

GENERAL ASSEMBLY OF NORTH CAROLINA

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SENATE BILL 1343*
Information Technology Committee Substitute Adopted 6/7/00
Third Edition Engrossed 6/13/00
House Committee Substitute Favorable 6/28/00

Short Title: Rural Internet Access Authority.

(Public)

Sponsors:

Referred to:

May 18, 2000

1 A BILL TO BE ENTITLED
2 AN ACT TO CREATE THE NORTH CAROLINA RURAL INTERNET ACCESS
3 AUTHORITY AND TO DIRECT THE REGIONAL PARTNERSHIPS, WITH THE
4 ASSISTANCE OF THE NORTH CAROLINA RURAL ECONOMIC
5 DEVELOPMENT CENTER, TO STUDY AND REPORT ON THE INFORMATION
6 TECHNOLOGY INFRASTRUCTURE AND INFORMATION TECHNOLOGY
7 NEEDS OF THE STATE.
8 The General Assembly of North Carolina enacts:
9 Section 1. Article 10 of Chapter 143B of the General Statutes is amended by
10 adding a new Part to read:
11 **"PART 2E. NORTH CAROLINA RURAL INTERNET ACCESS AUTHORITY.**
12 **"§ 143B-437.40. Short title and intent.**
13 This Part is the 'North Carolina Rural Internet Access Authority Act.' The General
14 Assembly finds as follows:

- 1 (1) Access to computers and the Internet, along with the ability to
2 effectively use these technologies, are becoming increasingly important
3 for full participation in America's economic, political, and social life.
- 4 (2) Affordable, high-speed Internet access is a key competitive factor for
5 economic development and quality of life in the New Economy of the
6 global marketplace.
- 7 (3) In the digital age, universal connectivity at affordable prices is a
8 necessity for business transactions, education and training, health care,
9 government services, and the democratic process.
- 10 (4) Unequal access to computer technology and Internet connectivity by
11 income, educational level and/or geography could deepen and reinforce
12 the divisions that exist in our society.
- 13 (5) The intent of the Rural Internet Access Authority is to close this digital
14 divide for the citizens of North Carolina.

15 **§ 143B-437.41. Definitions.**

16 The following definitions apply in this Part:

- 17 (1) Authority. – The North Carolina Rural Internet Access Authority.
- 18 (2) Commission. – The governing body of the Authority.
- 19 (3) High-speed broadband Internet access. – Internet access with
20 transmission speeds of at least 128 kilobits per second for residential
21 customers and at least 256 kilobits per second for business customers.
- 22 (4) Rural county. – A county with a density of fewer than 200 people per
23 square mile based on the 1990 United States decennial census.
- 24 (5) Rural partnership. – Any of the following:
 - 25 a. The Western North Carolina Regional Economic Development
26 Commission created in G.S. 158-8.1.
 - 27 b. The Northeastern North Carolina Regional Economic
28 Development Commission created in G.S. 158-8.2.
 - 29 c. The Southeastern North Carolina Regional Economic
30 Development Commission created in G.S. 158-8.3.
 - 31 d. The Global TransPark Development Commission created in G.S.
32 158-33.

33 **§ 143B-437.42. Creation of Authority and Commission.**

34 (a) Creation. – The North Carolina Rural Internet Access Authority is created
35 within the Department of Commerce, and except as otherwise provided in this Part, and
36 notwithstanding any other provision of law, is subject to the direction and supervision of
37 the Secretary of Commerce only with respect to the management functions of
38 coordinating and reporting. These functions of the Secretary of Commerce are
39 ministerial and shall be performed only pursuant to the direction and policy of the
40 Commission.

41 The purpose of the Authority is to advise and make recommendations to the
42 Governor, the General Assembly, and the North Carolina Rural Redevelopment
43 Authority, regarding efforts to provide rural counties with high-speed broadband Internet

1 access. The Authority shall serve as the central rural Internet access policy planning
2 body of the State and shall communicate and coordinate with State, regional, and local
3 agencies, and private entities in order to implement a coordinated rural Internet access
4 policy.

5 (b) Commission. – The Authority is governed by a Commission that consists of
6 the following 21 members:

7 (1) Six members appointed by the Governor, as follows:

8 a. One named from the large incumbent local telephone exchange
9 companies in North Carolina.

