

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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SENATE BILL 1369

Short Title: Community Economic Development Funds. (Public)

Sponsors: Senator Dannelly.

Referred to: Appropriations/Base Budget.

May 26, 2010

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO COMMUNITY INSTITUTIONS TO ASSIST
3 SMALL FARMERS AND RURAL LANDOWNERS, SUPPORT ECONOMIC
4 DEVELOPMENT ACTIVITIES IN MINORITY NEIGHBORHOODS AND
5 COMMUNITIES, ASSIST MINORITY AND WOMEN-OWNED BUSINESSES, AND
6 PROVIDE ACCESS TO AFFORDABLE FINANCE SERVICES AND ASSET
7 BUILDING OPPORTUNITIES STATEWIDE.

8 Whereas, the General Assembly finds record levels of decline in new housing starts,
9 rising unemployment, and tightened credit markets leading to an unprecedented economic crisis
10 for ever increasing numbers of North Carolinians; and

11 Whereas, North Carolina has invested in a network of statewide organizations that
12 provide assistance with accessing economic opportunities for individual and community-based
13 efforts across the State; and

14 Whereas, these organizations have a proven track record and have demonstrated the
15 ability, in the past, to quickly and flexibly deploy public and private resources to support
16 community building throughout the State; and

17 Whereas, these organizations are ready to respond to recovery initiatives, prioritized
18 by the State, to offset the housing and economic disaster the State is now experiencing; and

19 Whereas, continued State support of this network of organizations will achieve the
20 following purposes:

- 21 (1) To preserve and create jobs and promote economic recovery;
- 22 (2) To assist those most impacted by the recession;
- 23 (3) To provide investments needed to increase economic efficiency in spurring
24 small business and community-based economic development, especially
25 through the use of green technologies;
- 26 (4) To invest in environmental protection, housing and sustainable economic
27 development, and other State infrastructure that will provide long-term
28 economic benefits;
- 29 (5) To stabilize home values and municipal tax bases in order to minimize and
30 avoid reductions in essential services and counterproductive State and local
31 tax increases; Now, therefore,

32 The General Assembly of North Carolina enacts:

33 **SECTION 1.** There is appropriated from the General Fund to the Department of
34 Commerce the sum of fifty-five thousand five hundred eighty dollars (\$55,580) for the
35 2010-2011 fiscal year to be allocated to the Land Loss Prevention Project for the purpose of
36 continuing expansion of legal representation to financially distressed small farmers and to rural
37 landowners in underserved tobacco dependent communities. The Land Loss Prevention Project



1 shall not use these funds to represent farmers who have income and assets that would make
2 them financially ineligible for legal services under Part 1611 of Title 45 of the U. S. Code of
3 Federal Regulations.

4 **SECTION 2.** There is appropriated from the General Fund to the Department of
5 Commerce the sum of seventy-six thousand nine hundred ninety dollars (\$76,990) for the
6 2010-2011 fiscal year to be allocated to The North Carolina Association of Community
7 Development Corporations, Inc., for the purpose of strengthening the State's economy through
8 community-based development activities, including enhancing the work of community
9 development corporations in building prosperous communities.

10 **SECTION 3.** There is appropriated from the General Fund to the Department of
11 Commerce the sum of five hundred fourteen thousand five hundred two dollars (\$514,502) for
12 the 2010-2011 fiscal year to be allocated to the North Carolina Community Development
13 Initiative, Inc., and its subsidiary, Initiative Capital, to strengthen the investment in low-wealth
14 communities in North Carolina by awarding grants, loans, and increasing the loan loss reserves
15 to attract, retain, and leverage private sector low-interest rate loans, venture capital funds, and
16 philanthropic resources in order to expand the green building/conservation-based housing and
17 commercial programs, create jobs, expand technical assistance, and support economic stimulus
18 activities.

19 **SECTION 4.** There is appropriated from the General Fund to the Department of
20 Commerce the sum of two hundred seventy-six thousand six hundred seventeen dollars
21 (\$276,617) for the 2010-2011 fiscal year to be allocated to the North Carolina Institute of
22 Minority Economic Development for managerial technical assistance, loans, contract financing,
23 and to increase access of small firms to market opportunities and credit facilities, especially in
24 underdeveloped communities, and to increase job retention and job creation initiatives among
25 small and medium-sized businesses.

26 **SECTION 5.** There is appropriated from the General Fund to the Department of
27 Commerce the sum of three hundred ninety-three thousand seven hundred sixteen dollars
28 (\$393,716) for the 2010-2011 fiscal year to be allocated to the North Carolina Minority Support
29 Center for operating expenses and for the purpose of small business lending, loan growth,
30 mortgage lending, and financial literacy through a competitive grants process to North Carolina
31 community development credit unions.

32 **SECTION 6.** This act becomes effective July 1, 2010.