

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 1018

Short Title: Econ. Dev. Modifications. (Public)

Sponsors: Representative Reives.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Appropriations, if favorable, Rules, Calendar, and Operations of the House

May 6, 2024

A BILL TO BE ENTITLED

AN ACT TO RENAME THE ONE NORTH CAROLINA SMALL BUSINESS ACCOUNT
THE SMALL BUSINESS RESEARCH AND TECHNOLOGY ACCOUNT, TO MAKE
VARIOUS ECONOMIC DEVELOPMENT MODIFICATIONS, AND TO APPROPRIATE
MONEY FOR VARIOUS ECONOMIC DEVELOPMENT PURPOSES.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 143B-437.71 reads as rewritten:

"§ 143B-437.71. One North Carolina Fund established as a special revenue fund.

(a) Establishment. – The One North Carolina Fund is established as a special revenue fund in the Department of Commerce.

(b) Purposes. – Moneys in the One North Carolina Fund may only be allocated pursuant to this subsection. Moneys may be allocated to local governments for use in connection with securing commitments for the recruitment, expansion, or retention of new and existing businesses and to the ~~One North Carolina Small Business Account~~ Small Business Research and Technology Account created pursuant to subsection (c) of this section in an amount not to exceed three million dollars (\$3,000,000). Moneys in the One North Carolina Fund allocated to local governments shall be used for the following purposes only:

- (1) Installation or purchase of equipment.
- (2) Structural repairs, improvements, or renovations to existing buildings to be used for expansion.
- (3) Construction of or improvements to new or existing water, sewer, gas, or electric utility distribution lines or equipment for existing buildings.
- (4) Construction of or improvements to new or existing water, sewer, gas, or electric utility distribution lines or equipment for new or proposed buildings to be used for manufacturing and industrial operations.

(4a) Competitive grants for eligible small businesses that locate a new or expand an existing facility in the State to offset costs associated with the facility. The Department shall prioritize grants to recipients that will have the greatest net benefit at the regional and State levels. Grants to a recipient under this subdivision may not exceed (i) five hundred thousand dollars (\$500,000) in any single calendar year, (ii) two million five hundred thousand dollars (\$2,500,000) total, or (iii) a term of distribution over five years. An eligible small business is a business that meets all of the following requirements:



- 1 a. Has 250 or fewer full-time employees, including full-time equivalents
2 or has less than five million dollars (\$5,000,000) in annual gross
3 revenue.
4 b. Will invest at least ten million dollars (\$10,000,000) but not more than
5 thirty million dollars (\$30,000,000) in private funds, and hire not more
6 than 250 new employees, as defined in G.S. 143B-437.51, in this State.
7 c. Pays employees an average weekly wage that is at least equal to one
8 hundred ten percent (110%) of the average wage for all insured private
9 employers in the county.

10 (5) Any other purposes specifically provided by an act of the General Assembly.

11 (b1) Awards. – The amounts committed in Governor's Letters issued in a single fiscal year
12 may not exceed seventeen million dollars (\$17,000,000). Of the amount authorized in this
13 subsection, three million dollars (\$3,000,000) is reserved for agreements with local governments
14 located in development tier three areas, as defined in G.S. 143B-437.08, with total employment
15 of 115,000 or less, using the data specified in G.S. 143B-437.52(c)(3).

16 (c) Small Business Research and Technology Account. – There is created in the One
17 North Carolina Fund a special account, the ~~One North Carolina Small Business Account, Small~~
18 Business Research and Technology Account, to be used for the North Carolina SBIR/STTR
19 Incentive Program and the North Carolina SBIR/STTR Matching Funds Program, as specified in
20 Part 2I of Article 10 of Chapter 143B of the General Statutes."

21 **SECTION 1.(b)** G.S. 143B-437.80(a) reads as rewritten:

22 "(a) Program. – There is established the North Carolina SBIR/STTR Incentive Program
23 to be administered by the North Carolina Board of Science, Technology, and Innovation. In order
24 to foster job creation and economic development throughout the State, the Board may provide
25 grants to eligible businesses to offset costs associated with applying for federal Small Business
26 Innovative Research (SBIR) grants or Small Business Technology Transfer Research (STTR)
27 grants. The grants shall be paid from the ~~One North Carolina Small Business Account~~ Small
28 Business Research and Technology Account established in G.S. 143B-437.71."

29 **SECTION 1.(c)** G.S. 143B-437.83 reads as rewritten:

30 "**§ 143B-437.83. Reports.**

31 The Department of Commerce shall publish a report on the use of funds in the ~~One North~~
32 ~~Carolina Small Business Account~~ Small Business Research and Technology Account on
33 September 1 of each year until all funds have been expended. The report shall contain information
34 on the disbursement and use of funds allocated under the One North Carolina Small Business
35 Program. The report must be submitted to the following:

36 "

37 **SECTION 2.** There is appropriated from the General Fund to the Main Street
38 Solutions Fund established in G.S. 143B-472.35 the sum of twenty-five million dollars
39 (\$25,000,000) for the 2024-2025 fiscal year for the Department of Commerce to use for purposes
40 consistent with that Fund.

41 **SECTION 3.** There is appropriated from the General Fund to the Rural Infrastructure
42 Authority the sum of fifteen million dollars (\$15,000,000) for the 2024-2025 fiscal year for the
43 Authority to use for the purposes set forth in G.S. 143B-472.127(a)(2).

44 **SECTION 4.** There is appropriated from the General Fund to the Department of
45 Transportation the sum of thirty million dollars (\$30,000,000) for the 2024-2025 fiscal year to
46 be allocated to the North Carolina Ports Authority for the Authority to use for the construction
47 of a roll-on-roll-off facility for the Port of Morehead City.

48 **SECTION 5.** There is appropriated from the General Fund to the Department of
49 Commerce, Rural Economic Developmental Division (REDD), the sum of fifteen million dollars
50 (\$15,000,000) for the 2024-2025 fiscal year to be used for purposes consistent with the Rural
51 Downtown Transformation Grant Program established in Section 11.12 of S.L. 2021-180. REDD

1 may use up to five percent (5%) of the funds appropriated in this section to administer the
2 Program.

3 **SECTION 6.** Sections 2, 3, 4, and 5 of this act become effective July 1, 2024. Except
4 as otherwise provided, the remainder of this act is effective when it becomes law.