

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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SENATE BILL 762

Short Title: North Carolina Farm Act of 2022. (Public)

Sponsors: Senators B. Jackson, Sanderson, and Woodard (Primary Sponsors).

Referred to: Agriculture, Energy, and Environment

May 24, 2022

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO THE AGRICULTURAL LAWS OF THIS
3 STATE.

4 The General Assembly of North Carolina enacts:

5
6 **CONFORM THE HEMP LAWS WITH FEDERAL LAW BY PERMANENTLY**
7 **EXCLUDING HEMP FROM THE STATE CONTROLLED SUBSTANCES ACT**

8 **SECTION 1.(a)** G.S. 90-87, as it reads following the expiration of S.L. 2015-299
9 pursuant to Section 4 of that act, reads as rewritten:

10 "**§ 90-87. Definitions.**

11 As used in this Article:

12 ...

13 (13a) "Hemp" means the plant Cannabis sativa (L.) and any part of that plant,
14 including the seeds thereof and all derivatives, extracts, cannabinoids,
15 isomers, acids, salts, and salts of isomers, whether growing or not, with a
16 delta-9 tetrahydrocannabinol concentration of not more than three-tenths of
17 one percent (0.3%) on a dry weight basis.

18 (13b) "Hemp products" means all products made from hemp, including, but not
19 limited to, cloth, cordage, fiber, food, fuel, paint, paper, particleboard,
20 plastics, seed, seed meal and seed oil for consumption, and verified propagules
21 for cultivation if the seeds originate from hemp varieties.

22 ...

23 (16) "Marijuana" means all parts of the plant of the genus Cannabis, whether
24 growing or not; the seeds thereof; the resin extracted from any part of such
25 plant; and every compound, manufacture, salt, derivative, mixture, or
26 preparation of such plant, its seeds or resin, but shall not include the mature
27 stalks of such plant, fiber produced from such stalks, oil, or cake made from
28 the seeds of such plant, any other compound, manufacture, salt, derivative,
29 mixture, or preparation of such mature stalks (except the resin extracted
30 therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is
31 incapable of germination. The term does not include hemp or hemp products.

32"

33 **SECTION 1.(b)** This section becomes effective June 30, 2022.

34
35 **CLARIFY THE APPLICABILITY OF THE FARM BUILDING EXCEPTION TO THE**
36 **BUILDING CODE**



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SECTION 2. G.S. 143-138(b4) reads as rewritten:

"(b4) Exclusion for Certain Farm Buildings. – Building rules do not apply to (i) farm buildings that are located outside the building-rules jurisdiction of any municipality, (ii) farm buildings that are located inside the building-rules jurisdiction of any municipality if the farm buildings are greenhouses or therapeutic equine facilities, (iii) a primitive camp, or (iv) a primitive farm building. For the purposes of this subsection:

(1) ~~For the purposes of this subdivision, a~~ A "farm building" means any nonresidential building or structure that is used for a bona fide farm purpose as provided in ~~G.S. 153A-340.~~ G.S. 160D-903(a). A "farm building" shall include:

- a. Any structure used or associated with equine activities, including, but not limited to, the care, management, boarding, or training of horses and the instruction and training of riders. Structures that are associated with equine activities include, but are not limited to, free standing or attached sheds, barns, or other structures that are utilized to store any equipment, tools, commodities, or other items that are maintained or used in conjunction with equine activities. The specific types of equine activities, structures, and uses set forth in this subdivision are for illustrative purposes, and should not be construed to limit, in any manner, the types of activities, structures, or uses that may be considered under this subsection as exempted from building rules. A farm building that might otherwise qualify for exemption from building rules shall remain subject only to an annual safety inspection by the applicable city or county building inspection department of any grandstand, bleachers, or other spectator-seating structures in the farm building. An annual safety inspection shall include an evaluation of the overall safety of spectator-seating structures as well as ensuring the spectator-seating structure's compliance with any building codes related to the construction of spectator-seating structures in effect at the time of the construction of the spectator-seating.
- b. Any structure used for the display and sale of produce, no more than 1,000 square feet in size, open to the public for no more than 180 days per year, and certified by the Department of Agriculture and Consumer Services as a Certified Roadside Farm Market.
- c. Any unoccupied structure built upon land owned by the State of North Carolina and administratively allocated to the North Carolina Department of Agriculture and Consumer Services or North Carolina State University which is used primarily for forestry production and research or agriculture production and research. The term "agriculture" has the same meaning as in G.S. 106-581.1. The term "unoccupied" does not exclude the keeping of livestock.
- d. A building used primarily for the storage of agricultural commodities or products or storage and use of materials for agricultural purposes, whether or not the building is located on the same property where the agricultural commodities or products were produced.

