan was recognized to offer an amendment (please see attached copy).

Rep. Baker was recognized and stated his concerns regarding the issue of tiers, and how it will affect poorer counties – just what the matching funds would be. Rep. Owens had reservations about this portion of the bill earlier, but was now satisfied with that particular portion of the legislation. Chairman Hill recognized Mr. Jim Blackburn of the County Commissioners Association who stated that the "concept was growing". Further discussion continued and Chairman Hill recognized Mr. Donald Bell of the Orange County ERCD who stated that this is a voluntary agriculture easement tailored to the needs of the farmers.

The committee was unable to come to a consensus on the bill. Committee Counsel, Barbara Riley was called on to answer some of the questions, and she stated that the bill does not require any farmer to do this – it allows farmers to enter into these agriculture easements – the counties are to encourage the farmers. Rep. Cole was recognized for the motion to temporarily displace the bill, and the motion carried. Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill, Chairman

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Tuesday, July 6, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
HB 1132 Preserve Farmlands/Promote Small Farms - Rep. Insko

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **11:00 a.m.** on **Thursday, July 1, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)


5400
N.DEERE

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1132*
Second Edition Engrossed 4/28/99
Proposed Committee Substitute H1132-CSSJ-3
WARNING: LINE NUMBERS MAY CHANGE AFTER ADOPTION

Short Title: Preserve Farmlands/Promote Small Farms. (Public)

Sponsors:

Referred to:

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO PROMOTE THE PRESERVATION OF FARMLAND AND TO PROMOTE SMALL, FAMILY-OWNED FARMS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-744(c) reads as rewritten:

"(c) There is established a 'North Carolina Farmland Preservation Trust Fund' to be administered by the Commissioner of Agriculture. The Trust Fund shall consist of all monies received for the purpose of purchasing agricultural conservation easements or transferred from counties or private sources. The Trust Fund shall be invested as provided in G.S. 147-69.2 and G.S. 147-69.3. The Commissioner shall use Trust Fund monies for the purchase of agricultural conservation easements, including transaction costs, and shall distribute Trust Fund monies ~~to counties and private nonprofit conservation organizations~~ for such purchases, including transaction ~~costs.~~ costs, as follows:

(1) To a private nonprofit conservation organization that matches thirty percent (30%) of the Trust Fund moneys it receives with funds from sources other than the Trust Fund.

(2) To counties according to the match requirements under subsection (c1) of this section.

(c1) A county that is an enterprise tier three county, an enterprise tier four county, or an enterprise tier five county, as these tiers are defined in G.S. 105-129.3(a), and that has prepared a countywide farmland protection plan shall match fifteen percent (15%) of the Trust Fund monies it receives with county funds. A county that has not prepared a countywide farmland protection plan shall match thirty percent (30%) of the Trust Fund monies it receives with county funds. A county that is an enterprise tier one county or an enterprise tier two county, as these counties are defined in G.S. 105-129.3(a), and that has prepared a countywide farmland protection plan shall not be required to match any of the Trust Fund moneys it receives with county funds.

(c2) The Commissioner of Agriculture shall adopt rules ~~and regulations~~ governing the use, distribution, investment, and management of Trust Fund monies."

Section 2. G.S. 106-744 is amended by adding two new subsections to read:

"(e) As used in subsection (c1) of this section, a countywide farmland protection plan means a plan that satisfies all of the following requirements:

(1) The countywide farmland protection plan shall contain a list and description of existing agricultural activity in the county.

(2) The countywide farmland protection plan shall contain a list of existing challenges to continued family farming in the county.

(3) The countywide farmland protection plan shall contain a list of opportunities for maintaining or enhancing small, family-owned farms and the local agricultural economy.

(4) The countywide farmland protection plan shall describe how the county plans to maintain a viable agricultural community and shall address farmland preservation tools, such as agricultural economic development, including farm diversification and marketing assistance; other kinds of agricultural technical assistance, such as farm infrastructure financing, farmland purchasing, linking with younger farmers, and estate planning; the desirability and feasibility of donating agricultural conservation easements, entering into

voluntary agricultural districts, ~~and transferring development rights.~~

(5) The countywide farmland protection plan shall contain a schedule for implementing the plan and an identification of possible funding sources for the longterm support of the plan.

(f) A countywide farmland protection plan that meets the requirements of subsection (e) of this section may be formulated with the assistance of an agricultural advisory board designated pursuant to G.S. 106-739."

Section 3. Part 2 of Article 18 of Chapter 153A of the General Statutes is amended by adding a new section to read:

"**§ 153A-335.1. Fees to support farmland protection.**

A county that has prepared and adopted a countywide farmland protection plan containing all the elements set forth in G.S. 106-744(e) may adopt an ordinance imposing a fee of no more than ten dollars ($10.00) for each subdivision plat required to be filed with the register of deeds for recordation. The monies collected pursuant to this section shall be used to meet the county match requirements for obtaining funding from the North Carolina Farmland Preservation Trust Fund."

Section 4. This act becomes effective July 1, 1999.

HOUSE BILL 1132:
Farmland Preservation

BILL ANALYSIS

Committee:	House Agriculture	**Introduced by:**	Rep. Insko
Date:	July 6, 1999	**Summary by:**	Barbara Riley
Version:	H1132-CSSJ-3		Committee Counsel

SUMMARY:

House Bill 1132 amends Article 67 of Chapter 105 of the General Statutes, known as the Farmland Preservation Enabling Act.

CURRENT LAW:

The Farmland Preservation Enabling Act, Article 61 of Chapter 106, was 1st enacted in 1986 to authorize counties to undertake farmland preservation programs. The act establishes qualifications for land to be participate in the program and allows counties to adopt ordinances establishing voluntary agricultural districts. Ordinances adopted pursuant to the act shall provide for an Agricultural Advisory Board to make recommendations on the establishment of agricultural districts, hold public hearings and otherwise advise the County Commissioners on projects and issues affecting the agricultural community. The Act also authorizes ordinances holding water and sewer assessments in abeyance, providing public hearings on the condemnation of qualifying agricultural land and providing notice for title searchers in a county's land records that a tract is located within ½ mile of a poultry, swine, or dairy qualifying farm, within 600' of any qualifying farm, or within ½ mile of an agricultural district.

The Farmland Preservation Enabling Act also authorizes counties to purchase agricultural conservation easements over qualifying farmland and establishes a trust fund, administered by the Commissioner of Agriculture, to assist in the purchase of such easements.

BILL ANALYSIS:

The proposed committee substitute, H1132-CSLD-2 would require counties to provide matching funds in order to receive funds from the North Carolina Farmland Preservation Trust Fund. The county matching requirements are: 15% if the county has prepared a countywide farmland protection plan and 30% if the county has not prepared such a plan.

A Farmland Protection Plan is defined as a plan that contains: (1) A list and description of existing county agricultural activity; (2) A list of continuing challenges to continued family farming in the county; (3) A list of opportunities for maintaining or enhancing small family-owned farms and the local agricultural economy; (4) A description of county plans to maintain a viable agricultural community; and (5) A schedule for implementing the plan and identification of possible funding sources for the long term support of the plan. The plan shall address the use of farmland protection tools such as agricultural economic development, other kinds of agricultural technical assistance, the desirability of donating ag conservation easements, entering into voluntary agricultural districts, and the transfer of development rights.

House Bill 1132 also adds a new section to Chapter 153A providing that a county that has adopted a countywide farmland protection plan containing all the elements of G.S. 106-744(e) may impose a fee of

no more than $10 for each subdivision plat required to be filed with the Register of Deeds. The money collected shall be used to meet the county match requirements for the NC Farmland Preservation Trust Fund.

H1132-CSSJ-3 makes three additional changes to the original bill.

1. Private non-profit organizations must provide a 30% match.

2. Tier 1 and 2 Counties (under the Bill Lee Act) that have prepared a countywide farmland protection plan are not required to match any Trust fund monies received.

3. Countywide farmland protection plans may be formulated with the assistance of an agricultural advisory board designated pursuant to the Farmland Protection Enabling Act.

