2025-2026 General Assembly

SENATE BILL 257: 2026 Appropriations Act, Sec. 11.8: Job Maintenance and Capital Development Fund Project

Analysis of:	S.L. 2026-41, Sec. 11.8	**Date:**	August 13, 2026
		Prepared by:	Legislative Analysis Division Staff

Section 11.8 of S.L. 2026-41 (Senate Bill 257), as amended by Section 4.4 of S.L. 2026-42 (House Bill 56), expands the type of business that is eligible for a grant under the Job Maintenance and Capital Development Fund (Fund) to include businesses that are pharmaceutical manufacturing employers.

A business is a pharmaceutical manufacturing employer eligible for a grant from the Fund if the business meets the following requirements:

- The business operates a manufacturing site within the same county and river basin as the project that is the subject of the agreement.
- The Department of Commerce (DOC) certifies that the business has invested or intends to invest at least $2 billion of private funds in improvements to real property and additions to tangible personal property at the site of the project that is the subject of the agreement over a period of time spanning 24 months before entering the agreement through the term of the agreement.
- The business employed at least 2,000 full-time employees or equivalent full-time contract employees in the State at the time the application for the grant is made and the business agrees to:
  - Maintain at least 2,000 full-time employees or equivalent full-time contract employees in the State for the full term of the grant.
  - Create and maintain at least 500 new full-time jobs in the county in which the project is located over a period of time spanning 24 months before entering the agreement through the term of the agreement.
- The business ensures that the project will supply at least 60% of the total aggregate water and wastewater needs required by a manufacturing site, phase, facility, or expansion of the business that is located in the same county as the project.
- The agreement with a pharmaceutical manufacturing employer can provide that the grant paid out over the term of the agreement be in amounts lower than equal annual payments and in amounts deviating from the factors considered for other eligible businesses for any individual annual payment with the remaining balance paid in the final year of the agreement term.

This section makes further modifications generally to Fund requirements by allowing DOC to enter into nine agreements for grants from this Fund rather than just eight agreements. The total aggregate cost of all agreements for grants from this Fund cannot exceed $209 million and the total annual cost of an individual agreement for grants under this Fund cannot exceed $11 million except for the variation allowed for an agreement with a business that is a pharmaceutical manufacturing employer.

This section became effective July 1, 2026.

Kara McCraw
Director

Legislative Analysis Division
919-733-2578