

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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SENATE BILL 686

Short Title: Call Center Eco. Dev. Incentive Clawback. (Public)

Sponsors: Senators Lee and Galey (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 8, 2021

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT CERTAIN CALL CENTER ECONOMIC DEVELOPMENT  
3 INCENTIVE CLAWBACKS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** This act shall be known and may be cited as the "NC Call Center  
6 Preservation Act of 2021."

7 **SECTION 2.** Article 3 of Chapter 95 of the General Statutes is amended by adding  
8 a new section to read:

9 "**§ 95-31.1. Call center job protection.**

10 (a) Definitions. – The following definitions apply in this section:

11 (1) Agency. – A State executive branch agency.

12 (2) Call center employer or employer. – Any business that employs for the  
13 purpose of customer service or back-office operations:

14 a. Fifty or more employees, excluding part-time employees; or

15 b. Fifty or more employees who in the aggregate work at least 1,500  
16 hours per week (exclusive of overtime hours).

17 (3) Commissioner. – The Commissioner of Labor.

18 (4) Part-time employee. – An employee who is employed for an average of fewer  
19 than 20 hours per week or who has been employed for fewer than six of the  
20 last 12 months preceding the date on which notice is required.

21 (b) Notice Requirements. – A call center employer that intends to relocate a call center,  
22 or one or more facilities or operating units within a call center comprising at least thirty percent  
23 (30%) of the call center's or operating unit's total volume when measured against the previous  
24 12-month average call volume of operations, or substantially similar operations, from North  
25 Carolina to outside the State shall notify the Commissioner at least 120 days before such  
26 relocation.

27 (c) Compilation. – The Commissioner shall compile a semiannual list of all call center  
28 employers that relocate a call center or one or more facilities or operating units with a call center  
29 comprising at least thirty percent (30%) of the call center's total volume of operations outside the  
30 State.

31 (d) Distribution. – The Commissioner shall distribute the list required in subsection (c)  
32 of this section to all agencies subject to this Chapter.

33 (e) Reversion. – Except as provided by this section, and notwithstanding any other  
34 provision of law, an employer that appears on the list described in subsection (c) of this section  
35 shall remit the unamortized value of any grants, guaranteed loans, tax benefits, or any other  
36 governmental support it has previously received to the Commissioner on a graduated scale



1 formula as follows:  $y = -.8x^3 + 100$  repayments reaching zero percent (0%) at the five-year mark.  
2 For the purposes of this formula, "y" equals the percentage of payback and "x" equals the amount  
3 of time. However, this subsection shall not be construed to supersede any conflicting terms of  
4 any preexisting incentive agreement."

5       **SECTION 3.** To recover the loss of call center employees within the State, the call  
6 center employer in partnership with the North Carolina Community College System shall  
7 implement a program for the retraining of affected employees who have become unemployed  
8 due to the relocation of a call center outside of the State. Each relocating call center employer  
9 shall remit retraining tuition for its former employees to the office of the North Carolina  
10 Community College System to be used within 18 months of displacement or the tuition will be  
11 forfeited.

12       **SECTION 4.** No provision of this act shall be construed to permit withholding or  
13 denial of payments, compensation, or benefits under any other State law (including State  
14 unemployment compensation, disability payments, or worker retraining or adjustment funds) to  
15 workers employed by call center employers that relocate outside the State.

16       **SECTION 5.** The provisions of this act are severable. If any of its provisions are  
17 declared to be invalid under the State or federal constitution, or preempted by federal law or  
18 regulation, the validity of the remainder of this act shall not be affected.

19       **SECTION 6.** This act is effective when it becomes law and applies to the relocation  
20 of call center jobs from this State on or after that date.