

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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**SENATE BILL 355
PROPOSED HOUSE COMMITTEE SUBSTITUTE S355-CSTQf-39 [v.26]
05/22/2024 08:28:20 AM**

Short Title: North Carolina Farm Act of 2024.

(Public)

Sponsors:

Referred to:

March 23, 2023

A BILL TO BE ENTITLED
AN ACT TO MAKE VARIOUS CHANGES TO THE AGRICULTURAL LAWS OF THIS
STATE.

The General Assembly of North Carolina enacts:

PART I. AGRICULTURE AND ENVIRONMENT

CLARIFY THAT AGRICULTURE INCLUDES HORSE BOARDING

SECTION 1.(a) G.S. 106-581.1 reads as rewritten:

"§ 106-581.1. Agriculture defined.

For purposes of this Article, the terms "agriculture", "agricultural", and "farming" refer to all of the following:

...

- (3) Dairying and the raising, management, care, and training of livestock, including horses, bees, poultry, and other animals for individual and public use, consumption, and marketing. The raising, management, care, and training of horses includes the boarding of horses.

...."

SECTION 1.(b) G.S. 106-701 reads as rewritten:

"§ 106-701. Right to farm defense; nuisance actions.

...

(b) For the purposes of this Article, "agricultural operation" includes, without limitation, any facility for the production for commercial purposes of crops, livestock, poultry, livestock products, or poultry products. Production for commercial purposes of livestock includes the rearing, feeding, training, caring, boarding, and managing of horses.

...."

SECTION 1.(c) G.S. 113A-52.01 reads as rewritten:

"§ 113A-52.01. Applicability of this Article.

This Article shall not apply to the following land-disturbing activities:

- (1) Activities, including the production and activities relating or incidental to the production of crops, grains, fruits, vegetables, ornamental and flowering plants, dairy, livestock, poultry, and all other forms of agriculture undertaken on agricultural land for the production of plants and animals useful to man, including, but not limited to:
- a. Forages and sod crops, grains and feed crops, tobacco, cotton, and peanuts.



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- b. Dairy animals and dairy products.
- c. Poultry and poultry products.
- d. Livestock, including beef cattle, llamas, sheep, swine, horses, ponies, mules, and goats. This includes the rearing, feeding, training, caring, boarding, and managing of horses.
- e. Bees and apiary products.
- f. Fur producing animals.
- g. Mulch, ornamental plants, and other horticultural products. For purposes of this section, "mulch" means substances composed primarily of plant remains or mixtures of such substances.

...."

SECTION 1.(d) G.S. 122D-3(2) reads as rewritten:

"(2) "Agriculture" means the commercial production, storage, processing, marketing, distribution or export of any agronomic, floricultural, horticultural, viticultural, silvicultural or aquacultural crop including, but not limited to, farm products, livestock and livestock products, poultry and poultry products, milk and dairy products, fruit and other horticultural products, ~~and~~ seafood and aquacultural ~~products-products~~, and the rearing, feeding, training, caring, boarding, and managing of horses."

NORTH CAROLINA SWEETPOTATO ACT OF 2020 REVISIONS

SECTION 2.(a) G.S. 106-1068 reads as rewritten:

"§ 106-1068. Powers of Commissioner to regulate and promote North Carolina sweetpotatoes.

(a) The Commissioner of Agriculture may take all actions necessary and appropriate to create, register, license, promote, and protect a trademark for use on or in connection with the sale or promotion of North Carolina sweetpotatoes and products containing North Carolina sweetpotatoes. Participation in the branding program authorized by this section shall be voluntary. The Commissioner may impose and collect a reasonable royalty or license fee per hundredweight of sweetpotatoes for the use of such trademark on products containing North Carolina sweetpotatoes or the packaging containing such sweetpotato products. The Commissioner shall determine the fee in consultation with ~~representatives of the sweetpotato industry and the Marketing Division of the Department of Agriculture and Consumer Services~~the North Carolina Sweetpotato Commission. The Commissioner shall remit all royalties and license fees received from this Article, less any costs associated with monitoring the use of the trademark, prohibiting the unlawful or unauthorized use of the trademark, and enforcing rights in the trademark, to the North Carolina ~~SweetPotato-Sweetpotato~~ Commission for the promotion of North Carolina sweetpotatoes.

(b) The Board of Agriculture ~~may~~shall, in consultation with the North Carolina Sweetpotato Commission, adopt rules that may include, but are not limited to, quality standards, grades, packing, handling, labeling, and marketing practices for the marketing of sweetpotatoes in this ~~State~~State using the trademark created for the voluntary branding program established by subsection (a) of this section, and such other rules as are necessary to administer this Article. The Board of Agriculture ~~may~~shall, in consultation with the North Carolina Sweetpotato Commission, also adopt rules establishing a registration, inspection, and verification program for the production and marketing of North Carolina sweetpotatoes in this ~~State~~State using the trademark created for the voluntary branding program established by subsection (a) of this section. All North Carolina sweetpotatoes sold in connection with the voluntary branding program shall conform to the prescribed standards and grades and shall be labeled accordingly.

(c) The Commissioner and the Commissioner's agents and employees may enter any premises or other property where sweetpotatoes marketed or labeled, or intended to be marketed

or labeled, using the trademark created for the voluntary branding program established by subsection (a) of this section are produced, stored, sold, offered for sale, packaged for sale, transported, or delivered to inspect the sweetpotatoes for the purpose of enforcing the provisions of this Article and the rules adopted under this Article.

