

March 11, 2009

S 576. JDIG TECHNICAL MODIFICATIONS. Filed 3/11/09. *TO MAKE CERTAIN MODIFICATIONS TO AND EXTEND THE SUNSET OF THE JOB DEVELOPMENT INVESTMENT GRANT PROGRAM.*

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

Intro. by Hoyle.

GS 143B

March 12, 2009

S 576. JDIG TECHNICAL MODIFICATIONS. Filed 3/11/09. *TO MAKE CERTAIN MODIFICATIONS TO AND EXTEND THE SUNSET OF THE JOB DEVELOPMENT INVESTMENT GRANT PROGRAM.*

Under current law, the Job Development Investment Grant Program (JDIG) is administered by the Economic Investment Committee (EIC).

Amends GS 143B-437.52 to provide that the EIC may enter into agreements (was, *negotiated* agreements) with businesses to provide grants under the JDIG program. Makes several technical changes to clarify that the EIC awards grants (was, enters into agreements or grant agreements). Deletes the provision allowing for a maximum total of \$30 million of annual liability for grants entered into in 2006, clarifying that the maximum amount of total annual liability for grants awarded in any single calendar year is \$15 million.

Amends GS 143B-437.55 to provide that a business may apply for a grant in one consolidated application form that may include performance by related members of the business who may qualify under the JDIG program (was, a business may apply for a grant on its own behalf and on behalf of related members of the business who may qualify for the JDIG program). Makes conforming changes. Also provides that the grant awarded is to be paid to the approved grantee business only (was, paid to the applicant business). Makes the following changes to the required content for EIC's annual report on the JDIG program, published on or before April 30 of each year: (1) requires listing of the percentage of withholdings used to determine the amount of the grant, the annual maximum state liability under the grant, and the maximum total lifetime state liability under the grant; (2) replaces references to *eligible positions created* with *eligible positions to be created*; (3) provides that wage levels of all eligible positions to be created be aggregated and listed in increments of \$10,000 (was, \$5,000); (4) clarifies that subsequent reports issued by the EIC after the first annual report are to include any changes from the criteria developed to implement the JDIG program from the previous calendar year; and (5) clarifies that the report is to contain the number of awards made to new and existing businesses in the preceding calendar year.

Amends GS 143B-437.58(a) to require every business that receives a grant under the JDIG program to submit an annual payroll report to the EIC that shows withholdings and identifies eligible positions that have been created during the base period that remain filled at the end of each year of the grant (was, submit a report that showed the eligible positions created during the preceding calendar year, and subsequent to the base period, submit an annual report to EIC showing the eligible positions that remain filled at the end of each grant year).

Amends GS 143B-437.57(a) to provide that among the terms to be included in each economic development agreement are: (1) a provision that requires the EIC to reduce the amount or term of a grant (was, amend an agreement) under the terms of GS 143B-437.59 (regarding the failure of a grantee to comply with the agreement); (2) a provision stating that unless the agreement is terminated (was, amended or terminated) pursuant to GS 143B-437.59 the agreement, *including any amendments* (was, agreement) under GS 143B-437.59 is binding; (3) a provision that sets out any permitted variation in the terms of the agreement that will not subject the business to grant reduction, amendment, or termination (was, amendment or termination); and (4) a provision stating that any recapture of a grant and any reduction (was, amendment to an agreement reducing the grant or agreement terms) in the amount of the grant or the term of the agreement is to be proportional to the failure to comply.

Amends GS 143B-437.59 to delete the requirement that the EIC amend an agreement to reduce the grant amount or the terms of the agreement. Now requires the EIC to reduce the grant amounts or term of the agreement, or terminate the agreement, or both, of a business that fails to

meet or comply with the terms and criteria of the JDIG program. Provides the method by which the EIC may reduce the amount or term of a grant. Permits the EIC to withhold grant payment, providing that the business is still within the established base period, for any consecutive year after the second consecutive year remaining in the base period in which the business fails to comply with any condition of the agreement.

Amends GS 143B-437.62 to provide that the authority of the EIC to award new grants expires January 1, 2016 (was, January 1, 2010).

Intro. by Hoyle.

GS 143B