



HOUSE BILL 1043: 2020 COVID-19 Recovery Act, Sec. 4.15: Emergency Grants for Milk Producers

2019-2020 General Assembly

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| Committee: | | Date: | October 26, 2020 |
| Introduced by: | | Prepared by: | Chris Saunders Staff Attorney |
| Analysis of: | Sec. 4.15 of S.L. 2020-4 | | |

OVERVIEW: Section 4.15 of S.L. 2020-4, as enacted by Section 1.3 of S.L. 2020-97, directs the expenditure of \$2 million appropriated to the Department of Agriculture and Consumer Services (Department) in Section 1.2 of S.L. 2020-97 for emergency grants to milk producers. This section directs the Department to make monthly grant payments from the Dairy Stabilization and Growth Fund to each eligible dairy producer in any month where the baseline price of \$20.38 exceeds the monthly Class I Milk Price for the Appalachian Milk Marketing Order area reported by the Agricultural Marketing Service of the United States Department of Agriculture. The maximum grant amount provided to any producer in any month cannot exceed \$25,000. The Department must report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division on its distribution of funds by November 1, 2020, and on the use of funds by recipients by February 1, 2021.

The Department can also use up to \$50,000 of the funds to study issues arising from the COVID-19 pandemic with transportation and product diversification within the North Carolina dairy industry. The Department must report its findings and recommendations to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division no later than April 1, 2022.

This section became effective September 4, 2020.

Jeffrey Hudson
Director

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Legislative Analysis
Division
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