

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1989**

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SENATE BILL 451

Short Title: Small Business Council Act.

(Public)

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Sponsors: Senator Martin of Pitt.

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Referred to: Small Business.

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March 15, 1989

A BILL TO BE ENTITLED

AN ACT TO CREATE THE NORTH CAROLINA SMALL BUSINESS AND  
ECONOMIC DEVELOPMENT COUNCIL.

Whereas, job creation and retention and the expansion of the economic base of the State are critically important to the future of the State; and

Whereas, the State now provides substantial financial support for small business and related economic development activities and programs through a number of State agencies, The Board of Governors, the Department of Community Colleges, and several quasi-public and private organizations;

Whereas, it is in the best interests of the State to marshal and consolidate resources where appropriate to improve the quality and cost effectiveness of services to the public and to eliminate efforts which have not proven effective;

Whereas, in order to reduce duplication of effort and services, it is appropriate to foster coordination and cooperation among the various State-funded programs designed to stimulate small business and economic development; and

Whereas, it is important to have a defined mechanism in place for review and comments on new programs relating to small business and economic development and for regular reporting to the General Assembly, the Governor, and the public on State-funded small business and economic development programs; Now, therefore, The General Assembly of North Carolina enacts:

Section 1. To enhance the effectiveness of State-funded activities and programs and to facilitate cooperation and coordination among these, there is hereby created the North Carolina Small Business and Economic Development Council.

Sec. 2. Membership in the Council shall consist of appointments by:

- 1 a. The Department of Agriculture;
- 2 b. The Department of Labor;
- 3 c. The Department of Secretary of State;
- 4 d. The Department of Commerce;
- 5 e. The Department of Natural Resources & Community Development;
- 6 f. The North Carolina Technological Development Authority;
- 7 g. The North Carolina Science and Technology Research Center;
- 8 h. The Small Business and Technology Development Center of The
- 9 University of North Carolina;
- 10 i. The Small Business Center Programs of the Department of
- 11 Community Colleges;
- 12 j. The North Carolina Agricultural Extension Service;
- 13 k. The North Carolina Biotechnology Center;
- 14 l. The North Carolina Rural Economic Development Center;
- 15 m. The Association of Councils of Government Executive Directors; and
- 16 n. Any State agency or private organization not named above which
- 17 receives more than one hundred thousand dollars (\$100,000) annually
- 18 in funding support from the State in support of programs or activities
- 19 which aim to serve or support small business or economic
- 20 development.

21 Sec. 3. No later than August 1, 1989, each appointing authority designated  
22 by Section 2 of this act shall designate in writing to the Secretary of the Department of  
23 Commerce the official who will represent their agency or organization on the Council.  
24 Annually thereafter each appointing authority shall provide such designation to the  
25 Council Coordinator.

26 Council representatives shall receive no compensation for their services on  
27 the Council. When on Council business, they will be reimbursed for travel and  
28 subsistence expenses in accordance with State law.

29 A majority of the Council representatives shall constitute a quorum, but less  
30 than a majority may adjourn any meeting. The Council shall hold meetings at least on a  
31 quarterly basis by call of the Coordinator or a majority of the representatives of the  
32 Council. Such meetings shall be held in Raleigh or at any other place within the State  
33 of North Carolina acceptable to a majority of the Council.

34 Sec. 4. The duties of the Council shall be:

- 35 (1) **Coordination.** To encourage action among the members of the
- 36 Council to assure that the role of each member organization is clearly
- 37 defined and that there is minimal duplication of efforts or services
- 38 among the member organizations. The Council shall encourage and
- 39 facilitate the creation of written memoranda of understanding to
- 40 formalize interrelationships among member organizations.
- 41 (2) **Program Review and Evaluation.** To encourage the development
- 42 and implementation of formal systems for assessing the quality and
- 43 effectiveness of the programs of each of the Council members. As part
- 44 of this effort, the Council shall provide a forum for the private sector

1 to comment on the State's efforts to stimulate small business  
2 development and will take these comments into account in its program  
3 evaluations. The Council shall also review all proposed programs and  
4 initiatives affecting small businesses or the State's economic  
5 development efforts and shall provide comments as to their usefulness  
6 and how they can most effectively be implemented.

7 (3) **Advocacy.** To serve as an advocate for the small business community  
8 in North Carolina. This would include identifying unnecessary  
9 government regulations or other impediments to the successful  
10 operation of small businesses and proposing new methods for  
11 encouraging entrepreneurship.

12 (4) **Public Awareness.** To develop a plan for increasing public awareness  
13 of State-funded programs designed to assist small businesses and  
14 economic development in North Carolina.

15 (5) **Reporting.** To report at least annually to the General Assembly and  
16 the Governor on the activities and recommendations of the Council.  
17 The Council will also provide other data and comments as requested  
18 by the General Assembly or the Governor.

19 Sec. 5. No later than August 1, 1989, the Secretary of the Department of  
20 Commerce shall convene a meeting of the official designated representatives of  
21 members of the Council for the purpose of selecting the initial coordinator of the  
22 Council. The Coordinator shall be elected for a two-year term by a majority vote of the  
23 Council representatives. Every two years thereafter, or in the event that it is necessary  
24 to fill an unexpired term, the Council representatives shall elect a Coordinator. The  
25 initial Coordinator and each successor shall be a full-time employee of a member of the  
26 Council and shall have offices within 25 miles of Raleigh, North Carolina.

27 Sec. 6. The duties and responsibilities of the Coordinator shall be:

- 28 (1) To preside at all Council meetings;  
29 (2) To schedule and notify all members of the Council of the time and  
30 place of each meeting;  
31 (3) To schedule an adequate number of meetings to ensure the  
32 effectiveness of the Council;  
33 (4) To actively solicit the advice, counsel and input of Council members;  
34 (5) In consultation with the Council, to provide the means for assuring  
35 input from the private sector;  
36 (6) To query State agencies not named to the Council on programs being  
37 offered to promote economic development or to assist small  
38 businesses;  
39 (7) To ensure that agencies and organizations not named in this act, but  
40 which meet the continued funding requirement, are invited to serve on  
41 the Council and to determine, following consultation with the Council,  
42 which agencies meet the criteria in cases where membership is  
43 disputed;

1           (8)    With the active involvement and support of the Council, to prepare and  
2                   submit a report to the General Assembly and Governor annually.

3           Sec. 7.  There is appropriated from the General Fund to the Department of  
4 Commerce for fiscal year 1989-90 the sum of twenty-five thousand dollars (\$25,000) to  
5 support the cost of operation of the Council and preparation of the required reports.  
6 Such funds may be transferred to other organizations as necessary to fulfill the above-  
7 stated intent.

8           Sec. 8.  This act shall become effective July 1, 1989.