...."

AGRICULTURAL USE CLARIFICATION

SECTION 3. G.S. 160D-903 reads as rewritten:

"§ 160D-903. Agricultural uses.

(a) Bona Fide Farming Exempt From County Zoning. – County zoning regulations may not affect property used for bona fide farm purposes; provided, however, that this section does not limit zoning regulation with respect to the use of farm property for nonfarm purposes. Except as provided in G.S. 106-743.4 for farms that are subject to a conservation agreement under G.S. 106-743.2, bona fide farm purposes include the production and activities relating or incidental to the production of crops, grains, fruits, vegetables, ornamental and flowering plants, dairy, livestock, poultry, and all other forms of agriculture, as defined in G.S. 106-581.1. Activities incident to the farm include existing or new residences constructed to the applicable residential building code situated on the farm occupied by the owner, lessee, or operator of the farm and other buildings or structures sheltering or supporting the farm use and operation. A building or structure that is used solely for storage of cotton, peanuts, or sweetpotatoes, or any byproduct of those commodities, is a bona fide farm purpose, including a building or structure on a property that does not have the documentation listed in subdivisions (1) through (4) of this subsection. For purposes of this section, "when performed on the farm" in G.S. 106-581.1(6) includes the farm within the jurisdiction of the county and any other farm owned or leased to or from others by the bona fide farm operator, no matter where located. For purposes of this section, the production of a nonfarm product that the Department of Agriculture and Consumer Services recognizes as a "Goodness Grows in North Carolina" product that is produced on a farm subject to a conservation agreement under G.S. 106-743.2 is a bona fide farm purpose. For purposes of determining whether a property is being used for bona fide farm purposes, any of the following is sufficient evidence that the property is being used for bona fide farm ~~purposes;~~ purposes, but other evidence may also be considered:

- (1) A farm sales tax exemption certificate issued by the Department of Revenue.
- (2) A copy of the property tax listing showing that the property is eligible for participation in the present-use value program pursuant to G.S. 105-277.3.
- (3) A copy of the farm owner's or operator's Schedule F from the owner's or operator's most recent federal income tax return.
- (4) A forest management plan.

...."

ESTABLISH FAIR REPAIR REQUIREMENTS FOR MANUFACTURERS OF FARM EQUIPMENT

SECTION 4.(a) Chapter 75 of the General Statutes is amended by adding a new Article to read:

"Article 9.

"Agricultural Right to Repair Act.

"§ 75-150. Definitions.

The following definitions apply in this Article:

- (1) "Authorized repair provider" means, with respect to an electronics-enabled implement of agriculture of an original equipment manufacturer, a person that has an arrangement with an OEM under which the OEM grants the person a license to use a trade name, service mark, or other proprietary identifier for the purposes of offering diagnosis, maintenance, or repair services for the electronics-enabled implement of agriculture on behalf of the person or the OEM. The term includes, with respect to digital electronic equipment, an OEM who offers diagnosis, maintenance, or repair services for the digital electronic equipment that the OEM manufactures or offers for sale.
- (2) "Commonly available" means any item that is commercially available for purchase from more than a single seller and is not solely made available by an OEM for use on the OEM's products.