10 b. One from rural telephone cooperatives.

11 c. One from competing local telephone exchange companies
12 certified by the North Carolina Utilities Commission.

13 d. One from Internet service providers doing business in North
14 Carolina.

15 e. Two representing business and education or other users from
16 rural counties.

17 (2) Six members appointed by the General Assembly upon the
18 recommendation of the President Pro Tempore of the Senate in
19 accordance with G.S. 120-121, as follows:

20 a. One named from the large incumbent local telephone exchange
21 companies in North Carolina.

22 b. One from commercial wireless communications carriers in North
23 Carolina.

24 c. One representing MCNC.

25 d. One from rural partnerships.

26 e. Two representing business and education or other users from
27 rural counties.

28 (3) Six members appointed by the General Assembly upon the
29 recommendation of the Speaker of the House of Representatives in
30 accordance with G.S. 120-121, as follows:

31 a. One named from the large incumbent local telephone exchange
32 companies in North Carolina.

33 b. One from small independent telephone companies.

34 c. One from cable television companies doing business in rural
35 counties.

36 d. One from rural partnerships.

37 e. Two representing business and education or other users from
38 rural counties.

39 (4) The State's Chief Information Officer, who shall serve ex officio.

40 (5) Chair of the North Carolina Rural Economic Development Center, who
41 shall serve ex officio.

42 (6) The Secretary of Commerce, who shall serve ex officio.

1 (c) Oath. – As the holder of an office, each member of the Commission must take
2 the oath required by Section 7 of Article VI of the North Carolina Constitution before
3 assuming the duties of a Commission member.

4 (d) Terms; commencement; staggering. – Except as provided in subsection (f) of
5 this section, all terms of office shall commence on August 1 of the year the appointment
6 is made. The term of office of a member of the Commission shall be as follows:

7 (1) Appointments made under sub-subdivisions (b)(1)c., (b)(1)d., (b)(2)b.,
8 (b)(2)d., (b)(3)a., (b)(3)c., and one each of the appointments made under
9 (b)(1)e., (b)(2)e., and (b)(3)e. of this section shall be for a term of one
10 year. Individuals appointed under this subdivision may serve up to four
11 consecutive terms.

12 (2) All other appointments under this section shall be for terms of three
13 years. Individuals appointed under this subdivision may serve up to two
14 consecutive terms.

15 (e) Chair. – The Governor shall designate one of the members appointed by the
16 Governor as the Chair of the Commission. The Governor shall convene the first meeting
17 of the Commission.

18 (f) Vacancies. – All members of the Commission shall remain in office until their
19 successors are appointed and qualify. A vacancy in an appointment made by the
20 Governor shall be filled by the Governor for the remainder of the unexpired term. A
21 vacancy in an appointment made by the General Assembly shall be filled in accordance
22 with G.S. 120-122. A person appointed to fill a vacancy must qualify in the same manner
23 as a person appointed for a full term.

24 (g) Removal of Commission Members. – The Governor may remove any member
25 of the Commission for misfeasance, malfeasance, or nonfeasance in accordance with G.S.
26 143B-13(d). The Governor or the person who appointed a member may remove the
27 member for using improper influence in accordance with G.S. 143B-13(c).

28 (h) Compensation of the Commission. – No part of the revenues or assets of the
29 Authority shall inure to the benefit of or be distributable to the members of the
30 Commission or officers or other private persons. The members of the Commission shall
31 receive no salary for their services but may receive per diem and allowances in
32 accordance with G.S. 138-5.

33 (i) Staff. – The North Carolina Rural Economic Development Center, Inc., may
34 provide administrative and professional staff support for the Authority under contract.

35 **"§ 143B-437.43. Powers, duties, and goals of the Authority.**

36 (a) Powers. – The Authority shall have the following powers:

37 (1) To employ, contract with, direct, and supervise all personnel and
38 consultants.

39 (2) To apply for, accept, and utilize grants, contributions, and
40 appropriations in order to carry out its duties as defined in this Part.

41 (3) To review and recommend changes in all laws, rules, programs, and
42 policies of this State or any agency or subdivision thereof to further the
43 goals of rural Internet access.

