

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 513
Agriculture/Environment/Natural Resources Committee Substitute Adopted 5/12/15
Finance Committee Substitute Adopted 5/14/15
Fourth Edition Engrossed 5/19/15
House Committee Substitute Favorable 6/10/15

Short Title: North Carolina Farm Act of 2015.

(Public)

Sponsors:

Referred to:

March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE REGULATORY RELIEF TO THE AGRICULTURAL
3 COMMUNITY OF NORTH CAROLINA BY PROVIDING FOR VARIOUS
4 TRANSPORTATION AND ENVIRONMENTAL REFORMS AND BY MAKING
5 VARIOUS OTHER STATUTORY CHANGES.

6 The General Assembly of North Carolina enacts:

7
8 **REVISE HORSE INDUSTRY PROMOTION ACT TO INCREASE CAPS ON**
9 **DURATION AND AMOUNT OF AN ASSESSMENT**

10 **SECTION 1.** G.S. 106-823 reads as rewritten:

11 **"§ 106-823. Referendum.**

12 (a) The Council may conduct a referendum among horse owners upon the question of
13 whether an assessment shall be levied consistent with this Article.

14 (b) The Council shall determine all of the following:

- 15 (1) The amount of the proposed assessment, not to exceed ~~two dollars~~
16 ~~(\$2.00)~~four dollars (\$4.00) per ton of commercial horse feed.
17 (2) The period for which the assessment shall be levied, not to exceed ~~three~~10
18 years.
19 (3) The time and place of the referendum.
20 (4) Procedures for conducting the referendum and counting votes.
21 (5) Any other matters pertaining to the referendum.

22"

23
24 **CONFORM COMPENSATION PAID TO AN H-2A AGRICULTURAL WORKER TO**
25 **FEDERAL WAGE WITHHOLDING STANDARDS**

26 **SECTION 2.(a)** G.S. 105-163.3(b) reads as rewritten:

27 "(b) Exemptions. – The withholding requirement does not apply to the following:

- 28 (1) Compensation that is subject to the withholding requirement of
29 G.S. 105-163.2.
30 (2) Compensation paid to an ordained or licensed member of the clergy.
31 (3) Compensation paid to an entity exempt from tax under G.S. 105-130.11.



1 (4) Compensation paid to an alien, as described by 8 U.S.C. §
2 1101(a)(15)(H)(ii)(a), that is not subject to federal income tax withholding
3 under section 1441 of the Code."

4 **SECTION 2.(b)** This section is effective for taxable years beginning on or after
5 January 1, 2015.

6 **ESTABLISH POLICY SUPPORTING SUSTAINABLE AGRICULTURE**

7 **SECTION 3.** Article 1 of Chapter 106 of the General Statutes is amended by
8 adding a new section to read:

9 **"§ 106-26.3. Declaration of policy supporting sustainable agriculture.**

10 The General Assembly hereby finds and declares that it shall be the policy of this State to
11 support and promote sustainable agriculture. For purposes of this section, "sustainable
12 agriculture" means the use of science-based agricultural practices, technologies, or biological
13 systems supported by research or otherwise demonstrated to lead to broad outcomes-based
14 improvements, including such critical outcomes as increasing agricultural productivity and
15 improving human health through access to safe, nutritious, affordable food and other
16 agricultural products, while enhancing agricultural and surrounding environmental conditions
17 through the stewardship of water, soil, air quality, biodiversity, and wildlife habitat. Further,
18 the General Assembly finds and declares that it is in the interest of the people of this State to
19 use sustainable agriculture to meet the needs of the present and to improve the ability of future
20 generations to meet their own needs, while advancing progress toward environmental, social,
21 and economic goals and the well-being of agricultural producers and rural communities."
22

23 **MODIFY OVERSIZE VEHICLE PERMIT TIME RESTRICTIONS**

24 **SECTION 4.(a)** 19A NCAC 02D .0607 (Permits-Weight, Dimensions and
25 Limitations). – Until the effective date of the revised permanent rule that the Department of
26 Transportation is required to adopt pursuant to Section 4(d) of this act, the Department shall
27 implement 19A NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations) as provided
28 in Sections 4(b) and 4(c) of this act.

29 **SECTION 4.(b)** Implementation. – Notwithstanding subdivision (h)(1) of 19A
30 NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations), the Secretary of
31 Transportation shall allow movement of a permitted oversize vehicle between sunrise and
32 sunset Monday through Sunday. However, a 16-foot-wide mobile or modular home unit with a
33 maximum three-inch gutter edge is restricted to travel from 9:00 A.M. to 2:30 P.M. Monday
34 through Sunday. A 16-foot-wide unit is authorized to continue operation after 2:30 P.M., but
35 not beyond sunset, when traveling on an approved route as determined by an engineering study
36 and the unit is being exported out-of-state.

37 **SECTION 4.(c)** Implementation. – Notwithstanding subdivision (h)(2) of 19A
38 NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations), the Secretary of
39 Transportation shall only prohibit movement of a permitted oversize vehicle and vehicle
40 combination after noon on the weekday preceding the three holidays of Independence Day,
41 Thanksgiving Day, and Christmas Day until noon on the weekday following a holiday. If the
42 observed holiday falls on the weekend, travel is restricted from 12:00 noon on the preceding
43 Friday until 12:00 noon on the following Monday.

44 **SECTION 4.(d)** Additional Rule-Making Authority. – The Department of
45 Transportation shall adopt rules to amend 19A NCAC 02D .0607 (Permits-Weight, Dimensions
46 and Limitations) consistent with Sections 4(b) and 4(c) of this act. Notwithstanding
47 G.S. 150B-19(4), the rule adopted by the Department pursuant to this section shall be
48 substantively identical to the provisions of Sections 4(b) and 4(c) of this act. Rules adopted
49 pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General
50 Statutes. Rules adopted pursuant to this section shall become effective as provided in
51

1 G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by
2 G.S. 150B-21.3(b2).

3 **SECTION 4.(e)** Effective Date. – Sections 4(b) and 4(c) of this act expire on the
4 date that rules adopted pursuant to Section 4(d) of this act become effective.

6 **ALLOW OVERSIZE TRANSPORTATION OF HAY BALES**

7 **SECTION 5.** G.S. 20-116 is amended by adding a new subsection to read:

8 "**§ 20-116. Size of vehicles and loads.**

9 ...
10 (o) Any vehicle carrying baled hay from place to place on the same farm, from one
11 farm to another, from farm to market, or from market to farm that does not exceed 12 feet in
12 width may be operated on the highways of this State. Vehicles carrying baled hay that exceed
13 10 feet in width may only be operated under the following conditions:

14 (1) The vehicle may only be operated during daylight hours.

15 (2) The vehicle shall display a red flag or a flashing warning light on both the
16 rear and front ends. The flags or lights shall be attached to the equipment as
17 to be visible from both directions at all times while being operated on the
18 public highway for not less than 300 feet."

20 **AMEND RIGHT-OF-CENTER REQUIREMENTS FOR CERTAIN AGRICULTURAL** 21 **VEHICLES**

22 **SECTION 6.(a)** G.S. 20-116(j) reads as rewritten:

23 "(j) Nothing in this section shall be construed to prevent the operation of self-propelled
24 grain combines or other self-propelled farm equipment with or without implements, not
25 exceeding 25 feet in width on any highway, unless the operation violates a provision of this
26 subsection. Farm equipment includes a vehicle that is designed exclusively to transport
27 compressed seed cotton from a farm to a gin and has a self-loading bed. Combines or
28 equipment which exceed 10 feet in width may be operated only if they meet all of the
29 conditions listed in this subsection. A violation of one or more of these conditions does not
30 constitute negligence per se.

31 (1) The equipment may only be operated during daylight hours.

32 (2) The equipment must display a red flag on front and rear ends or a flashing
33 warning light. The flags or lights shall be attached to the equipment as to be
34 visible from both directions at all times while being operated on the public
35 highway for not less than 300 feet.

36 (3) Equipment covered by this section, which by necessity must travel more
37 than 10 miles or where by nature of the terrain or obstacles the flags or lights
38 referred to in subdivision (2) of this subsection are not visible from both
39 directions for 300 feet at any point along the proposed route, must be
40 preceded at a distance of 300 feet and followed at a distance of 300 feet by a
41 flagman in a vehicle having mounted thereon an appropriate warning light or
42 flag. No flagman in a vehicle shall be required pursuant to this subdivision if
43 the equipment is being moved under its own power or on a trailer from any
44 field to another field, or from the normal place of storage of the vehicle to
45 any field, for no more than ten miles and if visible from both directions for
46 300 feet at any point along the proposed route.

47 (4) Every piece of equipment so operated shall operate to the right of the center
48 ~~line when meeting traffic coming from the opposite direction and at all other~~
49 ~~times when possible and practical.~~ unless the combined width of the
50 traveling lane and the accessible shoulder is less than the width of the
51 equipment.

...."

SECTION 6.(b) G.S. 20-146 is amended by adding a new subsection to read:

"§ 20-146. Drive on right side of highway; exceptions.

(a) Upon all highways of sufficient width a vehicle shall be driven upon the right half of the highway except as follows:

- (1) When overtaking and passing another vehicle proceeding in the same direction under the rules governing such movement;
- (2) When an obstruction exists making it necessary to drive to the left of the center of the highway; provided, any person so doing shall yield the right-of-way to all vehicles traveling in the proper direction upon the unobstructed portion of the highway within such distance as to constitute an immediate hazard;
- (3) Upon a highway divided into three marked lanes for traffic under the rules applicable thereon; or
- (4) Upon a highway designated and signposted for one-way traffic.

