

May 6, 2009

H 1650. COMMUNITIES OF OPPORTUNITY FUND. Filed 5/6/09. *TO ESTABLISH COORDINATION OF CERTAIN FEDERAL FUNDS ALLOCATED UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 TO STIMULATE JOB CREATION AND ECONOMIC RECOVERY, TO ACHIEVE WIDELY SHARED PROSPERITY IN THE STATE, TO PROVIDE FOR GOALS IN THE ALLOCATION OF THOSE FUNDS TO LOCAL GOVERNMENTS, AND TO ALLOW OTHER LOCAL GOVERNMENT OPTIONS.*

Creates the Communities of Opportunity Fund (Fund) as a restricted reserve in the Department of Commerce (Department). Provides that the monies in the Fund do not revert but remain available to the Department for the purpose of stimulating job creation and economic recovery. Directs the Fund to make grants to local government and nongovernmental entities that meet the specified eligibility requirements. Provides that an eligible recipient is an entity eligible to receive funds under the provisions of the American Recovery and Reinvestment Act (ARRA). Also provides that to be eligible, a recipient must be either a county or nongovernmental entity operating in a county with one of the 25 highest average rates of unemployment in the state. Delineates additional specific eligibility criteria for recipients. Sets out the process for the selection of projects to receive the grants and lists the components of the selection process. Directs the Department to submit the applications for projects that the Department considers eligible for a grant to the Economic Investment Committee (EIC). Authorizes the EIC to recommend projects to receive a grant under this section. Provides that the Department is to enter into a grant agreement with the eligible entity that is binding and that constitutes a continuing contractual obligation. Provides that the Attorney General is to review the terms of all the proposed agreements. Makes provisions for safeguards to ensure that the funds are used only to carry out the public purposes provided in this section. Charges the Department with the responsibility of monitoring compliance with the performance criteria under each grant agreement and for administering the repayment in case of default. Directs the Department to report to the Joint Legislative Commission on Governmental Operations regarding the Fund within two months after the end of each calendar quarter. Provides guidelines as to the content of the report and requires the Department to publish the quarterly reports on its website and to make printed copies available upon request. Effective January 1, 2010.

Intro. by Adams.

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