

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**HOUSE DRH60227-LR-57A (02/28)**

Short Title: e-NC Voting Members/Job Creation Funds.

(Public)

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Sponsors: Representative Tolson.

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Referred to:

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A BILL TO BE ENTITLED

1  
2 AN ACT (1) APPROPRIATING FUNDS TO THE E-NC AUTHORITY FOR  
3 CREATION OF JOBS AND BUSINESSES BY CONTINUATION OF E-NC  
4 ACTIVITIES TO SUPPORT INFRASTRUCTURE DEPLOYMENT AND  
5 TECHNOLOGY-BASED ECONOMIC DEVELOPMENT IN THE RURAL AND  
6 DISTRESSED URBAN AREAS OF THE STATE AND FOR THE  
7 DEVELOPMENT OF TWO ADDITIONAL E-NC BUSINESS AND  
8 TECHNOLOGY TELECENTERS AND (2) PROVIDING THAT ALL MEMBERS  
9 OF THE E-NC GOVERNING COMMISSION MAY VOTE.

10       Whereas, the gap in household computer ownership between white  
11 Americans and black Americans has narrowed from 30 points to 5 points; and

12       Whereas, overall Internet penetration in North Carolina has moved from well  
13 below the national average to above the national average; and

14       Whereas, Internet penetration in nonmetropolitan North Carolina now  
15 exceeds the national average; and

16       Whereas, home Internet use has increased dramatically in North Carolina  
17 with the fastest increases in rural and nonmetropolitan counties; and

18       Whereas, home use of broadband is growing rapidly in North Carolina; and

19       Whereas, nonmetropolitan North Carolina is going "high speed" faster than  
20 the rest of the nonmetropolitan United States, with thirty-two percent (32%) of home  
21 Internet users in nonmetro counties linked to the Internet via broadband in 2004, which  
22 is an increase of fifteen percent (15%) from 2002; and

23       Whereas, the e-NC Authority (formerly the Rural Internet Access Authority)  
24 has worked over the past four years to help North Carolinians accomplish these  
25 technological advancements; Now, therefore,

26 The General Assembly of North Carolina enacts:

27       **SECTION 1.** The General Assembly finds that:

- 1 (1) The e-NC Authority, created by the General Assembly in S.L.  
2 2003-425 to continue the work of the Rural Internet Access Authority,  
3 is successfully pursuing its mandated goals, increasing access to  
4 affordable high-speed Internet and creating 21<sup>st</sup> century jobs through  
5 technology-based economic development in the rural and distressed  
6 urban areas of the State.
- 7 (2) The e-NC Business and Technology Telecenters are catalyzing  
8 technology-based economic development in some of North Carolina's  
9 most distressed regions by helping to grow existing small businesses,  
10 bringing new kinds of businesses into rural communities and regions,  
11 stimulating and supporting entrepreneurship, and creating 21<sup>st</sup> century  
12 jobs. E-NC Business and Technology Telecenters have created 488  
13 jobs in less than 30 months at an average cost of eight thousand five  
14 hundred thirty-seven dollars (\$8,537) per job.
- 15 (3) E-NC is successfully working with local governments and educational  
16 institutions to strengthen their technology capacities and services to  
17 their communities by making available to the public technology  
18 services and resources, training, and public access to computers and  
19 the Internet. Over 18 months, the initial four e-NC Business and  
20 Technology Telecenters have provided technical assistance to 1,000  
21 public and private sector clients, technology-incubation space to 33  
22 companies, public access to 50,000 citizens, and digital technology  
23 literacy training to 10,500 people in more than 900 classes.
- 24 (4) As found by the 2003 General Assembly, an organized effort must  
25 continue to ensure that the citizens of North Carolina keep pace with  
26 the ever faster technological changes in telecommunications and  
27 information networks in order to assure the economic competitiveness  
28 of North Carolina, with special focus on rural and urban distressed  
29 areas.
- 30 (5) As found by the 2003 General Assembly, affordable, high-speed  
31 Internet access is a key competitive factor for economic development  
32 and quality of life in the New Economy of the global marketplace.

33 **SECTION 2.** There is appropriated from the General Fund to the e-NC  
34 Authority the sum of five hundred thousand dollars (\$500,000) for the 2005-2006 fiscal  
35 year and the sum of five hundred thousand dollars (\$500,000) for the 2006-2007 fiscal  
36 year for operations of the e-NC Authority.

37 **SECTION 3.(a)** There is appropriated from the General Fund to the e-NC  
38 Authority the sum of one million dollars (\$1,000,000) for the 2005-2006 fiscal year to  
39 establish two e-NC Business and Technology Telecenters in distressed regions of the  
40 State.

41 **SECTION 3.(b)** The e-NC Authority may:

- 42 (1) Use up to five percent (5%) of the funds appropriated by this section  
43 for Business and Technology Telecenters to cover its expenses in

1 program development and implementation of activity areas with all of  
2 the e-NC Business and Technology Telecenters.

- 3 (2) Contract with other State agencies, The University of North Carolina,  
4 the North Carolina Community College System, and nonprofit  
5 organizations to assist with program development and the evaluation  
6 of program activities.

7 **SECTION 4.** E-NC Authority shall cooperate and work with the Department  
8 of Commerce, The University of North Carolina, the North Carolina Community  
9 College System, the local councils of government, the local chambers of commerce, the  
10 local economic developers, the North Carolina Association of County Commissioners,  
11 the North Carolina League of Municipalities, the Regional Economic Development  
12 Partnerships, and with the private and nonprofit sectors in carrying out this act.

13 **SECTION 5.** G.S. 143B-437.46(b) reads as rewritten:

14 "(b) Commission. – The Authority shall be governed by a Commission. The  
15 Commission shall consist of ~~nine voting members and six non voting ex officio~~ 15  
16 voting members, as follows:

- 17 (1) Three members appointed by the Governor.  
18 (2) Three members appointed by the General Assembly upon the  
19 recommendation of the President Pro Tempore of the Senate in  
20 accordance with G.S. 120-121.  
21 (3) Three members appointed by the General Assembly upon the  
22 recommendation of the Speaker of the House of Representatives in  
23 accordance with G.S. 120-121.  
24 (4) Six ~~ex officio, non voting ex officio~~ members to include the Secretary  
25 of Commerce, the State Chief Information Officer, the President of the  
26 North Carolina Rural Economic Development Center, Inc., the  
27 Executive Director of the North Carolina Justice and Community  
28 Development Center, the Executive Director of the North Carolina  
29 League of Municipalities, the Executive Director of the North Carolina  
30 Association of County Commissioners, or their designees.

31 It is the intent of the General Assembly that the appointing authorities, in making  
32 appointments, shall consider members who represent the geographic, gender, and racial  
33 diversity of the State, members who represent rural counties, members who represent  
34 distressed urban areas, members who represent the regional partnerships, and members  
35 who represent the communications industry. For the purpose of this subsection, the term  
36 "communications industry" includes local telephone exchange companies, rural  
37 telephone cooperatives, Internet service providers, commercial wireless  
38 communications carriers, cable television companies, satellite companies, and other  
39 communications businesses."

40 **SECTION 6.** Sections 2 and 3 of this act become effective July 1, 2005. The  
41 remainder of this act is effective when it becomes law.