- 1 (3) "Digital electronic equipment" or "equipment" means any product that
2 depends for its functioning, in whole or in part, on digital electronics
3 embedded in or attached to the product.
- 4 (4) "Documentation" means any manual, diagram, reporting output, service code
5 description, schematic, library of diagnosed issues, software bill of material,
6 or other guidance or information used in effecting the services of diagnosis,
7 maintenance, or repair of an electronics-enabled implement of agriculture.
- 8 (5) "Electronics-enabled implement of agriculture" means equipment that is (i)
9 designed for agricultural purposes, (ii) is used exclusively by the owner of the
10 equipment in the conduct of the agricultural operations of the owner, and (iii)
11 depends for its functioning, in whole or in part, on digital electronic
12 equipment. The term does not include a motor vehicle, as defined in
13 G.S. 20-4.01(23).
- 14 (6) "Embedded software" means a programmable instruction provided on
15 firmware delivered with an electronics-enabled implement of agriculture.
16 "Embedded software" includes a basic internal operating system, an internal
17 operating system, a machine code, an assembly code, a root code and a
18 microcode, and other similar components.
- 19 (7) "Fair and reasonable terms" means, with respect to a part, tool, software, or
20 documentation offered by an OEM, all of the following:
- 21 a. Costs that are equivalent to the lowest actual cost for which the OEM
22 offers the part, tool, software, or documentation to an authorized repair
23 provider, including any discount, rebate, or other financial incentive
24 offered to an authorized repair provider.
- 25 b. Terms that (i) are equivalent to the most favorable terms under which
26 an OEM offers the part, tool, software, or documentation to an
27 authorized repair provider, including the methods and timeliness of
28 delivery of the part, tool, software, or documentation, (ii) do not
29 impose on an owner or an independent repair provider any substantial
30 obligation to use or any restriction on the use of the part, tool, software,
31 or documentation to diagnose, maintain, or repair an
32 electronics-enabled implement of agriculture made by the OEM,
33 including a condition that the owner or independent repair provider
34 become an authorized repair provider or a requirement that a part or
35 tool be registered, paired with, or approved by the OEM or an
36 authorized repair provider before such part or tool is operational, and
37 (iii) prohibit an OEM or an authorized repair provider from imposing
38 any additional cost or burden that is not reasonably necessary or is
39 designed to be an impediment on the owner or independent repair
40 provider.
- 41 c. With respect to documentation, that the documentation is made
42 available by the OEM at no charge, except that, when the
43 documentation is requested in physical printed form, a charge may be
44 included for the reasonable actual costs of preparing and sending the
45 copy.
- 46 d. With respect to a software tool, that the software tool is made available
47 by the OEM at no charge and without requiring authorization or
48 internet access for use or operation of the software tool, or imposing
49 impediments to access or use, in the course of using the tool to
50 diagnose, maintain, or repair and enable full functionality of an
51 electronics-enabled implement of agriculture, or in a manner that

1 impairs the efficient and cost-effective performance of any such
2 diagnosis, maintenance, or repair. Impediments to access or use
3 include not making the software tool available for download, and,
4 upon request, delivery via physical storage media.

5 (8) "Firmware" means a software program or set of instructions programmed on
6 an electronics-enabled implement of agriculture, or on a part for the
7 equipment, to allow the equipment or part to communicate within a networked
8 product or system or with other computer hardware, including any relevant
9 patch or fix the OEM makes for the equipment or part.

10 (9) "Independent repair provider" means, with respect to an electronics-enabled
11 implement of agriculture, a person who (i) is not an authorized repair provider
12 of the electronics-enabled implement of agriculture and (ii) provides
13 diagnosis, maintenance, or repair services for the electronics-enabled
14 implement of agriculture.

15 (10) "Original equipment manufacturer" or "OEM" means any person that
16 manufactures an electronics-enabled implement of agriculture and sells,
17 leases, or otherwise supplies the implement to any other person in this State.

18 (11) "Owner" means any person that owns or leases an electronics-enabled
19 implement of agriculture other than the OEM of such electronics-enabled
20 implement of agriculture.

21 (12) "Part" means any component or subcomponent of an electronics-enabled
22 implement of agriculture, either new or used, that is sold, supplied, or
23 otherwise made available by an OEM for purposes of maintaining, repairing,
24 or diagnosing the electronics-enabled implement of agriculture.

