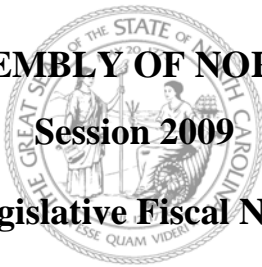


**GENERAL ASSEMBLY OF NORTH CAROLINA**



**Session 2009**

**Legislative Fiscal Note**

**BILL NUMBER:** House Bill 684 (First Edition)

**SHORT TITLE:** NC Farmland Preservation Trust Fund.

**SPONSOR(S):** Representatives Hill and Harrison

<b>FISCAL IMPACT</b>					
	<b>Yes ( )</b>	<b>No (X)</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>	<b><u>FY 2012-13</u></b>	<b><u>FY 2013-14</u></b>
<b>REVENUES</b>					
Department of Agriculture & Consumer Services	\$0	\$0	\$0	\$0	\$0
<b>EXPENDITURES</b>					
Department of Agriculture & Consumer Services	\$0	\$0	\$0	\$0	\$0
<b>POSITIONS (cumulative):</b>					
Department of Agriculture & Consumer Services	0	0	0	0	0
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>					
Department of Agriculture & Consumer Services					
<b>EFFECTIVE DATE:</b> Effective prior to the next quarterly meeting of the Agricultural Development and Farmland Preservation Trust Fund Advisory Committee Meeting.					

**BILL SUMMARY:**

H.B. 684 makes clarifying changes to G.S. 106-744, the North Carolina Agricultural Development and Farmland Preservation Trust Fund (ADFP Trust Fund). The changes include:

- Clarifying that ADFP Trust Fund is a non-reverting account,
- Updating the Advisory Committee membership by replacing the Director of the Southeast Regional Office of the American Farmland Trust (or the Director's designee) with the Executive Director of the Rural Advancement Foundation International – USA or the Executive Director's designee, and
- Specifying other technical changes to the General Statutes.

**ASSUMPTIONS AND METHODOLOGY:**

H.B. 684 should have no fiscal impact on the Department of Agriculture and Consumer Services (DACS). Current law does not specify that these funds are non-reverting but, as awarded grant funds, they have been treated as non-reverting. Once funds have been granted, the money is moved from DACS' General Fund budget code to a non-reverting special fund; the grants are distributed from that special fund. The issue of reversion arises because many ADFP Trust Fund projects are multi-year projects, leaving portions of the awarded grant money sitting in the non-reverting special fund. Since the fund has been operating as a non-reverting fund since its inception, this technical change in language will not have a fiscal impact on DACS.

The other primary change implemented by H.B. 684 is to change the composition of the ADFP Trust Fund Advisory Committee. By statute, one of the positions on the ADFP Trust Fund Advisory Committee is filled by the Director of the Southeast Regional Office of the American Farmland Trust. However, the American Farmland Trust no longer has a Southeast Regional Office. Thus, this position is vacant and cannot be filled. H.B. 684 makes the change necessary to allow DACS to fill this seat, replacing the position reserved for the American Farmland Trust with the Executive Director – or designee – of the Rural Advancement Foundation International – USA. Since the Advisory Committee will remain the same size, expected costs associated with Advisory Committee should be unaffected.

Finally, the remaining technical clarifications in H.B. 684 should have no fiscal impact on DACS.

**SOURCES OF DATA:**

Department of Agriculture & Consumer Services

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Lanier McRee

**APPROVED BY:** Marilyn Chism, Director  
Fiscal Research Division

**DATE:** May 8, 2009



**Signed Copy Located in the NCGA Principal Clerk's Offices**