(a1) Self-propelled grain combines or other self-propelled farm equipment shall be operated to the right of the center line except as provided in G.S. 20-116(j)(4).

(b) Upon all highways any vehicle proceeding at less than the legal maximum speed limit shall be driven in the right-hand lane then available for thru traffic, or as close as practicable to the right-hand curb or edge of the highway, except when overtaking and passing another vehicle proceeding in the same direction or when preparing for a left turn.

...."

AMEND DEFINITION OF "AGRICULTURAL SPREADER VEHICLE," INCREASE SPEED LIMIT FOR AGRICULTURAL SPREADER VEHICLES

SECTION 7. G.S. 20-51 reads as rewritten:

"§ 20-51. Exempt from registration.

The following shall be exempt from the requirement of registration and certificate of title:

...

- (16) A vehicle that meets all of the following conditions is exempt from the requirement of registration and certificate of title. The provisions of G.S. 105-449.117 continue to apply to the vehicle and to the person in whose name the vehicle would be registered.
 - a. Is an agricultural spreader vehicle. An "agricultural spreader vehicle" is a vehicle that is designed for off-highway use on a farm to spread feed, fertilizer, seed, lime, or other agricultural products ~~on a field, products.~~
 - b. Is driven on the highway only for the purpose of going from the location of its supply source for fertilizer or other products to and from a farm.
 - c. Does not exceed a speed of 3545 miles per hour.
 - d. Does not drive outside a radius of 50 miles from the location of its supply source for fertilizer and other products.
 - e. Is driven by a person who has a license appropriate for the class of the vehicle.
 - f. Is insured under a motor vehicle liability policy in the amount required under G.S. 20-309.
 - g. Displays a valid federal safety inspection decal if the vehicle has a gross vehicle weight rating of at least 10,001 pounds."

1 **ALLOW ALL-TERRAIN VEHICLES AND UTILITY VEHICLES USED FOR**
2 **AGRICULTURAL PURPOSES TO OPERATE ON PUBLIC ROADS**

3 **SECTION 8.** G.S. 20-171.22 reads as rewritten:

4 **"§ 20-171.22. Exceptions.**

5 (a) The provisions of this Part do not apply to any owner, operator, lessor, or renter of a
6 farm or ranch, or that person's employees or immediate family or household members, when
7 operating an all-terrain vehicle while engaged in farming operations.

8 (a1) Any person may operate an all-terrain vehicle or utility vehicle on a public street or
9 highway while engaged in farming operations.

10 (b) The provisions of this Part do not apply to any person using an all-terrain vehicle for
11 hunting or trapping purposes if the person is otherwise lawfully engaged in those activities.

12 (c) The provisions of G.S. 20-171.19(a1) do not apply to any person 16 years of age or
13 older if the person is otherwise lawfully using the all-terrain vehicle on any ocean beach area
14 where such vehicles are allowed by law. As used in this subsection, "ocean beach area" means
15 the area adjacent to the ocean and ocean inlets that is subject to public trust rights. Natural
16 indicators of the landward extent of the ocean beaches include, but are not limited to, the first
17 line of stable, natural vegetation; the toe of the frontal dune; and the storm trash line."
18

19 **CLARIFY THE ROAD WEIGHT LIMITATION EXCEPTIONS FOR**
20 **TRANSPORTATION OF AGRICULTURAL PRODUCTS AND SUPPLIES**

21 **SECTION 9.(a)** G.S. 20-118(c)(12) reads as rewritten:

22 "(12) Subsections (b) and (e) of this section do not apply to a vehicle or vehicle
23 combination that meets all of the conditions set out below:

- 24 a. Is transporting any of the following items within 150 miles of the
25 point of origination:
- 26 1. ~~Agriculture~~ Agriculture, dairy, and crop products transported
27 from a farm to a processing plant or market.
 - 28 2. Water, fertilizer, pesticides, seeds, fuel, or animal waste
29 transported to or from a ~~farm by a farm vehicle as defined in~~
30 G.S. 20-37.16(e)(3) farm.
 - 31 3. Meats, livestock, or live poultry transported from the farm
32 where they were raised to a processing plant or market.
 - 33 3a. Feed or feed ingredients that ~~is~~are used in the feeding of
34 poultry or livestock and transported from a storage facility,
35 holding facility, or mill to a farm.
 - 36 4. Forest products originating and transported from a farm or
37 woodlands to market with delay interruption or delay for
38 further packaging or processing after initiating transport.
 - 39 5. Wood residuals, including wood chips, sawdust, mulch, or
40 tree bark from any site.
 - 41 6. Raw logs to market.
 - 42 7. Trees grown as Christmas trees from field, farm, stand, or
43 grove to a processing point."

44 **SECTION 9.(b)** This section becomes effective July 1, 2015.

45
46 **ESTABLISH MARKING AND NOTICE REQUIREMENTS FOR**
47 **METEOROLOGICAL TOWERS**

48 **SECTION 10.(a)** Chapter 63 of the General Statutes is amended by adding a new
49 Article to read:

50 "Article 11.

51 "Marking and Notice of Meteorological Towers.

"§ 63-110. Marking of meteorological towers.

(a) As used in this Article, the term:

(1) "Height" means the distance from the base of a tower to the highest point of the tower.

(2) "Meteorological tower" means a structure that is either self-standing or supported by guy wires and ground anchors and has guy wires and accessory facilities on which equipment used to measure wind speed and direction is mounted. "Meteorological tower" does not include a structure that is affixed or located adjacent to a building, house, or barn.

(b) Except as required by federal law, rule, or regulation, any meteorological tower over 50 feet in height shall be marked and painted or otherwise constructed to be visible in clear air during daylight hours from a distance of not less than 2,000 feet. Meteorological towers shall also comply with the following additional requirements:

(1) A meteorological tower shall be painted in equal alternating bands of aviation orange and white, beginning with orange at the top of the tower.

(2) One marker ball shall be attached to the top third of each outside guy wire.

(3) Guy wires shall have a seven-foot-long safety sleeve at each anchor point that extends from the anchor point along each guy wire attached to the anchor point.

"§ 63-111. Registration; notification; tower database; penalty.

(a) The Department of Transportation shall adopt rules requiring any person proposing to construct a meteorological tower to register with the Department. The person proposing to construct the tower shall notify the Department of the proposal, the location and height of the proposed tower, and any other information the Department may require to ensure aviation safety and shall pay a registration fee of three hundred fifty dollars (\$350.00). The rules shall require the owner of a meteorological tower to notify the Department upon removal or destruction of a tower.

(b) The Department of Transportation shall establish and maintain an electronic database that contains the location of all meteorological towers in the State by January 1, 2017. The Department may contract with a governmental entity or private entity to create and maintain the database. The Department shall make the contents of the database available on its Web site.

"§ 63-112. Penalties.

The Secretary of Transportation may assess a civil penalty of not more than ten thousand dollars (\$10,000) per violation against any person who violates any provision of this Article."

SECTION 10.(b) This section becomes effective January 1, 2017, and applies to meteorological towers erected on or after that date.

ALLOW SHELLFISH CULTIVATION LEASES IN AREAS CONTAINING SUBMERGED AQUATIC VEGETATION

SECTION 11.(a) G.S. 113-202(b) reads as rewritten:

"(b) The Secretary may delete any part of an area proposed for lease or may condition a lease to protect the public interest with respect to the factors enumerated in subsection (a) of this section. The Secretary may not grant a new lease in an area heavily used for recreational purposes. The Secretary shall not exclude any area from leasing solely on the basis that the area contains submerged aquatic vegetation and shall make specific findings based on the standards set forth in subsection (a) of this section prior to reaching a decision not to grant or renew a lease for shellfish cultivation for any area containing submerged aquatic vegetation."

SECTION 11.(b) This section becomes effective July 1, 2015, and applies to any new shellfish cultivation leases or renewals of existing shellfish cultivation leases issued on or after that date.

1
2 **PRESENT-USE VALUE MODIFICATIONS**

3 **SECTION 12.(a)** G.S. 105-277.2 reads as rewritten:

4 **"§ 105-277.2. Agricultural, horticultural, and forestland – Definitions.**

5 The following definitions apply in G.S. 105-277.3 through G.S. 105-277.7:

6 (1) Agricultural land. – Land that is a part of a farm unit that is actively engaged
7 in the commercial production or growing of crops, plants, or animals under a
8 sound management program. For purposes of this definition, the commercial
9 production or growing of animals includes the rearing, feeding, training,
10 caring, and managing of horses. Agricultural land includes woodland and
11 wasteland that is a part of the farm unit, but the woodland and wasteland
12 included in the unit must be appraised under the use-value schedules as
13 woodland or wasteland. A farm unit may consist of more than one tract of
14 agricultural land, but at least one of the tracts must meet the requirements in
15 G.S. 105-277.3(a)(1), and each tract must be under a sound management
16 program. If the agricultural land includes less than 20 acres of woodland,
17 then the woodland portion is not required to be under a sound management
18 program. Also, woodland is not required to be under a sound management
19 program if it is determined that the highest and best use of the woodland is
20 to diminish wind erosion of adjacent agricultural land, protect water quality
21 of adjacent agricultural land, or serve as buffers for adjacent livestock or
22 poultry operations.

