

## **HOUSE BILL 259:** 2023 Appropriations Act, Sec. 10.2: North Carolina Agriculture Manufacturing and **Processing Initiative**

**Committee:** November 30, 2023 Date: **Introduced by: Prepared by:** Chris Saunders **Analysis of:** Sec. 10.2 of S.L. 2023-134 Staff Attorney

**OVERVIEW:** Section 10.2 of S.L. 2023-134 establishes the North Carolina Agricultural Manufacturing and Processing Initiative (NCAMPI) within the Department of Agriculture and Consumer Services (DACS) and allocates, from the funds appropriated to DACS from the interest earned in the State Fiscal Recovery Reserve, \$10 million of nonrecurring, nonreverting funds in each of the 2023-2024 and 2024-2025 fiscal years to be used for NCAMPI. DACS can use these funds for the following purposes:

- Up to \$500,000 in the first year of the program for DACS to engage independent experts to identify opportunities to increase value-added processing of commodities produced in the State and address categorical or geographical gaps in agricultural manufacturing and processing, with \$100,000 dedicated to the dairy industry.
- Up to \$250,000 each year for DACS to market and recruit agricultural manufacturing and processing facilities to fill identified gaps in access to such facilities by North Carolina farmers based on the assessment.
- For the remaining funds, to provide grants to local governments and nonprofit economic development entities to support the creation or expansion of agricultural manufacturing facilities. A grant award cannot exceed \$5 million per facility.

DACS must find that a grant under this section is necessary for the construction or expansion of a facility to be used by a business entity that will engage in agricultural manufacturing or processing activities in this State.

DACS must report on NCAMPI activities to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division by October 1 of each year.

This section became effective July 1, 2023.

Legislative Analysis Division 919-733-2578