

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 438

Short Title: Modify Utility Account. (Public)

Sponsors: Representatives S. Martin, Conrad, Presnell, and L. Johnson (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Public Utilities.

April 2, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE USES OF FUNDS FROM THE UTILITY ACCOUNT.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 143B-437.01 reads as rewritten:

5 "**§ 143B-437.01. Industrial Development Fund Utility Account.**

6 (a) Creation and Purpose of Fund. – There is created in the Department of Commerce a
7 special account to be known as the Industrial Development Fund Utility Account ("Utility
8 Account") to provide funds to assist the local government units of the most economically
9 distressed counties in the State in creating jobs. The Department of Commerce shall adopt rules
10 providing for the administration of the program. Those rules shall include the following
11 provisions, which shall apply to each grant from the account:

12 (1) The funds shall be used for construction of or improvements to new or
13 existing water, sewer, gas, telecommunications, high-speed broadband,
14 electrical utility distribution lines or equipment, or transportation
15 infrastructure for existing or new or proposed buildings. To be eligible for
16 funding, the water, gas, telecommunications, high-speed broadband,
17 electrical utility lines or facilities, or transportation infrastructure shall be
18 located on the site of the building or, if not located on the site, shall be
19 directly related to the operation of the job creation activity. To be eligible for
20 funding, the sewer infrastructure shall be located on the site of the building
21 or, if not located on the site, shall be directly related to the operation of the
22 job creation activity, even if the sewer infrastructure is located in a county
23 other than the county in which the building is located.

24 ...

25 (1b) Up to five hundred thousand dollars (\$500,000) per year of the funds may be
26 used for applied technology equipment and renovations of school property
27 for work-based experience programs.

28 (2) The funds shall be used by the city and county governments for (i) projects
29 that are reasonably anticipated to result in the creation of new ~~jobs~~ jobs or
30 (ii) work-based experience programs that increase job opportunities for
31 participants. There shall be no maximum funding amount per new job to be
32 created or per project.

33 ...

34 (7) Priority for the use of funds shall be given to eligible industries.

35 (a1) Definitions. – The following definitions apply in this section:



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- 1 (1) Air courier services. – The furnishing of air delivery of individually
- 2 addressed letters and packages for compensation, in interstate commerce,
- 3 except by the United States Postal Service.
- 4 ...
- 5 (2a) Company headquarters. – A corporate, subsidiary, or regional managing
- 6 office, as defined by NAICS in United States industry 551114, that is
- 7 responsible for strategic or organizational planning and decision making for
- 8 the business on an international, national, or multistate regional basis.
- 9 ...
- 10 (5) Eligible industry. – A company headquarters or a person engaged in the
- 11 business of air courier services, information technology and services,
- 12 manufacturing, or warehousing and wholesale trade.
- 13 (6) Information technology and services. – An industry in one of the following,
- 14 as defined by NAICS:
- 15 a. Data processing industry group 518.
- 16 b. Software publishers industry group 5112.
- 17 c. Computer systems design and related services industry group 5415.
- 18 d. An Internet activity included in industry group 519130.
- 19 ...
- 20 (8) Manufacturing. – An industry in manufacturing sectors 31 through 33, as
- 21 defined by NAICS, but not including quick printing or retail bakeries.
- 22 ...
- 23 (10) Warehousing. – An industry in warehousing and storage subsector 493 as
- 24 defined by NAICS.
- 25 (11) Wholesale trade. – An industry in wholesale trade sector 42 as defined by
- 26 NAICS.
- 27 (12) Work-based experience programs. – High school educational programs in
- 28 which high school students take classes (i) developed in collaboration with
- 29 and using equipment provided by eligible industries and (ii) for which the
- 30 students receive an associate degree in a field relevant to the eligible
- 31 industry upon graduation from high school.

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SECTION 2. This act is effective when it becomes law.