23 ...

24 (4) Individually owned. – Owned by one of the following:

25 a. An individual.

26 b. A business entity that meets all of the following conditions:

27 1. Its principal business is farming agricultural land,
28 horticultural land, or forestland. When determining whether
29 an applicant under G.S. 105-277.4 has as its principal
30 business farming agricultural land, horticultural land, or
31 forestland, the assessor shall presume the applicant's principal
32 business to be farming agricultural land, horticultural land, or
33 forestland if the applicant has been approved by another
34 county for present-use value taxation for a qualifying
35 property located within the other county; provided, however,
36 the presumption afforded the applicant may be rebutted by
37 the assessor and shall have no bearing on the determination of
38 whether the individual parcel of land meets one or more of
39 the classes defined in G.S. 105-277.3(a). If the assessor is
40 able to rebut the presumption, this shall not invalidate the
41 determination that the applicant's principal business is
42 farming agricultural land, horticultural land, or forestland in
43 the other county.

44 2. All of its members are, directly or indirectly, individuals who
45 are actively engaged in farming agricultural land,
46 horticultural land, or forestland or a relative of one of the
47 individuals who is actively engaged. An individual is
48 indirectly a member of a business entity that owns the land if
49 the individual is a member of a business entity or a
50 beneficiary of a trust that is part of the ownership structure of
51 the business entity that owns the land.

- 1 3. It is not a corporation whose shares are publicly traded, and
- 2 none of its members are corporations whose shares are
- 3 publicly traded.
- 4 4. If it leases the land, all of its members are individuals and are
- 5 relatives. Under this condition, "principal business" and
- 6 "actively engaged" include leasing.
- 7 c. A trust that meets all of the following conditions:
- 8 1. It was created by an individual who owned the land and
- 9 transferred the land to the trust.
- 10 2. All of its beneficiaries are, directly or indirectly, individuals
- 11 who are the creator of the trust or a relative of the creator. An
- 12 individual is indirectly a beneficiary of a trust that owns the
- 13 land if the individual is a beneficiary of another trust or a
- 14 member of a business entity that has a beneficial interest in
- 15 the trust that owns the land.
- 16 d. A testamentary trust that meets all of the following conditions:
- 17 1. It was created by an individual who transferred to the trust
- 18 land that qualified in that individual's hands for classification
- 19 under G.S. 105-277.3.
- 20 2. At the date of the creator's death, the creator had no relatives.
- 21 3. The trust income, less reasonable administrative expenses, is
- 22 used exclusively for educational, scientific, literary, cultural,
- 23 charitable, or religious purposes as defined in
- 24 G.S. 105-278.3(d).
- 25 e. Tenants in common, if each tenant would qualify as an owner if the
- 26 tenant were the sole owner. Tenants in common may elect to treat
- 27 their individual shares as owned by them individually in accordance
- 28 with G.S. 105-302(c)(9). The ownership requirements of
- 29 G.S. 105-277.3(b) apply to each tenant in common who is an
- 30 individual, and the ownership requirements of G.S. 105-277.3(b1)
- 31 apply to each tenant in common who is a business entity or a trust.

32 "...."

33 **SECTION 12.(b)** G.S. 105-277.4 is amended by adding a new subsection to read:
34 **"§ 105-277.4. Agricultural, horticultural and forestland – Application; appraisal at use**
35 **value; appeal; deferred taxes.**

36 ...
37 (f) The Department shall publish a present-use value program guide annually and make
38 the guide available electronically on its Web site. When making decisions regarding the
39 qualifications or appraisal of property under this section, the assessor shall adhere to the
40 Department's present-use value program guide."

41 **SECTION 12.(c)** Section 12(a) of this act becomes effective July 1, 2015, and
42 applies to taxes imposed for taxable years beginning on or after that date. The remainder of this
43 section is effective when this act becomes law.

44
45 **PROCEDURE FOR TERMINATION OR SUBSTANTIAL MODIFICATION OF**
46 **CONSERVATION AGREEMENTS**

47 **SECTION 13.(a)** Article 4 of Chapter 121 of the General Statutes is amended by
48 adding a new section to read:

49 **"§ 121-39A. Termination or substantial modification of agreements.**

50 (a) For any conservation agreement subject to Council of State approval for termination
51 or substantial modification, the Council shall deny any request for termination or substantial

1 modification that is made for the purpose of economic development, including, but not limited
2 to, instances where some or all of the property subject to the conservation agreement is to be
3 commercially developed by a third party. For purposes of this section, "substantial
4 modification" means a change to the terms of a conservation agreement that would result in a
5 diminishment to the conservation restrictions applicable to the property contained in the
6 agreement that would affect more than five percent (5%) of the property subject to the
7 agreement.

8 (b) Notwithstanding any authority given to a public body of this State, including the
9 State, any of its agencies, any city, county, district or other political subdivision, or municipal
10 or public corporation, or any instrumentality of any of the foregoing, to release or terminate
11 conservation easements under other law, this section shall apply to conservation agreements
12 that are intended to be effective perpetually or that are terminated or substantially modified
13 prior to the period of time stipulated in the agreement, and where at least one party to the
14 agreement is a public body of this State, including the State, any of its agencies, any city,
15 county, district or other political subdivision, or municipal or public corporation, or any
16 instrumentality of any of the foregoing. This section shall not apply to a condemnation action
17 initiated by a public condemnor governed by Article 6 of Chapter 40A of the General Statutes.

18 (c) Parties to a conservation agreement may include a provision at the time an
19 agreement is executed requiring the consent of the grantor or the grantor's successors in interest
20 to terminate or substantially modify the agreement for any purpose.

21 (d) Any agency managing a conservation agreement program may adopt rules
22 governing its procedure for termination or substantial modification of a conservation
23 agreement, provided that any such rules may be no less stringent than the requirements of this
24 section."

25 **SECTION 13.(b)** G.S. 106-744 reads as rewritten:

26 **"§ 106-744. Purchase of agricultural conservation easements; establishment of North**
27 **Carolina Agricultural Development and Farmland Preservation Trust Fund**
28 **and Advisory Committee.**

29 (a) A county may, with the voluntary consent of landowners, acquire by purchase
30 agricultural conservation easements over qualifying farmland as defined by G.S. 106-737.

31 (b) For purposes of this section, "agricultural conservation easement" means a negative
32 easement in gross restricting residential, commercial, and industrial development of land for the
33 purpose of maintaining its agricultural production capability. Such easement:

34 (1) May permit the creation of not more than three lots that meet applicable
35 county zoning and subdivision regulations;

36 (1a) May permit agricultural uses as necessary to promote agricultural
37 development associated with the family farm; and

38 (2) Shall be perpetual in duration, ~~provided that, at least 20 years after the~~
39 ~~purchase of an easement, a county may agree to reconvey the easement to~~
40 ~~the owner of the land for consideration, if the landowner can demonstrate to~~
41 ~~the satisfaction of the county that commercial agriculture is no longer~~
42 ~~practicable on the land in question.~~duration.

43"

44 **SECTION 13.(c)** G.S. 121-39A(c) becomes effective July 1, 2015, and applies to
45 conservation agreements executed on or after that date. The remainder of this section becomes
46 effective July 1, 2015, and applies to agreements in effect on that date and executed on or after
47 that date.

48
49 **TRANSFER CAPTIVE CERVID PROGRAM TO THE DEPARTMENT OF**
50 **AGRICULTURE AND CONSUMER SERVICES**

1 SECTION 14.(a) Article 49H of Chapter 106 of the General Statutes reads as
2 rewritten:

3 "Article 49H.

4 "~~Production and Sale~~Production, Sale, and Transportation of Fallow Deer and Red
5 ~~Deer.~~Farmed Cervids.

6 "**§ 106-549.97. Regulation by Department of Agriculture and Consumer Services of**
7 **certain farmed cervids produced and sold for commercial purposes; certain**
8 **authority of North Carolina Wildlife Resources Commission not affected;**
9 **definitions.**

10 (a) ~~The Department of Agriculture and Consumer Services shall regulate the production~~
11 ~~and sale of farmed cervids. The Board of Agriculture shall adopt rules for the production and~~
12 ~~sale of farmed cervids in such a manner as to provide for close supervision of any person, firm,~~
13 ~~or corporation producing and selling farmed cervids and shall notify any such person, firm, or~~
14 ~~corporation that the activity is subject to compliance with Wildlife Resources Commission~~
15 ~~rules pursuant to G.S. 113-272.6.~~

16 (a1) The following definitions apply in this Article:

17 (1) Commission. – The North Carolina Wildlife Resources Commission.

18 (2) Department. – The North Carolina Department of Agriculture and Consumer
19 Services.

20 (3) Farmed Cervid. – Any cervid, as defined by the USDA Standards, that is
21 susceptible to Chronic Wasting Disease, or any other member of the
22 Cervidae family that is not susceptible to Chronic Wasting Disease, that is
23 held in captivity and produced, bought, or sold for commercial purposes.
24 With regard to cervids that are susceptible to Chronic Wasting Disease, the
25 term "farmed cervid" shall only include any cervid that was bred in captivity
26 and has been continuously maintained within a herd that is enrolled in and
27 complies with a USDA-approved Herd Certification Program. Any animal
28 registered or tagged in any licensed captive cervid facility existing within the
29 State as of July 1, 2015, is deemed to be a farmed cervid.

