

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 1997

SESSION LAW 1998-223  
HOUSE BILL 1472

AN ACT TO ALLOW STATE AGENCIES TO RETAIN RECEIPTS FROM THE SALE OF RECYCLABLE MATERIALS, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION, TO CREATE THE COMMISSION ON SMALL FAMILY FARM PRESERVATION AND TO PROVIDE THAT THE DIRECTOR OF THE BUDGET MAY IDENTIFY FUNDS TO MATCH GRANT FUNDS FOR THE CENTER FOR COMMUNITY SELF-HELP.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-64.02 reads as rewritten:

**"§ 143-64.02. Definitions.**

As used in Part 1 of this Article, except where the context clearly requires otherwise:

- (1) 'Agency' means an existing department, institution, commission, committee, board, division, or bureau of the State.
- (2) 'Nonprofit tax exempt organizations' means those nonprofit tax exempt medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, universities, schools for the mentally retarded, schools for the physically handicapped, radio and television stations licensed by the Federal Communications Commission as educational radio or educational television stations, public libraries, and civil defense organizations, that have been certified by the Internal Revenue Service as tax-exempt nonprofit organizations under section 501(c)(3) of the United States Internal Revenue Code of 1954.
- (3) 'Recyclable material' means a recyclable material, as defined in G.S. 130A-290, that the Secretary of Administration determines, consistent with G.S. 130A-309.14, to be a recyclable material.'

Section 2. G.S. 143-64.05 reads as rewritten:

**"§ 143-64.05. Warehousing, transfer, etc., charges. Service charges for disposal of surplus property and recyclables; use of receipts from sale of surplus property and recyclable material.**

(a) The State agency for surplus property may assess and collect a service charge ~~charges or fees~~ for the acquisition, receipt, warehousing, ~~distribution~~ ~~distribution~~, or transfer of any State surplus ~~property~~ property and for the transfer or sale of recyclable material.

(b) All receipts from the transfer or sale of surplus, obsolete, or unused equipment of State departments, institutions, and ~~agencies,~~ agencies that are supported by appropriations from the General Fund, except where the receipts have been anticipated ~~for,~~ for or budgeted against the cost of replacements, shall be credited by the Secretary to the Office of State ~~Treasurer, Nontax Revenues.~~ Treasurer as nontax revenue.

(c) A department, institution, or agency may retain receipts derived from the transfer or sale of recyclable material, less any charge collected pursuant to subsection (a) of this section, and may use the receipts to defray the costs of its recycling activities. A contract for the transfer or sale of recyclable material to which a department, institution, or agency is a party shall not become effective until the contract is approved by the Secretary of Administration. The Secretary of Administration shall adopt rules governing the transfer or sale of recyclable material by a department, institution, or agency and specifying the conditions and procedures under which a department, institution, or agency may retain the receipts derived from the transfer or sale, including the appropriate allocation of receipts when more than one department, institution, or agency is involved in a recycling activity."

Section 3. The Commission on Small Family Farm Preservation is created in the General Assembly. The Commission shall study:

- (1) Land-use and population trends in North Carolina.
- (2) The causes of the declining number of small family farms in the State.
- (3) The influence of federal and State taxes in the conversion of small family farms to nonagricultural uses.
- (4) Voluntary incentives and voluntary options to preserve small family farms as well as enhance their economic viability and their use of environmentally sustainable agriculture.
- (5) The feasibility and desirability of using various farmland preservation mechanisms, including: purchase or lease of development rights, land-use tax credits, estate and gift tax exemptions, comprehensive land-use plans, redevelopment of urban areas and density development to eliminate duplication of infrastructure, cluster zoning, agricultural protection zoning, limits on annexation, and limits on extending utilities to designated agricultural areas; and the adequacy of Article 61 of Chapter 106 of the General Statutes in preserving farmland in this State.
- (6) Ways to improve the business climate for small family farming.
- (7) Ways to promote the small family farmers' role in the environment and in protecting our State's natural resources.
- (8) Ways to promote the small family farmer as a true asset to the State.
- (9) The final reports of other study commissions, task forces, or strategic plans in other states as well as the final report of the National Commission on Small Farms by the United States Department of Agriculture and other resources on the subject of small farm preservation.

