

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2023**

S

1

**SENATE BILL 860**

Short Title: Empower Small/Socially Disadvantaged Farmers. (Public)

Sponsors: Senators Smith and Batch (Primary Sponsors).

Referred to: Rules and Operations of the Senate

May 6, 2024

1 A BILL TO BE ENTITLED  
2 AN ACT TO EMPOWER SMALL AND SOCIALLY DISADVANTAGED FARMERS IN  
3 NORTH CAROLINA.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Findings and Purpose. – The General Assembly finds that decades of  
6 systemic barriers and economic consolidation has led to the loss of millions of acres of land  
7 farmed by small and socially disadvantaged farmers and a significant drop in the number of  
8 farmers from socially disadvantaged groups. The General Assembly further finds that financial  
9 assistance through targeted grants can help address disparities and contribute to the long-term  
10 success of small and socially disadvantaged farmers. Recognizing the historical challenges faced  
11 by these farmers, the purpose of this act is to support the viability and sustainability of small and  
12 socially disadvantaged farmers in North Carolina by providing financial assistance to support  
13 these farmers and promote equity within the agricultural sector.

14 **SECTION 2.** Chapter 106 of the General Statutes is amended by adding a new  
15 Article to read:

"Article 61B.

"Small and Socially Disadvantaged Farmers Grant Program.

18 **§ 106-748. Definitions.**

19 The following definitions apply in this Article:

- 20 (1) Commissioner. – The Commissioner of Agriculture and Consumer Services.  
21 (2) Department. – The North Carolina Department of Agriculture and Consumer  
22 Services.  
23 (3) Eligible individual. – A resident of this State who meets all of the following  
24 criteria:  
25 a. Is at least 21 years of age.  
26 b. Is a small farmer or a socially disadvantaged farmer.  
27 c. Had an annual income from farming operations for the preceding  
28 taxable year of at least one thousand dollars (\$1,000) or more.  
29 (4) Small farmer. – A farmer with a gross cash farm income of two hundred fifty  
30 thousand dollars (\$250,000) or less, as determined in a manner as the  
31 Department may specify.  
32 (5) Socially disadvantaged farmer. – A farmer who is a member of a socially  
33 disadvantaged group.  
34 (6) Socially disadvantaged group. – A group of people whose members have been  
35 subject to racial or ethnic prejudice because of their identity as a member of a  
36 group without regard to their individual qualities.



1 **"§ 106-749. Small and Socially Disadvantaged Farmers Grant Program established.**

2 (a) Program Established. – The Small and Socially Disadvantaged Farmers Grant  
3 Program (Program) is established within the North Carolina Department of Agriculture to  
4 support current small and socially disadvantaged farmers and to encourage the continued  
5 financial viability of those farmers in the field of agriculture. The Socially Disadvantaged Farmer  
6 Restoration Fund (Fund) is established as a special revenue fund. The Fund shall consist of gifts,  
7 grants, and donations from non-State entities and General Fund appropriations for the support of  
8 the program established by this Article. The Fund shall be used for the provision of grants to  
9 eligible individuals for essential inputs, equipment, and operational improvements to their  
10 farming operations.

11 (b) Grants. – Grants from the Fund are subject to the following procedures and  
12 restrictions:

13 (1) An eligible individual seeking a grant shall submit an application on a form  
14 and in a manner approved by the Commissioner.

15 (2) The Commissioner may establish priorities for grants among all eligible  
16 individuals based on criteria that include farm size, income levels, and lack of  
17 ownership of land to ensure that grants are first provided to farmers most at  
18 risk of failure due to historic systemic discrimination and lack of access to  
19 capital and operational support.

20 (3) The Commissioner may establish tiered maximum grant amounts based on  
21 financial hardship, demonstrated need, and other criteria the Department feels  
22 will maximize the ability of the program to increase the viability and  
23 sustainability of small and socially disadvantaged farmers.

24 (c) The Department shall establish an advisory committee to monitor the Program's  
25 effectiveness and make recommendations for improvements.

26 (d) The Department shall adopt rules to carry out the provisions of this Article."

27 **SECTION 3. Funding. –** The sum of ten million dollars (\$10,000,000) in recurring  
28 funds for the 2024-2025 fiscal year is appropriated from the General Fund to the Department of  
29 Agriculture and Consumer Services, to be allocated to the Small and Socially Disadvantaged  
30 Farmers Grant Program established in G.S. 106-749, as enacted by Section 2 of this act. The  
31 Department may retain up to three percent (3%) of the funds appropriated by this section for  
32 administrative costs related to the Program established by Article 61B of Chapter 106 of the  
33 General Statutes, as enacted by Section 2 of this act.

34 **SECTION 4.** This act becomes effective July 1, 2024.