(d) The North Carolina Sweetpotato Commission shall render advice regarding the exercise of the Commissioner's authority pursuant to this section. The North Carolina Sweetpotato Commission shall also provide advice and recommendations to the Commissioner on plant pest regulatory issues affecting sweetpotatoes, over which the Commissioner has regulatory jurisdiction."

SECTION 2.(b) G.S. 106-1066(3) is repealed.

SECTION 2.(c) G.S. 106-1070 is repealed.

FERAL SWINE AMENDMENTS

SECTION 3.(a) G.S. 106-798 reads as rewritten:

"§ 106-798. Identification required to transport swine.

(a) No live swine shall be transported on a public road within the State unless the swine has an official form of identification approved by the State Veterinarian for this purpose.

(b) Any live swine that is transported on a public road within this State without identification as required by this section is presumed to be a feral swine and is also subject to regulation by the Wildlife Resources Commission under Chapter 113 of the General Statutes. Any person transporting a swine without identification is subject to a ~~civil penalty under this Article~~ criminal penalties under Chapter 113 of the General Statutes.

(c) Swine that do not leave the premises of the swine owner are not subject to the identification requirement under this section.

(d) The Board of Agriculture shall adopt rules to charge any swine owner a fee for the identification required under this section. The fee may not exceed the actual cost to the Department of Agriculture and Consumer Services for the identification approved by the State Veterinarian and any direct administrative costs associated with providing the identification to swine owners. The Board of Agriculture shall adopt any other rules necessary to implement this Article."

SECTION 3.(b) G.S. 106-798.1 is repealed.

SECTION 3.(c) G.S. 113-129 reads as rewritten:

"§ 113-129. Definitions relating to resources.

The following definitions and their cognates apply in the description of the various marine and estuarine and wildlife resources:

...

(5d) Feral Swine. – Free-ranging mammals of the species Sus ~~sero~~fa scrofa and live swine not transported in accordance with G.S. 106-798(b).

...."

SECTION 3.(d) G.S. 113-291.12 reads as rewritten:

"§ 113-291.12. Unlawful to remove live feral swine from ~~traps~~ traps or transport live feral swine.

(a) The General Assembly finds that feral swine are an invasive species and are deemed destructive to property and to be a potential safety or health risk to people, livestock, and other native wildlife.

(b) It is unlawful to remove feral swine from a trap while the swine is still alive or to transport the live feral swine after that removal without authorization from the Wildlife Resources Commission."

SECTION 3.(e) G.S. 113-294(s) reads as rewritten:

(s) Any person who violates the provisions of G.S. 113-291.12 by unlawfully removing feral swine or from a trap while the swine is still alive or by transporting ~~such~~ live feral swine

after that removal is guilty of a Class 2 misdemeanor, punishable by a fine of not less than ~~two hundred fifty dollars (\$250.00)~~ one thousand dollars (\$1,000) for a first offense and a Class A1 misdemeanor, punishable by a fine of not less than five thousand dollars (\$5,000) or five hundred dollars (\$500) per feral swine, whichever is greater, for a second or subsequent offense. The acts of removal from a trap and of transporting ~~the swine after removal~~ live feral swine shall constitute separate offenses."

SECTION 3.(f) G.S. 113-276.3 reads as rewritten:

"§ 113-276.3. Mandatory suspension of entitlement to license or permit for fixed period upon conviction of specified offenses.

(a) Upon conviction of a suspension offense under this section, the defendant's entitlement to any license or permit applicable to the type of activity ~~he~~ the defendant was engaging in that resulted in the conviction is suspended for the period stated in subsection ~~(d)~~ (d) or (f). The period of suspension begins:

- (1) Upon the surrender to an authorized agent of the Wildlife Resources Commission of all applicable licenses and permits; or
- (2) If no licenses or permits are possessed, the defendant fails or refuses to surrender all licenses or permits, or any license or permit is lost or destroyed, upon the Executive Director's placing in the mail the notification required by subsection (c).

...

(f) Conviction of a second violation of G.S. 113-294(s) results in a suspension for a period of one year. Conviction of a third violation of G.S. 113-294(s) results in a permanent revocation."

SECTION 3.(g) This section becomes effective December 1, 2024, and applies to offenses committed on or after that date.

DIRECT AGRICULTURE AND FORESTRY AWARENESS STUDY COMMISSION TO STUDY LOW-HANGING COMMUNICATIONS LINES

SECTION 4. The Agriculture and Forestry Awareness Study Commission shall collect information on communication lines that fall below the minimum height requirement and create a public safety hazard, particularly to agricultural operations. In conducting the study, the Commission shall seek input from the Office of Broadband Infrastructure of the Department of Information Technology, telecommunications companies, agricultural trade associations, commodity organizations, electric cooperatives, electric utility companies, third-party contractors, and any other stakeholders the Commission deems necessary. The Commission shall report its findings, including any recommendations or proposed legislation, prior to the convening of the 2025 Regular Session of the General Assembly.

SHELLFISH LEASE AND FRANCHISE AMENDMENTS

SECTION 5.(a) Sections 3.(c) and 3.(d) of S.L. 2019-37 read as rewritten:

"SECTION 3.(c) Implementation. – Shellfish leases shall be terminated unless they comply with the following requirements:

- (1) ~~Franchises recognized pursuant to G.S. 113-206 and shellfish~~ Shellfish bottom leases shall be terminated unless:
 - a. They produce a minimum of 20 bushels of shellfish per acre averaged over the previous three-year period beginning in year five of the lease; or
 - b. For intensive culture bottom operations, the holder of the lease provides evidence of purchasing a minimum of 23,000 shellfish seed per acre annually and for extensive culture bottom operations, the

holder of the lease plants a minimum of 15,000 shellfish seed per acre per year.