30 (4) Non-Farmed Cervid. – All animals in the family Cervidae other than farmed
31 cervids.

32 (5) USDA. – The United States Department of Agriculture.

33 (6) USDA Standards. – The United States Department of Agriculture's Chronic
34 Wasting Disease Program Standards, May 2014 edition, and subsequent
35 updates.

36 (a2) The Department of Agriculture and Consumer Services shall regulate the
37 production, sale, possession, and transportation, including importation and exportation, of
38 farmed cervids. The Department shall have sole authority with regard to farmed cervids,
39 including administration of the North Carolina Captive Cervid Herd Certification Program. The
40 Department shall allow the sale of farmed cervids, whether alive or dead, whole or in part,
41 including, but not limited to, the sale of antlers, antler velvet, hides, or meat from captive
42 populations of farmed cervids. The Department shall follow the USDA Standards and the
43 provisions set forth in 9 C.F.R. Part 55 and 9 C.F.R. Part 81 in the implementation of this
44 Article with regard to cervids susceptible to Chronic Wasting Disease. The Department may
45 adopt rules to implement this Article, including, but not limited to, requirements for captivity
46 licenses, captivity permits, transportation permits, importation permits, and exportation permits.
47 The Department may issue new captivity licenses or permits for farmed cervid facilities that
48 will hold cervids susceptible to Chronic Wasting Disease only if Chronic Wasting
49 Disease-susceptible source animals are from a certified herd in accordance with USDA
50 Standards from an existing licensed facility. Nothing in this section shall limit the Department's
51 ability to issue new captivity licenses and permits for farmed cervid facilities that will hold

1 cervids that are not susceptible to Chronic Wasting Disease. The Department shall not issue an
2 importation permit for any farmed cervid from a Chronic Wasting Disease-positive, exposed, or
3 suspect farmed cervid facility. Until such time as the USDA has adopted an approved method
4 of testing for Chronic Wasting Disease in living cervids, cervids susceptible to Chronic
5 Wasting Disease shall not be imported into North Carolina.

6 (a3) All free-ranging cervids shall be removed from any new captive cervid facility prior
7 to stocking the facility with farmed cervids.

8 (a4) Hunt facilities as defined by USDA Standards are prohibited. Any farmed cervid
9 killed on the premises of a licensed facility shall be killed only by the licensee, the owner of the
10 facility, an employee of the facility, or a qualified veterinarian administering euthanasia.

11 (a5) The Department and the Commission may develop a Memorandum of Agreement
12 authorizing joint enforcement activities. The Memorandum of Agreement may allow for
13 enforcement activities by the Commission on captive cervid facilities in instances of illegal
14 importation. The Memorandum of Agreement may also provide for additional enforcement
15 activities by the Commission on captive cervid facilities where appropriate as requested by the
16 Department.

17 (b) The North Carolina Wildlife Resources Commission shall regulate the possession
18 and transportation, including importation and exportation, of non-farmed cervids pursuant to
19 G.S. 113-272.6. No action taken by the Department shall in any way limit the authority of the
20 Commission to regulate non-farmed cervids as wildlife resources of the State belonging to the
21 people of the State as a whole. Nothing in this Article shall authorize the Department to
22 regulate hunting or any activity related to hunting.

23 (c) The following definitions apply in this Article:

24 (1) Repealed by Session Laws 2003-344, s. 11, effective July 27, 2003.

25 (2) Repealed by Session Laws 2003-344, s. 11, effective July 27, 2003.

26 (3) Cervid or Cervidae.—All animals in the Family Cervidae (elk and deer).

27 (4) Farmed Cervid.—Any member of the Cervidae family, other than
28 white-tailed deer, elk, mule deer, or black-tailed deer, that is bought and sold
29 for commercial purposes.

30 (5) White-tailed deer.—A member of the species *Odocoileus virginianus*.

31 (d) No county, municipality, or any other unit of local government may adopt any
32 ordinance, regulation, or law that is inconsistent with or more restrictive than the provisions of
33 this Article. Any ordinance, regulation, or law that is currently enacted that is inconsistent with
34 or more restrictive than the provisions of this Article is hereby repealed.

35 (e) In order to carry out the authority granted by this Article, the Department may
36 enforce the rules adopted by the Wildlife Resources Commission under its prior authority
37 pursuant to G.S. 150B-21.7, including the rules governing issuance of captivity licenses,
38 captivity permits, transportation permits, importation permits, and exportation permits, until
39 such time as the Department adopts rules for the implementation of this Article.

40 (f) The provisions of G.S. 113-129 shall not apply to the production, sale,
41 transportation, importation, or exportation of farmed cervids under this Article, whether alive
42 or dead, whole or in part.

43 (g) No live farmed cervid shall be transported on a public road within the State unless
44 the cervid has an official form of identification approved by the State Veterinarian for this
45 purpose and the appropriate transportation, importation, or exportation permit issued by the
46 Department.

47 (h) Any live farmed cervid that is transported on a public road within the State shall be
48 subject to inspection by a wildlife law enforcement officer to ensure that each farmed cervid
49 has official identification required under this Article and that the appropriate permit has been
50 obtained from the Department.

1 (i) Any person transporting a live farmed cervid on a public road within the State
2 without the appropriate farmed cervid identification and permit may be subject to a civil
3 penalty by the Department under this Article. Each cervid that fails to meet the tagging and
4 transportation requirements of the Department shall constitute a separate violation.

5 (j) The Commissioner of Agriculture may assess a civil penalty of not more than five
6 thousand dollars (\$5,000) per animal against any person who violates a provision of this Article
7 or any rule adopted thereunder. In determining the amount of the penalty, the Commissioner
8 shall consider the degree and extent of harm caused by the violation. The clear proceeds of civil
9 penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture
10 Fund in accordance with G.S. 115C-457.2.

11 ~~"§ 106-549.98. Inspection fees.~~

12 ~~The Commissioner may establish a fee at an hourly rate to be paid by the owner, proprietor,~~
13 ~~or operator of each slaughtering, meat canning, salting, packing, rendering, or similar~~
14 ~~establishment for the purpose of defraying the expenses incurred in the inspection of fallow~~
15 ~~deer as required by Article 49B of Chapter 106 of the General Statutes. The Commissioner may~~
16 ~~establish a fee at an hourly rate to be paid by the owner, proprietor, or operator of each~~
17 ~~slaughtering, meat canning, salting, packing, rendering, or similar establishment for the~~
18 ~~purpose of defraying the expenses incurred in the inspection of red deer as required by Article~~
19 ~~49B of Chapter 106 of the General Statutes."~~

20 SECTION 14.(b) G.S. 113-272.6 reads as rewritten:

21 ~~"§ 113-272.6. Transportation-Possession, Transportation, Importation, and Exportation~~
22 ~~of non-farmed cervids and licensing of captive cervid facilities.cervids.~~

23 (a) The Wildlife Resources Commission shall regulate the possession and
24 transportation, including importation and exportation, and possession of non-farmed cervids,
25 including game carcasses and parts of game carcasses extracted by hunters.hunters and
26 carcasses and parts of carcasses imported from hunt facilities as defined by USDA Standards.
27 For purposes of this section, the term "non-farmed cervid" has the same meaning as in
28 G.S. 106-549.97. The Commission shall allow the sale of antlers, antler velvet, or hides from
29 eaptive populations of cervids. The Commission shall follow the USDA Standards as defined in
30 G.S. 106-549.97 and the provisions set forth in 9 C.F.R. Part 55 and 9 C.F.R. Part 81 in the
31 implementation of this section and shall not adopt any rule or standard that is in conflict with,
32 in lieu of, or more restrictive than the USDA Standards. The Commission shall adopt rules to
33 implement this section, including requirements for eaptivity licenses, captivity permits, and
34 transportation permits-transportation, importation, and exportation permits. The rules adopted
35 pursuant to this section shall establish standards of care for the transportation and possession of
36 cervids, including requirements for fencing, tagging, record keeping, and inspection of captive
37 cervid facilities. Notwithstanding any other provision of law, the Commission may charge a fee
38 of up to fifty dollars (\$50.00) for the processing of applications for eaptivity licenses, captivity
39 permits, and transportationtransportation, importation, and exportation permits, and the renewal
40 or modification of those licenses and permits. The fees collected shall be applied to the costs of
41 administering this section.

42 (b) The Wildlife Resources Commission shall notify every applicant for a transportation
43 permit that any permit issued is subject to the applicant's compliance with the Department of
44 Agriculture and Consumer Services' requirements for transportation pursuant to Article 34 of
45 Chapter 106 of the General Statutes.

46 (c) The Department of Agriculture and Consumer Services shall regulate the production
47 and saleproduction, sale, and transportation, including importation and exportation, of farmed
48 cervids for commercial purposes and the licensing of farmed cervid facilities pursuant to
49 G.S. 106-549.97. No action taken by the Wildlife Resources Commission shall in any way limit
50 the authority of the Department of Agriculture and Consumer Services to regulate farmed
51 cervids.