REPORT TO THE

NORTH CAROLINA GENERAL ASSEMBLY

ON THE PILOT NORTH CAROLINA FARMLAND PRESERVATION DEMONSTRATION PROJECT

March 1, 1999

Prepared for the N.C. Department of Agriculture and Consumer Services

by the Conservation Trust for North Carolina

Farmland Fact Sheet

Importance of Farmland

- Agriculture is the United States' predominant land use and is crucial to our balance of trade.
- Food grown on domestic farms ensures a safer, more predictable food supply.
- Agriculture is crucial to local economic stability because it generates more in tax revenues than it consumes in municipal services and it generates jobs through farm labor and support services.
- Farmland improves quality of life by providing open space and supporting the agrarian culture of many communities.
- Farmland is an important natural resource, often providing wildlife habitat and protecting water quality.

Farmland in North Carolina

- The net income of North Carolina farmers in 1997 was $3,511,067,000, making agriculture one of the state's leading industries.
- North Carolina is ranked seventh in the nation for market value per acre of farmland.
- In 1997, 29.3% or 9.1 million acres of North Carolina land was in agricultural use.

Loss of Farmland

- America loses 2 acres of farmland per minute, or 1 million acres annually.
- According to the *American Farmland Trust*, North Carolina ranks second in the nation for the amount of prime farmland converted to urban uses. From 1982-1992 31% of our state's prime farmland was converted to urban uses.
- The total number of farms in North Carolina dropped from 68,000 in 1988, to 60,000 in 1992, to 49,406 in 1997. However, the average farm size grew from 172 acres in 1992 to 185 acres in 1997. (Numbers are approximate. Source: USDA)
- From 1988 to 1992, the number of small (income below $10,000) and midsize (income below $100,000) farms dropped by approximately 14% while the number of large farms (income above $100,000) increased by about 2%. This indicates an overall loss of farmland and a loss of small, usually family owned farms.
- Net farm income rose from $2,653,996,000 in 1993 to $3,511,067,000 in 1997. However, farming expenses increased faster than income during that time, making it more difficult for farmers to stay in agriculture.
- Land values in urbanizing areas are increasing. This makes it more difficult for small-scale farmers on urban fringes to maintain ownership and agricultural use of their land.

Efforts to Protect North Carolina's Farmland

- Seven North Carolina land trusts formed a coalition to educate citizens and government officials about the loss of farmland and launch statewide farmland protection initiatives. Others involved in these efforts include the NC Cooperative Extension, the NC Department of Agriculture, the Division of Soil and Water Conservation, the Governor's staff, and the

American Farmland Trust. Other groups including the Farm Bureau will be invited to work with this coalition and develop new approaches to protecting farmland.

- The voluntary conservation tools, such as conservation easements, advocated by land trusts can result in significant tax reductions for landowners, possibly helping farmers keep their land in family ownership. The North Carolina Conservation Tax Credit Program is a unique incentive for landowners to donate conservation easements. The 1998 increase in the maximum allowable dollar-for-dollar income tax credit should motivate more landowners to consider conservation donations.
- In 1998, the General Assembly appropriated $250,000 to the North Carolina Farmland Preservation Trust Fund. The Conservation Trust for North Carolina contracted with the Department of Agriculture to administer the Farmland Preservation Pilot Program. As a result of the pilot program, six working farms were protected. With additional funding, much more will be accomplished.

The Next Steps in Protecting Farmland

- Appropriate additional funding to continue the North Carolina Farmland Preservation Trust Fund and purchase of nonagricultural development rights on critical farms.
- Create a statewide task force to evaluate farmers' needs and propose new solutions to protecting agricultural lands.
- Add incentives for farmers to adopt conservation management plans on their farms and permanently protect their land.
- Map and prioritize locations of critical farmlands, prime/productive agricultural soils, and other environmentally and culturally important rural lands.
- Increase economic incentives and support to sustain agricultural production and rural communities.
- Increase incentives for enrolling land in agricultural preservation district programs.
- Create a program to provide participants in agricultural preservation district programs and/or easement programs with funding and economic incentives for agricultural economic enhancement of their farming operations.
- Target private land trust and public education and outreach efforts to owners of farmland with special characteristics.
- Design comprehensive program strategies to protect rural land resources and guide development in rural areas.
- Identify future dedicated funding sources to conserve privately owned agricultural and forest lands and to compensate local governments for reduction in property tax revenues.

CONSERVATION TRUST FOR NORTH CAROLINA

REPORT ON THE PILOT NORTH CAROLINA FARMLAND PRESERVATION DEMONSTRATION PROJECT

The Conservation Trust for North Carolina is grateful for the opportunity to assist the North Carolina Department of Agriculture and Consumer Services in designing and implementing the Farmland Preservation Pilot Demonstration Project. The protection of six farms in the central piedmont and northern mountain regions with the $250,000 provided by the N.C. General Assembly late in 1998 was accomplished with the first state appropriation to the N.C. Farmland Preservation Trust Fund, established by legislation in 1986. The grant awards to three not-for-profit land conservation organizations and to Forsyth County leveraged more than $1.5 million in other private and public funds and the donation value of future, non-farm development rights given up by three farm owners. These grants truly serve as demonstrations of how protection of agricultural resources and rural communities can be achieved by local governments and private land trusts when assisted by modest levels of public funding.

The Conservation Trust for North Carolina is a not-for-profit, private organization dedicated to protecting more of our state's important natural resources, by direct actions and by assisting local communities, private landowners, public agencies, and a statewide network of other private land trusts. The Conservation Trust and six local land trusts in 1997 established a "farmlands protection initiative" to promote public concern for the dramatic losses of agricultural lands, particularly in urban growth areas of the state, and for greater public actions to protect important farmlands.

We are encouraged by the General Assembly's pilot appropriation to the state's Farmland Preservation Trust Fund and its increases in state income tax credits for land conservation enacted late in 1998, by the Governor's public statements of concern for stemming the losses of North Carolina's farmlands to urban development, by the establishment of a legislative study commission on the preservation of family-owned farms to begin later in 1999, by growing interests among numerous counties to establish farmland protection programs similar to the single, locally-funded program operating in Forsyth County, and the appropriations bill now under consideration in the 1999 session of the General Assembly to increase funding for the Farmlands Preservation Trust Fund.

Much more needs to be done save North Carolina's rural heritage and farmland resources. North Carolina is losing farmland to urban development at a scale unexceeded in any other state except for Texas. North Carolina has the lowest acreage of protected farmland among the ten most populated states. State farmland protection programs in Maryland, Pennsylvania, and other mid-Atlantic states show how North Carolina can stem the losses of farmlands and their environmental and cultural resources through greater public actions and funding levels. The diminishing farmland base is weakening

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our state's ability to produce food, to protect the environment and the water quality of our rivers and estuaries, to strengthen the economy, and to provide a quality of life that has defined all regions of the state for centuries.

Through higher levels of public financing and a consensus-building process, North Carolina too can implement a successful strategy for farmlands protection. A mix of incentive-based and regulatory techniques will protect strategic farmlands: including more public financing to purchase development rights (conservation easements), incentives to donate development rights, agricultural conservation zoning, cluster development zoning, right-to-farm protection, property tax credits, agricultural economic development programs, targeting public services to existing development areas, cost-share programs and comprehensive planning. These techniques must help communities protect their most important farmlands while allowing growth to occur in places less important to agriculture and to the environment. Working together we can protect our rural land legacies and our productive farmlands.

The Conservation Trust is using a small portion of the pilot project appropriation to further the goals for protecting farmlands through preparation and distribution of educational information about land conservation options for farm owners, by assembling information about successful farmland protection programs in other states, and by bringing together diverse interests concerned for establishing a comprehensive program of preserving farmland and rural environmental resources in North Carolina.

We hope the following report on the distribution of the first grants from the N.C. Farmland Preservation Trust Fund for the protection of six farms will demonstrate the utility of the program. This is just the beginning for what should become a more comprehensive effort, and these grant awards represent "pilot" demonstrations of what accomplishments in farmland and rural environmental protection will be achieved with more public funding and greater attention to stemming the pace of farmlands lost to urban and suburban development sprawl across our state.

Charles E. Roe, Executive Director
Conservation Trust for North Carolina

March 1, 1999

The North Carolina Farmland Preservation Program

In 1998, the General Assembly appropriated $250,000 to the North Carolina Farmland Preservation Trust Fund for the first time since the Fund's creation in 1986. The Department of Agriculture and Consumer Services was given the responsibility of overseeing the distribution of these funds. Subsequently, the Department contracted with the private, not-for-profit Conservation Trust for North Carolina (CTNC) to design the North Carolina Farmland Preservation Pilot Program, to solicit grant applications from qualified local governments and nonprofit conservation organizations, and to distribute grant awards based on applications approved by the Department of Agriculture.

