

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1600*

Short Title: NC Organic Economic Opportunities Study. (Public)

Sponsors: Representatives Faison; Fisher, Glazier, and Harrison.

Referred to: Agribusiness and Agricultural Economy, if favorable, Rules, Calendar, and Operations of the House.

April 19, 2007

A BILL TO BE ENTITLED

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2 AN ACT TO DIRECT THE DEPARTMENT OF COMMERCE TO CONTRACT
3 WITH A MARKET RESEARCH FIRM TO CONDUCT A STUDY OF THE
4 ECONOMIC OPPORTUNITIES OF EXPANDING AND DEVELOPING
5 ORGANIC AGRICULTURE PRODUCTION, MARKETING, AND
6 SUPPORTING BUSINESS ENTERPRISES IN NORTH CAROLINA.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** The Department of Commerce shall contract with a market
9 research firm with experience in thorough and comprehensive organic marketplace
10 analysis to conduct a study to identify the current status of organic agriculture in North
11 Carolina and describe opportunities for and challenges to a rapid expansion and
12 development of organic production, marketing, and supporting business enterprises in
13 North Carolina, including the potential job growth and economic impact and benefits
14 for the State. The study shall identify infrastructure needs, as well as any potential
15 obstacles, whether in public policy or other areas that might hamper the expansion of
16 organic agriculture production, marketing, and supporting business enterprises. This
17 study shall include all of the following:

- 18 (1) A supply-side analysis of the current status and supply of organic
19 products, inputs, and value-added processing in North Carolina that
20 includes the number of farms engaged in producing organic products,
21 inputs, and value-added processing; the acreage involved in producing
22 organic products, inputs, and value-added processing; the production
23 systems of these farms and business enterprises; information about
24 who owns these operations, itemized by categories of owners and to
25 include the number of women and minorities who own these
26 operations and the age ranges of the owners of the farms, with
27 comparisons made to conventional growers in the State.

- 1 (2) A demand-side analysis of how much and which types of organic
2 products are being sold by retail grocery stores in the State and where
3 these products currently are produced.
- 4 (3) If the potential of local growers is maximized to meet the increasing
5 demand for organic products, the potential economic benefits for
6 North Carolina. The potential economic benefits shall address, at least,
7 the potential for new jobs, increased farm and associated businesses
8 revenues for processing and distributing organic products, increased
9 retail revenue, tourism, increased tax revenues, and any other
10 economic benefits.
- 11 (4) If the potential of local growers is maximized to meet the increasing
12 demand for organic products, the identification of needs and
13 opportunities for new and existing input suppliers and providers of
14 processing, distribution, marketing, education, research, and
15 infrastructure needs.
- 16 (5) The economic impact of any expected social and environmental
17 benefits associated with expanding the transition to organic farming
18 systems, to include anticipated increases in farmland preservation and
19 job growth in rural North Carolina and reductions in carbon emissions.
- 20 (6) Overall economic potential and opportunities for growth of the organic
21 sector in North Carolina.
- 22 (7) Any other issues the Department of Commerce considers pertinent to
23 this study.

24 **SECTION 2.** No later than May 1, 2008, the Department of Commerce shall
25 report the results of the study under Section 1 of this act to the Senate Committee on
26 Small Business and Entrepreneurship and to the Fiscal Research Division.

27 **SECTION 3.** There is appropriated from the General Fund to the
28 Department of Commerce the sum of one hundred twenty-five thousand dollars
29 (\$125,000) for the 2007-2008 fiscal year to fund the costs of the study under this act.

30 **SECTION 4.** This act becomes effective July 1, 2007.