(d) ~~Notwithstanding any other provision of law, the North Carolina Wildlife Resources Commission shall issue captivity licenses, captivity permits, or transportation permits to any person possessing cervids that were held in captivity by that person prior to May 17, 2002, if the Executive Director finds that the applicant has come into compliance with all applicable rules related to the holding of cervids in captivity by January 1, 2004, and that issuance of such license or permit does not pose unreasonable risk to the conservation of wildlife resources.~~

(e) ~~Any captivity license, captivity permit, or cervids held contrary to the provisions of this section may be subject to forfeiture and disposition in accordance with the provisions of G.S. 113-137 or G.S. 113-276.2."~~

ALLOW ALTERNATE DISPOSAL OF BIODEGRADABLE AGRICULTURAL PLASTICS

SECTION 15.(a) G.S. 106-950 reads as rewritten:

"§ 106-950. Exempt fires; no permit fees.

(a) This Article shall not apply to any fires started, or caused to be started, within 100 feet of an occupied dwelling house if such fire shall be confined (i) within an enclosure from which burning material may not escape or (ii) within a protected area upon which a watch is being maintained and which is provided with adequate fire protection equipment.

(a1) Except in cases where the Commissioner has prohibited all open burning during periods of hazardous forest fire conditions or during air pollution episodes declared pursuant to Article 21B of Chapter 143 of the General Statutes, this Article shall not apply to, and no air quality permit shall be required for, the burning of polyethylene agricultural plastic used in connection with agricultural operations related to the growing, harvesting, or maintenance of crops, when all of the following conditions apply:

- (1) The burning does not violate any State or federal ambient air quality standards.
- (2) The burning is conducted between an hour after sunrise and an hour before sunset.
- (3) The fire is set back at least 250 feet from any paved public roadway and at least 500 feet from any dwelling, group of dwellings, or commercial or institutional establishment, or other occupied structure not located on the property on which the burning is conducted.
- (4) The burning is conducted in a manner such that it does not constitute a public nuisance.
- (5) The burning is conducted by any of the following means:
 - a. By professionally manufactured equipment solely for the purpose of plastic mulch burning or incineration and approved by the Commissioner.
 - b. By a fire that is enclosed in a noncombustible container.
 - c. By a fire that is restricted to a pile no greater than eight feet in diameter built upon ground cleared of all combustible material.

(b) No charge shall be made for the granting of any permit required by this Article."

SECTION 15.(b) The Department of Agriculture and Consumer Services may adopt rules to implement the provisions of this section.

AMEND THE DEFINITION OF "NEW ANIMAL WASTE MANAGEMENT SYSTEM" AND THE APPLICATION OF SWINE WASTE MANAGEMENT SYSTEM PERFORMANCE STANDARDS

SECTION 16. Section 21 of S.L. 2013-413 reads as rewritten:

"SECTION 21.(a) 15A NCAC 02T .1302 ~~(Definitions)~~ (Definitions) and 15A NCAC 02T .1307 (Swine Waste Management System Performance Standards). – Until the effective date of

1 the revised permanent ~~rule~~rules that the Environmental Management Commission is required
2 to adopt pursuant to Section 21(c) of this act, the Commission and the Department of
3 Environment and Natural Resources shall implement 15A NCAC 02T .1302 (Definitions) and
4 15A NCAC 02T .1307 (Swine Waste Management System Performance Standards) as provided
5 in Section 21(b) of this act.

6 "**SECTION 21.(b)** Implementation. – Notwithstanding 15A NCAC 02T .1302
7 (Definitions), "new animal waste management system" means animal waste management
8 systems which are constructed and operated at a site where no feedlot existed ~~previously, where~~
9 ~~a system serving a feedlot has been abandoned or unused for a period of four years or more and~~
10 ~~is then put back into service, previously~~ or where a permit for a system has been rescinded, and
11 is then reissued when the permittee confines animals in excess of the thresholds established in
12 G.S. 143-215.10B. Notwithstanding subsection (a) of 15A NCAC 02T .1307 (Swine Waste
13 Management System Performance Standards), the Swine Waste Management System
14 Performance Standards shall:

- 15 (1) Apply to any farm facility that receives a permit for its animal waste
16 management system that allows a level of production at the farm, as
17 measured by steady state live weight, greater than the largest production for
18 which the farm has received a permit in the past, and so that they also apply
19 to any other animal waste management system otherwise subject to
20 regulation under G.S. 143-215.10I.
- 21 (2) Not apply to any facility that meets all of the following conditions:
 - 22 a. Has had no animals on site for five continuous years or more.
 - 23 b. Notifies the Division of Water Resources in writing at least 60 days
24 prior to bringing any animals back on to the site.
 - 25 c. The system depopulated after January 1, 2005, and the system ceased
26 operation no longer than 10 years prior to the current date.
 - 27 d. At the time the system ceased operation, the system was in
28 compliance with an individual permit or a general permit issued
29 pursuant to G.S. 143-215.10C.
 - 30 e. The Division of Water Resources issues an individual permit or
31 certificate of coverage under a general permit issued pursuant to
32 G.S. 143-215.10C for operation of the system before any animals are
33 brought on the facility.
 - 34 f. The permit for the animal waste management system does not allow
35 production, measured by steady state live weight, to exceed the
36 greatest steady state live weight previously permitted for the system
37 under G.S. 143-215.10C.
 - 38 g. No component of the animal waste management system and swine
39 farm, other than an existing swine house or land application site,
40 shall be constructed on land that is located within the 100-year
41 floodplain.
 - 42 h. The inactive animal waste management system was not closed using
43 the expenditure of public funds and was not closed pursuant to a
44 settlement agreement, court order, cost share agreement, or grant
45 condition.

46 "**SECTION 21.(c)** Additional Rule-Making Authority. – The Environmental Management
47 Commission shall adopt ~~a rule~~rules as promptly as practicable to amend 15A NCAC 02T .1302
48 (Definitions) and 15A NCAC 02T .1307 (Swine Waste Management System Performance
49 Standards) consistent with Section 21(b) of this act. Notwithstanding G.S. 150B-19(4), the ~~rule~~
50 rules adopted by the Commission pursuant to this section shall be substantively identical to the
51 provisions of Section 21(b) of this act. Rules adopted pursuant to this section are not subject to

1 Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this
2 section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written
3 objections had been received as provided by G.S. 150B-21.3(b2).

4 "SECTION 21.(d) Sunset. – Section 21(b) of this act expires on the date that rules adopted
5 pursuant to Section 21(c) of this act become effective."
6

7 **DIRECT DIVISION OF MARINE FISHERIES AND WILDLIFE RESOURCES**
8 **COMMISSION TO DEVELOP A PILOT AMERICAN EEL AQUACULTURE PLAN**

9 **SECTION 17.(a)** The Division of Marine Fisheries of the Department of
10 Environment and Natural Resources and the Wildlife Resources Commission shall jointly
11 develop a pilot American Eel Aquaculture Plan for the harvest and aquaculture of American
12 eels (*Anguilla rostrata*). The pilot American Eel Aquaculture Plan shall include all of the
13 following conditions:

- 14 (1) The pilot project shall allow for a minimum harvest of 200 pounds of the
15 glass eel stage of the American eel annually for use in domestic aquaculture
16 facilities.
- 17 (2) The harvest may only occur in watersheds that minimally contribute to the
18 spawning stock of the American eel.
- 19 (3) The Division shall submit the pilot American Eel Aquaculture Plan to the
20 Atlantic States Marine Fisheries Commission for its approval. The requested
21 pilot Plan shall include the pounds requested; the location, method, and dates
22 of harvest; the duration of requested harvest; prior approval of any
23 applicable permits; descriptions of each facility, including the capacity of
24 each facility in which the glass eels will be held, and husbandry methods;
25 descriptions of the markets the eels will be distributed to; a monitoring
26 program to ensure harvest is not exceeded; and adequate enforcement
27 capabilities.
- 28 (4) American eels harvested under the pilot American Eel Aquaculture Plan may
29 not be sold until they reach the legal size in the jurisdiction of operations,
30 unless otherwise specified in the Plan.

31 **SECTION 17.(b)** The Division and the Wildlife Resources Commission shall
32 make every effort to have the pilot American Eel Aquaculture Plan approved by the Atlantic
33 States Marine Fisheries Commission to be implemented during 2016. Persons interested in
34 participating in the pilot American Eel Aquaculture Plan shall submit all information required
35 by the Division and the Wildlife Resources Commission, in a form acceptable to the Division
36 and the Wildlife Resources Commission, no later than September 1, 2015. The Division and the
37 Marine Fisheries Commission shall issue no permits for the harvest and aquaculture of the glass
38 eel stage of American eels in the State until the pilot American Eel Aquaculture Plan has been
39 approved by the Atlantic States Marine Fisheries Commission.
40

41 **AMEND DEFINITION OF MINING RELATIVE TO AGRICULTURAL ACTIVITIES**

42 **SECTION 18.** G.S. 74-49(7) reads as rewritten:

43 **"§ 74-49. Definitions.**

44 Wherever used or referred to in this Article, unless a different meaning clearly appears from
45 the context:

- 46 ...
- 47 (7) "Mining" ~~means:~~means any of the following:
 - 48 a. ~~The~~(i) the breaking of the surface soil in order to facilitate or
49 accomplish the extraction or removal of minerals, ores, or other solid
50 ~~matter.~~matter;