The purpose of the Farmland Preservation Program is to arrange agricultural conservation easements. The program arose from the recognition that permanent protection of North Carolina's agricultural lands is increasingly important as the state continues to grow and urbanize. Conservation easements are legally binding agreements between a landowner and a qualified conservation organization or public agency. Easements ensure that the land is not intensively developed and remains in agricultural use or natural resource protection. State and federal laws provide substantial tax-reducing incentives for donations of permanent conservation easements.

Grant awards cover both transactional and monitoring costs for donated easements and provide matching funds for the purchase of development rights. The pilot Farmland Preservation Program achieved the protection of five, and potentially six, working farms in the central Piedmont and mountain regions of North Carolina. No applications were received from coastal communities, where there are no active farmland preservation programs. Each farm is unique, although they all have historical, natural, scenic, and economic significance. These grants helped leverage more than $1.5 million in other public and private funds and in the values of donated development rights on the protected farms. The prospects are exciting for what the North Carolina Farmland Preservation Program can accomplish with increased funding in the future. The Conservation Trust is pleased to present the results of the pilot program and looks forward to continual involvement with the Farmland Preservation Program.

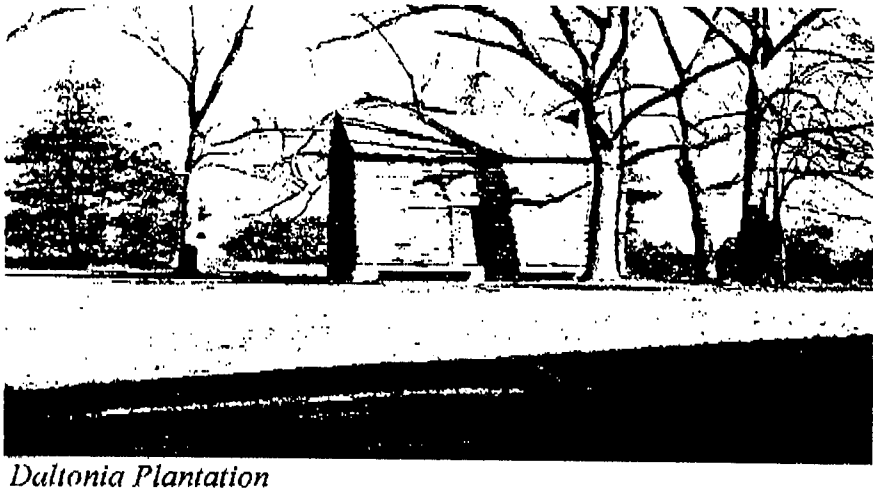
Daltonia Plantation, Iredell County

The Daltonia Plantation
LandTrust for Central North Carolina

The Daltonia Plantation is an historic property located near Harmony in north Iredell County. The 615 acre farm has been in continuous family ownership for more than 200 years and was the suspected birthplace of the famous frontiersman, Kit Carson. Cecilia Kennedy Conrad, who owns a portion of the property jointly with her sister Dr. Amelia Kennedy, donated a conservation easement over 198 acres of the property in her sole ownership to the LandTrust for Central North Carolina. The Farmland Preservation Trust Fund granted $15,518 for transactional costs. This portion of the property contains 118 tillable acres and 80 acres of productive woodlands under an active management plan. The sisters have bequested a conservation easement over the remainder of the plantation that will be conveyed to the LandTrust in their wills.

This land grant property is significant for a number of reasons. Nearby stands the antebellum plantation house, built in the 1850s and placed on the National Register of Historic Places in 1976. Native American artifacts have been found on the property, although no archaeological inventory has been completed on the Plantation. The property has significant frontage on Hunting Creek, which is under consideration for High Quality Water/Outstanding Resource Water status. The Kennedy Bog, identified in the Iredell County Natural Heritage Inventory as an exceptional example of a deep bog and potential habitat for rare species, is located on the plantation. The farm is leased and managed by a respected farmer who won the "Farmer of the Year" award.

Many viable farms surround the Daltonia Plantation. Its location makes it subject to intense development pressures. Interstate-77 and Interstate-40 lie in close proximity to the Plantation and the southern end of Iredell County is experiencing explosive growth from Charlotte. The Kennedy family is an old and well respected family. Dr. Kennedy is already speaking to neighboring landowners about the benefits of conservation easements. When it is known that this legacy farm is under a conservation easement, more area farmers are expected to become interested in protecting their land with easements.



Daltonia Plantation

Richardson Farm
Southern Appalachian Highlands Conservancy, Blue Ridge Rural Land Trust

The Richardson Farm covers 298 acres of Fender Mountain slopes in Allegheny County. The owners are donating a conservation easement over the farm to the Southern Appalachian Highlands Conservancy and its local affiliate, the Blue Ridge Rural Land Trust, which serves seven counties in the northwestern region of North Carolina. The Farmland Preservation Pilot Program awarded $10,500 to these land trusts for easement transactional costs and stewardship fund.

The Richardson Farm has been in continuous family ownership for more than 175 years. The family is a founding family of Allegheny County. In addition to this historical significance, the farm sustains a variety of agricultural uses, including forestry, purebred cattle, horses, and pasture land. The headwaters of Bledsoe Creek and a small wetland lie on the property. From a distance, the farm offers exceptional views to Blue Ridge Parkway visitors. Together, these features make the Richardson Farm an important historical, natural, agricultural, economic, and scenic resource.

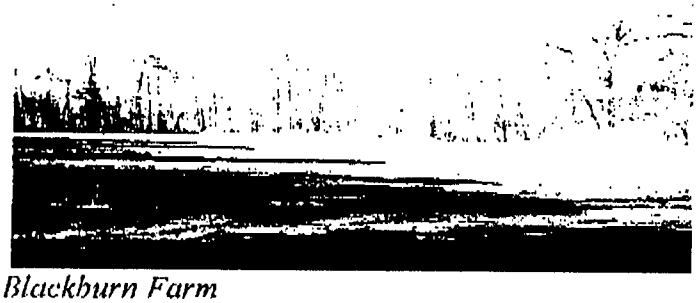
Allegheny County is rapidly becoming a retirement and second home community. Many farms have already been subdivided and sold. Because the Richardson Farm is particularly beautiful, it is facing severe development pressures. No local ordinances exist to protect agricultural lands from development. Permanent protection of the Richardson Farm with a conservation easement is a crucial step toward protecting the agricultural basis and natural resource significance of this community.

Richardson Farm

Blackburn Farm and Preston Farm
Forsyth County

The 59 acre Blackburn Farm is located in Kernersville, Forsyth County. The farm, which has been in continuous family ownership for 112 years, is used for production of commercial vegetables. The tract includes 16 tillable acres, 15 acres of prime soils, and 30 acres of productive woodlands. The Blackburn family has committed to sell development rights over the entire property to the Forsyth County Farmland Preservation Program.

There are numerous farms in close proximity to the Blackburn property, including some that are already conserved. However, residential development has occurred nearby, resulting in two subdivisions. Developers consistently offer to purchase the property.



Blackburn Farm

The Preston Farm, also in Forsyth County, has been in continuous family ownership for 102 years. The owners plan to sell the development rights to the 207 acre farm to the Forsyth County Farmland Preservation Program. The property is actively farmed for production of tobacco and commercial vegetables. Seventy-three acres of the farm are tillable, 134 acres are productive woodlands with an active forest management plan, and wetlands cover 24 acres of the farm. Seven acres are prime soils and 136 acres contain soils of statewide importance.

Residential development has occurred on individual lots near the Preston Farm. Although no subdivisions have yet been built, developers and representatives of a nearby golf course have tried to purchase the property. The Belews Creek area, where the Preston Farm is located, is a viable farming community. Six farms within six miles of the Preston Farm are conserved. Protection of this farm will contribute to the preservation of the area's rural character.

Preston Farm

The Farmland Preservation Pilot Program gave the Forsyth County Farmland Preservation Program a $44,092 grant to partially fund one or both of these projects.

