

March 11, 2009

S 574. MAKE BETTER USE OF ECONOMIC INCENTIVES. Filed 3/11/09. *TO REALLOCATE NORTH CAROLINA'S ECONOMIC INCENTIVES PORTFOLIO TO MAKE IT MORE EFFECTIVE, TARGETED, AND MEASURABLE BY ELIMINATING INEFFECTIVE TAX CREDITS, REDUCING THE CORPORATE INCOME TAX RATE, TARGETING DISTRESSED AREAS AND STRATEGIC INDUSTRIES, AND PROVIDING ONGOING LEGISLATIVE ASSESSMENT OF THE STATE'S ECONOMIC INCENTIVES PORTFOLIO.*

To be summarized in tomorrow's *Daily Bulletin*.

Intro. by Hoyle.

GS 105, 120, 143B

March 12, 2009

S 574. MAKE BETTER USE OF ECONOMIC INCENTIVES. Filed 3/11/09. *TO REALLOCATE NORTH CAROLINA'S ECONOMIC INCENTIVES PORTFOLIO TO MAKE IT MORE EFFECTIVE, TARGETED, AND MEASURABLE BY ELIMINATING INEFFECTIVE TAX CREDITS, REDUCING THE CORPORATE INCOME TAX RATE, TARGETING DISTRESSED AREAS AND STRATEGIC INDUSTRIES, AND PROVIDING ONGOING LEGISLATIVE ASSESSMENT OF THE STATE'S ECONOMIC INCENTIVES PORTFOLIO.*

Amends GS 105-129.82(a) to accelerate the sunset date of Article 3J of Chapter 105 from January 1, 2011, to January 1, 2009. Article 3J established a tax credit program for certain types of businesses. Amends GS 105-130.3 to annually reduce the corporate income tax from 6.9% to 6.6% by 2012. Amends GS 143B-437.51 to add a definition of *economically distressed area*. Amends GS 143B-437.52, which established the Job Development Investment Grant Program to (1) change the grant-making criteria; (2) increase the cap on the number of grants available to 30, with 25 for projects anywhere in the state and 5 for projects in economically disadvantaged areas; and (3) increase the ceiling on the total grants awarded annually from \$15 million to \$25 million. Reenacts GS 143B-437.53(d) to impose wage and employment requirements on grantees. Requires that unless the business is located in an economically distressed area, the average wage of all jobs at the location with respect to which a grant is made must be at least equal to 110% of the average wage for all insured private employees in the state and 90% of the average wage for all insured private employees in the county. Amends GS 143B-437.54(a) to expand the membership of the Economic Investment Committee to include the Chair of the Economic Development Board. Extends the authority of that Committee to enter into new agreements until January 1, 2016 (was, January 1, 2010). Amends GS 120-70.105 to rename the Revenue Laws Study Committee the Finance and Economic Development Study Committee. Expands the Committee's membership from 16 to 20 and modifies the authority of the committee to allow the study of issues related to economic development. Makes conforming changes to GS 120-70.107. Repeals Article 12O of Chapter 120, which establishes and empowers the Joint Legislative Economic Development Oversight Committee. Effective July 1, 2009, except for the accelerated sunset date in GS 105-129.82(a), which is effective when the act becomes law.

Intro. by Hoyle.

GS 105, 120, 143B