(2) Water column leases shall be terminated unless:

- a. They produce a minimum of 50 bushels of shellfish per acre averaged over the previous three-year period beginning in year five of the lease; or
- b. The holder of the lease provides evidence of purchasing a minimum of 23,000 shellfish seed per acre annually.

SECTION 3.(d) Additional Rule-Making Authority. – The Commission shall adopt a rule to amend the Shellfish Production Requirements Rule consistent with subsection (c) of this ~~section~~ section no later than July 1, 2024. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2)."

SECTION 5.(b) G.S. 113-202(g) reads as rewritten:

"(g) After consideration of the public comment received and any additional investigations the Secretary orders to evaluate the comments, the Secretary shall notify the applicant in person or by certified or registered mail of the decision on the lease application. The Secretary shall also notify persons who submitted comments at the public hearing and requested notice of the lease decision. If the Secretary fails to act on an application for a lease within 365 days after the applicant has submitted all information required by the rules of the Marine Fisheries Commission and accurately marked the proposed lease area, the application shall be deemed approved. An applicant who is dissatisfied with the Secretary's decision may commence a contested case by filing a petition under G.S. 150B-23 within 30 days after receiving notice of the Secretary's decision. In the event the Secretary's decision is a modification to which the applicant agrees, the lease applicant must furnish an amended map or diagram before the lease can be issued by the Secretary. A person other than the applicant who is aggrieved by the Secretary's decision may file a petition for a contested case hearing only if the Shellfish Cultivation Lease Review Committee established pursuant to G.S. 143B-289.57(f) determines that a hearing is appropriate. A request for a determination of the appropriateness of a contested case hearing shall be made in writing and received by the Review Committee within 30 days after the disputed decision is made. A determination of the appropriateness of a contested case shall be made by the Review Committee within 90 days after a request for a determination is received and shall be based on whether the person seeking to commence a contested case:

- (1) Has alleged that the decision is contrary to a statute or rule.
- (2) Is directly affected by the decision.
- (3) Has alleged facts or made legal arguments that demonstrate that the request for the hearing is not frivolous.

...."

PART II. DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

LIMIT AGRONOMIC SOIL TESTING TO IN-STATE SAMPLES

SECTION 6. G.S. 106-22 reads as rewritten:

"§ 106-22. Joint duties of Commissioner and Board.

The Commissioner of Agriculture, by and with the consent and advice of the Board of Agriculture shall:

...

(17) Agronomic Testing. – Provide agronomic testing services and charge reasonable fees for plant analysis, nematode testing, ~~in-State soil testing during peak season, out-of-state soil testing, and expedited soil testing.~~ The Board shall charge at least four dollars (\$4.00) for plant analysis, at least two dollars (\$2.00) for nematode testing, at least four dollars (\$4.00) for ~~in-State soil testing during peak season, at least five dollars (\$5.00) for out-of-state soil testing, and at least two hundred dollars (\$200.00) for expedited soil testing.~~ Provision of soil testing services by the Commissioner shall be limited to in-State soil samples. As used in this subdivision, "peak season" includes at a minimum the four-month period beginning no later than December 1 of any year and extending until at least March 31 of the following year. The Board may modify the meaning of peak season by starting a peak season earlier in any year or ending it later the following year or both.

...."

INCREASED PROMOTION OF NEW AND EMERGING CROPS

SECTION 7. Section 12.5.(b) of S.L. 2018-5 reads as rewritten:

"SECTION 12.5.(b) ~~No more than fifty percent (50%) of the funds~~Funds appropriated by this act to the Bioenergy Research Initiative may be used by the Department of Agriculture and Consumer Services to fund efforts to advance and promote new and emerging crops authorized by subsection (a) of this ~~section.~~section and other research initiatives related to agricultural technologies."

PERMANENT PRESCRIBED BURN COST SHARE PROGRAM

SECTION 8.(a) Section 10.9 of S.L. 2021-180 is repealed.

SECTION 8.(b) Chapter 106 of the General Statutes is amended by adding a new Article to read:

"Article 80A.

"Prescribed Burning Cost Share Program.

"§ 106-977. Prescribed Burning Cost Share Program.

(a) Program Established. – There is established the Prescribed Burning Cost Share Program. The program shall be implemented and supervised by the North Carolina Forest Service of the Department of Agriculture and Consumer Services.

(b) Purposes. – The purpose of the Program shall be to support prescribed burns on privately owned forestlands that will maximize the benefits set forth in Article 80 of this Chapter. The program shall be subject to the following requirements and limitations:

(1) The prescribed burning project shall comply with the requirements of Article 80 of this Chapter, as determined by the Forest Service.

(2) The Forest Service shall establish and administer prescribed burning practices and prevailing rates per acre utilized by the program. Reimbursement rates shall be set by the Forest Service by rule, but the maximum allowable cost share reimbursement to participating landowners is seventy-five percent (75%) based on program rate per acre caps.

(c) Availability of Funds. – State funds for the Program shall remain available until expended.

(d) Administrative Costs. – In any State fiscal year, the Forest Service may use up to five percent (5%) of program appropriations for program administration and support. Program appropriations may also be utilized for position and operating expenses associated with one Forest Service Prescribed Burning Coordinator full-time employee position. The duties of this position shall include Prescribed Burning Program outreach, quality control assistance, and coordination of burning partners Statewide.

