

April 18, 2007

H 1761. JDIG AMENDMENTS (=S 1041). Filed 4/18/07. *TO ALLOW THE USE OF JDIG GRANTS TO MAINTAIN EXISTING JOBS.*

Identical to S 1041, filed 3/20/07.

Intro. by Glazier, Dickson.

GS 143B

July 25, 2007

H 1761. JOB MAINTENANCE AND CAPITAL DEVELOPMENT FUND (NEW). Filed 4/18/07.

House committee substitute deletes all provisions of the 1st edition and replaces it with *AN ACT TO CREATE THE JOB MAINTENANCE AND CAPITAL DEVELOPMENT FUND*. Enacts new Part 2 of Article 10 of GS Chapter 143B creating the Job Maintenance and Capital Development Fund as a restricted reserve in the Department of Commerce to provide a grant to a private business if (1) the business intends to invest at least \$200 million of private funds over five years in facility improvements, (2) the business already employs at least 2,400 full-time employees at the establishment to be improved and agrees to maintain that level of employment, and (3) the project is located in a tier one area.

To be eligible for the grant, the business must meet specified requirements relating to employee health insurance, safety and health programs, and environmental compliance. The new part has detailed provisions regulating (1) the selection of grant recipients, (2) the agreements governing grants, and (3) performance requirements to ensure that the funds are used to carry out public purposes. The new part requires the Department of Commerce to monitor the grants and report quarterly to the Joint Legislative Commission on Governmental Operations. The bill enacts new GS 150B-1(d)(14) to exempt the Job Maintenance and Capital Development Fund from the rule-making provisions of the administrative procedure act.

A grant agreement may obligate the state to make payments to a private business for up to 10 years. There may be up to five agreements at a total cost of up to \$40 million and a total annual cost of up to \$4 million a year. The bill appropriates \$3.5 million for 2008-09 from the General Fund to the Job Maintenance and Capital Development Fund. Effective July 1, 2007.

July 31, 2007

H 1761. JOB MAINTENANCE AND CAPITAL DEVELOPMENT FUND. Filed 4/18/07. Senate committee substitute makes the following changes to the 1st edition. Modifies proposed GS 143B-437.11 to provide that a private business may qualify for a grant even if it does not agree to maintain the same number of employees at the establishment as it employs at the time it applies for the grant. Revises the limitations so that the statute now provides that (1) there may be up to five agreements at a total cost of up to \$35 million and a total annual cost of up to \$3.5 million a year and (2) the total annual cost of a grant may not exceed the lesser of \$3.5 million or 50% of the withholding of the full-time employees for the preceding year. Clarifies the five-year period for measuring the amount of investment to be made and provides an alternative to the health insurance requirement.

August 2, 2007

H 1761. JOB MAINTENANCE AND CAPITAL DEVELOPMENT FUND. Filed 4/18/07.

Conference report recommends the following changes to 3rd edition to reconcile matters in controversy. Modifies proposed GS 143B-437.11 to modify the eligibility requirements to require the project to employ and maintain at least 2,000 full-time employees or equivalent full-time contract employees at the establishment that is the subject of the grant. Modifies the health insurance requirement to remove allowing the provision of comparable benefits through an alternative funding arrangement arising out of a collective bargaining agreement. Revises the limitations so that the statute now provides that (1) there may be up to five agreements at a total cost of up to \$40 million and a total annual cost of up to \$4 million a year and (2) the total annual cost of a grant may not exceed the lesser of \$4 million or 50% of the withholding of the full-time employees for the preceding year. Increases the amount appropriated from the General Fund to the Job Maintenance and Capital Development Fund for 2008-09 from \$3.5 million to \$4 million.

