

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

S

1

SENATE BILL 834

Short Title: JMAC Program Expansion. (Public)

Sponsors: Senators Newton and Harrington (Primary Sponsors).

Referred to: Appropriations/Base Budget

May 27, 2022

1 A BILL TO BE ENTITLED
2 AN ACT TO EXPAND AVAILABILITY OF AWARDS FROM THE JOB MAINTENANCE
3 AND CAPITAL DEVELOPMENT FUND.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 143B-437.012 reads as rewritten:
6 **"§ 143B-437.012. Job Maintenance and Capital Development Fund.**

7 ...
8 (d) Eligibility. – A business is eligible for consideration for a grant under this section if
9 it satisfies the conditions of subdivision (1), (1a), (2), ~~or (2a)~~ (2a), or (2b) of this subsection and
10 satisfies subdivision (4) of this subsection:

11 (1) The business is a major employer. A business is a major employer if the
12 business meets the following requirements:
13 a. The Department certifies that the business has invested or intends to
14 invest at least two hundred million dollars (\$200,000,000) of private
15 funds in improvements to real property and additions to tangible
16 personal property in the project within a six-year period beginning
17 with the time the investment commences.

18 b. The business employs at least 2,000 full-time employees or equivalent
19 full-time contract employees at the project that is the subject of the
20 grant at the time the application is made, and the business agrees to
21 maintain at least 2,000 full-time employees or equivalent full-time
22 contract employees at the project for the full term of the grant
23 agreement.

24 c. The project is located in a development tier one area at the time the
25 business applies for a grant.

26 (1a) The business previously received a grant as a major employer under this
27 section and meets the following requirements:

28 a. The Department certifies that the business has invested or intends to
29 invest at least one hundred fifty million dollars (\$150,000,000) of
30 private funds in improvements to real property and additions to
31 tangible personal property in the project within a six-year period
32 beginning with the time the investment commences. Amounts certified
33 as invested under sub-subdivision a. of subdivision (1) of this
34 subsection shall not be included in the amount required by this
35 sub-subdivision.



- 1 b. The business employs at least 2,000 full-time employees or equivalent
2 full-time contract employees at the project that is the subject of the
3 grant at the time the application is made and the business agrees to
4 maintain at least 2,000 full-time employees or equivalent full-time
5 contract employees at the project for the full term of the grant
6 agreement.
- 7 c. The project is at the same location as that for which a grant was
8 previously awarded under subdivision (1) of this subsection.
- 9 (2) The business is a large manufacturing employer. A business is a large
10 manufacturing employer if the business meets the following requirements:
- 11 a. The business is in manufacturing, as defined in G.S. 105-129.81, and
12 is converting its manufacturing process to change the product it
13 manufactures or is investing in its manufacturing process by
14 enhancing pollution controls or transitioning the manufacturing
15 process from using coal to using natural gas for the purpose of
16 becoming more energy efficient or reducing emissions.
- 17 b. The Department certifies that the business has invested or intends to
18 invest at least fifty million dollars (\$50,000,000) of private funds in
19 improvements to real property and additions to tangible personal
20 property in the project within a five-year period beginning with the
21 time the investment commences.
- 22 c. The business meets one of the following employment requirements:
- 23 1. If in a development tier one area, the business employs at least
24 320 full-time employees at the project that is the subject of the
25 grant at the time the application is made, and the business
26 agrees to maintain at least 320 full-time employees at the
27 project for the full term of the grant.
- 28 2. If in a development tier two area with a population of less than
29 60,000 as of July 1, 2013, the business employs at least 800
30 full-time employees or equivalent full-time contract employees
31 at the project that is the subject of the grant at the time the
32 application is made, and the business agrees to maintain at least
33 800 full-time employees or equivalent full-time contract
34 employees at the project for the full term of the grant.
- 35 (2a) The business is a heritage manufacturing employer. A business is a heritage
36 manufacturing employer if the business meets the following requirements:
- 37 a. The business is in manufacturing, as defined in G.S. 143B-437.01, and
38 has been operating in this State for over 100 years.
- 39 b. The Department certifies that the business has invested or intends to
40 invest at least three hundred twenty-five million dollars
41 (\$325,000,000) of private funds in improvements to real property and
42 additions to tangible personal property in the project within a four-year
43 period beginning with the time the investment commences.
- 44 c. The business employs at least 1,050 full-time employees or equivalent
45 full-time contract employees in the State at the time the application is
46 made and the business agrees to (i) maintain at least 1,050 full-time
47 employees or equivalent full-time contract employees in the State for
48 the full term of the grant and (ii) retrain and relocate to a development
49 tier two area at least 400 of those full-time employees or equivalent
50 full-time contract employees upon the commencement of commercial
51 production at its tier two area facility.