- (10) Ways in which the Department of Agriculture and Consumer Services, the Department of Environment and Natural Resources, and the Department of Commerce can cooperate to preserve small family farms that are environmentally sustainable and economically viable.

Section 4. (a) The Commission on Small Family Farm Preservation shall consist of 19 members:

- (1) One member of the Senate appointed by the President Pro Tempore of the Senate.
- (2) One member of the Senate appointed by the President Pro Tempore of the Senate.
- (3) One member of the Senate appointed by the President Pro Tempore of the Senate.
- (4) One member of the House of Representatives appointed by the Speaker of the House of Representatives.
- (5) One member of the House of Representatives appointed by the Speaker of the House of Representatives.
- (6) One member of the House of Representatives appointed by the Speaker of the House of Representatives.
- (7) One farmer appointed by the Governor who currently operates well-managed small family farms in North Carolina.
- (8) One farmer appointed by the Governor who currently operates well-managed small family farms in North Carolina.
- (9) The Master of the North Carolina State Grange or the Master's designee.
- (10) The President of the North Carolina Farm Bureau Federation or the President's designee.
- (11) The Commissioner of Agriculture and Consumer Services or the Commissioner's designee.
- (12) The Secretary of Environment and Natural Resources or the Secretary's designee.
- (13) The Secretary of Commerce or the Secretary's designee.
- (14) The Dean of the School of Agriculture and Life Sciences at North Carolina State University or the Dean's designee.
- (15) The Dean of the School of Agriculture at North Carolina Agricultural and Technical State University or the Dean's designee.
- (16) The Dean of the School of Design at North Carolina State University or the Dean's designee.
- (17) The Dean of the School of Regional Planning at the University of North Carolina at Chapel Hill or the Dean's designee.
- (18) The Director of the North Carolina Environmental Defense Fund or the Director's designee.
- (19) The Director of the Southern Environmental Law Center or the Director's designee.

(b) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a member of the General Assembly who is a member of the Commission as cochair of the Commission. A majority of the Commission shall constitute a quorum for the transaction of business.

Section 5. The Commission may file an interim report to the 1999 Regular Session of the 1999 General Assembly and shall file a final report prior to the convening of the 2000 Regular Session of the 1999 General Assembly. The Commission shall submit interim and final reports by filing the reports with the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The final report shall contain the findings, recommendations, and legislative proposals, if any, of the Commission.

Section 6. Members appointed to the Commission shall serve until the Commission makes its final report. Vacancies on the Commission shall be filled by the same appointing officer who made the original appointments. The Commission shall terminate upon the filing of its final report.

Section 7. The Commission may contract for consultant services as provided by G.S. 120-32.02. The Commission may obtain assistance from the State's universities. Upon approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of the House of Representatives' and Senate's Supervisors of Clerks. The Commission may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission. The Commission, while in the discharge of official duties, may exercise all the powers authorized by G.S. 120-19 through G.S. 120-19.4.

Section 8. Members of the Commission shall receive per diem, subsistence, and travel allowances as follows:

- (1) Commission members who are also General Assembly members, at the rate established in G.S. 120-3.1.
- (2) Commission members who are officials or employees of the State or local government agencies, at the rate established in G.S. 138-6.
- (3) All other Commission members, at the rate established in G.S. 138-5.

Section 8.1. Notwithstanding any other provision of law, the Director of the Budget may identify resources of up to ten million dollars (\$10,000,000) from the General Fund for the 1998-99 fiscal year for the Center for Community Self-Help to match grant funds on a one-to-one basis. These funds shall be used to create a loan loss reserve that leverages private capital for home ownership.

Section 9. Sections 1 and 2 of this act become effective 1 January 1999. Sections 3 through 9 of this act are effective when this act becomes law.

In the General Assembly read three times and ratified this the 29th day of October, 1998.

s/ Marc Basnight  
President Pro Tempore of the Senate

s/ Harold J. Brubaker  
Speaker of the House of Representatives

s/ James B. Hunt, Jr.  
Governor

Approved 3:10 p.m. this 5th day of November, 1998