25 (13) "Software bill of material" means a formal record containing the details and
26 supply chain relationships of various components used in building software.

27 (14) "Tool" means any software program, including any software update, hardware
28 implement, or other apparatus used for repair-related diagnostic testing,
29 maintenance, or repair of an electronics-enabled implement of agriculture,
30 including software or any other mechanism that provisions the implement,
31 programs the implement, pairs a new part, calibrates functionality, or performs
32 any other function required to bring the implement back to fully functional
33 condition.

34 (15) "Trade secret" means anything tangible or intangible or electronically stored
35 or kept that constitutes, represents, evidences, or records intellectual property,
36 including secret or confidentially held designs, processes, procedures,
37 formulas, inventions, or improvements or secrets of confidentially held
38 scientific, technical, merchandising, production, financial, business, or
39 management information, or anything within the definition of 18 U.S.C. §
40 1839(3).

41 **"§ 75-151. Requirements for original equipment manufacturers.**

42 (a) An OEM shall make available, on fair and reasonable terms, to any owner or
43 independent repair provider any documentation, part, software, or tool required to do any of the
44 following:

45 (1) Diagnose, maintain, or repair digital electronic equipment for any
46 electronics-enabled implement of agriculture.

47 (2) Disable or enable an electronic security lock or other security-related function
48 of an electronics-enabled implement of agriculture.

49 (b) For any electronics-enabled implement of agriculture sold or used in this State, the
50 OEM shall make available all of the following:

1 (1) Diagnostic and repair documentation, including repair technical updates and
2 updates and corrections to embedded software, to any independent repair
3 provider or owner of equipment manufactured by the OEM for no charge or
4 in the same manner as the OEM makes available the diagnostic and repair
5 documentation to its authorized repair provider.

6 (2) Parts, including any updates to the electronics-enabled implement of
7 agriculture's embedded software, for purchase by the owner, the owner's
8 agent, or any independent repair provider on fair and reasonable terms.

9 (c) An OEM shall ensure that any part required by the OEM's electronics-enabled
10 implement of agriculture can be replaced without causing damage to the equipment using (i) a
11 commonly available tool or (ii) a tool that is not commonly available that is made available to
12 owners or independent repair providers by the OEM on fair and reasonable terms.

13 (d) An OEM that sells to any independent repair provider or owner any diagnostic,
14 service, or repair documentation in a format that is standardized with other OEMs and on terms
15 and conditions more favorable than those under which the authorized repair provider obtains the
16 same diagnostic, service, or repair documentation shall be prohibited from requiring an
17 authorized repair provider to continue purchasing diagnostic, service, or repair documentation in
18 a proprietary format, unless the proprietary format includes diagnostic, service, or repair
19 documentation or functionality that is not available in a format that is standardized with other
20 OEMs.

21 (e) An OEM shall make available for purchase by owners and independent repair
22 providers all diagnostic repair tools incorporating the same diagnostic, repair, and remote
23 communication capabilities that the OEM makes available to any authorized repair provider. An
24 OEM shall offer the tools for sale to any owner or independent repair provider on fair and
25 reasonable terms.

26 (f) An OEM that provides diagnostic repair documentation to aftermarket diagnostic tool
27 manufacturers, diagnostic providers, or service information publications and systems shall have
28 fully satisfied its obligations under this section and thereafter is not responsible for the content
29 and functionality of the aftermarket diagnostic tools, diagnostics, or service information systems.

30 (g) Equipment manufactured by an OEM that is sold or used in this State for the purpose
31 of providing security-related functions shall include diagnostic, service, or repair documentation
32 necessary to reset a security-related electronic function from information provided to an owner
33 or independent repair provider. If necessary for security purposes, an OEM may provide
34 information necessary to reset an immobilizer system or security-related electronic module to an
35 owner or independent repair provider through the appropriate secure data release system.