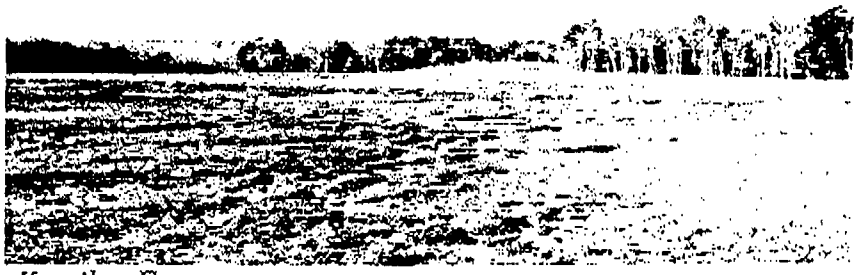
The Karriker Farm
Land Trust for Central North Carolina

The 400 acre Karriker Farm is located in Rowan County. The landowners, who are respected dairy farmers, are placing one 81 acre tract under a conservation easement through a bargain sale to the LandTrust for Central North Carolina, with the intent to sequence conservation easements over additional acreage in the future. The Farmland Preservation Pilot Program funded this purchase with a $50,390 grant. This tract has no farm buildings and is used to raise silage and other crops to supplement the dairy operation, which is less than one mile away.

The Karriker Farm consists of 45 acres of tillable land, 20 acres with soils of statewide importance, 36 acres of mixed hardwoods, and 19 acres in the floodplain. The owners intend to pass the farming operation on to their son and are planning for the future of their land. They are considering future conservation easements and have applied to place the entire property in a Rowan County Farmland Preservation District.

The farm is in one of the fastest growing areas of North Carolina. It is less than five miles from Mooresville and five miles from Kannapolis. Downtown Charlotte is 24 miles from the Karriker Farm, with the Mecklenburg County line just five miles away. Two major Interstates, I-77 and I-85, are seven miles and 10 miles away, respectfully. A commercial development is directly behind the 81-acre tract being placed under easement and further development in the area is likely.

Rowan County still has a robust farming community and many viable farms are in close proximity to the Karriker Farm. However, real estate prices are increasing making it difficult for farmers to buy land and keep their current properties in family ownership due to estate taxes. Because the owners of this property are respected in the community, successful protection of their farm may result in more farmers approaching the LandTrust to protect their farms.



Karriker Farm

Newlin-Hickory Grove Dairy
Piedmont Land Conservancy

The 160 acre Newlin-Hickory Grove Dairy is a part of the Sutphin Mill Quaker farming community in Alamance and Chatham Counties. It is an active dairy farm in an agricultural community, including three neighboring farms totaling 220 acres already protected under easements held by the Piedmont Land Conservancy (PLC). The community plans to protect more than 1500 acres of contiguous farmland.

The Newlins are selling the development rights on 122 acres of the farm to PLC. The Farmland Preservation Pilot Program granted PLC $67,000 toward this purchase. The parcel consists of 107 acres of pasture and tillable land, 15 acres of natural habitat, but no farm buildings. The entire farm, which supports a diversity of agricultural products in addition to the dairy, is managed soundly under a conservation plan developed by the Natural Resources Conservation Service.

The Newlin-Hickory Grove Dairy faces increasing development pressure. The Newlin farm is just 17 miles west of Chapel Hill and 20 miles south of Burlington. This area is under tremendous development pressure from people working in the Triangle area seeking lower cost housing and a reasonable commute. Development pressure is driving land prices above the means of farmers. Several neighboring farms have been developed and there are currently no county zoning ordinances that would inhibit development on this property. Protecting the Newlin Farm and surrounding farms is important to both the rural character and economic viability of the community, as dairy production is a significant source of local agricultural revenues.

Newlin-Hickory Grove Dairy

VISITOR REGISTRATION SHEET

AGRICULTURE — Name of Committee

Tuesday, July 6, 1999 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
David Meredith	NC State Grange
Nellie English	NCAC
Steve Woodson	NC Farm Bureau
David Knight	NC Sierra Club, NC Wildlife Fed
Sara Robertson	Robertson Farms, Knightdale, NC
[illegible]	NC Pork Council
Liddy Dole	For President
Mike Carpenter	NCHBA
Dave Wilm	NCHBA
[illegible]	NCFB
[illegible]	CCNC
Kim Hibbard	NCLM
Jim Blackburn	County Commissioners Assoc.
Danny Scott	DENR
David Vogel	DENR
Donald Belk	Orange Co. ERCD POB 8181 Hillsboro 27278
David Stancil	" " " "
Taunia Stevenson	NCMA
Ron Azcock	NCACC
Russell [illegible]	NC Horse
W W Cherry	NCPC
Deborah Johnson	farmer, Sampson Co.
[illegible]	Boone & Moore
[illegible]	Boone & Assoc.
Molly Diggins	NC Sierra
Stephen Trimble	aide to Senator Kinnaird

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. H1132 CSSJ-3

H. B. No. 1132 DATE 7/6/99

S. B. No. _____ Amendment No. _____
(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) Buchanan
Sen.)

moves to amend the bill on page 2, line 44

( ) WHICH CHANGES THE TITLE

by through page 3, line 2

by inserting that line to read

"agricultural conservation easements, and entering into voluntary agricultural districts."

SIGNED C. Buchanan

ADOPTED _____ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

HOUSE AGRICULTURE COMMITTEE
Minutes: July 8, 1999

The committee met in Room 1425 of the Legislative Building at 10:00 a.m. Please refer to attendance sheet for member attendance.

Chairman Hill called the meeting to order and recognized Rep. Insko to come forward and support HB 1132, Preserve Farmlands/Promote Small Farms. Rep. Insko stated that she had a proposed committee substitute for the committee this morning, and Chairman Hill recognized Rep. Buchanan for the motion to adopt the pcs for discussion purposes.

Rep. Insko stated that she had talked with most of the members of the committee, and that this pcs reflects a change on page 2, which clarifies the match requirement for counties regarding the tiers. Chairman Hill then opened the floor to discussion and there were questions about this bill creating conservation districts, and Rep. Inkso stated that this bill does not create conservation districts – this is already in the law. This bill creates guidelines for how money would be distributed.

Mr. David Stancil, Director Environment Resource Conservation, Orange County was invited to come forward and answer some of the member's questions. Mr. Stancil stated that a conservation easement is a legal agreement between two parties, and it is up to the two parties to decide just what that agreement constitutes. More discussion continued and Mr. Don Bell, Preservation Planner for Orange County was recognized to speak to additional concerns that several members voiced. Mr. Bell stated that the enabling legislation which allows counties to establish agriculture districts created a trust fund which specifies a 25-year term which the agreement would have to have. This varies because it is up to the individual farmer and the land trust and could run anywhere between 10 to 30 years or into perpetuity. There was still some uncertainty regarding conservation easements, and Rep. Insko stated that the bill had nothing to do with such easements.

Chairman Hill recognized Committee Counsel, Barbara Riley to come forward and explain in more detail. Ms. Riley stated that it was as Rep. Insko stated. The laws have been on the books that establish the Farmland Preservation Trust Fund – but it wasn't until last year that the General Assembly appropriated money to allow some private land trusts to start acquiring property and easements. The bill provides a system for allocating these funds for the counties, and the counties provide matching funds. It also asks the counties to look at how they can best preserve and encourage farming in the county

Further discussion continued on the subject of development rights, and Rep. Insko stated that the term does not refer to a purchase of or transfers of development rights, it simply refers to the development rights for the period of the contract.

Chairman Hill recognized Mr. David S. McLeod, Director of Legal Affairs for the Department of Agriculture who stated that the department does not have any strong feelings either way about the guidelines. But he did state that $250,000 was appropriated this year for this fund. Last year $250,000 was used to actually purchase permanent easements on six different farms in the western part of the state. He stated that he felt this was a pilot program.

Mr. Jim Blackburn of the Association of County Commissioners was recognized, and he stated that this idea has the character of changing some of the other policy ideas in the state because it involves a match and is voluntary at the local level. He stated that it is an incentive program and the association favors the bill.

Chairman Hill recognized Rep. Mitchell who made the motion to give the committee substitute a favorable report – unfavorable to the original bill, and the motion received a favorable report.

There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann
Committee Assistant

Rep. Dewey L. Hill, Chairman

1999 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES

The following report(s) from standing committee(s) is/are presented:
By Representative(s) **Hill** for the Committee on **AGRICULTURE**.

☐ Committee Substitute for
H.B. 1132 A BILL TO BE ENTITLED AN ACT TO PROMOTE THE PRESERVATION OF FARMLAND, TO PROMOTE SMALL,FAMILY-OWNED FARMS, AND TO CHANGE THE DEFINITION OF SUBDIVISIONS SUBJECT TO REGULATION UNDER CHAPTER 153A OF THE GENERAL STATUTES.

