

April 18, 2007

**H 1791. NOTICE/CLAWBACKS FOR LOCAL INCENTIVES.** Filed 4/18/07. *TO REQUIRE LOCAL GOVERNMENTS TO PROVIDE PUBLIC NOTICE BEFORE APPROVING ECONOMIC DEVELOPMENT INCENTIVE AGREEMENTS AND TO INCORPORATE CLAWBACK PROVISIONS INTO ECONOMIC DEVELOPMENT AGREEMENTS.*

Amends GS 158-7.1(c) to: (1) provide that any appropriation, expenditure, or agreement made pursuant to GS 158-7.1(a) must also be approved by the county or city governing body after a public hearing; (2) require the notice of a public hearing to describe any agreement that involves the provision of grants to a private enterprise, the number of years for which the agreement will be in effect, the anticipated and maximum cost of the agreement, and the anticipated public benefit to be derived from the agreement; and (3) add new subsection requiring each economic development agreement entered into between a private enterprise and a city or county to clearly state the respective responsibilities of each party and contain provisions regarding remedies for a breach of the responsibilities by the private entity, including a provision requiring the recapture of sums appropriated or expended by the city or county upon the occurrence of specific events, including explicitly listed events, specified in the agreement.

**Intro. by Luebke, Weiss.**

GS 158