

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

H.B. 870
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30388-MC-183

Short Title: Modify Development Tier Designations.

(Public)

Sponsors: Representative Johnson.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE DEVELOPMENT TIER DESIGNATIONS.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 143B-437.08 reads as rewritten:

5 "**§ 143B-437.08. Development tier designation.**

6 (a) Tiers Defined. – A development tier one area is a county whose annual ranking is one
7 of the 40 highest in the State. A development tier two area is a county whose annual ranking is
8 one of the next 40 highest in the State. A development tier three area is a county that is not in a
9 lower-numbered development tier.

10 (b) Development Factor. – Each year, on or before November 30, the Secretary of
11 Commerce shall assign to each county in the State a development factor that is the sum of the
12 following:

- 13 (1) The county's rank in a ranking of counties by average rate of unemployment
14 from lowest to highest, for the most recent 12 months for which data are
15 available.
- 16 (2) The county's rank in a ranking of counties by median household income from
17 highest to lowest, for the most recent 12 months for which data are available.
- 18 (3) The county's rank in a ranking of counties by percentage growth in population
19 from highest to lowest, for the most recent 36 months for which data are
20 available.
- 21 (4) The county's rank in a ranking of counties by adjusted assessed property value
22 per capita as published by the Department of Public Instruction, from highest
23 to lowest, for the most recent taxable year.

24 (c) Annual Ranking. – After computing the development factor as provided in this section
25 and making the adjustments required in this section, the Secretary of Commerce shall rank all
26 the counties within the State according to their development factor from highest to lowest. The
27 Secretary shall then identify all the areas of the State by development tier and publish this
28 information. A development tier designation is effective only for the calendar year following the
29 designation.

30 (d) Data. – In measuring rates of unemployment and median household income, the
31 Secretary shall use the latest available data published by a State or federal agency generally
32 recognized as having expertise concerning the data. In measuring population and population
33 growth, the Secretary shall use the most recent estimates of population certified by the State
34 Budget Officer. For the purposes of this section, population statistics do not include people
35 incarcerated in federal or State prisons.



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1 (e), (f) Repealed by Session Laws 2018-5, s. 15.2(a), effective June 12, 2018, and
2 applicable to economic development awards made and related determinations occurring on or
3 after January 1, 2019.

4 (f1) Adjustment for Rural Counties. – Regardless of the actual development factor, any
5 county that has thirty percent (30%) or more of the county located within a rural census tract, as
6 defined in G.S. 143B-472.127(a)(2), shall automatically be excluded from being ranked one of
7 the 20 lowest counties.

8"

9 **SECTION 2.** This act is effective when it becomes law and applies to annual
10 rankings performed on or after that date.