

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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HOUSE BILL 1416*

Short Title: Extend and Expand JDIG. (Public)

Sponsors: Representatives Daughtridge, Wainwright (Primary Sponsors); G. Allen, Dickson, Harrell, L. Johnson, LaRoque, McComas, Owens, Tolson, Walker, L. Allen, Farmer-Butterfield, Fisher, Glazier, Goodwin, Gorman, Jeffus, Jones, McHenry, Moore, Preston, Steen, and Womble.

Referred to: Rules, Calendar, and Operations of the House.

May 12, 2004

A BILL TO BE ENTITLED

1 AN ACT TO EXTEND THE SUNSET ON THE JOB DEVELOPMENT
2 INVESTMENT GRANT PROGRAM AND TO ALLOW THE ECONOMIC
3 INVESTMENT COMMITTEE TO ENTER INTO MORE AGREEMENTS
4 UNDER THE PROGRAM AND TO COMMIT MORE FUNDS.
5

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S 143B-437.62 reads as rewritten:

8 "**§ 143B-437.62. Authority, Sunset.**

9 The authority of the Committee to enter into new agreements ~~begins January 1,~~
10 ~~2003, and expires January 1, 2005-2009.~~"

11 **SECTION 2.** G.S. 143B-437.52 reads as rewritten:

12 "**§ 143B-437.52. Job Development Investment Grant Program.**

13 (a) Program. – There is established the Job Development Investment Grant
14 Program to be administered by the Economic Investment Committee. In order to foster
15 job creation and investment in the economy of this State, the Committee may enter into
16 negotiated agreements with businesses to provide grants in accordance with the
17 provisions of this Part. The Committee, in consultation with the Attorney General, shall
18 develop criteria to be used in determining whether the conditions of this section are
19 satisfied and whether the project described in the application is otherwise consistent
20 with the purposes of this Part. Before entering into an agreement, the Committee must
21 find that all the following conditions are met:

22 (1) The project proposed by the business will create, during the term of the
23 agreement, a net increase in employment in this State by the business.

24 (2) The project will benefit the people of this State by increasing
25 opportunities for employment and by strengthening this State's
26 economy by, for example, providing worker training opportunities,

1 constructing and enhancing critical infrastructure, increasing
2 development in strategically important industries, or increasing the
3 State and local tax base.

4 (3) The project is consistent with economic development goals for the
5 State and for the area where it will be located.

6 (4) A grant under this Part is necessary for the completion of the project in
7 this State.

8 (5) The total benefits of the project to the State outweigh its costs and
9 render the grant appropriate for the project.

10 (b) Cap. – The maximum number of agreements the Committee may enter into
11 each calendar year is ~~15~~25.

12 (c) Ceiling. – The maximum amount of total annual liability for grants for
13 agreements entered into in any single calendar year may not exceed ~~ten~~eighteen million
14 dollars (~~\$10,000,000~~)(\$18,000,000). No agreement may be entered into that, when
15 considered together with other existing agreements entered into during that calendar
16 year, could cause the State's potential total annual liability for grants entered into in that
17 calendar year to exceed this amount.

18 (d) Measuring Employment. – For the purposes of subdivision (a)(1) of this
19 section and G.S. 143B-437.57(a)(11), the Committee may designate that the increase or
20 maintenance of employment is measured at the level of a division or another operating
21 unit of a business, rather than at the business level, if both of the following conditions
22 are met:

23 (1) The Committee makes an explicit finding that the designation is
24 necessary to secure the project in this State.

25 (2) The designation contains terms to ensure that the business does not
26 create eligible positions by transferring or shifting to the project
27 existing positions from another project of the business or a related
28 entity of the business."

29 **SECTION 3.** This act becomes effective January 1, 2004, and applies to
30 agreements entered into after that date.