

The House Committee on Agriculture and Consumer Affairs offers the following substitute to SB 91:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 2 of the Official Code of Georgia Annotated, relating to agriculture, so as to
2 revise the "Emerging Crops Fund Act"; to provide an effective date; to repeal conflicting
3 laws; and for other purposes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

5 style="text-align:center">**SECTION 1.**

6 Title 2 of the Official Code of Georgia Annotated, relating to agriculture, is amended by
7 revising Chapter 8A, the "Emerging Crops Fund Act," as follows:

8 style="text-align:center">"CHAPTER 8A

9 2-8A-1.

10 This chapter shall be known and may be cited as the 'Emerging Crops Fund Act.'

11 2-8A-2.

12 The purpose of this chapter is to promote economic development by encouraging the
13 production of plant or animal crops in Georgia which ~~have not been~~ are produced
14 commercially ~~to their full potential, to encourage farmers of this state to shift from~~
15 ~~enterprises with low-profit margins to those with higher profit margins,~~ and to make
16 available to consumers emerging crops grown in Georgia.

17 2-8A-3.

18 As used in this chapter, the term:

19 (1) 'Emerging crop' means a plant or animal crop for which consumers have a growing
20 demand, ~~which has potential for economic development, which has a development time~~
21 ~~from beginning of production to commercial harvest or initial sale of the product of not~~

22 ~~less than 18 months nor more than five years, and which has been designated an emerging~~
 23 ~~crop by the Georgia Development Authority or by Code Section 2-8A-4.~~

24 (2) 'Farmer' means a resident of Georgia who engages in or wishes to engage in the
 25 commercial production of an emerging crop on land in Georgia. This term shall include
 26 individuals, family-farm corporations meeting the requirements of paragraph (2) of
 27 subsection (b) of Code Section 48-5-7.1, and partnerships in which all of the partners are
 28 either individuals or family-farm corporations meeting such requirements.

29 (3) 'Fund' means the Emerging Crops Fund established in Code Section 2-8A-5.

30 (4) 'Georgia Development Authority' or 'authority' means the Georgia Development
 31 Authority provided for in Chapter 10 of Title 50.

32 (5) 'Interest loan' means a loan made from the fund to pay the interest on a loan made by
 33 a lender to a farmer to finance the ~~nonland capital~~ costs of ~~establishing~~ production of an
 34 emerging crop.

35 (6) 'Lender' means a commercial bank, savings bank, savings and loan association,
 36 federal land bank, farm credit bank, production credit association, or other farm credit
 37 agency which is domiciled or qualified to do business in Georgia or the Farmers Home
 38 Administration.

39 2-8A-4.

40 ~~Emerging crops shall include but not be limited to the following crops:~~

41 ~~(1) Blueberries;~~

42 ~~(2) Blackberries;~~

43 ~~(3) Strawberries;~~

44 ~~(4) Raspberries;~~

45 ~~(5) Asparagus;~~

46 ~~(6) Peaches;~~

47 ~~(7) Apples;~~

48 ~~(8) Grapes;~~

49 ~~(9) Pears;~~

50 ~~(10) Ornamental horticultural plants;~~

51 ~~(11) Christmas trees; and~~

52 ~~(12) Fish farming which shall include, but shall not be limited to, crawfish, Saint Peter's~~

53 ~~(Tilapia) fish, freshwater shrimp, catfish, hybrid bass (a cross between striped bass and~~

54 ~~white bass), and rainbow trout Reserved.~~

55 2-8A-5.

56 (a) ~~There~~ Pursuant to Article III, Section IX, Paragraph VI (j) of the Constitution of
 57 Georgia, there is established as a separate fund of the Georgia Development Authority a
 58 fund to be known as the 'Emerging Crops Fund,' which shall be used to make interest loans
 59 on loans made to farmers for ~~nonland capital~~ costs of ~~establishing~~ production of emerging
 60 crops on land in Georgia. The fund shall be administered by the Georgia Development
 61 Authority. The Georgia Development Authority shall by rules or regulations develop
 62 definitions, guidelines, standards, requirements, and procedures for making interest loans
 63 as authorized in this chapter. Funds for the Emerging Crops Fund and for the
 64 administration of said fund shall be provided from the following sources:

65 (1) Appropriations by the General Assembly, and funds appropriated to the Emerging
 66 Crops Fund shall be presumptively concluded to have been committed to the purpose for
 67 which appropriated and shall not lapse;

68 (2) The repayment of interest loans made from the fund; and

69 (3) Any interest or earnings made from the investment of funds of the Emerging Crops
 70 Fund.

71 (b) The Georgia Development Authority shall maintain the Emerging Crops Fund entirely
 72 separate from any other funds of the authority, and no funds available to the authority to
 73 carry out its purposes under Chapter 10 of Title 50 shall be used for the purposes of the
 74 Emerging Crops Fund. The source of funds provided for in subsection (a) of this Code
 75 section shall be the only source of funds for the Emerging Crops Fund.

76 (c) Except as limited by subsection (b) of this Code section, the Georgia Development
 77 Authority may exercise any power possessed by the authority under Chapter 10 of Title 50
 78 to carry out the provisions of this chapter.

79 2-8A-6.

80 Any lender which has made or makes a loan to a farmer to finance the ~~nonland capital~~ costs
 81 of ~~establishing~~ production of an emerging crop on land in Georgia may make application
 82 to the Georgia Development Authority for an interest loan to pay interest on the loan during
 83 the period from the beginning of production to harvest or initial sale of the product, which
 84 payment shall be made from the fund. The maximum amount of interest loans from the
 85 fund for the benefit of any one farmer shall be \$50,000.00; provided, however, that the
 86 Georgia Development Authority in administering the fund shall give priority to smaller
 87 interest loans. During the period that the Georgia Development Authority pays the interest
 88 on a loan from the fund, the maximum rate of interest which may be charged on the loan
 89 by the lender shall be ~~2-1/2 percent per annum above the prime rate charged by banks on~~
 90 ~~short-term business loans as published daily in the *Wall Street Journal* as established from~~

91 time to time by the Georgia Development Authority. By payment of the interest on a loan,
92 neither the Georgia Development Authority nor the State of Georgia shall be a guarantor
93 of the loan. The Georgia Development Authority shall, by rule or regulation, require such
94 security or lien as may be necessary to provide adequate security for the authority as
95 condition for making an interest loan as authorized by this chapter.

96 2-8A-7.

97 Repayment of an interest loan made from the fund shall be deferred for a period of time not
98 more than five years or the time when the emerging crop should reach maturity, whichever
99 is later. The schedule for repayment of the interest loan shall be a period of time equal to
100 two times the period that interest is paid on the loan from the fund for that emerging crop.
101 No interest shall be charged on interest loans from the fund, and only the amount actually
102 loaned from the fund shall be required to be repaid. Repayment of interest loans from the
103 fund shall be made to the lender, which shall remit the amounts collected to the Georgia
104 Development Authority for deposit into the fund."

105 **SECTION 2.**

106 This Act shall become effective upon its approval by the Governor or upon its becoming law
107 without such approval.

108 **SECTION 3.**

109 All laws and parts of laws in conflict with this Act are repealed.