☐ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☑ With a favorable report as to committee substitute bill (#), ☑ which changes the title, unfavorable as to (original bill) (~~Committee Substitute Bill #~~), (and recommendation that the committee substitute bill #) be re-referred to the Committee on Finance

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

2/24/99

April 15, 1999

H 1132. PRES. FARMLANDS/SMALL FARMS (=S 930). *TO PROMOTE THE PRESERVATION OF FARMLAND, TO PROMOTE SMALL, FAMILY-OWNED FARMS, AND TO CHANGE THE DEFINITION OF SUBDIVISION SUBJECT TO REGULATION UNDER CHAPTER 153A OF THE GENERAL STATUTES.* Identical to S 930, introduced 4/14/99.

Intro. by Insko.

Ref. to Agriculture GS 106, 153A

April 28, 1999

H 1132. PRES. FARMLANDS/SMALL FARMS. Intro. 4/15/99. House amendment makes the following changes to 1st edition. Adds new section effective July 1, 1999 authorizing a county that has adopted a countywide farmland protection plan to adopt an ordinance imposing a fee of no more than $10.00 for each subdivision plat required to be filed with the register of deeds for recordation. Fees must be used to meet the county match requirements for obtaining funding from the North Carolina Farmland Preservation Trust Fund.

July 8, 1999

H 1132. PRES. FARMLANDS/SMALL FARMS. Intro. 4/15/99. House committee substitute makes the following changes to 2nd edition: (1) changes title to AN ACT TO PROMOTE THE PRESERVATION OF FARMLAND AND TO PROMOTE SMALL, FAMILY-OWNED FARMS; (2) deletes amendments that would disqualify farmland with an animal waste management system having a design capacity of 600,000 pounds steady state live weight or more; (3) rewrites amendments to GS 106-744(c) to provide that money from the Trust Fund may be distributed to private nonprofit conservation organizations only if the organization matches 30% of the Trust Fund monies it receives with funds from other sources; (4) deletes provision directing the Comm'r of Agriculture to use Trust Fund monies to match any county funds to establish a county agricultural economic development director to promote farming in that county; (5) provides that a county that is an enterprise tier-four county or an enterprise tier-five county and that has prepared a countywide farmland protection plan must provide matching funds equal to 15% Trust Fund monies; (6) provides that counties without such a plan must provide matching funds equal to 30% of Trust Fund monies; (7) provides that tier-one, tier-two, and tier-three counties that have prepared a farmland protection plan may not be required to match Trust Fund monies; (8) deletes zoning of areas for agricultural use as a criterion for funding or matching of funds; (9) deletes transfer of development rights and zoning for long-term agricultural use areas from list of farmland preservation tools that must be addressed in plan; (10) deletes proposed amendment to GS 153A-335, which would have changed the exception from subdivision regulations from divisions of land into parcels greater than ten acres to divisions with parcels greater than fifty acres; (11) deletes GS 106-744(c3), which would have provided that farmers from small, family-owned farms in voluntary agricultural districts must have priority in receiving technical assistance from an agricultural economic development director; and (12) adds new GS 106-744(f) to provide that a county farmland protection plan may be formulated with the assistance of an agricultural advisory board.

July 13, 1999

H 1132. PRESERVE FARMLANDS/SMALL FARMS. Intro. 4/15/99. House committee substitute makes the following changes to 3rd edition. Changes effective date to July 1, 2000 (was, July 1, 1999).

file

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE

You are hereby notified that the Committee on **AGRICULTURE** will meet as follows:

DAY & DATE: **Thursday, July 8, 1999**

TIME: **10:00 a.m.**

LOCATION: **1425 LB**

The following bills will be considered (Bill # & Short Title):
HB 1132 Preserve Farmlands/Promote Small Farms - Rep. Insko

Respectfully,

Representative Dewey L. Hill
Chairman

I hereby certify this notice was filed by the committee assistant at the following offices at **11:00** on **Wednesday, July 7, 1999**.

___Principal Clerk
___Reading Clerk - House Chamber

Ginny McCann (Committee Assistant)

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H D

HOUSE BILL 1132*
Second Edition Engrossed 4/28/99
Proposed Committee Substitute H1132-CSSJ-3
WARNING: LINE NUMBERS MAY CHANGE AFTER ADOPTION

Short Title: Preserve Farmlands/Promote Small Farms. (Public)

Sponsors:

Referred to:

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO PROMOTE THE PRESERVATION OF FARMLAND AND TO PROMOTE SMALL, FAMILY-OWNED FARMS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-744(c) reads as rewritten:

"(c) There is established a 'North Carolina Farmland Preservation Trust Fund' to be administered by the Commissioner of Agriculture. The Trust Fund shall consist of all monies received for the purpose of purchasing agricultural conservation easements or transferred from counties or private sources. The Trust Fund shall be invested as provided in G.S. 147-69.2 and G.S. 147-69.3. The Commissioner shall use Trust Fund monies for the purchase of agricultural conservation easements, including transaction costs, and shall distribute Trust Fund monies ~~to counties and private nonprofit conservation organizations~~ for such purchases, including transaction ~~costs.~~ costs, as follows:

(1) To a private nonprofit conservation organization that matches thirty percent (30%) of the Trust Fund moneys it receives with funds from sources other than the Trust Fund.

(2) To counties according to the match requirements under subsection (c1) of this section.

(c1) A county that is an enterprise tier three county, an enterprise tier four county, or an enterprise tier five county, as these tiers are defined in G.S. 105-129.3(a), and that has prepared a countywide farmland protection plan shall match fifteen percent (15%) of the Trust Fund monies it receives with county funds. A county that has not prepared a countywide farmland protection plan shall match thirty percent (30%) of the Trust Fund monies it receives with county funds. A county that is an enterprise tier one county or an enterprise tier two county, as these counties are defined in G.S. 105-129.3(a), and that has prepared a countywide farmland protection plan shall not be required to match any of the Trust Fund moneys it receives with county funds.

(c2) The Commissioner of Agriculture shall adopt rules ~~and regulations~~ governing the use, distribution, investment, and management of Trust Fund monies."

Section 2. G.S. 106-744 is amended by adding two new subsections to read:

"(e) As used in subsection (c1) of this section, a countywide farmland protection plan means a plan that satisfies all of the following requirements:

(1) The countywide farmland protection plan shall contain a list and description of existing agricultural activity in the county.

(2) The countywide farmland protection plan shall contain a list of existing challenges to continued family farming in the county.

(3) The countywide farmland protection plan shall contain a list of opportunities for maintaining or enhancing small, family-owned farms and the local agricultural economy.

(4) The countywide farmland protection plan shall describe how the county plans to maintain a viable agricultural community and shall address farmland preservation tools, such as agricultural economic development, including farm diversification and marketing assistance; other kinds of agricultural technical assistance, such as farm infrastructure financing, farmland purchasing, linking with younger farmers, and estate planning; the desirability and feasibility of donating agricultural conservation easements, entering into

voluntary agricultural districts, and transferring development rights.

(5) The countywide farmland protection plan shall contain a schedule for implementing the plan and an identification of possible funding sources for the longterm support of the plan.

(f) A countywide farmland protection plan that meets the requirements of subsection (e) of this section may be formulated with the assistance of an agricultural advisory board designated pursuant to G.S. 106-739."

Section 3. Part 2 of Article 18 of Chapter 153A of the General Statutes is amended by adding a new section to read:

"**§ 153A-335.1. Fees to support farmland protection.**

A county that has prepared and adopted a countywide farmland protection plan containing all the elements set forth in G.S. 106-744(e) may adopt an ordinance imposing a fee of no more than ten dollars ($10.00) for each subdivision plat required to be filed with the register of deeds for recordation. The monies collected pursuant to this section shall be used to meet the county match requirements for obtaining funding from the North Carolina Farmland Preservation Trust Fund."

Section 4. This act becomes effective July 1, 1999.

