

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE DRS85239-LY-171 (3/13)

Short Title: No Contingent Fees - Economic Development. (Public)

Sponsors: Senator Goodall.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT CONTINGENCY FEES BASED ON ECONOMIC
DEVELOPMENT INCENTIVES RECEIVED FROM THE STATE.

The General Assembly of North Carolina enacts:

SECTION 1. Part 2 of Article 10 of Chapter 105 of the General Statutes
reads as rewritten:

"§ 143B -437.11. Contingency fees prohibited.

No contract or agreement for lobbying, legal, consulting, or any other services may provide for payment of compensation based in whole or in part, directly or indirectly, upon any percentage of the amount of an economic development incentive award granted by the State or any unit of local government. Violation of this section is a material breach of the agreement awarding the economic development incentive and shall result in forfeiture of the economic development incentive. Forfeiture of an economic development incentive under this section requires the person receiving the incentive to repay the amount received to the State or local government, plus interest computed at the rate established under G.S. 105-241.1 from the time of the award of the incentive."

SECTION 2. This act becomes effective October 1, 2007, and applies to economic development incentives awarded on or after that date.