36 **"§ 75-152. Enforcement.**

37 (a) The Attorney General may investigate any complaints received alleging violation of
38 this Article. If the Attorney General finds that there has been a violation of this Article, the
39 Attorney General may bring an action to impose civil penalties and to seek any other appropriate
40 relief pursuant to this Article, including equitable relief to restrain the violation. The civil penalty
41 shall not be more than five hundred dollars (\$500.00) for each violation.

42 (b) An owner or independent repair provider may bring an action in civil court against an
43 OEM that violates any provision of this Article to recover not more than five hundred dollars
44 (\$500.00) for each violation.

45 **"§ 75-153. Limitations.**

46 Nothing in this Article shall be construed to do any of the following:

47 (1) Require an OEM to divulge trade secrets to an owner or an independent
48 service provider, except as necessary to provide access to any necessary repair
49 material or process on fair and reasonable terms.

- 1 (2) Alter the terms of an agreement between an OEM and an authorized repair
 2 provider, except with respect to any provision of such an agreement that would
 3 limit the obligations of an OEM under this Article.
- 4 (3) Require an authorized repair provider to make any documentation, part, or
 5 tool relating to an electronics-enabled implement of agriculture available on
 6 fair and reasonable terms unless the authorized repair provider is the OEM of
 7 the implement.
- 8 (4) Require an OEM to provide any part or equipment solely used in the
 9 development of its products.
- 10 (5) Require an OEM or authorized repair provider to provide an owner or
 11 independent repair provider access to nondiagnostic and nonrepair
 12 documentation provided to an authorized repair provider by an OEM pursuant
 13 to the terms of an agreement or contract between the OEM and the authorized
 14 repair provider.
- 15 (6) Abrogate, interfere with, contradict, or alter the terms of an agreement
 16 executed between an authorized repair provider and an OEM, including, but
 17 not limited to, performing warranty or recall repair work by an authorized
 18 repair provider on behalf of an OEM pursuant to the authorized repair
 19 agreement. Except in the case of a dispute arising between an OEM and its
 20 authorized repair provider related to either party's compliance with an existing
 21 repair agreement, an authorized repair provider has all the rights and remedies
 22 provided in this section. Any provision in an authorized repair agreement
 23 purporting to waive, avoid, restrict, or limit an OEM's compliance with this
 24 subdivision shall be void.
- 25 (7) Allow (i) any modification that permanently deactivates a safety notification
 26 system when an electronics-enabled implement of agriculture is being
 27 repaired, (ii) access to any function of a tool that enables the owner or
 28 independent repair provider to change the settings of an electronics-enabled
 29 implement of agriculture so as to bring the equipment permanently out of
 30 compliance with any applicable safety or emissions laws, (iii) the evasion of
 31 emissions laws or copyright laws, or (iv) any other illegal modification
 32 activities."

33 **SECTION 4.(b)** This section becomes effective October 1, 2022.

34
 35 **PRESERVE CONSERVATION EASEMENTS AFTER PROPERTY TAX**
 36 **FORECLOSURES**

37 **SECTION 5.(a)** G.S. 105-374(k) reads as rewritten:

38 "(k) Judgment of Sale. – Any judgment in favor of the plaintiff or any defendant taxing
 39 unit in an action brought under this section shall order the sale of the real property or as much as
 40 may be necessary for the satisfaction of all of the following:

- 41 (1) Taxes adjudged to be liens in favor of the plaintiff, other than taxes the amount
 42 of which has not been definitely determined, together with penalties, interest,
 43 and costs.
- 44 (2) Taxes adjudged to be liens in favor of other taxing units, other than taxes the
 45 amount of which has not yet been definitely determined, if those taxes have
 46 been alleged in answers filed by the other taxing units, together with penalties,
 47 interest, and costs.

48 The judgment shall appoint a commissioner to conduct the sale and shall order that the property
 49 be sold in fee simple, free and clear of all interests, rights, claims, and liens whatever, except that
 50 the sale shall be subject to (i) taxes the amount of which cannot be definitely determined at the
 51 time of the judgment, (ii) taxes and special assessments of taxing units which are not parties to

1 the action, ~~and~~(iii) in the discretion of the court, taxes alleged in other tax foreclosure actions or
2 proceedings pending against the same real ~~property~~property, and (iv) conservation agreements,
3 as defined in G.S. 121-35(1).