(e) Report. – The Department of Agriculture and Consumer Services shall report on its implementation of this section no later than January 15 of each even-numbered year to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division."

SECTION 8.(c) This section becomes effective July 1, 2025.

TIMBER SALES/RETENTION AND USE OF PROCEEDS

SECTION 9. G.S. 146-30(d)(6) reads as rewritten:

"(6) The following provisions apply with respect to land owned by or under the supervision and control of the Department of Agriculture and Consumer Services:

- a. The net proceeds derived from the sale of land shall be deposited in a capital improvement account to the credit of the Department of Agriculture and Consumer Services, to be used for such specific capital improvement projects or other purposes as are provided by transfer of funds from those accounts in an act of the General Assembly.
- b. The net proceeds derived from the sale of timber and other products of land shall be deposited in accounts to the credit of the Department of Agriculture and Consumer Services to be used for operational expenses of the Department incurred for restoration and stewardship of the land; for capital improvement projects; for costs incidental to the acquisition of land, such as land appraisals, land surveys, title searches, and environmental studies; and for the management of the plant conservation program preserves owned by the Department.
- c. Except as otherwise specifically provided by law, the Department of Agriculture and Consumer Services is subject to Article 6A of Chapter 147 of the General Statutes with respect to net proceeds required to be deposited as provided in this subdivision."

AMEND SWINE AND DAIRY ASSISTANCE PROGRAM ELIGIBILITY

SECTION 10. Section 10.8(e) of S.L. 2021-180 reads as rewritten:

"SECTION 10.8.(e) Financial Assistance Procedures. – The Department shall award financial assistance based on the following procedures:

- (1) The Department shall award a one-time financial assistance relief payment of thirty-one thousand five hundred dollars (\$31,500) to each eligible applicant.
- (2) In addition to the financial assistance awarded under subdivision (1) of this subsection, the Department shall award either, but not both, of the following to a qualifying eligible applicant:
 - a. Financial assistance to be administered as follows:
 1. A cost share for closure of swine lagoons for swine operations that will not secure a contract with another swine integrator and will cease swine production, or for closure of dairy waste structures associated with dairy operations that will cease milk production. These cost shares shall be limited to ninety percent (90%) of the lagoon closure cost, not to exceed one hundred thousand dollars (\$100,000) per operation.
 2. If an applicant who receives a cost share pursuant to this sub-subdivision demonstrates a need for additional water supply for agricultural uses, then the applicant may request an additional cost share to convert the decommissioned lagoon to

an agricultural water supply pond. These cost shares shall be limited to ninety percent (90%) of the actual cost, not to exceed thirty thousand dollars (\$30,000) per operation.

- b. Financial assistance to swine producers for a fixed dollar amount per head space for producers who are able to secure a production contract with another swine integrator but must invest in upgrades to existing barns or completely rebuild animal housing. The maximum award under this sub-subdivision for renovations shall be seventy dollars (\$70.00) per head space for sow housing, ten dollars (\$10.00) per head space for renovation to all other animal housing, or twenty dollars (\$20.00) per head space for rebuilt animal housing, but no award under this sub-subdivision may exceed ninety percent (90%) of the actual cost of the renovation or construction. A swine producer shall produce documentation of a new contract or letter of intent with a swine integrator to establish eligibility for this financial assistance.
- c. The financial assistance provided under sub-subdivision b. of this subdivision is available to the purchaser of a swine operation, provided that the seller otherwise meets the eligibility requirements of this section on the date of the sale.

...."

GO GLOBAL ENDOWMENT

SECTION 11.(a) The funds appropriated to the Department of Agriculture and Consumer Services (Department) for Go Global pursuant to Item 13 on page D9 of the Committee Report as described in Section 43.2 of S.L. 2023-134 shall be used to establish an endowment administered by the North Carolina Community Foundation, Inc., a nonprofit corporation, (Community Foundation) to provide scholarships for the Global Teacher Fellowship program with a focus on agricultural teachers. The fellowship shall also be open to any individual directly associated with the agriculture industry, regardless of their connection to education. Each fellowship must be approved by the Commissioner of Agriculture or the Commissioner's designee. The endowment shall accept matching private donations and offer matching funds for scholarships. The Community Foundation shall consider the A+ Schools Program in establishing this endowment.

SECTION 11.(b) The Department shall report to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the chairs of the Joint Legislative Education Oversight Committee on the administration of the endowment no later than April 1 of each year. The Community Foundation shall send all necessary information to the Department each year to compile the report in accordance with this section. The report shall include, at a minimum, the number of grant applications and awards, the name of each recipient, purposes of each grant, and balance and expenditures of the endowment in each fiscal quarter of the prior fiscal year.

PART III. LOCAL GOVERNMENT

PROHIBIT REGULATION OF BEEHIVES IN MUNICIPAL ETJS

SECTION 12. G.S. 106-645 reads as rewritten:

"§ 106-645. Limitations on local government regulation of hives.

(a) Notwithstanding Article 6 of Chapter 153A of the General Statutes, no county shall adopt or continue in effect any ordinance or resolution that prohibits any person or entity from owning or possessing five or fewer hives.

