

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

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**SENATE BILL 825**

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

(Public)

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Sponsors: Senator Dalton.

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Referred to: Appropriations/Base Budget.

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March 23, 2005

A BILL TO BE ENTITLED

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

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:

- 28       (1) The e-NC Authority, created by the General Assembly in S.L.  
29       2003-425 to continue the work of the Rural Internet Access Authority,

1 is successfully pursuing its mandated goals, increasing access to  
2 affordable high-speed Internet and creating 21<sup>st</sup> century jobs through  
3 technology-based economic development in the rural and distressed  
4 urban areas of the State.

5 (2) The e-NC Business and Technology Telecenters are catalyzing  
6 technology-based economic development in some of North Carolina's  
7 most distressed regions by helping to grow existing small businesses,  
8 bringing new kinds of businesses into rural communities and regions,  
9 stimulating and supporting entrepreneurship, and creating 21<sup>st</sup> century  
10 jobs. E-NC Business and Technology Telecenters have created 488  
11 jobs in less than 30 months at an average cost of eight thousand five  
12 hundred thirty-seven dollars (\$8,537) per job.

13 (3) E-NC is successfully working with local governments and educational  
14 institutions to strengthen their technology capacities and services to  
15 their communities by making available to the public technology  
16 services and resources, training, and public access to computers and  
17 the Internet. Over 18 months, the initial four e-NC Business and  
18 Technology Telecenters have provided technical assistance to 1,000  
19 public and private sector clients, technology-incubation space to 33  
20 companies, public access to 50,000 citizens, and digital technology  
21 literacy training to 10,500 people in more than 900 classes.

22 (4) As found by the 2003 General Assembly, an organized effort must  
23 continue to ensure that the citizens of North Carolina keep pace with  
24 the ever faster technological changes in telecommunications and  
25 information networks in order to assure the economic competitiveness  
26 of North Carolina, with special focus on rural and urban distressed  
27 areas.

28 (5) As found by the 2003 General Assembly, affordable, high-speed  
29 Internet access is a key competitive factor for economic development  
30 and quality of life in the New Economy of the global marketplace.

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

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

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

40 (1) Use up to five percent (5%) of the funds appropriated by this section  
41 for Business and Technology Telecenters to cover its expenses in  
42 program development and implementation of activity areas with all of  
43 the e-NC Business and Technology Telecenters.

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

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

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

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

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

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

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