4 In all cases in which no answer is filed within the time allowed by law, and in cases in which
5 answers filed do not seek to prevent sale of the property, the clerk of the superior court may enter
6 the judgment, subject to appeal as provided in G.S. 1-301.1."

7 **SECTION 5.(b)** G.S. 105-375(i) reads as rewritten:

8 "(i) Issuance of Execution. – At any time after three months and before two years from
9 the indexing of the judgment as provided in subsection (b) of this section, execution shall be
10 issued at the request of the tax collector in the same manner as executions are issued upon other
11 judgments of the superior court, and the real property shall be sold by the sheriff in the same
12 manner as other real property is sold under execution with the following exceptions:

13 (1) No debtor's exemption shall be allowed.

14 (2) At least 30 days prior to the day fixed for the sale, the sheriff shall send notice
15 by registered or certified mail, return receipt requested, to the taxpayer at the
16 taxpayer's last known address, in lieu of personal service, and to all lienholders
17 of record. If within 10 days following the mailing of a notice, a return receipt
18 has not been received by the sheriff indicating receipt of the notice, then the
19 sheriff shall make additional efforts to locate and notify the taxpayer, if not
20 yet notified, and all unnotified lienholders of record of the sale under
21 execution in accordance with subdivision (4) of subsection (c) of this section.

22 (3) The sheriff shall add to the amount of the judgment as costs of the sale any
23 postage expenses incurred by the tax collector and the sheriff in foreclosing
24 under this section.

25 (4) In any advertisement or posted notice of sale under execution, the sheriff may
26 (and at the request of the governing body shall) combine the advertisements
27 or notices for properties to be sold under executions against the properties of
28 different taxpayers in favor of the same taxing unit or group of units; however,
29 the property included in each judgment shall be separately described and the
30 name of the taxpayer specified in connection with each property.

31 The purchaser at the execution sale acquires title to the property in fee simple free and clear
32 of all claims, rights, interests, and liens except the liens of other taxes or special assessments not
33 paid from the purchase price and not included in the ~~judgment~~judgment and conservation
34 agreements, as defined in G.S. 121-35(1)."

36 **FARMED CERVID ASSESSMENT CLARIFICATION**

37 **SECTION 6.** G.S. 106-1056 reads as rewritten:

38 **"§ 106-1056. Definitions.**

39 As used in this Article:

40 (1) "Association" means the North Carolina Deer and Elk Farmers Association.

41 (2) "Cervid farmer" means a person who (i) is a North Carolina resident and (ii)
42 holds at least one cervid in captivity subject to a captivity license issued by
43 the Department.

44 (3) "Department" means the Department of Agriculture and Consumer Services.

45 (4) "Farmed cervid" means any member of the Cervidae family that is held in
46 captivity and produced, bought, or sold for commercial purposes.

47 (5) "Farmed cervid feed" means any commercial feed, as defined in
48 G.S. 106-284.33, labeled or marketed sold to a cervid farmer for farmed
49 cervid use."

50

1 **SPECIFY THAT COMMERCIAL PRODUCTION OR GROWING OF ANIMALS FOR**
2 **PURPOSES OF PRESENT USE VALUE TAXATION INCLUDES BOARDING HORSES**

3 **SECTION 7.(a)** G.S. 105-277.2(1) reads as rewritten:

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

21 **SECTION 7.(b)** This section is effective for taxes imposed for taxable years
22 beginning on or after July 1, 2022.