- 1 b. ~~Any~~ (ii) any activity or process constituting all or part of a process
2 for the extraction or removal of minerals, ores, soils, and other solid
3 matter from their original ~~location~~.
4 e. ~~The~~ location; or (iii) the preparation, washing, cleaning, or other
5 treatment of minerals, ores, or other solid matter so as to make them
6 suitable for commercial, industrial, or construction use. "Mining"
7 does not include:
8 a. Those aspects of deep mining not having significant effect on the
9 surface, where the affected land does not exceed one acre in area.
10 b. Mining operations where the affected land does not exceed one acre
11 in area.
12 c. Plants engaged in processing minerals produced elsewhere and
13 whose refuse does not affect more than one acre of land.
14 d. Excavation or grading when conducted solely ~~in aid of on-site~~
15 ~~farming or off~~ on-site construction for purposes other than mining.
16 e. Removal of overburden and mining of limited amounts of any ores or
17 mineral solids when done only for the purpose and to the extent
18 necessary to determine the location, quantity, or quality of any
19 natural deposit, provided that no ores or mineral solids removed
20 during exploratory excavation or mining are sold, processed for sale,
21 or consumed in the regular operation of a business, and provided
22 further that the affected land resulting from any exploratory
23 excavation does not exceed one acre in area.
24 f. Excavation or grading where all of the following apply:
25 1. The excavation or grading is conducted to provide soil or
26 other unconsolidated material to be used without further
27 processing for a single off-site construction project for which
28 an erosion and sedimentation control plan has been approved
29 in accordance with Article 4 of Chapter 113A of the General
30 Statutes.
31 2. The affected land, including nonpublic access roads, does not
32 exceed five acres.
33 3. The excavation or grading is completed within one year.
34 4. The excavation or grading does not involve blasting, the
35 removal of material from rivers or streams, the disposal of
36 off-site waste on the affected land, or the surface disposal of
37 groundwater beyond the affected land.
38 5. The excavation or grading is not in violation of any local
39 ordinance.
40 6. An erosion and sedimentation control plan for the excavation
41 or grading has been approved in accordance with Article 4 of
42 Chapter 113A of the General Statutes.
43 g. Excavation or grading when conducted solely for activities
44 undertaken on agricultural land that are exempt, pursuant to
45 G.S. 113A-52.01(1), from the requirements of Article 4 of Chapter
46 113A of the General Statutes."

47
48 **AMEND THE HOLDING AND ADVERTISING PERIOD FOR UNCLAIMED**
49 **LIVESTOCK**

50 **SECTION 19.(a)** G.S. 68-20 reads as rewritten:

1 **"§ 68-20. Notice of sale and sale where owner fails to redeem or is unknown; application**
2 **of proceeds.**

3 If the owner fails to redeem his livestock within three days after the notice and demand as
4 provided in G.S. 68-18 is received or within three days after the determination of the costs and
5 damages as provided in G.S. 68-19, ~~then, upon written notice fully describing the livestock,~~
6 ~~stating the place, date, and hour of sale posted at the courthouse door and three or more public~~
7 ~~places in the township where the owner resides, and after the impounder shall notify the local~~
8 Sheriff's office and the Sheriff shall post a notice fully describing the livestock and stating the
9 place, date, and hour of sale on the Web site of the Sheriff's department. After 10 days from
10 such posting, the impounder shall sell the livestock at public auction. If the owner of the
11 livestock remains unknown to the impounder, then, 30-three days after publication of the notice
12 required by G.S. 68-18.1, the impounder shall post at the courthouse door and three public
13 places in the township where the livestock is impounded a written notice fully describing the
14 livestock, and stating the place, date, and hour of sale. notify the local Sheriff's office and the
15 Sheriff shall post a notice fully describing the livestock and stating the place, date, and hour of
16 sale on the Web site of the Sheriff's department. After 2010 days from such posting, the
17 impounder shall sell the livestock at public auction. The proceeds of any such public sale shall
18 be applied to pay the reasonable costs of impounding and maintaining the livestock and the
19 damages to the impounder caused by the livestock. Reasonable costs of impounding shall
20 include any fees paid pursuant to G.S. 68-18.1 in an attempt to locate the owner of the
21 livestock. The balance, if any, shall be paid to the owner of the livestock, if known, or, if the
22 owner is not known, then to the school fund of the county where the livestock was impounded."

23 **SECTION 19.(b)** This section is effective when this act becomes law and applies
24 to livestock impounded on or after that date.

25
26 **MODIFY DEPARTMENT OF AGRICULTURE REPORTING REQUIREMENTS**

27 **SECTION 20.(a)** G.S. 106-815 is repealed.

28 **SECTION 20.(b)** G.S. 19A-62(c) reads as rewritten:

29 "(c) Report. – In ~~February~~ March of each year, the Department must report to the Joint
30 Legislative Commission on Governmental Operations and the Fiscal Research Division. The
31 report must contain information regarding all revenues and expenditures of the Spay/Neuter
32 Account."
33

34 **PRESCRIBED BURNING ACT MODIFICATIONS**

35 **SECTION 21.** G.S. 106-968 reads as rewritten:

36 **"§ 106-968. Prescribed burning.**

37 (a) Prior to conducting a prescribed burning, the landowner shall obtain a prescription
38 for the prescribed burning prepared by a certified prescribed burner and filed with the North
39 Carolina Forest Service of the Department of Agriculture and Consumer Services. A copy of
40 the prescription shall be provided to the landowner. A copy of this prescription shall be in the
41 possession of the responsible burner on site throughout the duration of the prescribed burning.
42 The prescription shall include:

43 (1) The landowner's name and address.

44 (2) A description of the area to be burned.

45 (3) A map of the area to be burned.

46 (4) An estimate ~~in~~ of tons of the fuel located on the area.

47 (5) The objectives of the prescribed burning.

48 (6) A list of the acceptable weather conditions and parameters for the prescribed
49 burning sufficient to minimize the likelihood of smoke damage and fire
50 escaping onto adjacent areas.

- 1 (7) The name of the certified prescribed burner responsible for conducting the
2 prescribed burning.
- 3 (8) A summary of the methods that are adequate for the particular circumstances
4 involved to be used to start, control, and extinguish the prescribed burning.
- 5 (9) Provision for reasonable notice of the prescribed burning to be provided to
6 nearby homes and businesses to avoid effects on health and property.
- 7 (b) The prescribed burning shall be conducted by a certified prescribed burner in
8 accordance with a prescription that satisfies subsection (a) of this section. The certified
9 prescribed burner shall be present on the site and shall be in charge of the burning throughout
10 the period of the burning. A landowner may conduct a prescribed burning and be in compliance
11 with this Article without being a certified prescribed burner if the landowner is burning a tract
12 of forestland of 50 acres or less owned by that landowner and is following all conditions
13 established in a prescription prepared by a certified prescribed burner.
- 14 (c) Prior to conducting a prescribed burning, the landowner or the landowner's agent
15 shall obtain an open-burning permit under Article 78 of this Chapter from the North Carolina
16 Forest Service of the Department of Agriculture and Consumer Services. This open-burning
17 permit must remain in effect throughout the period of the prescribed burning. The prescribed
18 burning shall be conducted in compliance with all the following:
- 19 (1) The terms and conditions of the open-burning permit under Article 78 of this
20 Chapter.
- 21 (2) The State's air pollution control statutes under Article 21 and Article 21B of
22 Chapter 143 of the General Statutes and any rules adopted pursuant to these
23 statutes.
- 24 (3) Any applicable local ordinances relating to open burning.
- 25 (4) The ~~voluntary~~-smoke management guidelines adopted by the North Carolina
26 Forest Service of the Department of Agriculture and Consumer Services.
- 27 (5) Any rules adopted by the North Carolina Forest Service of the Department
28 of Agriculture and Consumer Services, to implement this Article.
- 29 (d) The North Carolina Forest Service may accept prescribed burner certification from
30 another State or other entity for the purpose of prescribed burning under this Article."

31 32 **MODIFY PENALTY FOR FAILURE TO GUARD A FIRE BY WATCHMAN**

33 **SECTION 22.** G.S. 14-140.1 reads as rewritten:

34 "**§ 14-140.1. Certain fire to be guarded by watchman.**

35 Any person, firm, corporation, or other legal entity who shall burn any brush, grass, or other
36 material whereby any property may be endangered or destroyed, without keeping and
37 maintaining a careful watchman in charge of the burning, shall be guilty of a ~~Class 3~~
38 ~~misdemeanor~~ infraction which may include a fine of not less than ten dollars (\$10.00) or
39 more than fifty dollars (\$50.00). Fire escaping from the brush, grass, or other material while
40 burning shall be prima facie evidence of violation of this provision."

41 42 **ESTABLISH FARM WINERY PERMIT**

43 **SECTION 23.(a)** G.S. 18B-902(d) reads as rewritten:

44 "(d) Fees. – An application for an ABC permit shall be accompanied by payment of the
45 following application fee:

- 46 (1) On-premises malt beverage permit – \$400.00.
47 (2) Off-premises malt beverage permit – \$400.00.
48 (3) On-premises unfortified wine permit – \$400.00.
49 (4) Off-premises unfortified wine permit – \$400.00.
50 (5) On-premises fortified wine permit – \$400.00.
51 (6) Off-premises fortified wine permit – \$400.00.

