

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2025**

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**HOUSE BILL 130**  
**Committee Substitute Favorable 2/26/25**

Short Title: Agriculture Crops Disaster Relief.

(Public)

Sponsors:

Referred to:

February 18, 2025

A BILL TO BE ENTITLED  
AN ACT TO ESTABLISH AND FUND AN AGRICULTURAL DISASTER CROP LOSS PROGRAM.

The General Assembly of North Carolina enacts:

**PART I. LEGISLATIVE FINDINGS**

**SECTION 1.1.** The North Carolina General Assembly makes the following findings for agriculture in 2024:

- (1) Agriculture and agribusiness in North Carolina constituted an economic impact of one hundred eleven billion one hundred million dollars (\$111,100,000,000), posting an eight billion dollar (\$8,000,000,000) increase from the previous year.
- (2) North Carolina is one of the nation's top producers of a diversity of agriculture commodities, including sweet potatoes, tobacco, eggs, cucumbers, Christmas trees, trout, peanuts, broilers, and cotton.
- (3) North Carolina suffered continual damage to agricultural crops and commodities from natural disasters that impacted every portion of the State, including drought, excessive rainfall, and tropical storms.
- (4) Every county in the State was included in one or more secretarial disaster declarations by the United States Department of Agriculture based on a finding of significant production losses for agriculture.

**PART II. TRANSFERS AND APPROPRIATIONS**

**SECTION 2.1.(a)** Transfer. – The State Controller shall transfer the following amounts from the following sources to the State Emergency Response and Disaster Relief Fund:

- (1) Two hundred million dollars (\$200,000,000) from the Stabilization and Inflation Reserve.
- (2) Two hundred million dollars (\$200,000,000) from the Information Technology Reserve.
- (3) Seventy-five million dollars (\$75,000,000) from the Economic Development Project Reserve.

**SECTION 2.1.(b)** Appropriation. – The State Controller shall transfer from the State Emergency Response and Disaster Relief Fund to the Department of Agriculture and Consumer Services (Department) the sum of four hundred seventy-five million dollars (\$475,000,000). The funds transferred in this subsection are appropriated to the Department for the 2024 Agricultural Disaster Crop Loss Program as established in Part III of this act. These funds and remaining



1 funds from Section 5.9A(c)(2) of S.L. 2021-180 and Section 5.4(a)(4)a. of S.L. 2022-74 shall be  
2 used to assist farmers in counties designated by the United States Department of Agriculture as  
3 agricultural disasters that occurred during 2024 in this State.  
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### 5 **PART III. 2024 AGRICULTURAL DISASTER CROP LOSS PROGRAM**

6 **SECTION 3.1.(a)** Agricultural Disaster Crop Loss Program. – The 2024  
7 Agricultural Disaster Crop Loss Program is established within the Department of Agriculture and  
8 Consumer Services. The Program shall be used to provide financial assistance to farmers with  
9 verified losses from an agricultural disaster in this State in 2024. The Department may use up to  
10 one percent (1%) of funds allocated for the Program for administrative purposes. To be eligible  
11 for financial assistance for losses of agricultural commodities, a person must satisfy all of the  
12 following criteria:

- 13 (1) The person experienced a verifiable loss of agricultural commodities as a  
14 result of an agricultural disaster in 2024, and the person's farm is located in an  
15 affected area for the respective agricultural disaster.
- 16 (2) The agricultural commodity was planted but not harvested on or before the  
17 eligibility date, or, for aquaculture commodities, the commodities were being  
18 raised on or before the eligibility date. For purposes of this subsection, the  
19 term "eligibility date" refers to the date of the disaster set forth in the  
20 Secretarial declaration for the county in which the agricultural or aquaculture  
21 commodities are located and for which verifiable losses are claimed.

22 **SECTION 3.1.(b)** Verification of Loss. – A person seeking financial assistance for  
23 losses of agricultural commodities under the Program shall submit to the Department a Form 578  
24 on file with the USDA Farm Service Agency or a form provided by the Department for reporting  
25 acreage or plantings of crops or loss that is not typically reported on Form 578, along with any  
26 other documentation deemed appropriate by the Department, no later than 45 days after this  
27 section becomes effective. For nursery crops, fruit-bearing trees and bushes, and specialty crops  
28 where the survival level is not immediately known, the Department may extend this deadline by  
29 an additional 45 days, upon written request by the person received no later than 45 days after this  
30 section becomes effective and upon approval by the Department. A person receiving assistance  
31 under this Program must provide a signed affidavit, under penalty of perjury, certifying that each  
32 fact of the loss presented by the person is accurate.