23
24 **UPDATE BONA FIDE FARM CROSS REFERENCES**

25 **SECTION 8.(a)** G.S. 106-743.4(a) reads as rewritten:

26 "(a) Property that is subject to a conservation agreement under G.S. 106-743.2 that
27 remains in effect may receive up to twenty-five percent (25%) of its gross sales from the sale of
28 nonfarm products and still qualify as a bona fide farm that is exempt from zoning regulations
29 under ~~G.S. 153A-340(b)~~, G.S. 160D-903. For purposes of ~~G.S. 153A-340(b)~~, G.S. 160D-903,
30 the production of any nonfarm product that the Department of Agriculture and Consumer
31 Services recognizes as a "Goodness Grows in North Carolina" product that is produced on a farm
32 that is subject to a conservation agreement under G.S. 106-743.2 is a bona fide farm purpose. A
33 farmer seeking to benefit from this subsection shall have the burden of establishing that the
34 property's sale of nonfarm products did not exceed twenty-five percent (25%) of its gross sales.
35 A county may adopt an ordinance pursuant to this section that sets forth the standards necessary
36 for proof of compliance."

37 **SECTION 8.(b)** G.S. 106-850(b)(10) reads as rewritten:

38 "(10) To be eligible for cost share funds under this program, each applicant must
39 establish that the applicant meets the definition of a bona fide farm as
40 described by ~~G.S. 153A-340(b)(2)~~, G.S. 160D-903(a)."

41 **SECTION 8.(c)** G.S. 130A-247(13) reads as rewritten:

42 "(13) "Temporary food establishment" means an establishment not otherwise
43 exempted from this part pursuant to G.S. 130A-250 that (i) prepares or serves
44 food, (ii) operates for a period of time not to exceed 30 days in one location,
45 and (iii) is affiliated with and endorsed by a transitory fair, carnival, circus,
46 festival, public exhibition, or agritourism business. For purposes of this
47 subdivision, "agritourism" means the same as in ~~G.S. 153A-340(b)(2a)~~,
48 G.S. 160D-903(a). Notwithstanding the time limit set out in this subdivision,
49 a local health department may, upon the request of a temporary food
50 establishment, grant a one-time, 15-day extension of the establishment's

1 permit if the establishment continues to meet all of the requirements of its
2 permit and applicable rules."

3 **SECTION 8.(d)** G.S. 130A-291.1(g) reads as rewritten:

4 "(g) Production of a crop in accordance with an approved nutrient management plan on
5 land that is permitted as a septage land application site is a bona fide farm purpose under
6 ~~G.S. 153A-340.~~G.S. 160D-903."

7 **SECTION 8.(e)** G.S. 139-60(c1) reads as rewritten:

8 "(c1) To be eligible for assistance under this program, each applicant must establish that
9 the applicant meets the definition of a bona fide farm as described by
10 ~~G.S. 153A-340(b)(2).~~G.S. 160D-903(a)."

11 **SECTION 8.(f)** G.S. 153A-471(b)(6) reads as rewritten:

12 "(6) ~~G.S. 153A-340(b) (Zoning of Bona Fide Farms)~~G.S. 160D-903(a) and (b)
13 shall apply to all areas within the county boundaries."

14 **SECTION 8.(g)** G.S. 160A-58.54(c) reads as rewritten:

15 "(c) As used in this subsection, "bona fide farm purposes" is as described in ~~G.S.~~
16 ~~153A-340.~~G.S. 160D-903(a). As used in this subsection, "property" means a single tract of
17 property or an identifiable portion of a single tract. Property that is being used for bona fide farm
18 purposes on the date of the resolution of intent to consider annexation may not be annexed
19 without the written consent of the owner or owners of the property."
20

21 **NONREVERSION OF FUNDS FOR NEMATODE MITIGATION RESEARCH**

22 **SECTION 9.** The funds appropriated by S.L. 2021-180 to the North Carolina
23 SweetPotato Commission for a contract with NC State University to study nematode mitigation
24 shall remain available until expended and shall not revert.
25

26 **SEVERABILITY CLAUSE AND EFFECTIVE DATE**

27 **SECTION 10.** If any provision of this act or the application thereof to any person or
28 circumstances is held invalid, such invalidity shall not affect other provisions of this act that can
29 be given effect without the invalid provision or application, and, to this end, the provisions of
30 this act are declared to be severable.

31 **SECTION 11.** Except as otherwise provided, this act is effective when it becomes
32 law.