



# SENATE BILL 378: Local Economic Development Modifications.

2019-2020 General Assembly

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<b>Committee:</b>	Senate Rules and Operations of the Senate	<b>Date:</b>	May 6, 2019
<b>Introduced by:</b>	Sen. Johnson	<b>Prepared by:</b>	Amy Darden
<b>Analysis of:</b>	Second Edition		Staff Attorney

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**OVERVIEW:** *Senate Bill 378 would change when public hearings are required for economic development expenditures.*

**CURRENT LAW:** G.S. 158-7.1 authorizes cities and counties to make expenditures for economic development. G.S. 158-7.1(a) contains a general grant of authority. G.S. 158-7.1(b) grants express authority for 8 types of economic development projects and gives special rules for these 8 types of projects. G.S. 158-7.1(c) requires a public hearing for projects covered by G.S. 158-7.1(b). G.S. 158-7.1(d) and G.S. 158-7.1(d2) place additional requirements on projects authorized under G.S. 158-7.1(b) including a requirement that the proposed sale price of land plus future tax revenue to be generated by the project equal or exceed the fair market value of the land. The remainder of the statute imposes reporting rules, funding limits, and other requirements.

**BILL ANALYSIS:** Senate Bill 378 would remove the requirement to have a public hearing, under G.S. 158-7.1(c), when a hearing has already occurred for the adoption of the budget.

**EFFECTIVE DATE:** The act would become effective when it becomes law, and apply to appropriations and expenditures approved on or after that date.

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Director



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