

EDGE

FEBRUARY 4, 2016

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COMMITTEE FOCUS

- G.S. 120-70.131
 - Economic development and global engagement issues and strategies in NC in order to make ongoing recommendations to the General Assembly on ways to promote cost-effective economic development initiatives, economic growth, and stimulating job creation in the global economy
- Rural/Urban Divide
 - Spurred discussion during the legislative session
 - Began noticing an alarming economic decline in the non-metropolitan South in 1983
 - Exacerbated by the Great Recession
 - 30 years and little improvement
- Narrow the focus of the Committee this interim to this issue

RURAL/URBAN DIVIDE

- 1986
 - NC Commission on Jobs and Economic Growth
- 1987
 - Tax incentive for companies creating jobs in one of the 20 most distressed counties
 - Based on formula that was the sum of
 - Unemployment
 - Per capita income for the most recent 36 month period
- 1996
 - Bill Lee Tax Credits
- 2006
 - Article 3J tax credits replace Bill Lee Act
- 2014
 - Sunset of Article 3J
 - Shift in economic development policy to emphasize discretionary incentive programs, such as JDIG and One NC
- 2022
 - End of tax credits generated by Article 3J and Bill Lee Act

LAST MEETING

- Ted Abernathy
 - Confirmed the Rural/Urban Divide continues to exist
- PED report
 - Charged with examining the effectiveness of the economic development tiers system for NC counties
 - Findings
 - Original purpose no longer exists
 - Tier system used by Commerce to distribute state resources
 - Distributing state funding based on tiers system does not provide the greatest benefit to the most distressed counties
 - Alterations over time have created confusion about the purpose of the tier system
- ARC (Appalachian Regional Commission)
 - Capacity-building as a promising strategy to assist economically distressed communities

COMMITTEE OBJECTIVES

Short-term

- How to identify an EDC?
 - Variables to use?
 - Methodology?
 - Goals?
- How does Commerce help EDC?
 - What programs currently exists?
 - Other programs that help EDC?
- Short session changes?

Long-term

- Does the State have a clear strategy to identify and assist EDC?
- How should distress be measured?
- Develop a strategy to assist those areas?
 - Capacity building?
 - New programs?
 - Changes to existing programs?