(b) Notwithstanding Article 8 of Chapter 160A of the General Statutes, a city may adopt an ordinance to regulate hives within its incorporated limits in accordance with this subsection. The city shall comply with all of the following:

- (1) Any ordinance shall permit up to five hives on a single parcel within the ~~land use planning jurisdiction~~ incorporated limits of the city.
- (2) Any ordinance shall require that the hive be placed at ground level or securely attached to an anchor or stand. If the hive is securely attached to an anchor or stand, the city may permit the anchor or stand to be permanently attached to a roof surface.
- (3) Any ordinance may include regulation of the placement of the hive on the parcel, including setbacks from the property line and from other hives.
- (4) Any ordinance may require removal of the hive if the owner no longer maintains the hive or if removal is necessary to protect the health, safety, and welfare of the public.

(c) For purposes of this section, the term "hive" has the same definition as in G.S. 106-635(15)."

REQUIRE DISCLAIMER ON LOCAL GOVERNMENT GEOGRAPHIC INFORMATION SYSTEM (GIS) TOOLS

SECTION 13.(a) Article 23 of Chapter 153A of the General Statutes is amended by adding a new section to read:

"§ 153A-462. Disclaimer required on geographic information system tools.

Any geographic information system (GIS) tool offered to the public by a county shall bear a disclaimer notifying the user that the data offered by the tool is provided without warranty and that the user should consult public primary information sources, such as recorded deeds and plats, to verify the accuracy of the data provided. The disclaimer shall be displayed prominently on a splash screen or interstitial webpage that the user must affirmatively acknowledge before accessing the tool."

SECTION 13.(b) Article 21 of Chapter 160A of the General Statutes is amended by adding a new section to read:

"§ 160A-499.7. Disclaimer required on geographic information system tools.

Any geographic information system (GIS) tool offered to the public by a city shall bear a disclaimer as provided in G.S. 153A-462."

SECTION 13.(c) This section becomes effective January 1, 2025.

EXEMPT AGRICULTURAL LAND FROM STORMWATER FEES

SECTION 14.(a) G.S. 153A-277(a1) is amended by adding a new subdivision to read:

"(3a) A county shall not impose a stormwater utility fee on property used for bona fide farm purposes as provided in G.S. 160D-903."

SECTION 14.(b) G.S. 160A-314(a1) is amended by adding a new subdivision to read:

"(4a) A city shall not impose a stormwater utility fee on property used for bona fide farm purposes as provided in G.S. 160D-903."

SECTION 14.(c) This section is effective when it becomes law and applies to fees levied on or after that date.

PART IV. STATE GOVERNMENT AND FINANCE

INCENTIVIZE FARMLAND PRESERVATION, FISH AND WILDLIFE CONSERVATION, AND MILITARY BUFFERS

1 **SECTION 15.(a)** G.S. 105-130.34 is reenacted as it existed immediately before its
2 expiration and reads as rewritten:

3 **"§ 105-130.34. Credit for certain real property donations.**

4 (a) Credit. – Any C Corporation that makes a qualified donation of an interest in real
5 property located in North Carolina during the taxable year that is useful for ~~(i) public beach access~~
6 ~~or use, (ii) public access to public waters or trails, (iii) fish and wildlife conservation, (iv)~~
7 ~~forestland or farmland conservation, (v) watershed protection, (vi) conservation of natural areas~~
8 ~~as that term is defined in G.S. 113A-164.3(3), (vii) conservation of natural or scenic river areas~~
9 ~~as those terms are used in G.S. 113A-34, (viii) conservation of predominantly natural parkland,~~
10 ~~or (ix) historic landscape conservation~~ (i) for farmland preservation, (ii) for fish and wildlife
11 conservation, (iii) as a buffer to limit land use activities that would restrict, impede, or interfere
12 with military training, testing, or operations on a military installation or training area or otherwise
13 be incompatible with the mission of the installation, (iv) for floodplain protection in a county
14 that, in the five years preceding the donation, was the subject of a Type II or Type III
15 gubernatorial disaster declaration, as provided in G.S. 166A-19.21, as a result of a natural
16 disaster, (v) for historic landscape conservation, or (vi) for public trails or access to public trails
17 is allowed a credit against the tax imposed by this Part equal to twenty-five percent (25%) of the
18 fair market value of the donated property interest. To be eligible for this credit, the interest in
19 real property must be donated in perpetuity for one of the qualifying uses listed in this subsection
20 and accepted in perpetuity for the qualifying use for which the property is donated. The person
21 to whom the property is donated must be the State, a local government, or a body that is both
22 organized to receive and administer lands for conservation purposes and qualified to receive
23 charitable contributions pursuant to G.S. 105-130.9. Lands required to be dedicated pursuant to
24 local governmental regulation or ordinance and dedications made to increase building density
25 levels permitted under a regulation or ordinance are not eligible for this credit.

26 The credit allowed under this section for one or more qualified donations made in a taxable
27 year may not exceed five hundred thousand dollars (\$500,000). To support the credit allowed by
28 this section, the taxpayer must file with the income tax return for the taxable year in which the
29 credit is claimed the following:

30 (1) A certification by the Department of ~~Environment and Natural and Cultural~~
31 Resources that the property donated is suitable for one or more of the valid
32 public benefits set forth in this subsection.

33 (2) A self-contained appraisal report or summary appraisal report as defined in
34 Standards Rule 2-2 in the latest edition of the Uniform Standards of
35 Professional Appraisal Practice as promulgated by the Appraisal Foundation
36 for the property. For fee simple absolute donations of real property, a taxpayer
37 may submit documentation of the county's appraised value of the donated
38 property, as adjusted by the sales assessment ratio, in lieu of an appraisal
39 report.

40 (b) Limitation. – The credit allowed by this section may not exceed the amount of tax
41 imposed by this Part for the taxable year reduced by the sum of all credits allowed, except
42 payments of tax made by or on behalf of the taxpayer.

