

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 723

Short Title: Technology Coalitions Strategic Support Fund. (Public)

Sponsors: Representatives Logan, Ross, Belk, and Reives (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

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

April 3, 2025

A BILL TO BE ENTITLED
AN ACT TO ESTABLISH THE NORTH CAROLINA TECHNOLOGY COALITIONS
STRATEGIC SUPPORT FUND.

The General Assembly of North Carolina enacts:

SECTION 1. Article 10 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-437.84. The North Carolina Technology Coalitions Strategic Support Fund.

(a) Fund; Purposes. – The North Carolina Technology Coalitions Strategic Support Fund is established as a special fund in the Department of Commerce. The Office of Science, Technology, and Innovation shall be responsible for administering grants awarded by the Department from the Fund with oversight from the Board of Science, Technology, and Innovation. Grants shall be for the purpose of encouraging regional technology-based economic growth by fostering collaboration throughout a technology coalition and aligning State resource investment to scale critical and secure supply chains.

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

(1) Cost match. – Financial or in-kind resources provided through the Fund to a recipient, defined by a ratio of funding pursued or granted by non-State sources to that provided by the Fund.

(2) Department. – The Department of Commerce.

(3) Fund. – The North Carolina Technology Coalitions Strategic Support Fund established in this section.

(4) Office. – The Office of Science, Technology, and Innovation.

(5) Recipient. – An organization supported by the Fund that represents a technology coalition. Recipients may be an industry alliance, nonprofit organization, local government, academic institution, or State agency.

(6) Regional area. – Area of service by the technology coalition and the focus of economic development metric analysis for a technology-based industry sector. For purposes of the Fund, a regional area must be defined within the boundaries of the State.

(7) Technology coalition. – A regional network of organizations, such as private sector, academic, nonprofit, and government institutions, in a network of formal and informal relationships that contribute to technological and economic development in a technology-based industry sector, such as (i) artificial intelligence, (ii) high-performance computing and semiconductors, (iii) quantum science and technology, (iv) advanced manufacturing, (v)



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1 disaster prevention, (vi) advanced communications technology, (vii)
2 cybersecurity, (viii) biotechnology, (ix) advanced energy technology, and (x)
3 material science.

4 (c) Eligibility. – To be eligible for a grant from the Fund, all of the following conditions
5 must be met:

- 6 (1) The recipient must have its principal place of operation in the State.
7 (2) The recipient must certify that (i) the grant will be used for allowable purposes
8 solely within the State and (ii) it will retain its principal place of operation in
9 the State for as long as it receives grant money from the Fund or the term
10 required by the Office, whichever is longer.
11 (3) The recipient applies under oath, to, and on a form prescribed by the Office
12 that includes all of the following:
13 a. The name of the business, the form of organization under which it is
14 operated, and the names and addresses of the principals or
15 management of the business.
16 b. A description of how a grant from the Fund will aid the technology
17 coalition to advance its goals.
18 c. Justifications for the use of Fund resources for intended economic
19 impact to a regional area.
20 d. Any other information necessary for the Office to evaluate the
21 application.
22 (4) The recipient does not apply for or receive concurrent funding support from
23 other sources duplicating the purposes of the Fund.
24 (5) The recipient uses the grant from the Fund only for the activities listed in the
25 application and for which the grant was awarded.

26 (d) Use. – Other than administrative funds retained by the Department in an amount equal
27 to the greater of (i) one hundred fifty thousand dollars (\$150,000) or (ii) two percent (2%) of the
28 appropriation to the Fund for the year, the Department shall award distributions from the Fund
29 based on strategic and tactical programmatic needs solely for the following:

- 30 (1) Coalition infrastructure support, including (i) funding recipients to provide
31 external support or funding to State agencies or divisions of State agencies to
32 conduct market and economic analyses; (ii) developing workforce training
33 programs; (iii) supporting private, foundational, and federal grant
34 identification and submission; and (iv) sponsoring of technology coalition
35 knowledge-sharing events.
36 (2) Coalition cost match allowances to provide financial or in-kind cost matching
37 to recipients in support of non-State funding, including private, foundational,
38 and federal funding that drives the economic growth and maturation of a
39 technology industry in a regional area. The Board of Science, Technology,
40 and Innovation may (i) set a cap on the cost match amount and the number of
41 awards per recipient, (ii) require applicants to provide matching funds or
42 in-kind support for a grant from the Fund, and (iii) provide prioritization in
43 how the Fund may be used by the recipient.

44 (e) Administration. – The Department shall develop guidelines related to the
45 administration of the Fund. At least 20 days before the effective date of any guidelines or
46 nontechnical amendments to guidelines, the Department must publish the proposed guidelines
47 on the Department's website and provide notice to persons who have requested notice of proposed
48 guidelines. In addition, the Department must accept oral and written comments on the proposed
49 guidelines during the 15 business days beginning on the first day that the Department has
50 completed these notifications. For purposes of this section, a technical amendment is (i) an
51 amendment that corrects a spelling or grammatical error or (ii) an amendment that makes a

1 clarification based on public comment and could have been anticipated by the public notice that
2 immediately preceded the public comment."

3 **SECTION 2.** There is appropriated from the General Fund to the Department of
4 Commerce the recurring sum of ten million five hundred thousand dollars (\$10,500,000) in
5 nonrecurring funds for the 2025-2026 fiscal year to be allocated to the North Carolina
6 Technology Coalitions Strategic Support Fund for purposes consistent with that Fund.

7 **SECTION 3.** This act becomes effective July 1, 2025.