

**NORTH CAROLINA
DEPARTMENT OF COMMERCE**



As of: October 1, 2013
This report is made to the Revenue
Laws Study Committee, pursuant to
N.C. Gen. Stat. § 143B-435.1(d).

The following provides information on clawbacks in various programs administered by the Department of Commerce.

PROGRAM	COMPANY OR LOCAL GOVERNMENT RECIPIENT	TOTAL AMT TO BE REPAID	AMT REPAID	DATE RECOVERED	AMT TO BE REPAID	TRIGGERING EVENT
One NC ⁱ	Philip Morris USA	\$750,000.00	\$750,000.00	7/5/2007	\$0.00	Facility closed
One NC	Pulte Mortgage	\$55,000.00	\$55,000.00	10/6/2008	\$0.00	Facility closed
One NC	Menlo Logistics	\$15,000.00	\$15,000.00	5/27/2010	\$0.00	Facility closed
One NC	AmeriKart (NC) Corp	\$11,616.00	\$11,616.06	7/27/2010	\$0.00	Local match not completed
One NC	IWCO	\$93,750.00	\$93,749.94	Final Payment 5/21/2011	\$0.00 (\$0.06 forgiven)	Facility closed
JDIG ⁱⁱ	Brunswick Corporation	\$83,524.00	\$83,524.00	4/23/2009	\$0.00	Facility closed
JDIG	Dell Products LP	\$1,512,000.00	\$1,512,00.00	11/16/2009	\$0.00	Termination of project activities
JDIG	Volvo Construction Equipment	\$69,247.00	\$69,247.00	1/4/2010	\$0.00	Termination of project activities
JDIG	General Electric Company II	\$411,692.00	\$411,692.00	5/30/2010	\$0.00	Termination of grant
JDIG	Novo Nordisk	\$129,750.00	\$129,750.00	8/12/2010	\$0.00	Reduced hiring need; repaid in order to commence other competitive project eligible for grant
JDIG	ITG Automotive Safety Textiles, LLC (Narricot Industries)	\$13,780.00	\$13,780.00	9/1/2010	\$0.00	Termination of project activities
JDIG	Headway Corporation	\$50,175.00	\$50,175.00	Final Payment 10/29/2010	\$0.00	Termination of project activities
JDIG	GE-Hitachi Nuclear Energy Americas LLC	\$199,993.00	\$199,993.00	1/27/2012	\$0.00	Termination of grant
JDIG	Chris-Craft Corporation	\$54,212.00	\$54,212.00	Final Payment 12/13/2012	\$0.00	Termination of project activities
IDF ⁱⁱⁱ	Town of China Grove	\$5,130.59	\$5,130.59	2/14/2013	\$0.00	Altec Industries failed to create required number of jobs
Green Business Fund ^{iv}	Evans Environmental Energies, Inc.	\$15,540.42	\$15,540.42	10/29/2009	\$0.00	Project terminated due to industrial accident and declining economy

ⁱ In accordance with the One North Carolina Fund statute, grant agreements under the program include the ability to recapture funds for a grantee's failure to comply with specific requirements of the agreement. See N.C. Gen. Stat. § 143B-437.72(b)(7). In addition, Section 2.7 of The Guidelines for One North Carolina also requires that agreements contain recapture provisions for nonperformance.

ⁱⁱ In accordance with the JDIG statute, grant agreements under the program include the ability to recapture funds if a grantee fails to maintain operations at the project location for at least 150% of the grant term. See N.C. Gen. Stat. § 143B-437.57(a)(10). This requirement is also reflected in Section 11.3 of the Criteria for Operation and Implementation of the Job Development Investment Grant Program. There are other circumstances of reduced activity that have resulted in grantees voluntarily repaying grant amounts previously disbursed.

ⁱⁱⁱ In accordance with the Industrial Development Fund statute and administrative rules, if grant awards to units of local government are tied to job creation, the Department may recapture grant payments disbursed should a company fail to create the required number of jobs. See N.C. Gen. Stat. § 143B-437.01 and 4 N.C.A.C. 11 .0202.

^{iv} In accordance with the N.C. Green Business Fund statute, grant agreements and program guidelines include the ability to recapture funds for performance failures. See N.C. Gen. Stat. § 143B-437.6(5).