- 1 (7) Brown-bagging permit – \$400.00, unless the application is for a restaurant
 2 seating less than 50, in which case the fee shall be \$200.00.
 3 (8) Special occasion permit – \$400.00.
 4 (9) Limited special occasion permit – \$50.00.
 5 (10) Mixed beverages permit – \$1,000.
 6 (11) Culinary permit – \$200.00.
 7 (12) Unfortified winery permit – \$300.00.
 8 (13) Fortified winery permit – \$300.00.
 9 (14) Limited winery permit – \$300.00.
 10 (15) Brewery permit – \$300.00.
 11 (16) Distillery permit – \$300.00.
 12 (17) Fuel alcohol permit – \$100.00.
 13 (18) Wine importer permit – \$300.00.
 14 (19) Wine wholesaler permit – \$300.00.
 15 (20) Malt beverage importer permit – \$300.00.
 16 (21) Malt beverage wholesaler permit – \$300.00.
 17 (22) Bottler permit – \$300.00.
 18 (23) Salesman permit – \$100.00.
 19 (24) Vendor representative permit – \$50.00.
 20 (25) Nonresident malt beverage vendor permit – \$100.00.
 21 (26) Nonresident wine vendor permit – \$100.00.
 22 (27) Any special one-time permit under G.S. 18B-1002 – \$50.00.
 23 (28) Winery special event permit – \$200.00.
 24 (29) Mixed beverages catering permit – \$200.00.
 25 (30) Guest room cabinet permit – \$1,000.
 26 (31) Liquor importer/bottler permit – \$500.00.
 27 (32) Cider and vinegar manufacturer permit – \$200.00.
 28 (33) Brew on premises permit – \$400.00.
 29 (34) Wine producer permit – \$300.00.
 30 (35) Wine tasting permit – \$100.00.
 31 (36) Repealed by Session Laws 2005-380, s. 1, effective September 8, 2005, and
 32 applicable to wine shipper permit applications submitted on or after that
 33 date.
 34 (37) Wine shop permit – \$100.00.
 35 (38) Winemaking on premises permit – \$400.00.
 36 (39) Wine shipper packager permit – \$100.00.
 37 (40) Malt beverage special event permit – \$200.00.
 38 (41) Malt beverage tasting permit – \$100.00.
 39 (42) Spirituous liquor tasting permit – \$100.00.
 40 (43) Farm winery permit – \$150.00.
 41 (44) Farm winery on-premises unfortified wine permit – \$100.00."

42 **SECTION 23.(b)** G.S. 18B-1001 is amended by adding a new subdivision to read:

43 **"§ 18B-1001. Kinds of ABC permits; places eligible.**

44 When the issuance of the permit is lawful in the jurisdiction in which the premises are
 45 located, the Commission may issue the following kinds of permits:

46 ...

- 47 (21) Farm winery on-premises unfortified wine permit. – A farm winery
 48 unfortified wine permit authorizes the retail sale of unfortified wine for
 49 consumption on the premises, either alone or mixed with other beverages,
 50 and the retail sale of unfortified wine in the manufacturer's original container
 51 for consumption off the premises. The permit also authorizes the permittee

1 to transfer unfortified wine, not more than four times per calendar year, to
2 another farm winery on-premises unfortified wine permittee that is under
3 common ownership or control as the transferor. Except as authorized by this
4 subdivision, transfers of wine by on-premises unfortified wine permittees,
5 purchases of wine by a retail permittee from another retail permittee for the
6 purpose of resale, and sale of wine by a retail permittee to another retail
7 permittee for the purpose of resale are unlawful. In addition, a particular
8 brand of wine may be transferred only if both the transferor and transferee
9 are located within the territory designated between the winery and the
10 wholesaler on file with the Commission. Prior to or contemporaneous with
11 any such transfer, the transferor shall notify each wholesaler who distributes
12 the transferred product of the transfer. The notice shall be in writing or
13 verifiable electronic format and shall identify the transferor and transferee,
14 the date of the transfer, quantity, and items transferred. The holder of the
15 permit is authorized to ship unfortified wine in closed containers to
16 individual purchasers inside and outside the State. Orders received by a
17 winery by telephone, Internet, mail, facsimile, or other off-premises means
18 of communication shall be shipped pursuant to a wine shipper permit and not
19 pursuant to this subdivision. The permit may be issued only for wineries
20 holding a farm winery permit pursuant to G.S. 18B-1103A."

21 **SECTION 23.(c)** G.S. 18B-1100 is amended by adding a new subdivision to read:

22 **"§ 18B-1100. Commercial permits.**

23 ...

24 (21) Farm winery."

25 **SECTION 23.(d)** Article 11 of Chapter 18B of the General Statutes is amended by
26 adding a new section to read:

27 **"§ 18B-1103A. Authorization of farm winery permit.**

28 (a) Special Qualifications. – Except as provided in subsection (c) of this section, any
29 winery that produces at least seventy-five percent (75%) of its wine from honey, grapes, or
30 other fruit or grain grown in this State may obtain a farm winery permit.

31 (b) Special Qualifications for Large Wineries. – Except as provided in subsection (c) of
32 this section, any winery that produces at least 10,000 gallons of wine per year from honey,
33 grapes, or other fruit or grain grown in this State may obtain a farm winery permit. A winery
34 obtaining a farm winery permit under these conditions may only affix the label in subdivision
35 (c)(10) of this section to bottles of wine bearing a North Carolina State appellation of origin or
36 a North Carolina American Viticultural Area appellation of origin.

37 (c) Exceptions to Special Qualifications. – In the event that the Commissioner of
38 Agriculture determines that a natural disaster, act of God, or continued adverse weather
39 condition has destroyed no less than forty percent (40%) of a certain grape varietal grown or
40 produced in this State and used for winemaking, the Commissioner, in consultation with the
41 Chairman of the Alcoholic Beverage Control Commission, may give authorization to a duly
42 licensed farm winery to manufacture or sell wine produced from grapes grown outside the
43 State. No such authorization shall be granted to a farm winery permittee unless such permittee
44 certifies to the Commissioner the quantity of North Carolina grown grapes unavailable to the
45 licensee due to the natural disaster, act of God, or continuing adverse weather condition and
46 satisfies the Commissioner that reasonable efforts were made to obtain grapes from a North
47 Carolina source for the purpose of making wine. A farm winery that has produced at least
48 10,000 gallons of wine from honey, grapes, or other fruit or grain grown in this State for at
49 least three of the previous five years shall not lose its qualification as a farm winery if it is
50 unable to produce 10,000 gallons of wine from honey, grapes, or other fruit or grain grown in
51 this State in a year due to a natural disaster, act of God, or continued adverse weather condition.

1 No farm winery shall exceed the amount of out-of-state grown grapes or juice authorized by the
2 Commissioner.

3 (d) Authorized Acts. – The holder of a farm winery permit may:

4 (1) Manufacture unfortified wine.

5 (2) Sell, deliver, and ship unfortified wine in closed containers to wholesalers
6 licensed under this Chapter as authorized by the ABC laws, except that wine
7 may be sold to exporters and nonresident wholesalers only when the
8 purchase is not for resale in this State.

9 (3) Ship its wine in closed containers to individual purchasers inside and outside
10 this State in accordance with the provisions of G.S. 18B-1001, 18B-1001.1,
11 and 18B-1001.2 and other applicable provisions of this Chapter.

12 (4) Furnish or sell "short-filled" packages, on which State taxes have been or
13 will be paid, to its employees for the use of the employees or their families
14 and guests in this State. A sale under this subdivision shall not be considered
15 a retail or wholesale sale under the ABC laws.

16 (5) Regardless of the results of any local wine election, sell the wine owned by
17 the winery at the winery for on- or off-premise consumption, upon obtaining
18 the appropriate permit under G.S. 18B-1001.

19 (6) Sell the wine manufactured by the winery for on- or off-premise
20 consumption at no more than three other locations in the State, upon
21 obtaining the appropriate permit under G.S. 18B-1001.

22 (7) Receive, in closed containers, and sell at the winery, unfortified wine
23 produced inside North Carolina under contract with the winery. Such
24 contract wine must have the winery's name clearly displayed on each bottle.
25 The contract wine may be sold also at affiliated retail outlets of the winery
26 physically located on or adjacent to the winery. Any wine received by a
27 winery under this provision must be made available for sale by the winery to
28 wholesalers for distribution to retailers, without discrimination, in the same
29 manner as if the wine were being imported by the winery.

30 (8) Allow winemaking on premises as allowed by a permit issued pursuant to
31 G.S. 18B-1001(17).

32 (9) Give visitors free tasting samples of the wine manufactured at the farm
33 winery. The Commission may issue rules regulating these tastings.

34 (10) Affix to the bottle a label certifying that the wine originates from a permitted
35 farm winery. The North Carolina Department of Agriculture and Consumer
36 Services may issue rules regulating the certification label. Nothing in this
37 subdivision shall be construed as altering or superseding any other State or
38 federal wine labeling laws."

39 **SECTION 23.(e)** G.S. 18B-1112 reads as rewritten:

40 **"§ 18B-1112. Authorization of vendor representative permit.**

41 (a) Authorized Acts. – The holder of a vendor representative permit may represent an
42 unfortified winery, fortified winery, limited winery, farm winery, brewery, bottler, importer,
43 nonresident malt beverage vendor, or nonresident wine vendor, either as an employee or an
44 agent, to solicit orders for that commercial permittee's product. The vendor representative may
45 sell, deliver, and ship alcoholic beverages in this State only to permittees to whom the
46 commercial permittee he represents may sell, deliver, or ship.

47 (b) Number of Permits. – A vendor representative shall secure a separate permit for
48 each commercial permittee he represents. A permit may not be issued without the approval of
49 the commercial permittee."

