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When Doug McKay and I wrote the SC JDC act years ago we deliberately made it open-ended

Decker: JDIG incentives maxed out, funding needed ASAP

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Dathan Kazsuk

North Carolina Department of Commerce Secretary Sharon Decker says the state could miss out on a chance to compete for more than 4,100 new jobs proposed for the state if its Jobs Development Investment Grant program doesn't receive more funds.



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One of North Carolina's biggest corporate incentive grant programs, the Jobs Development Investment Grant, is only one project announcement away from maxing out its \$22.5 million funding account.

"And without JDIG, we will not be competitive," N.C. Commerce Secretary [Sharon Decker](#) told members of Research Triangle chapter of NAIOP at its meeting Nov. 7 at the Umstead in Cary.

The JDIG program, since its inception in 2002, has been used by state economic development recruiters to sweeten the pot for companies that are considering a major investment in North Carolina that would lead to the creation of net new jobs in the state.

JDIG has typically been reserved for the largest new jobs deals, and pay-outs are only made after the company reaches a minimum job creation goal. Local companies that have been awarded JDIG grants include [MetLife](#) (NYSE: MET), Ipreo, Syngenta Biotechnology (NYSE: SYT), Allscripts Healthcare (Nasdaq: MDRS) and [HCL Technologies](#) (NSE: HCLTECH).

Decker warns that the state is dangerously close to losing its chance to even negotiate on potentially large job-producing deals, including three big economic development prospects that are considering expansion and relocation options in the Triangle that could add another 4,100 jobs in region.

Decker declined to identify any of the company prospects, but she confirms that they would be well-paying jobs with the companies that are in the biopharmaceutical, biotechnology and agri-bio industries.

"Tax reform has helped us because we are no longer the highest in the Southeast, and that is great," she says.

"But, we will not be competitive for those jobs without JDIG."

Decker stopped short from saying that the governor needs to call a special session of the General Assembly to approve legislation to fund JDIG, but it is an option that Gov. [Pat McCrory](#) says he is considering.

"We are in ongoing discussions about the need for a special session and that will be based upon our economic development and recruitment efforts," McCrory stated through his office. "I've said all along that if there is an economic development recruitment decision that has to be made that involve job development grants, and that decision needs to be made before January, then I will call a special session. If a decision is needed and jobs are on the line, I will call for a special session."

But even if McCrory does recall lawmakers for a special session, the proposal could face opposition from lawmakers opposed to economic incentives that benefit individual companies.

The General Assembly is scheduled to convene for its long session on Jan. 14, 2015.

[N.C. Commerce Department](#) spokeswoman [Kim Genardo](#) says that the Economic Investment Committee, which must approve all JDIG funding requests, is scheduled to meet on Nov. 12 to consider a grant award for an undisclosed company.

If that award is approved, as expected, North Carolina Commerce officials will have no more funds with which to negotiate with for other potentially large economic development projects.

"We have not maxed out, but we are very, very close," Genardo says.

Decker also noted in an interview after the NAIOP meeting that each of the three project prospects she mentioned for the Triangle are expected to make a site location decision within the next 90 days.

"We don't have much time," she says.

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