

Highlighting Key Economic Development Actions from Across the U.S.

Article By:

Stephanie Yarbrough

Allison Mayer

In the Golden State, a bill to expand the state's approach to workforce development programs passed the Senate floor on a 31-6 vote on May 24th, and is set to be considered by the Assembly's Labor and Employment Committee on June 14th. The bill would establish the Equitable Access to Job Opportunity Pilot Program, which aims to remove barriers to employment by providing financial aid to train individuals without post-secondary degrees from rural or low-income communities in targeted industries. The pilot program would operate during calendar year 2025, with the existing Workforce Development Board and Office of Planning and Research determining which key industries would be applicable based on goals established in California.

Georgia's 40-day legislative session adjourned on March 29, 2023. A key piece of economic development legislation, House Bill 408, passed both chambers and extended the sunset for exemptions of sales and use tax for tangible personal property use for and in the construction of competitive projects of regional significance. Rather

than the tax benefits sunset on June 30 this year, the sunset has been extended to December 21, 2026. Governor Kemp signed the legislation during a ceremony at the Hyundai Meta Plant on May 5, 2023.

Additionally, Gov. Kemp and legislative leaders announced in March a plan to review all of the state's tax credits and tax exemptions. That effort gets under way this week as the legislative committee reviewing these tax credits and exemptions convenes on June 14th. The committee expects to conclude its work ahead of the 2024 legislative session.

Maryland's 90-day session adjourned Sine Die on April 10th. The legislature championed House Bill 622 to create a new Industry 4.0 Technology Grant Program within the Maryland Department of Commerce to provide grants of \$25,000 to \$500,000 to small and medium-sized manufacturers to help implement new infrastructure, including sensor integration, robotics and autonomous equipment, cloud computing and cybersecurity.

Additionally, the legislature passed the Moore Administration's Build Our Future Grant Pilot Program and Fund (Innovation Economy Infrastructure Act of 2023), establishing within Commerce a program to award grants of up to \$2 million for infrastructure relating to projects across multiple sectors, including aerospace, advanced manufacturing, quantum computing, life sciences and others.

The current version of the state budget bill (House Bill 259) that will be considered by conference committee includes the provision of reviewing megasites in the state of less than 1,000 acres, in

coordination with local government priorities. The budget bill allocates additional funding to expand the review by the Economic Development Partnership of North Carolina of sites for development in several priority industries, including aerospace, automotive, food processing, clean energy, semiconductor and life sciences.

On March 20, Governor McMaster signed into law House Bill 3604, also known as the “Scout Bill,” which codifies the state’s incentive package that secured the automaker’s commitment to creating 4,000 jobs and investing \$2 billion to create a new manufacturing site in Blythewood, South Carolina. The bill commits approximately \$1.3 billion in benefits to support the Scout Motors project, including a new interchange off I-77, a training center at the local technical college, property acquisition and grant funds, making it the largest incentive package in the state’s history. Vehicle production on the site is expected to be under way by the end of 2026.

Additionally, the Governor signed a piece of legislation aimed at streamlining workforce development in the state. House Bill 3726, or the Statewide Education and Workforce Development Act, creates the Office of Statewide Workforce Development Coordination within the South Carolina Department of Employment and Workforce (DEW) to oversee workforce development in the state. The bill also relocates the SC Coordinating Council for Workforce Development to DEW from the Commerce department.

Modifications to the state’s tax code in House Bill 323, Governor Lee’s “Tennessee Works Tax Act,” include changes to Tennessee’s business tax that are expected to benefit small

businesses and expand benefits to manufacturers, among other benefits. The changes include increasing the filing threshold for the business tax to \$100,000 in sales, up from \$10,000, which will aid small businesses. The bill also expands the business tax exemption to manufacturers by modifying the definition to include locations within 10 miles of the manufacturing site. This change is important to manufacturers that may have space-constrained facilities and make use of satellite storage or distribution facilities.

—

Two key pieces of economic development legislation were approved during the Texas legislature's final days of session, and recently signed into law by Governor Abbott. House Bill 1515 continues the operations of the state's Economic Development and Tourism Office until at least 2035, and along with it the office's economic incentive programs. The office was previously set to expire on September 1, 2023 absent any legislative action.

Governor Abbott signed into law House Bill 5, the Texas Jobs, Energy, Technology, and Innovation Act, on June 8. The bill came following the expiration of Chapter 313 in the state last year, which provided exemptions from school taxes for certain businesses. House Bill 5 establishes a new school tax exemption program for businesses in a number of industries,

including manufacturing, critical infrastructure, high-tech R&D, and certain electric-generation facilities. Eligibility is determined on a sliding scale based upon the location of the project. In the smallest to communities, the business must create a minimum of 10 jobs and invest \$20 million, and for the most populous areas, the business must create at least 75 jobs and invest \$200 million to be eligible.

—

Two bills that passed the Virginia legislature and have been signed into law by Governor Youngkin address site readiness and workforce. House Bill 1842 creates the Virginia Business Ready Sites Acquisition Program, administered by the Virginia Economic Development Partnership Authority (VEDP). The newly created program authorizes the VEDP to acquire large-scale sites of at least 500 contiguous acres for economic development purposes as well as enter into agreements with private employers looking to invest at least \$250 million and create 250 or more jobs.

Senate Bill 1470 centralizes the Commonwealth's more than 30 workforce programs that reside across nearly a dozen state agencies under one umbrella agency. The newly constituted Department of Workforce Development and Advancement is charged with directing all workforce programs run by the state in order to create a more user-friendly, less fragmented suite of resources. The move aims to increase Virginia's competitiveness and optimize readiness of the workforce across the Commonwealth.

Taylor Conley, a Summer Associate in Womble Bond Dickinson's Los Angeles office and a student at Pepperdine Caruso School of Law, also helped author this alert.

Copyright © 2025 Womble Bond Dickinson (US) LLP All Rights Reserved.

National Law Review, Volume XIII, Number 336

Source URL: <https://natlawreview.com/article/highlighting-key-economic-development-actions-across-us>