1999 Tier Designations

Tier One	Tier Two	Tier Three	Tier Four	Tier Five
Bertie	Alleghany	Avery	Alamance	Buncombe
Edgecombe	Anson	Bladen	Alexander	Cabarrus
Graham	Ashe	Brunswick	Burke	Chatham
Halifax	Beaufort	Camden	Caldwell	Currituck
Hertford	Cherokee	Caswell	Carteret	Davie
Hyde	Columbus	Chowan	Catawba	Durham
Martin	Mitchell	Clay	Craven	Forsyth
Northampton	Montgomery	Cleveland	Dare	Guilford
Richmond	Onslow	Cumberland	Davidson	Henderson
Swain	Perquimans	Gaston	Duplin	Iredell
Tyrrell	Robeson	Gates	Franklin	Johnston
Warren	Rutherford	Haywood	Granville	Lee
Washington	Scotland	Hoke	Greene	Mecklenburg
	Vance	Jackson	Harnett	Moore
	Yancey	Jones	Lincoln	New Hanover
		Lenoir	Macon	Orange
		Madison	Nash	Polk
		McDowell	Pender	Randolph
		Pamlico	Pitt	Stokes
		Pasquotank	Rowan	Union
		Person	Sampson	Wake
		Rockingham	Surry	
		Stanly	Transylvania	
		Wayne	Watauga	
		Wilkes	Yadkin	
		Wilson		

§ 105-129.3. (Repealed effective January 1, 2002) Enterprise tier designation.

(a) Tiers Defined. - An enterprise tier one area is a county whose enterprise factor is one of the 10 highest in the State. An enterprise tier two area is a county whose enterprise factor is one of the next 15 highest in the State. An enterprise tier three area is a county whose enterprise factor is one of the next 25 highest in the State. An enterprise tier four area is a county whose enterprise factor is one of the next 25 highest in the State. An enterprise tier five area is any area that is not in a lower-numbered enterprise tier.

(b) Annual Designation. - Each year, on or before December 31, the Secretary of Commerce shall assign to each county in the State an enterprise factor that is the sum of the following:

(1) The county's rank in a ranking of counties by average rate of unemployment from lowest to highest, for the preceding three years.

(2) The county's rank in a ranking of counties by average per capita income from highest to lowest, for the preceding three years.

(3) The county's rank in a ranking of counties by percentage growth in population from highest to lowest.

The Secretary of Commerce shall then rank all the counties within the State according to their enterprise factor from highest to lowest, identify all the areas of the State by enterprise tier, and provide this information to the Secretary of Revenue. An enterprise tier designation is effective only for the calendar year following the designation.

In measuring rates of unemployment and per capita income, the Secretary shall use the latest available data published by a State or federal agency generally recognized as having expertise concerning the data. In measuring population growth, the Secretary shall use the most recent estimates of population certified by the State Planning Officer.

(c) Exception for Enterprise Tier One Areas. - Notwithstanding the provisions of this section, an enterprise tier one area may not be redesignated as a higher-numbered enterprise tier area until it has been an enterprise tier one area for at least two consecutive years.

(d) Exception for Two-County Industrial Park. - For the purpose of this Article, an eligible two-county industrial park that meets all of the following conditions has the lower enterprise tier designation of the designations of the two counties in which it is located:

(1) It is located in two contiguous counties, one of which has a lower enterprise tier designation than the other.

(2) At least one-third of the park is located in the county with the lower tier designation.

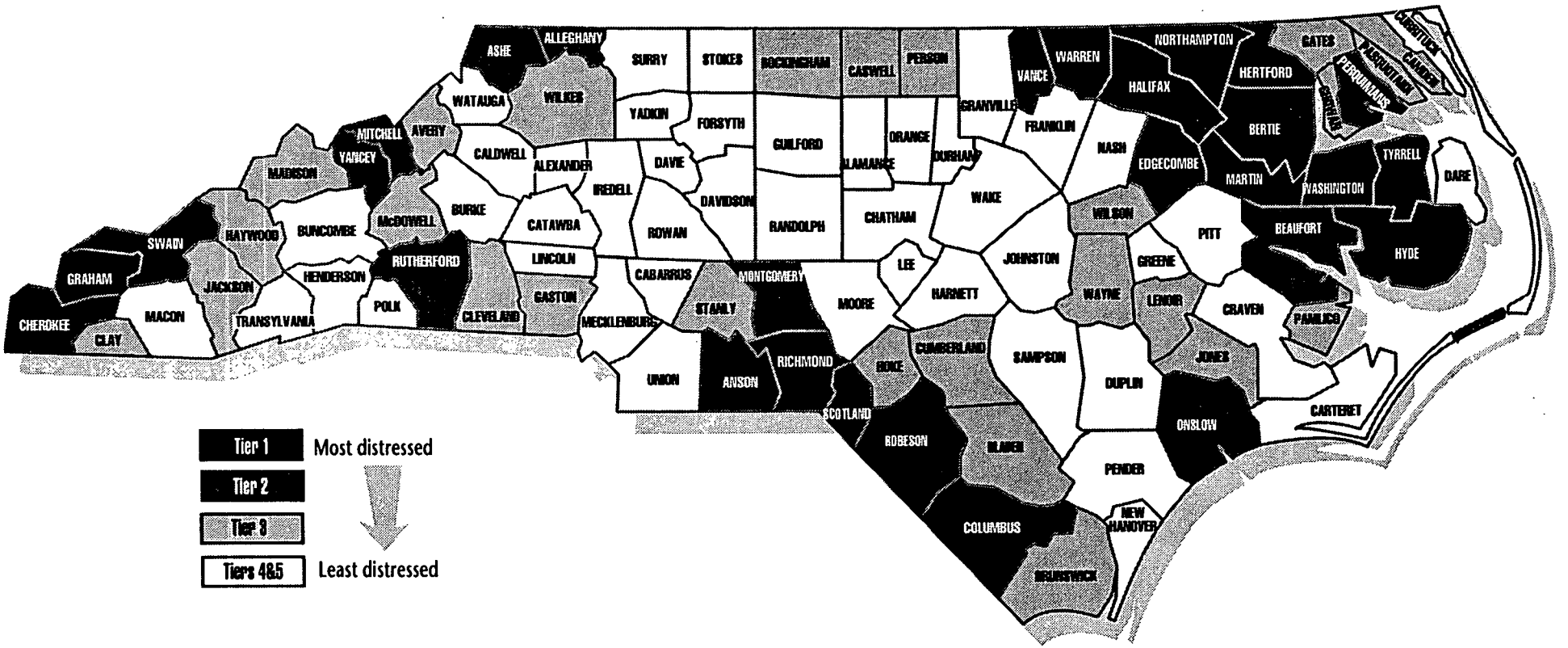
(3) It is owned by the two counties or a joint agency of the counties.

(4) The county with the lower tier designation contributed at least one-half of the cost of developing the park.

(1996, 2nd Ex. Sess., c. 13, s. 3.3; 1997-277, s. 1; 1998-55, s. 1.)

Editor's Note. - Session Laws 1996, Second Extra Session, c. 13, s. 1, provides that this act shall be known as the William S. Lee Quality Jobs and Business Expansion Act.

N.C. Economically Distressed Counties, 1999



As provided in the William S. Lee Quality Jobs and Business Expansion Act, enterprise tiers are calculated annually based on each county's ranking in unemployment and per capita income (for prior 3 years) and in percent growth of population. Counties in tiers 1, 2, and 3 are considered distressed and are eligible for certain business incentive programs offered through the N.C. Department of Commerce.

