

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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**HOUSE BILL 830
Committee Substitute Favorable 4/27/05**

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

(Public)

Sponsors:

Referred to:

March 22, 2005

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
9 MEMBERS OF THE E-NC GOVERNING COMMISSION MAY VOTE; AND
10 EXTENDING THE DECEMBER 31, 2006, SUNSET DATE FOR THE E-NC
11 AUTHORITY.

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

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

16 Whereas, Internet penetration in nonmetropolitan North Carolina now
17 exceeds the national average; and

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

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

21 Whereas, nonmetropolitan North Carolina is going "high speed" faster than
22 the rest of the nonmetropolitan United States, with 32 percent of home Internet users in
23 nonmetropolitan counties linked to the Internet via broadband in 2004, which is an
24 increase of 15 percent from 2002; and

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

28 The General Assembly of North Carolina enacts:

29 **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 twenty-first century jobs
5 through technology-based economic development in the rural and
6 distressed 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 twenty-first
12 century jobs. The e-NC Business and Technology Telecenters have
13 created 488 jobs in less than 30 months at an average cost of eight
14 thousand five hundred thirty-seven dollars (\$8,537) per job.
- 15 (3) The e-NC is successfully working with local governments and
16 educational institutions to strengthen their technology capacities and
17 services to their communities by making available to the public
18 technology services and resources, training, and public access to
19 computers and the Internet. Over 18 months, the initial four e-NC
20 Business and Technology Telecenters have provided technical
21 assistance to 1,000 public and private sector clients,
22 technology-incubation space to 33 companies, public access to 50,000
23 citizens, and digital technology literacy training to 10,500 people in
24 more than 900 classes.
- 25 (4) As found by the 2003 General Assembly, an organized effort must
26 continue to ensure that the citizens of North Carolina keep pace with
27 the ever faster technological changes in telecommunications and
28 information networks in order to assure the economic competitiveness
29 of North Carolina, with special focus on rural and urban distressed
30 areas.
- 31 (5) As found by the 2003 General Assembly, affordable, high-speed
32 Internet access is a key competitive factor for economic development
33 and quality of life in the new economy of the global marketplace.

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

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

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

- 43 (1) Use up to five percent (5%) of the funds appropriated by this section
44 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.** The e-NC Authority shall cooperate and work with the
8 Department of Commerce, The University of North Carolina, the North Carolina
9 Community College System, the local councils of government, the local chambers of
10 commerce, the local economic developers, the North Carolina Association of County
11 Commissioners, the North Carolina League of Municipalities, the Regional Economic
12 Development Partnerships, and with the private and nonprofit sectors in carrying out
13 this act.

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

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

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

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

41 **SECTION 6.** Section 4 of S.L. 2003-425 reads as rewritten:

42 **"SECTION 4.** Sections 1 and 2 of this act become effective December 31, 2003,
43 with the e-NC Authority hereby designated as the successor entity of the Rural Internet
44 Access Authority that will dissolve on that date, as provided by Section 5 of S.L.

1 2000-149. The remainder of this act is effective when it becomes law. The e-NC
2 Authority created in this act is dissolved effective December 31, 2006. This act is
3 repealed effective ~~December 31, 2006.~~ June 30, 2007. Part 2F of Article 10 of Chapter
4 143B of the General Statutes and G.S. 120-123(77), as enacted by this act, are repealed
5 effective ~~December 31, 2006.~~ June 30, 2007."

6 **SECTION 7.** Sections 2 and 3 of this act become effective July 1, 2005. The
7 remainder of this act is effective when it becomes law.