



**SENATE BILL 382:
Disaster Relief-3/Budget/Various Law Changes,
Sec. 2E.3:
Burke County Business Park Site Development**

2023-2024 General Assembly

Committee:		Date:	January 15, 2025
Introduced by:		Prepared by:	Amy Darden Staff Attorney
Analysis of:	Sec. 2E.3 of S.L. 2024-57		

OVERVIEW: Section 2E.3 of S.L. 2024-57 reallocates \$20 million of the \$23.52 million that originally went to Burke Partnership for Economic Development, Inc. (Burke Partnership) for megasite capital and acquisition costs in western North Carolina and allows Burke Partnership to instead use that \$20 million for site development and preconstruction activities at the Burke Business Park in Burke County, subject to Burke Partnership entering into contracts with Burke County and the Department of Commerce that, among other things, provide for (i) acceptable uses of funds, (ii) fund recoupment requirements, (iii) clawback provisions, and (iv) fund repayment provisions.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

BILL ANALYSIS:

Section 2E.3(a) and (b) reallocates \$20 million of the \$23.52 million from the 2023-2024 fiscal year that originally went to Burke Partnership for Economic Development, Inc. (Burke Partnership) for megasite capital and acquisition costs in western North Carolina to instead be used for site development and preconstruction activities, by Burke Partnership in consultation with the Department of Commerce (Department), at the Burke Business Park located in Burke County.

Section 2E.3(c) requires Burke Partnership to execute a project design and management agreement with Burke County Government and a contract with the Department that, at a minimum, provides for:

- Acceptable uses of funds.
- Fund recoupment requirements.
- Burke Partnership's liability in the event of any fund recoupment deficiencies.
- Acceptable contract termination provisions in the event Burke Partnership no longer requires funding.
- Clawback provisions in the event Burke Partnership does not fulfill its responsibilities.

Section 2E.3(d) requires Burke Partnership to recoup all funds used within 36 months of the date that funds are used or otherwise obligated. No funds can be used or obligated after December 31, 2027. All funds must be recouped by December 31, 2027, or by the time of termination of the contract by Burke Partnership, whichever is earlier.

Section 2E.3(e) requires Burke Partnership to make quarterly reports on the use of funds to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Joint

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Legislative Economic Development and Global Engagement Oversight Committee, and the Fiscal Research Division beginning no later than December 1, 2024.

Section 2E.3(f) provides that funds not used under this section revert to the Regional Economic Development Reserve.

EFFECTIVE DATE: This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.