The Rural Center

2/99

County Rank: Low Wealth Supplemental Funding

1999-2000
(Low to High)

LEA Name	Rank
Hoke County	1
Robeson County	2
Gates County	3
Bertie County	4
Harnett County	5
Washington County	6
Richmond County	7
Hertford County	8
Tyrrell County	9
Northampton County	10
Warren County	11
Halifax County	12
Onslow County	13
Caswell County	14
Perquimans County	15
Camden County	16
Greene County	17
Anson County	18
Swain County	19
Columbus County	20
Martin County	21
Graham County	22
Scotland County	23
Wayne County	24
Pasquotank County	25
Franklin County	26
Madison County	27
Vance County	28
Edgecombe County	29
Montgomery County	30
Granville County	31
Sampson County	32
Chowan County	33
Bladen County	34
Cherokee County	35
Jones County	36
Stanly County	37
McDowell County	38

County Rank: Low Wealth Supplemental Funding

1999-2000
(Low to High)

LEA Name	Rank
Pamlico County	39
Nash County	40
Burke County	41
Alexander County	42
Pender County	43
Beaufort County	44
Lenoir County	45
Duplin County	46
Cleveland County	47
Caldwell County	48
Stokes County	49
Johnston County	50
Yancey County	51
Rutherford County	52
Rockingham County	53
Yadkin County	54
Mitchell County	55
Craven County	56
Wilkes County	57
Pitt County	58
Surry County	59
Clay County	60
Randolph County	61
Cumberland County	62
Rowan County	63
Union County	64
Lincoln County	65
Davidson County	66
Wilson County	67
Ashe County	68
Haywood County	69
Person County	70
Lee County	71
Hyde County	72
Chatham County	73
Iredell County	74
Davie County	75
Alamance County	76

County Rank: Low Wealth Supplemental Funding

1999-2000
(Low to High)

LEA Name	Rank
Gaston County	77
Transylvania County	78
Alleghany County	79
Avery County	80
Moore County	81
Cabarrus County	82
Jackson County	83
Currituck County	84
Polk County	85
Macon County	86
Brunswick County	87
Buncombe County	88
Watauga County	89
Carteret County	90
Catawba County	91
Henderson County	92
Orange County	93
Guilford County	94
Durham County	95
Forsyth County	96
Dare County	97
Wake County	98
New Hanover County	99
Mecklenburg County	100

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

STEP 1 - Comparability:

County Revenue:

Calculate County Adjusted Property Tax Base:

Real Property (revalued in 1995)	$1,545,456,134		
Less: Agricultural Use Value	326,198,555		
Property Value to be Adjusted		$1,219,257,579	
Weighted Sales Assessment Ratio		0.9129	(Valued @ 91% of Market)
Adjusted Real Property Value		1,335,587,226	
Public Service Company Value		70,950,997	
Personal Property Value		505,377,578	
Agricultural Use Value		326,198,555	
County Adjusted Property Tax Base		$2,238,114,356	

Convert County Adjusted Property Tax Base to Anticipated Revenue:

County Adjusted Property Tax Base	$2,238,114,356	
State Average "Effective" Tax Rate	0.604	(per $100 in Property Value)
(State Average Tax Rate for all Counties after adjusting each County's Actual Tax Rate by the County's Weighted Sales Assessment Ratio)		
Anticipated County Property Tax Revenue Availability	$13,518,211	

Include Additional Revenue:

Additional Local Revenue *	$7,446,266
Anticipated Total County Revenue Availability	$20,964,477

* (Local Sales and Use Taxes, Food Stamp Exemption Reimbursement, Homestead Exemption Reimbursement, Inventory Tax, Intangibles Tax, and Fines and Forfeitures).

Calculate Anticipated Total County Revenue Availability per Student:

Total County's Average Daily Membership (ADM)	**10,242**	
Anticipated Total County Revenue Availability per Student	**$2,047**	
Anticipated State Average Revenue Availability per Student	**$3,085**	
County Percentage of State Average County Revenue per Student		**66.35%**

Density Adjustment:

County Adjusted Property Tax Base	**$2,238,114,356**	
Square Miles in County	**945.52**	
County Adjusted Property Tax Base per Square Mile	**$2,367,072**	
State Average Adjusted Property Tax Base per Square Mile	**$8,963,583**	
County Percentage of State Average Property Tax Base per Square Mile		**26.41%**

Per Capita Income:

County 3 Year Average Per Capita Income (1994, 1995, 1996)	**$19,638**	
State 3 Year Average Per Capita Income (1994, 1995, 1996)	**$21,168**	
County Percentage of State 3 Year Average Per Capita Income		**92.77%**

STEP 2 - Eligibility

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

Eligible for Funding:

40% of the County Percentage of Revenue Base per Student	**26.54%**	(66.35% * 4)
10% of the County Percentage of Property Base per Mile	**2.64%**	(26.41% * .1)
50% of the County Percentage of Per Capita Income	**46.39%**	(92.77% * .5)
County Wealth as a Percentage of State Average Wealth	**75.57%**	

If the Overall Wealth Percentage is less than 100%, then a County is eligible.

THIS COUNTY IS CLASSIFIED AS ELIGIBLE FOR LOW WEALTH FUNDING!!!

STEP 3 - Effort:

1st way to meet effort requirement:

County's 1997 Tax Rate	$0.670	(Per $100 in Property Valuation)
Weighted Sales Assessment Ratio:	0.9129	
Effective County Tax Rate	**0.612**	
Effective State Average Tax Rate	**0.604**	(.6757 unadjusted)

If the Effective County Tax Rate is greater than the Effective State Average Tax Rate, then a County is Fundable.

THIS COUNTY WOULD RECEIVE 100% LOW WEALTH FUNDING!!!

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THIS COUNTY W

2nd way to meet effort requirement:

State Average Local Appropriation per Student	$933.81
County Wealth as a Percentage of State Average	75.57%
Calculated County Appropriation per Student	$705.68
Actual 1997 County Appropriation per Student	$658.35
County Appropriation as a Percentage of Calculated County Appropriation ($658.35 divided by $705.68)	93.3%

If the Actual County Appropriations exceed the Calculated County Appropriation (greater than 100%), then a County is Fundable at 100%.

Otherwise:

All other Eligible Counties will receive a portion of the calculated funding outlined in Step 4. If the Actual County Appropriations are less than the Calculated County Appropriation (less than 100%), then a County's funding will be reduced by the percent a County is below 100%. For example, this County was contributing only 93.3% of the formula's anticipated contributions. Therefore, this County would receive only 93.3% of the total funding the County would have received under the formula if the tax rate did not guarantee them 100% - Step 4 (Calculation of Effort Proration).

STEP 4 - Funding:

Calculating Low Wealth Supplemental Funding
Example - FY 1998-99

Weighted 40% Revenue, 10% Density, and 50% Income

Calculation of Total Funding:

State Average Local Appropriation per Student	$933.81	
County Wealth as a Percentage of State Average	75.57%	
Calculated County Appropriation per Student	$705.68	
State Average Local Appropriation per Student	933.81	
Difference From State Average	$228.13	0 if more than state avg.)
Total County's Average Daily Membership (ADM)	10,242	
Total Allotment per Formula	$2,336,507	

Calculation of Effort Proration:

Calculation of Proportional Funding if a County's Actual per Student Appropriations to public schools is less than the amount the formula anticipates that they could generate (See Step 3 Effort):

Total Allotment per Formula	$2,336,507	
County Appropriation as a Percentage of Calculated County Appropriation ($658.35 divided by $705.68)	100.0%	(Tax Rate > State Average Adjustment is not required)
Total Allotment after Effort Proration	$2,336,507	

Note: Revised legislation effective 7/1/97:

If a county's calculated effort falls below 100% because the effective tax rate drops below the state average tax rate, the county cannot lose more than 10% of what the funding would have been at 100%. This is a one time adjustment and will not be implemented if the county had reduced its tax rate.
In FY 1997-98, five LEAs were eligible for this adjustment. This adjustment saved these systems more than $1.5 million.

Another provision allows counties to increase local appropriations to the public schools and have this increase included in the local appropriation calculations, for effort, in the formula.

Calculation Pro Rata Actual Funding:

Maximum State Allotment for Fundable Counties	$109,286,960	(Includes all 73 eligible Co. after effort)
Total Appropriated Funds	$65,127,971	
County's Portion of Appropriated Funds	$1,392,407	(59.59% of $2,336,507)

County Rank: Low Wealth Supplemental Funding

1999-2000
(Low to High)

LEA Name	Rank	TIER
Hoke County	1	3
Robeson County	2	2
Gates County	3	3
Bertie County	4	1
Harnett County	5	4
Washington County	6	1
Richmond County	7	1
Hertford County	8	1
Tyrrell County	9	1
Northampton County	10	1
Warren County	11	1
Halifax County	12	1
Onslow County	13	2
Caswell County	14	3
Perquimans County	15	2
Camden County	16	3
Greene County	17	4
Anson County	18	2
Swain County	19	1
Columbus County	20	2
Martin County	21	1
Graham County	22	1
Scotland County	23	2
Wayne County	24	3
Pasquotank County	25	3
Franklin County	26	4
Madison County	27	3
Vance County	28	2
Edgecombe County	29	1
Montgomery County	30	2
Granville County	31	4

Hyde is the only Tier 1 County that is not rep. This is due to real property values.

Farms fading fast in North Carolina, census shows

BY BOB WILLIAMS
STAFF WRITER

Farms disappeared at a rate of more than one a day in North Carolina from 1992 to 1997, new figures from the U.S. Department of Agriculture show.