33 **SECTION 3.1.(c)** Criteria. – The Department shall administer the financial  
34 assistance program authorized by this section in accordance with the following criteria:

- 35 (1) In determining the payment calculation for agricultural commodities, the  
36 Department shall use a formula based on acreage, county loss estimates,  
37 USDA National Agricultural Statistics Service averages, and any other  
38 measure the Department deems appropriate. Funds shall be distributed based  
39 on county averages for yields and State averages for price. Calculations shall  
40 be based on county or State averages in price, whichever the Department  
41 determines is appropriate.
- 42 (2) The Department shall gather all claim information, except from those  
43 applicants granted a deadline extension, no later than 45 days after this section  
44 becomes law. The Department shall, as closely as possible, estimate the  
45 amount of the funds needed to be held in reserve for payments related to losses  
46 of nursery, bush, tree, and specialty crops for which losses will not be fully  
47 known or calculated. The Department shall set aside funds as it deems  
48 appropriate based on the estimated percentage of these losses.
- 49 (3) Payments made under this Program shall be made to the person who filed the  
50 Form 578 or Department form for claims related to agricultural commodity  
51 losses.

1           **SECTION 3.1.(d)** Audit; Documentation. – The Department may audit the financial  
2 and other records of each recipient of funds in order to ensure that the funds are used in  
3 accordance with the requirements of this Program. The Department may require any  
4 documentation or proof it considers necessary to efficiently administer this Program, including  
5 the ownership structure of each entity and the social security numbers of each owner. In order to  
6 verify losses, the Department may require the submission of dated, signed, and continuous  
7 records. These records may include, but are not limited to, commercial receipts, settlement sheets,  
8 warehouse ledger sheets, pick records, load summaries, contemporaneous measurements, truck  
9 scale tickets, contemporaneous diaries, appraisals, ledgers of income, income statements of  
10 deposit slips, cash register tape, invoices for custom harvesting, u-pick records, and insurance  
11 documents.

12           **SECTION 3.1.(e)** Expenditure of Awarded Funds. – Awarded funds shall be used  
13 for agricultural production expenses and recovery of losses due to the impacts of the agricultural  
14 disaster. The Department shall develop guidelines and procedures to ensure that funds are  
15 expended for the purposes allowed by this section and may require any documentation it  
16 determines necessary to verify the appropriate use of financial assistance awards, including  
17 receipts. All distributed funds are subject to federal and State income tax.

18           **SECTION 3.1.(f)** Refund of Award. – If a person receives financial assistance under  
19 this program for which the person is ineligible, or if the amount of the financial assistance  
20 received is based on inaccurate information, the person forfeits the assistance awarded under this  
21 section and is liable for the amounts received. Assistance forfeited under this section shall bear  
22 interest at the rate determined in accordance with G.S. 105-241.21 as of the date of receipt until  
23 repaid. Financial assistance forfeited but not paid shall be collected by a civil action in the name  
24 of the State, and the recipient shall pay the cost of the action. The Attorney General, at the request  
25 of the Commissioner of Agriculture, shall institute the action in the proper court for the collection  
26 of the award forfeited, including interest thereon.

27           **SECTION 3.1.(g)** Definitions. – For purposes of this section, the following  
28 definitions apply:

- 29           (1) Agricultural commodity. – Any crop, flowering plant, aquaculture species,  
30 fruit, grain, native grass, ornamental plant, sod, specialty crop, tree, or  
31 vegetable. An agricultural commodity does not include stored grain.  
32           (2) Agricultural disaster. – A secretarial disaster designation declared by the  
33 United States Department of Agriculture Secretary for qualifying counties in  
34 this State.  
35           (3) Department. – The Department of Agriculture and Consumer Services.  
36           (4) Person. – Any individual, trust, estate, partnership, receiver, association,  
37 company, limited liability company, corporation, or other entity or group.  
38           (5) Program. – The 2024 Agricultural Disaster Crop Loss Program.

39           **SECTION 3.1.(h)** Program Reporting Requirement. – The Department shall submit  
40 a report to the Fiscal Research Division no later than the first day of the month six months after  
41 this section becomes effective, and every six months thereafter until all funds are expended or  
42 the Program expires, containing, at a minimum, all of the following data:

- 43           (1) The number of applicants by agricultural commodity and the county in which  
44 the person incurred the verified loss.  
45           (2) The number and amount of grants awarded by agricultural commodity.  
46           (3) The geographic distribution of the grants awarded.  
47           (4) The total amount of funding available to the Program, the total amount  
48 encumbered, and the total amount disbursed to date.  
49           (5) Any refunds made to the Program pursuant to subsection (f) of this section.

1           **SECTION 3.1.(i)** Expiration and Reversion. – The Program shall expire 30 months  
2 after this section becomes effective. Any funds allocated to the Program not expended or  
3 encumbered by that date shall revert to the State Emergency Response and Disaster Relief Fund.  
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5 **PART IV. EFFECTIVE DATE**

6           **SECTION 4.1.** This act is effective when it becomes law.