- 1 d. The business is operating in a development tier three area at the time
2 the business applies for a grant and the business is relocating to a
3 development tier two area with an estimated population of less than
4 63,000, according to the 2017 Certified County Population Estimates
5 published by the State Demographer's Office.
- 6 e. An agreement with a business under this subdivision may provide that
7 the grant paid out over the term of the agreement be in unequal annual
8 payments and in amounts deviating from the factors listed in
9 subsection (1) of this section for any individual annual payment,
10 provided the factors are considered in the aggregate award to be paid
11 to the business over the entire term of the agreement.
- 12 (2b) The business is a supply-chain-impact manufacturing employer. A business is
13 a supply-chain-impact manufacturing employer if the business meets the
14 following requirements:
- 15 a. The business is in manufacturing, as defined in G.S. 105-129.81,
16 manufactures a product used primarily and significantly in the
17 construction of residential and commercial buildings, and is investing
18 in its manufacturing process to transition away from utilizing
19 coal-based energy byproducts to other alternatives.
- 20 b. The Department certifies that the business has invested or intends to
21 invest at least one hundred ten million dollars (\$110,000,000) of
22 private funds in improvements to real property and additions to
23 tangible personal property in the project within a five-year period
24 beginning with the time the investment commences.
- 25 c. The business and its affiliated companies (i) employ at least 420
26 full-time employees or equivalent full-time contract employees in the
27 State at the time the application is made and (ii) agree to maintain at
28 least 420 full-time employees or equivalent full-time contract
29 employees in the State for the full term of the grant.
- 30 d. The business has operations in a development tier two area at the time
31 the business applies for a grant, and the business agrees to maintain or
32 increase the development tier two area operations for the term of the
33 agreement.
- 34 (3) Repealed by Session Laws 2014-118, s. 1, effective July 1, 2014.
- 35 (4) All newly hired employees of the business must be citizens of the United
36 States or have proper identification and documentation of their authorization
37 to reside and work in the United States.
- 38 (e) Wage Standard. – A business is eligible for consideration for a grant under this section
39 only if the business satisfies a wage standard at the project that is the subject of the agreement.
40 ~~A~~ For an agreement with a business and its affiliated companies, the wage standard is met if (i)
41 the pay for employees located in the lowest development tier is at least equal to one hundred
42 forty percent (140%) of the average wage for all insured in the county and (ii) the pay for all
43 other employees is at least equal to one hundred forty percent (140%) of the greater of the average
44 wage for all insured in the county where the position was located at the time the agreement was
45 entered or, if the position is transferred to another area in the State, the average wage for all
46 insured in the county to which the position is transferred. For any other agreement, a business
47 satisfies the wage standard if it pays an average weekly wage that is at least equal to one hundred
48 forty percent (140%) of the average wage for all insured private employers in the county. The
49 Department of Commerce shall annually publish the wage standard for each county. In making
50 the wage calculation, the business shall include any jobs that were filled for at least 1,600 hours
51 during the calendar year, regardless of whether the jobs are full-time positions or equivalent

1 full-time contract positions. Each year that a grant agreement is in effect, the business shall
2 provide the Department a certification that the business continues to satisfy the wage standard.
3 If a business fails to satisfy the wage standard for a year, the business is not eligible for a grant
4 payment for that year.

5 ...

6 (n) Limitations. – The Department may enter into no more than ~~seven-eight~~ agreements
7 under this section. The total aggregate cost of all agreements entered into under this section may
8 not exceed one hundred ~~fifty-four-fifty-nine~~ million dollars (~~\$154,000,000~~–~~(\$159,000,000)~~). The
9 total annual cost of an agreement entered into under this section may not exceed six million
10 dollars (\$6,000,000)."

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