

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE DRH30200-LY-90 (2/14)

Short Title: Economic Development Funds - COG. (Public)

Sponsors: Representative Allen.

Referred to:

A BILL TO BE ENTITLED

1
2 AN ACT APPROPRIATING FUNDS TO REGIONAL COUNCILS OF
3 GOVERNMENT TO ASSIST LOCAL GOVERNMENTS ON A REGIONAL
4 BASIS IN THE AREAS OF ECONOMIC DEVELOPMENT, COMMUNITY
5 DEVELOPMENT, INFRASTRUCTURE, AND OTHER SIGNIFICANT LOCAL
6 NEEDS AND TO PROVIDE TARGETED ASSISTANCE TO AID LOCAL
7 GOVERNMENTS IN DISTRESSED COUNTIES WITH ECONOMIC
8 RECOVERY.

9 Whereas, North Carolina's regional councils of government have provided
10 effective assistance to local governments in every region of the State; and

11 Whereas, regional councils of government have been successful in leveraging
12 the annual State appropriations into an impressive level of State and federal grants to
13 benefit communities and citizens across the State and have used the annual State
14 appropriation of \$832,150 to obtain more than \$44 million in State and federal grants
15 each year; and

16 Whereas, North Carolina's regional councils of government bring local
17 governments together to deal with economic growth and other common needs on a
18 regional scale, playing a valuable role in bridging the gaps between rural and urban
19 areas, as local governments' needs have expanded, especially in economically distressed
20 counties and in growth areas; and

21 Whereas, regional councils of government help strengthen the attractiveness
22 of North Carolina to businesses, tourists, and residents by assisting local governments
23 with community development and economic development strategies, infrastructure,
24 workforce, rural transportation, and other quality of life improvements but do not
25 conflict with Regional Economic Development Partnerships whose main role is
26 recruiting major industry; and

1 Whereas, regional councils of government are in an ideal position to help
2 local governments in the State's most distressed areas develop and carry out projects to
3 change economic conditions and restore hope to these communities; Now, therefore,
4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** There is appropriated from the General Fund to the
6 Department of Commerce the sum of one million seven hundred thousand dollars
7 (\$1,700,000) for each year of the 2007-2009 fiscal biennium. Funds appropriated under
8 this section shall be allocated to regional councils of government or lead regional
9 organizations as provided by this section. Each regional council of government or lead
10 regional organization is allocated one hundred thousand dollars (\$100,000) for each
11 year of the 2007-2009 fiscal biennium.

12 **SECTION 2.** A regional council of government may use funds appropriated
13 by Section 1 of this act only to assist local governments in grant applications, economic
14 development, community development, support of local industrial development
15 activities, infrastructure and water resource development, and other activities as deemed
16 appropriate by the member governments.

17 **SECTION 3.** In addition to the appropriation made under Section 1 of this
18 act, there is appropriated from the General Fund to the Department of Commerce the
19 sum of eight hundred twenty thousand dollars (\$820,000) to be allocated to regional
20 councils of government to assist local government in development tier one areas, as
21 defined in G.S. 143B-437.08. The Department shall allocate to regional councils of
22 government the sum of twenty thousand dollars (\$20,000) for each tier one county
23 within its region. Funds appropriated under this section shall be used only to assist local
24 governments with planning, developing, and implementing economic development
25 projects that are identified by those local governments as priorities critical to help them
26 with economic recovery and to improve job and investment growth.

27 **SECTION 4.** Funds appropriated by this act shall be paid by electronic
28 transfer in two equal installments each year, the first no later than September 1 of each
29 year and the second subsequent to acceptable submission of the annual report due to the
30 Joint Legislative Commission on Governmental Operations and the Fiscal Research
31 Division by February 15 of each year as specified in Section 6 of this act.

32 **SECTION 5.** Funds appropriated in this act shall not be used for payment of
33 dues or assessments by the member governments and shall not supplant funds
34 appropriated by the member governments.

35 **SECTION 6.** Each regional council of government or lead regional
36 organization shall do the following:

- 37 (1) By February 15, 2008, and more frequently as requested, report to the
38 Joint Legislative Commission on Governmental Operations and the
39 Fiscal Research Division the following information:
- 40 a. State fiscal year 2006-2007 program activities, objectives, and
41 accomplishments;
 - 42 b. State fiscal year 2006-2007 itemized expenditures and fund
43 sources;

- 1 c. State fiscal year 2007-2008 planned activities, objectives, and
2 accomplishments, including actual results through December
3 31, 2007; and
4 d. State fiscal year 2007-2008 estimated itemized expenditures
5 and fund sources, including actual expenditures and fund
6 sources through December 31, 2007.
- 7 (2) By February 15, 2009, and more frequently as requested, report to the
8 Joint Legislative Commission on Governmental Operations and the
9 Fiscal Research Division the following information:
- 10 a. State fiscal year 2007-2008 program activities, objectives, and
11 accomplishments;
12 b. State fiscal year 2007-2008 itemized expenditures and fund
13 sources;
14 c. State fiscal year 2008-2009 planned activities, objectives, and
15 accomplishments, including actual results through December
16 31, 2008; and
17 d. State fiscal year 2008-2009 estimated itemized expenditures
18 and fund sources, including actual expenditures and fund
19 sources through December 31, 2008.
- 20 (3) Provide to the Fiscal Research Division a copy of the organization's
21 annual audited financial statement within 30 days of issuance of the
22 statement.

23 **SECTION 7.** This act becomes effective July 1, 2007.