



**House Committee on Agriculture  
Wednesday, March 8, 2023 at 1:00 PM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Agriculture met at 1:05 PM on March 8, 2023 in Room 643 of the Legislative Office Building. Representatives Ager, Balkcom, Bell, Brisson, Brody, K. Brown, Cotham, Dixon, Elmore, Gillespie, Goodwin, K. Hall, Harris, Humphrey, Kidwell, Lowery, Majeed, McNeely, Penny, Sasser, Strickland, Watford, and Wray attended.

Representative Jeffrey C. McNeely, Chair, presided.

**Welcome**

Opening Remarks by Rep. McNeely.

**Introductions**

**Sergeant-at-Arms**

Bill Bass  
Joe Crook  
BH Powell  
Theresa Ferguson

**House Pages**

Isabel Anderson  
Valeria Carranza-Rueda  
Antonia Hughes  
Christopher Williams  
Emperan Wright

**Presentation**

NC Agriculture Commissioner Steve Troxler spoke about the current status and needs of NC Department of Agriculture and Consumer Services (NCDA&CS). He noted NC's attractive business environment, the increasing growth rate, and the importance of protecting the state's number one industry of agriculture and agribusiness, as development continues. He stressed the need for significant investment in staff, infrastructure, natural resources, and agricultural research. His presentation is summarized below.

## **Staff**

NCDA is not competitive with salaries and they cannot properly retain key employees and are continuing to lose them. Some significant stats: 70% are below the midpoint for their job's salary range; 14% of positions are empty; 25% of department employees are eligible for retirement within five years.

The agency is experiencing unprecedented turnover--278 vacancies currently and some have been vacant for over two years. NCDA&CS does extensive training for 11 mo. to 2 yrs., and then employees leave because they can make twice as much in the private sector once trained; so the investment in staff is lost and the training of new employees begins again. He previously requested an \$8 million reserve to fix their staffing problem but only received \$1 million.

Commissioner Troxler asked for the remaining \$7 million, which is a conservative request. These jobs are greatly needed to maintain food safety standards and fairness in trade/pricing, e.g., inspecting gas pumps and monitoring pricing discrepancies at stores, etc. Needs include a lab director, aircraft mechanics, pilots that fight fire, inspectors, lab personnel, pathologists, trucking and food distribution workers. Operational costs across the department are up as well.

## **Infrastructure, Natural Resources, & Research**

NC is already exceeding the infrastructure that we have with growth. In order to keep up, there will be growing pains. Environmental factors may be greatly affected as well.

Electricity - Increased electric capacity will be needed. Rolling blackouts may impact NC's future with the continuing promotion of electric vehicles (EVs) and major new facilities coming online. Blackouts can have a serious impact on Agriculture. Duke Energy has requested a rate increase of 16% over three years for Western NC, and there will be another request for Eastern NC, with subsequent increases expected statewide. During blackouts, other states request that residents do not charge their EVs.

Carbon Footprint - The majority of carbon emissions come from energy production and automobiles/trucks. Agriculture and forestry offset 26% of all the carbon emissions in NC. In addition to land loss due to new development and industry, the agency estimates 45,000 acres of these lands have also been lost to solar. And, there are 18 more major economic projects coming.

Roads - Between 2016-2021, Raleigh experienced 11.1% growth, and Charlotte 8.1%. Traffic continues to increase across the state. New lanes are being added on I-40, but much more expansion is needed to meet the continuing growth.

Water - As more roads and other impervious surfaces are developed, flooding in eastern parts of the state will become a greater issue. We need to be prepared for both flooding and drought. Flooding potential needs to be addressed immediately. And, for drought, we've only built one reservoir in the past 20 yrs., and it took 20 yrs. to build and permit. We cannot maintain this \$100 billion industry, if we lose the natural resources necessary to farm and produce.

Research - Additional research is needed to properly plan for these development projects and the protection of our natural resources. We are losing farmland and forest at an unbelievable rate. We need land and forest to support the farming industry. We have 8.3 million acres of farmland and are expected to lose between 13.25 (based on current development) to 19% (if development increases) by 2040, according to the American Farmland Trust.

Please help us preserve farms in North Carolina for the future of our state. We've had 60 applications for this cycle to help keep farms open, with the request totaling a little over \$20 million.

NCDA is asking for \$15 million recurring for the Farmland Preservation Trust Fund. Every \$1 in research has a \$20 return on investment. We rank at the top in the nation for so many commodities--#1 in the nation for poultry and egg production, #2 for pork, #1 for sweet potatoes, #2 for Christmas tree production, and the list continues. Additionally, farms work well with the neighboring needs of NC's second largest industry--Military.

### Comments & Questions

Rep. Dixon made a statement thanking Commissioner Troxler for speaking about the needs of NC Agriculture in a real way and providing foresight on things that can really hurt in NC if we don't get it right.

Commissioner Troxler answered questions from the committee members which are summarized below.

Q: Rep. Elmore asked about the positives and negatives of value-added processing with Agricultural products.

A: Selling product for retail instead of wholesale provides the most advantage for creating additional jobs.

Q: Rep. Hall asked about what would have made up the difference in salary for some of the lab personnel that's been lost.

A: \$30-40,000. More for highly technical positions, with the specific example of a lab director who doubled his salary from just over \$100,000 to over \$200,000 in the private sector. There is a great shortage of animal vets as well. Director of food trucking and distribution has said he been contacted by over 100 headhunters, because he has experience running a truck terminal.

Q: Rep. Brody asked about education inflation and the possibility of reducing educational requirements to increase the department's ability to attract and retain employees.

A: Yes, a 4-year degree is not necessarily needed. He suggested that a committee be put together to review the state personnel law and rules to make them more competitive with the private sector.

### Adjournment

The meeting adjourned at 1:53 PM.

For a recording of this meeting on CD, you may contact the legislative library at 919-733-9390 or [audio@ncleg.gov](mailto:audio@ncleg.gov).