50 **SECTION 23.(f)** G.S. 18B-1114.1 reads as rewritten:

51 **"§ 18B-1114.1. Authorization of winery special event permit.**

1 (a) Authorization. – The holder of an unfortified winery permit, a limited winery
2 permit, a farm winery permit, a viticulture/enology course authorization, or a wine producer
3 permit may obtain a winery special permit allowing the winery or wine producer to give free
4 tastings of its wine, and to sell its wine by the glass or in closed containers, at trade shows,
5 conventions, shopping malls, wine festivals, street festivals, holiday festivals, agricultural
6 festivals, balloon races, local fund-raisers, and other similar events approved by the
7 Commission.

8 (b) Limitation. – A winery special event permit is valid only in a jurisdiction that has
9 approved the establishment of ABC stores or has approved the sale of unfortified wine."

10 **SECTION 23.(g)** G.S. 18B-1201 reads as rewritten:

11 **"§ 18B-1201. Definitions.**

12 As used in this Article, unless the context requires otherwise:

13 (1) "Agreement" means a commercial relationship between a wine wholesaler
14 and a winery. The agreement may be of a definite or indefinite duration and
15 is not required to be in writing. Any of the following constitutes prima facie
16 evidence of an "agreement" within the meaning of this definition:

- 17 a. A relationship whereby the wine wholesaler is granted the right to
18 offer and sell a brand offered by a winery;
- 19 b. A relationship whereby the wine wholesaler, as an independent
20 business, constitutes a component of a winery's distribution system;
- 21 c. A relationship whereby the wine wholesaler's business is
22 substantially associated with a brand offered by a winery;
- 23 d. A relationship whereby the wine wholesaler's business is
24 substantially reliant on a winery for the continued supply of wine;
- 25 e. The shipment, preparation for shipment, or acceptance of any order
26 by any winery or its agent for any wine or beverages to a wine
27 wholesaler within this State;
- 28 f. The payment by a wine wholesaler and the acceptance of payment by
29 any winery or its agent for the shipment of any order of wine or
30 beverages intended for sale within this State.

31 (2) "Territory" or "sales territory" means the area of primary sales responsibility
32 expressly or implicitly designated by any agreement between any wine
33 wholesaler and winery for a brand offered by any winery.

34 (3) "Wine wholesaler" means any holder of a wine wholesaler permit, wine
35 importer permit, or bottler permit issued under the authority of this Chapter.

36 (4) "Winery" means any holder of an unfortified winery permit, fortified winery
37 permit, limited winery permit, farm winery permit, or nonresident wine
38 vendor permit issued under the authority of this Chapter who sells at least
39 1,250 cases of wine in North Carolina per year."

40 **SECTION 23.(h)** The North Carolina Department of Agriculture and Consumer
41 Services shall study ways to promote farm wineries within the State, including the development
42 of a "passport" program where customers visiting a given number of farm wineries may receive
43 a form of special recognition, such as a special sticker for their car. The Department shall report
44 its findings and recommendations, including any legislative proposals, to the Agriculture and
45 Forestry Awareness Study Commission no later than February 1, 2016.

46 **SECTION 23.(i)** Section 23(h) of this act is effective when this act becomes law.
47 The remainder of this section becomes effective July 1, 2016, and applies to permits issued on
48 or after that date.
49

1 **LIMIT THE PERSONALLY IDENTIFYING INFORMATION THAT THE**
2 **DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES MAY DISCLOSE**
3 **ABOUT ITS ANIMAL HEALTH PROGRAMS**

4 **SECTION 24.** G.S. 106-24.1 reads as rewritten:

5 **"§ 106-24.1. Confidentiality of information collected and published.**

6 All information published by the Department of Agriculture and Consumer Services
7 pursuant to this Part shall be classified so as to prevent the identification of information
8 received from individual farm operators. All information generated by any federal agency
9 received pursuant to this Part from individual farm operators that is confidential under federal
10 law shall be held confidential by the Department and its employees. All information collected
11 by the Department from individual farm operators, farm owners or animal owners, for the
12 purposes of its animal health programs, including, but not limited to, certificates of veterinary
13 inspection, animal medical records, laboratory reports, reports received or generated from
14 samples submitted for analysis, or other records that may be used to identify a person or private
15 business entity subject to regulation by the Department shall not be disclosed without the
16 permission of the owner unless the State Veterinarian determines that disclosure is necessary to
17 prevent the spread of an animal disease or to protect the public health, or the disclosure is
18 necessary in the implementation of these animal health programs."

19
20 **TECHNICAL CORRECTIONS**

21 **SECTION 25.(a)** G.S. 14-137 reads as rewritten:

22 **"§ 14-137. Willfully or negligently setting fire to woods and fields.**

23 If any person, firm or corporation shall willfully or negligently set on fire, or cause to be set
24 on fire, any woods, lands or fields, whatsoever, every such offender shall be guilty of a Class 2
25 misdemeanor. This section shall apply only in those counties under the protection of the
26 Department of ~~Environment and Natural Resources~~ Agriculture and Consumer Services in its
27 work of forest fire control. It shall not apply in the case of a landowner firing, or causing to be
28 fired, his own open, nonwooded lands, or fields in connection with farming or building
29 operations at the time and in the manner now provided by law: Provided, he shall have
30 confined the fire at his own expense to said open lands or fields."

31 **SECTION 25.(b)** G.S. 69-25.5 reads as rewritten:

32 **"§ 69-25.5. Methods of providing fire protection.**

33 Upon the levy of such tax, the board of county commissioners shall, to the extent of the
34 taxes collected hereunder, provide fire protection for the district –

- 35 (1) By contracting with any incorporated city or town, with any incorporated
36 nonprofit volunteer or community fire department, or with the Department
37 of ~~Environment and Natural Resources~~ Agriculture and Consumer Services
38 to furnish fire protection, or
39 (2) By furnishing fire protection itself if the county maintains an organized fire
40 department, or
41 (3) By establishing a fire department within the district, or
42 (4) By utilizing any two or more of the above listed methods of furnishing fire
43 protection."

44 **SECTION 25.(c)** G.S. 143-166.13 reads as rewritten:

45 **"§ 143-166.13. Persons entitled to benefits under Article.**

46 (a) The following persons who are subject to the Criminal Justice Training and
47 Standards Act are entitled to benefits under this Article:

- 48 (1) State Government Security Officers, Department of Administration;
49 (2) State Correctional Officers, Division of Adult Correction of the Department
50 of Public Safety;

- 1 (3) State Probation and Parole Officers, Division of Adult Correction of the
2 Department of Public Safety;
- 3 (4) Sworn State Law-Enforcement Officers with the power of arrest, Division of
4 Adult Correction of the Department of Public Safety;
- 5 (5) Sworn Law Enforcement Officers in the Medicaid Fraud Unit of the
6 Department of Justice;
- 7 (6) State Highway Patrol Officers, Department of Public Safety;
- 8 (7) General Assembly Special Police, General Assembly;
- 9 (8) Sworn State Law-Enforcement Officers with the power of arrest,
10 Department of Health and Human Services;
- 11 (9) Juvenile Justice Officers, Division of Juvenile Justice of the Department of
12 Public Safety;
- 13 (10) Insurance Investigators, Department of Insurance;
- 14 (11) State Bureau of Investigation Officers and Alcohol Law Enforcement
15 Agents, Department of Public Safety;
- 16 (12) Director and Assistant Director, License and Theft Enforcement Section,
17 Division of Motor Vehicles, Department of Transportation;
- 18 (13) Members of License and Theft Enforcement Section, Division of Motor
19 Vehicles, Department of Transportation, designated by the Commissioner of
20 Motor Vehicles as either "inspectors" or uniformed weigh station personnel;
- 21 (14) Utilities Commission Transportation Inspectors and Special Investigators;
- 22 (15) North Carolina Ports Authority Police, Department of Transportation;
- 23 (16) Sworn State Law-Enforcement Officers with the power of arrest,
24 Department of Environment and Natural Resources;
- 25 (17) Sworn State Law-Enforcement Officers with the power of arrest,
26 Department of Public Safety.
- 27 (18) Sworn State Law-Enforcement Officers with the power of arrest,
28 Department of Revenue.
- 29 (19) Sworn State Law-Enforcement Officers with the power of arrest, University
30 System.
- 31 (20) Sworn State Law-Enforcement Officers with the power of arrest,
32 Department of Agriculture and Consumer Services.

33 (b) The following persons are entitled to benefits under this Article regardless of
34 whether they are subject to the Criminal Justice Training and Standards Act:

- 35 (1) Driver License Examiners injured by accident arising out of and in the
36 course of giving a road test, Division of Motor Vehicles, Department of
37 Transportation;
- 38 (2) Employees of the Division of Adult Correction of the Department of Public
39 Safety injured by a direct and deliberate act of an offender supervised by the
40 Division or while performing supervisory duties over offenders which place
41 the employees at risk of such injury.

42 (c) As used in this Article, the term "eligible person" or "person" shall mean any
43 individual listed under subsection (a) or (b) of this section."
44

45 **EFFECTIVE DATE AND SEVERABILITY CLAUSE**

46 **SECTION 26.(a)** If any provision of this act or its application is held invalid, the
47 invalidity does not affect other provisions or applications of this act that can be given effect
48 without the invalid provisions or application, and to this end the provisions of this act are
49 severable.

50 **SECTION 26.(b)** Except as otherwise provided, this act is effective when it
51 becomes law.