

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 2042

Short Title: Migrant Farm Labor Housing Pilot Program.

(Public)

Sponsors: Senators Albertson; Atwater, Jenkins, Purcell, and Soles.

Referred to: Appropriations/Base Budget.

May 28, 2008

A BILL TO BE ENTITLED

1
2 AN ACT TO ESTABLISH A PILOT PROGRAM TO PROVIDE FINANCING FOR
3 THE IMPROVEMENT AND DEVELOPMENT OF MIGRANT FARM LABOR
4 HOUSING.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.(a)** Pilot Program to Provide Financing for the Improvement
7 and Development of Migrant Farm Labor Housing. – The North Carolina Housing
8 Finance Agency, in consultation with the Department of Labor and the Department of
9 Agriculture and Consumer Services, shall develop a pilot program, to be administered
10 by the North Carolina Housing Finance Agency, to provide financing to agricultural
11 employers who employ migrant farm workers for migrant farm laborer housing
12 development and improvement.

13 **SECTION 1.(b)** Eligibility. – Only properties that meet the following
14 requirements shall be eligible for assistance from the Pilot Program:

- 15 (1) The housing will be used for migrant farm laborers for a minimum of
16 10 years. If the housing ceases to be used as migrant farm labor
17 housing, the remaining balance of the loan must be repaid.
18 (2) The housing is located on land to which the agricultural employer
19 holds title and the employer will be the owner of the housing.

20 **SECTION 1.(c)** Duties of Recipient Agricultural Employers. – The Pilot
21 Program shall require that employers that receive financing under the program do all of
22 the following:

- 23 (1) Maintain the migrant farm labor housing in good repair. If the housing
24 fails North Carolina Department of Labor inspections and the failures
25 are not timely remedied, the balance of the loan must be immediately
26 repaid.
27 (2) Register the migrant farm labor housing with the North Carolina
28 Department of Labor and follow all regulations set forth in federal and
29 State law with regards to migrant farm labor housing.

1 (3) Annually certify to the State of North Carolina that the housing
2 continues to be used for migrant farm laborers.

3 (4) Verify that each migrant worker that stays in housing funded in whole
4 or in part through the Pilot Program is either a U.S. citizen or
5 documented worker, including participants in the H2-A guest worker
6 program or workers whose legal employment status is verified through
7 federally mandated verification programs.

8 **SECTION 1.(d)** Types of Financing To Be Provided. – The Pilot Program
9 shall provide amortized or deferred loans, not to exceed one hundred thousand dollars
10 (\$100,000) with repayment terms not to exceed 30 years, to agricultural employers to
11 assist with one or more of the following activities:

12 (1) The rehabilitation of existing migrant housing that meets current North
13 Carolina Department of Labor minimum standards.

14 (2) The rehabilitation of existing migrant housing that meets current North
15 Carolina Department of Labor minimum standards and exceeds the
16 standards for toilets and showers. Specifically, both toilets and
17 showers must provide privacy for the housing residents and must meet
18 a 1:10 ratio for toilets and 1:5 ratio for showerheads in order for this
19 type of financing to be available.

20 (3) The construction of new, or rehabilitation of existing, migrant housing
21 if the housing will go beyond the North Carolina Department of Labor
22 minimum standards and includes the toilet and shower improvements
23 set forth in subdivision (2) of this subsection.

24 **SECTION 1.(e)** Other Duties of the North Carolina Housing Finance
25 Agency. – The North Carolina Housing Finance Agency shall do all of the following:

26 (1) Develop financing application procedures, criteria, and priorities for
27 selecting financing recipients.

28 (2) Notify the North Carolina Department of Labor of each agricultural
29 employer that receives loans under the Pilot Program, as well as the
30 amounts for building or rehabilitation given to each.

31 (3) On or before April 1, 2009, and annually thereafter, submit a report to
32 the Joint Legislative Commission on Governmental Operations. The
33 report shall contain all of the following information:

34 a. A list of the number of employers assisted by the Pilot Program
35 including summary information about the average amount of
36 assistance, type of financing provided, and similar information.

37 b. A description of the fiscal status of the Pilot Program, including
38 summary information about the rate of repayment and defaults
39 on loans furnished by the Pilot Program.

40 **SECTION 2.** There is appropriated from the General Fund to the North
41 Carolina Housing Trust Fund the sum of two million dollars (\$2,000,000) in
42 nonrecurring funds for the 2008-2009 fiscal year to provide financing to agricultural
43 employers for the construction and rehabilitation of migrant farmer housing under the
44 Pilot Program created pursuant to this Act.

1 **SECTION 3.** Rulemaking. – Solely with respect to adoption of procedures
2 for the Pilot Program, the Housing Finance Agency is exempt from the requirements of
3 Article 2A of Chapter 150B of the General Statutes. Prior to adoption or amendment of
4 procedures, the Agency shall:

5 (1) Publish the proposed procedures in the North Carolina Register at least
6 30 days prior to the adoption of the final procedures.

7 (2) Accept oral and written comments on the proposed procedures.

8 (3) Hold at least one public hearing on the proposed procedures.

9 **SECTION 4.** This act becomes effective July 1, 2008.