

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 688
Committee Substitute Favorable 5/2/01
Committee Substitute # 2 Favorable 9/10/01
Fourth Edition Engrossed 9/20/01
Senate Finance Committee Substitute Adopted 10/2/01

Short Title: Tax Revenue for Turfgrass Research/Mental Health. (Public)

Sponsors:

Referred to:

March 19, 2001

A BILL TO BE ENTITLED

1 AN ACT TO TAX THE SALES OF FERTILIZERS AND SEED TO NONFARMERS
2 AND TO APPROPRIATE REVENUES FOR TURFGRASS RESEARCH AND
3 EDUCATION, RESEARCH INITIATIVES FUNDED BY THE AGRICULTURAL
4 ADVANCEMENT CONSORTIUM, AND THE TRUST FUND FOR MENTAL
5 HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE
6 SERVICES AND BRIDGE-FUNDING NEEDS.
7

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** G.S. 105-164.13(1) and (2) reads as rewritten:

10 "**§ 105-164.13. Retail sales and use tax.**

11 The sale at retail, the use, storage or consumption in this State of the following
12 tangible personal property is specifically exempted from the tax imposed by this Article:

Agricultural Group.

14 (1) ~~Commercial fertilizer on which the inspection tax is paid and lime and~~
15 ~~land plaster used~~ fertilizer, lime, land plaster, and seeds sold to a
16 farmer for agricultural purposes whether the inspection tax is paid or
17 not.

18 (2) ~~Seeds.~~

19 "...."

20 **SECTION 2.(a)** There is appropriated from the General Fund to the Board
21 of Governors of The University of North Carolina the sum of six hundred thousand
22 dollars (\$600,000) for the 2001-2002 fiscal year and the sum of six hundred thousand
23 dollars (\$600,000) for the 2002-2003 fiscal year to be allocated to North Carolina State
24 University. North Carolina State University must use all of the funds allocated to it
25 under this section for the purpose of providing funds to the Center for Turfgrass
26 Environmental Research and Education for research initiatives. The Center may receive

1 proposals for research funding consideration from North Carolina State University and
2 North Carolina Agricultural and Technical State University. The Industry Advisory
3 Board of the Center shall review each proposal for research funding consideration
4 submitted to the Center. The Industry Advisory Board must include representatives
5 from North Carolina State University and North Carolina Agricultural and Technical
6 State University. The funds allocated to the Center under this section may be used only
7 for research and extension concerning the following:

8 (1) Turfgrass production and maintenance.

9 (2) The impact of turfgrass fertilizer on the environment.

10 (3) Ways to reduce any adverse environmental impacts resulting from the
11 use of turfgrass fertilizer and to promote environmental benefits.

12 **SECTION 2.(b)** There is appropriated from the General Fund to the
13 Department of Agriculture and Consumer Services the sum of one hundred thousand
14 dollars (\$100,000) for the 2001-2002 fiscal year and the sum of one hundred thousand
15 dollars (\$100,000) for the 2002-2003 fiscal year for the purpose of educating the public
16 on the results of the research conducted by the Center for Turfgrass Environmental
17 Research and Education at North Carolina State University.

18 **SECTION 2.(c)** The Board of Governors of The University of North
19 Carolina and the Commissioner of Agriculture shall report to the Joint Legislative
20 Commission on Governmental Operations and to the Fiscal Research Division of the
21 Legislative Services Office by November 1, 2002, on the use of the funds allocated to
22 the Center for Turfgrass Environmental Research and Education and the sharing of the
23 research with the other constituent institutions.

24 **SECTION 3.** There is appropriated from the General Fund to the Rural
25 Economic Development Center, Inc. the sum of two hundred thousand dollars
26 (\$200,000) for the 2001-2002 fiscal year and the sum of two hundred thousand dollars
27 (\$200,000) for the 2002-2003 fiscal year to be allocated to the Agricultural
28 Advancement Consortium for research initiatives funded by the Consortium.

29 **SECTION 4.** There is appropriated from the General Fund to The Trust
30 Fund for Mental Health, Developmental Disabilities, and Substance Abuse Services and
31 Bridge Funding Needs the sum of two million five hundred thousand dollars
32 (\$2,500,000) for the 2001-2002 fiscal year and the sum of four million five hundred
33 thousand dollars (\$4,500,000) for the 2002-2003 fiscal year. Notwithstanding
34 subsection (c) of Section 21.58 of S.L. 2001-424, these funds shall be used for the
35 purposes stated in G.S. 143-15D(b) and for substance abuse services for direct treatment
36 and care, including detoxification and after care services.

37 **SECTION 5.** This act becomes effective December 1, 2001.