

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2021**

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**HOUSE BILL 870**

Short Title:    Modify Development Tier Designations. (Public)

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Sponsors:     Representatives Johnson, C. Smith, Pickett, and Gillespie (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

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Referred to:   Commerce, if favorable, Rules, Calendar, and Operations of the House

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May 5, 2021

A BILL TO BE ENTITLED  
AN ACT TO MODIFY THE DEVELOPMENT TIER DESIGNATIONS.  
The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143B-437.08 reads as rewritten:

**"§ 143B-437.08. Development tier designation.**

(a) Tiers Defined. – A development tier one area is a county whose annual ranking is one of the 40 highest in the State. A development tier two area is a county whose annual ranking is one of the next 40 highest in the State. A development tier three area is a county that is not in a lower-numbered development tier.

(b) Development Factor. – Each year, on or before November 30, the Secretary of Commerce shall assign to each county in the State a development factor that is the sum of the following:

- (1) The county's rank in a ranking of counties by average rate of unemployment from lowest to highest, for the most recent 12 months for which data are available.
- (2) The county's rank in a ranking of counties by median household income from highest to lowest, for the most recent 12 months for which data are available.
- (3) The county's rank in a ranking of counties by percentage growth in population from highest to lowest, for the most recent 36 months for which data are available.
- (4) The county's rank in a ranking of counties by adjusted assessed property value per capita as published by the Department of Public Instruction, from highest to lowest, for the most recent taxable year.

(c) Annual Ranking. – After computing the development factor as provided in this section and making the adjustments required in this section, the Secretary of Commerce shall rank all the counties within the State according to their development factor from highest to lowest. The Secretary shall then identify all the areas of the State by development tier and publish this information. A development tier designation is effective only for the calendar year following the designation.

(d) Data. – In measuring rates of unemployment and median household income, the Secretary shall use the latest available data published by a State or federal agency generally recognized as having expertise concerning the data. In measuring population and population growth, the Secretary shall use the most recent estimates of population certified by the State Budget Officer. For the purposes of this section, population statistics do not include people incarcerated in federal or State prisons.



1 (e), (f) Repealed by Session Laws 2018-5, s. 15.2(a), effective June 12, 2018, and  
2 applicable to economic development awards made and related determinations occurring on or  
3 after January 1, 2019.

4 (f1) Adjustment for Rural Counties. – Regardless of the actual development factor, any  
5 county that has thirty percent (30%) or more of the county located within a rural census tract, as  
6 defined in G.S. 143B-472.127(a)(2), shall automatically be excluded from being ranked one of  
7 the 20 lowest counties.

8 ...."

9 **SECTION 2.** This act is effective when it becomes law and applies to annual  
10 rankings performed on or after that date.