



2023-2024 General Assembly

SENATE BILL 355: North Carolina Farm Act of 2024, Sec. 10: Amend Swine and Dairy Assistance Program Eligibility

Committee:
Introduced by:
Analysis of: Sec. 10 of S.L. 2024-32

Date: August 20, 2024
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Staff Attorney

OVERVIEW: Section 10 of S.L. 2024-32 expands the eligible uses of certain swine and dairy assistance program funds administered by the Department of Agriculture and Consumer Services (DACs) to provide assistance to swine producers at a rate of \$70 per head for renovations to convert existing barn space to sow housing. \$70 per head represents approximately 5.4% of the cost of an average sow space, which is the same percentage cost as the \$10 per head for finishing spaces.

This section became effective July 3, 2024.

BILL ANALYSIS:

The 2021 Appropriations Act established a program within the Department of Agriculture and Consumer Services (DACs) to provide financial assistance to swine and dairy farmers using funds appropriated from the State Fiscal Recovery Fund. DACs was directed to award a one-time payment of \$31,500 to each eligible applicant, plus, in relevant part, financial assistance to swine producers for a fixed dollar amount per head space for producers who can secure a production contract with another swine integrator but must invest in upgrades to existing barns or completely rebuild animal housing. That award was limited to \$10 per head space for renovations or \$20 per head space for rebuilt housing, but the total award could not exceed 90% of the actual cost of the renovation or construction. Approximately \$4.4 million is unencumbered and remaining in the program.

Since the program was enacted, some swine farmers have sought to convert "finishing" animal barns to sow barns. Sow housing is more expensive and sows require more space than animals in "finishing" barns.

Section 10 of S.L. 2024-32 expands the eligible uses of funds to allow DACs to provide assistance to swine producers at a rate of \$70 per head for renovations to convert existing barn space to sow housing. \$70 per head represents approximately 5.4% of the cost of an average sow space, which is the same percentage cost as the \$10 per head for finishing spaces.

EFFECTIVE DATE: This section became effective July 3, 2024.

Chris Saunders, Legislative Analysis Division, substantially contributed to this summary.

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