43 (c) Carryforward. – Any unused portion of this credit may be carried forward for the next
44 succeeding five years.

45 (d) No Double Benefit. – That portion of a qualifying donation that is the basis for a credit
46 allowed under this section is not eligible for deduction as a charitable contribution under
47 G.S. 105-130.9."

48 **SECTION 15.(b)** G.S. 105-151.12 is reenacted as it existed immediately before its
49 expiration, is recodified as G.S. 105-153.11, and reads as rewritten:

50 **"§ 105-153.11. Credit for certain real property donations.**

(a) Credit. – An individual or pass-through entity that makes a qualified donation of an interest in real property located in North Carolina during the taxable year that is useful for ~~(i) public beach access or use, (ii) public access to public waters or trails, (iii) fish and wildlife conservation, (iv) forestland or farmland conservation, (v) watershed protection, (vi) conservation of natural areas as that term is defined in G.S. 113A-164.3(3), (vii) conservation of natural or scenic river areas as those terms are used in G.S. 113A-34, (viii) conservation of predominantly natural parkland, or (ix) historic landscape conservation~~ (i) for farmland preservation, (ii) for fish and wildlife conservation, (iii) as a buffer to limit land use activities that would restrict, impede, or interfere with military training, testing, or operations on a military installation or training area or otherwise be incompatible with the mission of the installation, (iv) for floodplain protection in a county that, in the five years preceding the donation, was the subject of a Type II or Type III gubernatorial disaster declaration, as provided in G.S. 166A-19.21, as a result of a natural disaster, (v) for historic landscape conservation, or (vi) for public trails or access to public trails is allowed a credit against the tax imposed by this Part equal to twenty-five percent (25%) of the fair market value of the donated property interest. To be eligible for this credit, the interest in property must be donated in perpetuity for one of the qualifying uses listed in this subsection and accepted in perpetuity for the qualifying use for which the property is donated. The person to whom the property is donated must be the State, a local government, or a body that is both organized to receive and administer lands for conservation purposes and qualified to receive charitable contributions under the Code. Lands required to be dedicated pursuant to local governmental regulation or ordinance and dedications made to increase building density levels permitted under a regulation or ordinance are not eligible for this credit.

To support the credit allowed by this section, the taxpayer must file with the income tax return for the taxable year in which the credit is claimed the following:

- (1) A certification by the Department of ~~Environment and Natural~~ Environment and Natural and Cultural Resources that the property donated is suitable for one or more of the valid public benefits set forth in this subsection. The certification for a qualified donation made by a pass-through entity must be filed by the pass-through entity.
- (2) A self-contained or summary appraisal report as defined in Standards Rule 2-2 in the latest edition of the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation for the property. For fee simple absolute donations of real property, a taxpayer may submit documentation of the county's appraised value of the donated property, as adjusted by the sales assessment ratio, in lieu of an appraisal report.

(a1) Individuals. – The aggregate amount of credit allowed to an individual in a taxable year under this section for one or more qualified donations made during the taxable year, whether made directly or indirectly as owner of a pass-through entity, may not exceed two hundred fifty thousand dollars (\$250,000). In the case of property owned by a married couple, if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint return. The aggregate amount of credit allowed to a husband and wife filing a joint tax return may not exceed five hundred thousand dollars (\$500,000). If only one spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this section on a separate return.

(a2) Pass-Through Entities. – The aggregate amount of credit allowed to a pass-through entity in a taxable year under this section for one or more qualified donations made during the taxable year, whether made directly or indirectly as owner of another pass-through entity, may not exceed five hundred thousand dollars (\$500,000). Each individual who is an owner of a pass-through entity is allowed as a credit an amount equal to the owner's allocated share of the credit to which the pass-through entity is eligible under this subsection, not to exceed two hundred fifty thousand dollars (\$250,000). Each corporation that is an owner of a pass-through

entity is allowed as a credit an amount equal to the owner's allocated share of the credit to which the pass-through entity is eligible under this subsection, not to exceed five hundred thousand dollars (\$500,000). If an owner's share of the pass-through entity's credit is limited due to the maximum allowable credit under this section for a taxable year, the pass-through entity and its owners may not reallocate the unused credit among the other owners.

(b) Limitation. — The credit allowed by this section may not exceed the amount of tax imposed by this Part for the taxable year reduced by the sum of all credits allowed, except payments of tax made by or on behalf of the taxpayer.

(c) Carryforward. — Any unused portion of this credit may be carried forward for the next succeeding five years.

(d) No Double Benefit. — That portion of a qualifying donation that is the basis for a credit allowed under this section is not eligible for deduction as a charitable contribution under G.S. 105-130.9.

~~(e) In the case of marshland for which a claim has been filed pursuant to G.S. 113-205, the offer of donation must be made before December 31, 2003 to qualify for the credit allowed by this section.~~

(f) Repealed by Session Laws 2007-309, s. 2, effective for taxable years beginning on or after January 1, 2007."

SECTION 15.(c) This section is effective for taxable years beginning on or after January 1, 2024.

ESTABLISH ANNUAL GREAT TRAILS STATE DAY

SECTION 16.(a) Chapter 103 of the General Statutes is amended by adding a new section to read:

"§ 103-18. North Carolina Great Trails State Day.

The third Saturday of October of each year, beginning in 2024, is designated as North Carolina Great Trails State Day."