The number of farms in the state fell from 51,854 in 1992 to 49,406 in 1997, a loss of 2,448 farms, or nearly five percent, according to the latest edition of USDA's Agricultural Census, released Monday. USDA conducts a census of the country's farms and ranches every five years.

The number of farms with annual sales of more than $10,000 fell nearly twice as fast during the period, or about nine percent.

And there was an even more dramatic drop in the number of farms growing tobacco. The number of farms producing the state's top cash crop fell from 17,625 to 12,095, or more than 31 percent.

At the same time, however, North Carolina exceeded all other states in improving the average value of agricultural products sold per farm. That average value, unadjusted for inflation, rose 68 percent in North Carolina compared to 22 percent nationwide.

Hogs and cotton were the driving forces behind those increases.

The number of hogs on North Carolina farms jumped about 89 percent, from 5.1 million in 1992 to more than 9.6 million in 1997.

Cotton production also was up sharply, rising about 101 percent, from 455,466 bales in 1992 to 916,278 bales in 1997.

Fifty four percent of the state's farms sold less than $10,000 each, accounting for less than two percent of total sales. Nearly eight percent of the farms had sales exceeding $500,000 and accounted for 73 percent of the state's agricultural sales.

The census showed that more farms are being operated by women and fewer by blacks and other minorities. The number of female farm operators rose to 4,063, up 3 percent from 1992. The number of minority farm operators fell to 2,111, down 15 percent from 1992.

Larry Wooten, vice president of the North Carolina Farm Bureau in Raleigh, said he wasn't surprised by the new numbers.

"The trends in North Carolina generally reflect what has been happening nationally," said Wooten. "Production costs are going up, but farm prices aren't. Farmers have to get bigger or they are dropping by the wayside."

He said the drop in farms producing tobacco was expected and has probably worsened considerably since the census was taken in 1997. Government tobacco allotments fell 17 percent in 1998 and were reduced another 18 percent this year. North Carolina produces more tobacco than any other state.

"Tobacco has taken it on the chin several times since 1997," said Wooten. "It's been pretty bad and I really don't know what we can do to change those trends."

Among the other findings in the new census report:

- North Carolina farms sold $7.68 billion in agricultural products in 1997, an average of about $155,376 per farm.
- The average farm in North Carolina grew to 185 acres in 1997 compared to 172 acres in 1992.
- The average farm operator was 55.2 years old in 1997, up from 54.7 years old in 1992.
- Land in farms totaled 9.1 million acres, 29.3 percent of the state's land area.

1997 Census of Agriculture findings

Here are some North Carolina highlights:

- The land in farms increased 2 percent, from 8,936,015 acres in 1992 to 9,122,379 in 1997.
- Crop sales accounted for 34 percent of the market value in 1997; livestock and poultry sales accounted for 66 percent.

Top five commodities

Item	Value	U.S. Ranking
Hogs and pigs	$2,568,492,000	2
Poultry and poultry products	$2,118,786,000	3
Tobacco	$1,137,742,000	1
Nursery and greenhouse crops	$318,203,000	8
Cotton, cottonseed	$298,159,000	7

Source: United States Dept. of Agriculture

WOODY VONDRACEK / The News & Observer

- Forty nine percent of farm operators considered farming their principle occupation. Fifty one percent of farm operators considered something besides farming as their principle occupation.
- Individual or family farms accounted for 87 percent of all farms in North Carolina.

The agricultural census is available on the Internet at www.agr.state.nc.us/stats. Copies can also be obtained from the National Agricultural Statistics Service at (800) 523-3215 or the North Carolina Agricultural Statistics Service at (919) 856-4394.

Bob Williams can be reached at 829-4656 or bobw@nando.com.

VISITOR REGISTRATION SHEET

AGRICULTURE — Name of Committee

Thursday, July 8, 1999 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Neil Mod	CCNC
David Knight	NC Wildlife Fed, NC Sierra Club
Steve Woodson	NC Farm Bureau
John Phelps	NCLM
Carol Wilson	NCMBA
Mike Carpenter	NCMBA
Stephen Thomas	intern Senator Kinnaird
Donald Belk	Orange Co. ERCD
David Stancil	" " "
David McLeod	NCDA&CS
Jim Blackburn	County Commissioners Assoc.
Wallace English	NCAC
Henry Jernigan	Agriculture Alliance & N.C.
	NCFB
Angie McMillan	tuc
Mercer	LMA
R. Rogers	ENR
ANITA Watkins	ENR
George Washington	US President

HOUSE AGRICULTURE COMMITTEE

Minutes: July 7, 2000

The Committee met in the Chamber around Chairman Hill's desk Seat # 21. Those members in attendance were: Representative Donald Bonner; Representative Nelson Cole; Representative Edd Nye; Representative Bill Owens and Representative Russell Tucker.

Rep. Nye was recognized for the motion to accept the proposed committee substitute for discussion purposes. After a brief discussion, Rep. Nye made the motion to give an unfavorable report to the original bill and favorable to the committee substitute. The vote was unanimous. There being no further business, Chairman Hill adjourned the meeting.

Submitted by:

Virginia M. McCann, Committee Clerk

Rep. Dewey L. Hill, Chairman

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S D

SENATE BILL 1082*
Proposed House Committee Substitute S1082-PCS3989-RF01

Short Title: Pest Control Committee Members. (Public)

Sponsors:

Referred to:

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO EXTEND THE TERMS OF MEMBERS OF THE STRUCTURAL PEST CONTROL COMMITTEE THAT ARE APPOINTED BY THE GENERAL ASSEMBLY FROM TWO YEARS TO FOUR YEARS AND TO REQUIRE THAT THE MEMBER RECOMMENDED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES BE ACTIVELY ENGAGED IN THE PEST CONTROL INDUSTRY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-65.23(c) reads as rewritten:

"(c) There is hereby created a Structural Pest Control Committee to be composed of the following members. The Commissioner shall appoint one member of the Committee who is not in the structural pest control business for a four-year term. The Commissioner of Agriculture shall designate an employee of the Department of Agriculture and Consumer Services to serve on the Committee at the pleasure of the Commissioner. The dean of the School of Agriculture of North Carolina State University at Raleigh shall appoint one member of the Committee who shall serve for one term of two years and who shall be a member of the entomology faculty of the University. The vacancy occurring on the Committee by the expired term of the member from the entomology faculty of the University shall be filled by the dean of the School of Agriculture of North Carolina State University at Raleigh who shall designate any person of the dean's choice from the entomology faculty of the University to serve on the Committee at the pleasure of the dean. The Secretary of Health and Human Services shall appoint one member of the Committee who shall

be an epidemiologist and who shall serve at the pleasure of the Secretary. The Governor shall appoint two members of the Committee who are actively engaged in the pest control industry, who are licensed in at least two phases of structural pest control as provided under G.S. 106-65.25(a), and who are residents of the State of North Carolina but not affiliates of the same company.

~~One member of the Committee shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, and one member of the Committee shall be appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121. Vacancies in such appointments shall be filled in accordance with G.S. 120-122.~~

The Governor's initial appointees ~~initial Committee members~~ from the pest control industry shall be appointed as follows: one for a two-year term and one for a three-year term. The Governor shall appoint one member of the Committee who is a public member and who is unaffiliated with the structural pest control industry, the pesticide industry, the Department of Agriculture and Consumer Services, the Department of Health and Human Services and the School of Agriculture at North Carolina State University at Raleigh. The initial public member shall be appointed for a term of two years, commencing July 1, 1991. After the initial appointments by the Governor, all ensuing appointments by the Governor shall be for terms of four years. ~~Appointments made by the General Assembly shall be for terms of two years.~~ Any vacancy occurring on the Committee by reason of death, resignation, or otherwise shall be filled by the Governor or the Commissioner of Agriculture, as the case may be, for the unexpired term of the member whose seat is vacant.

One member of the Committee shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, and one member of the Committee shall be appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121. The member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives shall be actively engaged in the pest control industry, licensed in at least two phases of structural pest control as provided under G.S. 106-65.25(a), and a resident of the State of North Carolina but not an affiliate of the same company as either of the two members from the industry appointed by the Governor. Appointments made by the General Assembly shall be for terms of four years. Vacancies in such appointments shall be filled in accordance with G.S. 120-122."

Section 2. This act becomes effective October 1, 1999, and applies to members appointed on or after that date under G.S. 106-65.23, as amended by this act.