1 (b) Duties. – The Authority shall have the following duties:

2 (1) To develop and recommend to the Governor, the General Assembly,
3 and the North Carolina Rural Redevelopment Authority a plan to
4 provide rural counties with high-speed broadband Internet access. The
5 plan may include recommendations for the coordination of activities,
6 the commencement of research, and the review of regulatory and
7 legislative actions in order to achieve the goals and objectives of the
8 Authority.

9 (2) To propose funding that may be needed from the North Carolina Rural
10 Redevelopment Authority established in Part 2D of this Article and
11 from other appropriate sources for incentives for the private sector to
12 make necessary investments to achieve the Authority's goals and
13 objectives.

14 (3) To set specific targets and milestones to achieve the goals and
15 objectives set out in subsection (c) of this section.

16 (c) Goals. – The goals and objectives of the Authority are:

17 (1) Local dial-up Internet access provided from every telephone exchange
18 within one year.

19 (2) High-speed Internet access available to every citizen of North Carolina
20 within three years, at prices in rural counties that are comparable to
21 prices in urban North Carolina.

22 (3) Two model Telework Centers in either enterprise tier one or enterprise
23 tier two area established by January 1, 2002. To the extent practicable,
24 the Centers should be established in existing facilities.

25 (4) Significant increases in ownership of computers, related web devices,
26 and Internet subscriptions promoted throughout North Carolina.

27 (5) Accurate, current, and complete information provided through the
28 Internet to citizens about the availability of present telecommunications
29 and Internet services with periodic updates on the future deployment of
30 new telecommunications and Internet services.

31 (6) Development of government Internet applications promoted to make
32 citizen interactions with government agencies and services easier and
33 more convenient and to facilitate the delivery of more comprehensive
34 programs including training, education, and health care.

35 (7) Open technology approaches employed to encourage all potential
36 providers to participate in the implementation of high-speed Internet
37 access with no technology bias.

38 (d) Reports. – The Authority must submit quarterly reports to the Governor, the
39 Joint Select Committee on Information Technology, and the Joint Legislative
40 Commission on Governmental Operations. The reports must summarize the Authority's
41 activities during the quarter and contain any information about the Authority's activities
42 that is requested by the Governor, the Committee, or the Commission."

43 Section 2. G.S. 120-123 is amended by adding a new subdivision to read:

1 "(70) The North Carolina Rural Internet Access Authority created in Part 2E
2 of Article 10 of Chapter 143B of the General Statutes."

3 Section 3.(a) As used in this section, "regional partnership" means any of the
4 following:

- 5 (1) The Western North Carolina Regional Economic Development
6 Commission created in G.S. 158-8.1.
- 7 (2) The Northeastern North Carolina Regional Economic Development
8 Commission created in G.S. 158-8.2.
- 9 (3) The Southeastern North Carolina Regional Economic Development
10 Commission created in G.S. 158-8.3.
- 11 (4) The Global TransPark Development Commission created in G.S. 158-
12 33.
- 13 (5) The Carolinas Partnership, Inc.
- 14 (6) The Research Triangle Regional Partnership.
- 15 (7) The Piedmont Triad Partnership.

16 Section 3.(b) Each regional partnership, with the assistance of the North Carolina
17 Rural Economic Development Center, shall study the information technology
18 infrastructure and information technology needs of each county within its particular
19 region. Each study shall include an inventory of existing information technology
20 infrastructure, an inventory of information technology needs, an analysis of how the
21 information technology needs affect industrial and business recruitment, and
22 recommendations that address the information technology needs of each region. In
23 conducting the studies required by this section, the regional partnerships shall consider
24 the findings of the Connect NC study. The regional partnerships may contract with the
25 North Carolina Rural Economic Development Center as needed to undertake these
26 studies. No later than November 1, 2001, each regional partnership shall report the
27 results of its study, including any legislative proposals, to the Joint Select Committee on
28 Information Technology.

29 Section 4. This act does not obligate the General Assembly to appropriate
30 funds.

31 Section 5. This act is effective when it becomes law. The North Carolina
32 Rural Internet Access Authority created in this act is dissolved effective December 31,
33 2003. This act is repealed effective December 31, 2003.