SECTION 16.(b) The North Carolina Great Trails State Coalition is designated as the lead organization for recognition of North Carolina Great Trails State Day and shall (i) develop a plan to raise awareness of, (ii) promote, and (iii) implement the first annual North Carolina Great Trails State Day. In developing the plan, the Great Trails State Coalition shall consult with the Department of Natural and Cultural Resources (DNCR), the DNCR Division of Parks and Recreation, the Department of Transportation, and any other organizations the Great Trails State Coalition deems appropriate.

SECTION 16.(c) The North Carolina Great Trails State Coalition shall report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources no later than September 30, 2024, regarding its plan to raise awareness of the first annual North Carolina Great Trails State Day.

AMEND COMPOSITION OF THE NORTH CAROLINA SENTINEL LANDSCAPES COMMITTEE

SECTION 17. G.S. 106-747 reads as rewritten:

"§ 106-747. North Carolina Sentinel Landscapes Committee.

...

(d) Membership. — The Committee shall consist of at least the ~~five following members:~~ seven voting members and two nonvoting ex officio members as follows:

(1) The voting members shall be:

a. The Commissioner of Agriculture, or the Commissioner's designee.

~~(2)~~b. The Secretary of the Department of Military and Veterans Affairs, or the Secretary's designee.

- 1 ~~(3)c.~~ The Secretary of Natural and Cultural Resources, or the Secretary's
2 designee.
3 ~~(4)d.~~ The Executive Director of the Wildlife Resources Commission, or the
4 Executive Director's designee.
5 ~~(5)e.~~ The Dean of the College of Natural Resources at North Carolina State
6 University, or the Dean's designee.
7 f. The Secretary of Transportation, or the Secretary's designee.
8 g. A representative of the North Carolina Sentinel Landscapes
9 Partnership.

10 (2) The nonvoting ex officio members shall be:

- 11 a. The Eastern North Carolina Sentinel Landscapes Coordinator.
12 b. A representative from the United States Department of Defense
13 Readiness and Environmental Protection Integration Program.

14 The Commissioner of Agriculture or the Commissioner's designee shall serve as Committee
15 ~~chair for an initial two-year term. Thereafter, the Committee chair shall be one of the five listed~~
16 ~~members above. The chair. Upon a favorable vote by a majority of the voting members, the~~
17 Committee chair may appoint voting members and nonvoting ex officio members representing
18 other State agencies, local government officials, federal agencies, military installations, and
19 nongovernmental organizations that are experienced in land management activities within
20 sentinel lands.

21 "

22
23 **ADD ONE MEMBER TO THE COMMUNITY CONSERVATION ASSISTANCE**
24 **PROGRAM ADVISORY COMMITTEE**

25 **SECTION 18.** G.S. 106-860 reads as rewritten:

26 **"§ 106-860. Community Conservation Assistance Program.**

27 ...

28 (d) Advisory Committee. – The Program shall be reviewed, prior to implementation, by
29 the Community Conservation Assistance Program Advisory Committee. The Advisory
30 Committee shall meet quarterly to review the progress of the Program. The Advisory Committee
31 shall consist of the following members:

- 32 (1) The Director of the Division of Soil and Water Conservation of the
33 Department of Agriculture and Consumer Services or the Director's designee,
34 who shall serve as the Chair of the Advisory Committee.
35 (2) The President of the North Carolina Association of Soil and Water
36 Conservation Districts or the President's designee.
37 (3) The Director of the Cooperative Extension Service at North Carolina State
38 University or the Director's designee.
39 (4) The Executive Director of the North Carolina Association of County
40 Commissioners or the Executive Director's designee.
41 (5) The Executive Director of the North Carolina League of Municipalities or the
42 Executive Director's designee.
43 (6) The State Conservationist of the Natural Resources Conservation Service of
44 the United States Department of Agriculture or the State Conservationist's
45 designee.
46 (7) The Executive Director of the Wildlife Resources Commission or the
47 Executive Director's designee.
48 (8) The President of the North Carolina Conservation District Employees
49 Association or the President's designee.
50 (9) The President of the North Carolina Association of Resource Conservation
51 and Development Councils or the President's designee.

- (10) Repealed by Session Laws 2013-413, s. 57(e). For effective date, see note.
- (11) The Assistant Commissioner of the North Carolina Forest Service of the Department of Agriculture and Consumer Services or the Assistant Commissioner's designee.
- (12) The Director of the Division of Energy, Mineral, and Land Resources of the Department of Environmental Quality or the Director's designee.
- (13) The Director of the Division of Coastal Management of the Department of Environmental Quality or the Director's designee.
- (14) The Director of the Division of Water Resources of the Department of Environmental Quality or the Director's designee.
- (15) The President of the Carolinas Land Improvement Contractors Association or the President's designee.
- (16) The Extension Administrator of the Cooperative Extension Service at North Carolina Agricultural and Technical State University or the Extension Administrator's designee.

...."

COOPERATIVE EXTENSION TECHNICAL CHANGES

SECTION 19.(a) G.S. 106-583 reads as rewritten:

"§ 106-583. Policy of State; cooperation of departments and agencies with Agricultural Extension Service.

