

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1989**

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**HOUSE BILL 158**

Short Title: Industrial Development Fund.

(Public)

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Sponsors: Representatives Lineberry; Beall, Bowen, Bowman, Chapin, DeVane, Diamont, B. Ethridge, Fitch, Hardaway, Hasty, Jack Hunt, Judy Hunt, H. Hunter, Jeralds, Kennedy, Mercer, Mills, Perdue, Redwine, Rogers, Stamey, Stewart, Warner, Warren, and Woodard.

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Referred to: Commerce.

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February 6, 1989

**A BILL TO BE ENTITLED**

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2 **AN ACT TO APPROPRIATE FUNDS FOR THE INDUSTRIAL DEVELOPMENT**  
3 **FUND AND TO REFINE THE SCOPE OF THE INDUSTRIAL DEVELOPMENT**  
4 **FUND GRANT PROGRAM TO APPLY TO PROJECTS THAT WILL**  
5 **DIRECTLY RESULT IN NEW JOBS IN THE MOST ECONOMICALLY**  
6 **DISTRESSED COUNTIES IN THE STATE.**

7       Whereas, the Industrial Development Fund was created by the General  
8 Assembly in 1987 to assist the local governments of the 50 most economically  
9 depressed counties in the State; and

10       Whereas, during the 1987-89 fiscal biennium the Industrial Development  
11 Fund has provided vital assistance for renovations of existing buildings and utility lines  
12 for use in manufacturing and industrial expansion; and

13       Whereas, such projects have helped the economy of the depressed counties  
14 and of the State as a whole by creating thousands of new jobs; and

15       Whereas, the State will benefit from continuing the program and targeting its  
16 resources to projects that will directly result in new jobs in those counties that have not  
17 shared in the prosperity experienced by the State as a whole and in the most  
18 economically distressed counties in the State; Now, therefore,  
19 The General Assembly of North Carolina enacts:

20       Section 1. Part 2 of Article 10 of Chapter 143B of the General Statutes is  
21 amended by adding at the end a new section to read:

1 **"§ 143B-437.1. Industrial Development Fund.**

2 There is created in the Department of Commerce the Industrial Development Fund  
3 to provide funds to assist the local government units of the most economically  
4 depressed counties in the State in creating jobs. The Department of Commerce shall  
5 adopt rules providing for the administration of the program. Those rules shall include  
6 the following:

- 7 (1) The funds shall be used for (i) installation of or purchases of  
8 manufacturing equipment or process productions equipment, (ii)  
9 structural repairs, improvements, or renovations of existing buildings  
10 to be used for manufacturing and industrial expansion, and/or (iii)  
11 construction of or improvements to new or existing water, sewer, gas,  
12 or electrical utility distribution lines or equipment for existing  
13 industrial buildings or for buildings to be constructed for  
14 manufacturing and industrial operations. To be eligible for funding,  
15 the water, sewer, gas, or electrical utility lines or facilities shall be  
16 located on the site of the building or, if not located on the site, shall be  
17 directly related to the operation of the specific manufacturing activity.
- 18 (2) The funds shall be used by the city and county governments for  
19 projects that will directly result in the creation of new jobs. The funds  
20 shall be expended at a rate of one thousand five hundred dollars  
21 (\$1,500) per new job created up to a maximum of five hundred  
22 thousand dollars (\$500,000) per project.
- 23 (3) The funds may be used by the city or county governments in  
24 accordance with rules to be issued by the Department of Commerce  
25 governing the use of funds and eligibility for grants under this  
26 program.

27 Each year, on or before December 31, the Secretary of Commerce shall designate  
28 the most economically distressed counties in the State; this designation shall remain  
29 effective for the following calendar year. The Secretary of Commerce shall determine  
30 which counties are the most economically distressed counties in the State based on (i)  
31 rate of unemployment, (ii) per capita income, and (iii) relative population and  
32 work force growth or lack of growth, as determined by the Secretary of Commerce.

33 The Department of Commerce shall report annually to the General Assembly  
34 concerning the applications made to the fund and the payments made from the fund and  
35 the impact of the payments on job creation in the State. The Department of Commerce  
36 shall also report monthly to the Joint Legislative Commission on Governmental  
37 Operations and the Fiscal Research Division on to whom payments were made, in what  
38 amounts, and for what purposes."

39 Sec. 2. There is appropriated from the General Fund to the Department of  
40 Commerce the sum of fifteen million dollars (\$15,000,000) for the 1989-90 fiscal year  
41 to be used for the Industrial Development Fund established in G.S. 143B-437.1.

42 Sec. 3. This act shall become effective July 1, 1989.