

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 978

Short Title: Farm Environmental Compliance Fund.

(Public)

Sponsors: Senators Albertson; East, Kerr, Ledbetter, Martin of Pitt, Page, and Warren.

Referred to: Appropriations.

April 21, 1997

A BILL TO BE ENTITLED

1 AN ACT TO ESTABLISH THE FARM ENVIRONMENTAL COMPLIANCE
2 REVOLVING LOAN FUND TO PROVIDE ASSISTANCE TO FARMERS TO
3 ACHIEVE ENVIRONMENTAL COMPLIANCE.
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Whereas, North Carolina dairy farmers and other small farmers have struggled economically in recent years; and

Whereas, the number of farms in the State has declined significantly; and

Whereas, new and stricter environmental laws and regulations may cause additional farms to close due to the cost of compliance and the lack of available financing; Now, therefore,

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 122D-1 through G.S. 122D-23 is codified as Article 1 of
7 Chapter 122D of the General Statutes and entitled "General Agricultural Finance."

8 Section 2. Chapter 122D of the General Statutes is amended by adding a new
9 Article to read:

10 **"ARTICLE 2.**

11 **"LOANS FOR ENVIRONMENTAL COMPLIANCE BY FARMERS.**

12 **"§ 122D-30. Farm Environmental Compliance Revolving Loan Fund.**

13 (a) Fund Created. – The Farm Environmental Compliance Revolving Loan Fund is
14 created as a nonreverting account to be administered by the Agricultural Finance

1 Authority in accordance with this section and any rules adopted by the Agricultural
2 Finance Authority pursuant to this Chapter.

3 (b) Guidelines for Loans. – The Agricultural Finance Authority shall establish
4 guidelines for loans from this Fund. A farmer shall not be eligible for a loan under this
5 section, unless the farm has been in existence since January 1, 1994. Loans may be used
6 only for the purpose of complying with federal, State, or local laws, regulations, or rules
7 relating to animal waste management. No loan shall exceed fifty thousand dollars
8 (\$50,000). Interest rates and other terms shall be comparable to other similar agricultural
9 loans under Article 1 of this Chapter. Loans under this section shall not be made to
10 individuals or other entities who are able to obtain credit elsewhere on reasonable terms."

11 Section 3. There is appropriated from the General Fund to the Farm
12 Environmental Compliance Revolving Loan Fund, as created in G.S. 122D-30, as
13 enacted by Section 2 of this act, the sum of three million dollars (\$3,000,000) for the
14 1997-98 fiscal year to be used in compliance with G.S. 122D-30, as enacted by Section 2
15 of this act.

16 Section 4. This act becomes effective July 1, 1997.