It is declared to be the policy of the State of North Carolina to promote the efficient production and utilization of the products of the soil as essential to the health and welfare of our people and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum prosperity. For the attainment of these objectives the North Carolina Department of Agriculture and Consumer Services, the ~~School of Agriculture of North Carolina College~~ College of Agriculture and Life Sciences at North Carolina State University, the College of Agriculture and Environmental Sciences at North Carolina Agricultural and Technical State University, and each and every other department and agency of the State of North Carolina is hereby empowered to cooperate with the Agricultural Extension Service and the committees authorized by this Article to provide: Development of new and improved methods of production, marketing, distribution, processing and utilization of plant and animal commodities at all stages from the original producer through to the ultimate consumer; development of present, new, and extended uses and markets for agricultural commodities and by-products as food or in commerce, manufacture or trade; introduction and breeding of new and useful agricultural crops, plants and animals, particularly those plants and crops which may be adapted to utilization in chemical and manufacturing industries; research, counsel and advice on new and more profitable uses of our resources of agricultural manpower, soils, plants, animals and equipment than those to which they are now devoted; methods of conservation, development, and use of land, forest, and water resources for agricultural purposes; guidance in the design, development, and more efficient and satisfactory use of farm buildings, farm homes, farm machinery, including the application of electricity, water and other forms of power; techniques relating to the diversification of farm enterprises, both as to the type of commodities produced, and as to the types of operations performed, on the individual farm; and assistance in appraising opportunities for making fuller use of the natural, human and community resources in the various counties of this State to the end that the income and level of living of rural people be increased."

SECTION 19.(b) 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~~ College of Agriculture and Life Sciences of North Carolina State University at Raleigh and the dean of the College of Agriculture and Environmental Sciences at North Carolina Agricultural and Technical State University shall each 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.
...."

SECTION 19.(c) G.S. 106-92.7(c) reads as rewritten:

"(c) In determining the acceptability of any product for registration, the Commissioner may require proof of claims made for the product. If no specific claims are made, the Commissioner may require proof of usefulness and value of the product. As evidence of proof, the Commissioner may rely on experimental data furnished by the applicant and may require that the data be developed by a recognized research or experimental institution. The Commissioner may further require that the data be developed from tests conducted under conditions identical to or closely related to those present in North Carolina. The Commissioner may reject any data not developed under those conditions and may rely on advice from sources such as ~~the Cooperative Extension Service of North Carolina State University~~ University and North Carolina Agricultural and Technical State University, along with their respective Cooperative Extension programs."

SECTION 19.(d) G.S. 106-851 reads as rewritten:

"§ 106-851. Program participation.

Participation in the program shall be voluntary.

All participants in the program shall be required to match State funds at the same rate, and assistance from the ~~Agriculture~~ Cooperative Extension Service at North Carolina State University and North Carolina Agricultural and Technical State University shall also be used."

BOARD OF CROP SEED IMPROVEMENT AND SEED BOARD AMENDMENTS

SECTION 20.(a) G.S. 106-269 reads as rewritten:

"§ 106-269. Creation and purpose.

There is hereby created a Board of Crop Seed Improvement. It shall be the duty and function of this Board, in cooperation with the ~~Agricultural Experiment Station~~ North Carolina Agricultural Research Service of North Carolina State ~~the~~ College of Agriculture and Engineering, Life Sciences at North Carolina State University, the North Carolina Agricultural Research Service of the College of Agriculture and Environmental Sciences at North Carolina Agricultural and Technical State University, and the Seed Testing Division of the North Carolina Department of Agriculture and Consumer Services, to foster and promote the development and distribution of pure strains of crop seeds among the farmers of North Carolina."

SECTION 20.(b) G.S. 106-270 reads as rewritten:

"§ 106-270. Board membership.

The Board of Crop Seed Improvement shall consist of the Commissioner of Agriculture, the Dean of the ~~School of Agriculture~~ College of Agriculture and Life Sciences at North Carolina State University, the Dean of the College of Agriculture and Environmental Sciences at North Carolina Agricultural and Technical State University, the President of the North Carolina Foundation Seed Producers Incorporated, and the Director of Research of the ~~School of~~

~~Agriculture of North Carolina State College of Agriculture and Engineering, College of Agriculture and Life Sciences at North Carolina State University, the Associate Dean of Agriculture Research of the College of Agriculture and Environmental Sciences at North Carolina Agricultural and Technical State University, the Head of the Seed Testing and Fertilizer Section of the Plant Industry Division of the North Carolina Department of Agriculture and Consumer Services, and the President of the North Carolina Crop Improvement Association."~~

SECTION 20.(c) G.S. 106-277.32(a) reads as rewritten:

"(a) The Commissioner shall appoint a Seed Board composed of ~~five~~nine members, ~~three~~five of whom shall be appointed upon the recommendation of the following: Director of the Agricultural Research Service, North Carolina State University; Director of the North Carolina Cooperative Extension Service, North Carolina State University; Associate Dean of Agriculture Research at North Carolina Agricultural and Technical State University; Extension Administrator of the North Carolina Cooperative Extension Service, North Carolina Agricultural and Technical State University; and President of the North Carolina Seedsmen's Association. The other ~~two~~four members shall include: one farmer who is not connected in any way to selling seeds at retail or ~~wholesale and~~wholesale, one employee of the ~~Department~~Department, and two individuals appointed at large. An alternate for each member shall also be appointed in the same manner as that member was appointed to serve whenever that member is unable or unwilling to serve. Each member of the Board shall serve a four-year term at the discretion of the Commissioner. The Board shall elect a chairperson. The chairperson shall conduct all meetings and deliberations and direct all other activities of the Board. Three members of the Board shall constitute a quorum and at least three board members must vote affirmatively for the Board to take any action."

PART V. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 21.(a) If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application and, to this end, the provisions of this act are declared to be severable.

SECTION 21.(b) Except as otherwise provided, this act is effective when it becomes law.