

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 532
PROPOSED COMMITTEE SUBSTITUTE H532-PCS50532-SA-11

Short Title: E-NC Connectivity/Economic Development Funds.

(Public)

Sponsors:

Referred to:

March 12, 2009

A BILL TO BE ENTITLED

AN ACT APPROPRIATING FUNDS TO THE E-NC AUTHORITY TO SUPPORT
CONNECTIVITY INITIATIVES AND TO ADVANCE TECHNOLOGY-BASED
ECONOMIC DEVELOPMENT THROUGHOUT THE STATE.

The General Assembly of North Carolina enacts:

SECTION 1. Operations, research, and coordination. – Under Session Law 2003-425, the e-NC Authority has a mandate to be the Internet access policy planning body of the State for rural and urban distressed areas. Therefore, there is appropriated from the General Fund to the e-NC Authority the additional sum of five hundred five thousand dollars (\$505,000) in recurring funds for the 2009-2010 fiscal year to continue its operational, advocacy, and research functions and assistance to communities for broadband deployment. These funds will be in addition to the four hundred ninety-five thousand dollars (\$495,000) the Authority currently receives from recurring funding from the State budget. These funds will allow the e-NC Authority to continue its efforts statewide, serving as the primary advocate in North Carolina for universal high-speed Internet access and the economic growth potential possible through expanded broadband, through continuation of e-NC's operations and its work on technology-based economic development to create jobs in North Carolina. Since its inception eight years ago, the e-NC Authority has received two million three hundred ninety-five thousand dollars (\$2,395,000) in State operating support, creating an economic impact of more than three billion dollars (\$3,000,000,000) in its work to increase broadband access, using the U.S. Bureau of Economic Analysis metrics, and has seen more than 1,645 jobs directly created through the e-NC Business and Technology Telecenters (BTTs) since 2002. In addition, this local community impact by the Business and Technology Telecenters has seen more than two hundred twenty-one million dollars (\$221,000,000) in direct revenue impact to the economy of the seven counties that the BTTs are located in, as well as direct to the State tax revenues of more than fourteen million five hundred thousand dollars (\$14,500,000).

SECTION 2. Connectivity incentive grants – State and federal. – There is appropriated from the General Fund to the e-NC Authority the sum of twelve million five hundred thousand dollars (\$12,500,000) in nonrecurring funds for the 2009-2010 fiscal year to be used to bring communities up to the point where at least seventy-five percent (75%) of the households in all 100 counties will have the ability to access a high-speed Internet connection. These funds will allow the e-NC Authority to then work toward increasing high-speed Internet access in all North Carolina counties up to eighty percent (80%), then ninety percent (90%),



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1 and eventually, up to one hundred percent (100%). These funds shall be granted through a
2 formal request for proposals (RFP) process with a provider match required when appropriate.
3 Up to five percent (5%) of this connectivity funding may be designated for grant
4 administration. In addition, these funds may be used by the e-NC Authority to assist
5 community, public-private, and nonprofit entities who are required to provide matching funds
6 to qualify for federal broadband stimulus monies available from the federal government.

7 **SECTION 3.** Business and Technology Telecenter (BTT) grants. – There is
8 appropriated from the General Fund to the e-NC Authority the sum of one million dollars
9 (\$1,000,000) in nonrecurring funds for the 2009-2010 fiscal year to continue support of its
10 Business and Technology Telecenter program and to establish up to two new centers in
11 underserved areas of the State. All grants to establish new centers shall be awarded through a
12 competitive bidding process. The Telecenter program would then include:

- 13 (1) Blue Ridge Business Development Center in Sparta, Alleghany County.
- 14 (2) New Ventures Business Development, Inc., in Wadesboro, Anson County.
- 15 (3) Tri-County Community College TeleCenter in Murphy, Cherokee County.
- 16 (4) Northeast Technology and Business Center in Williamston, Martin County.
- 17 (5) The Roanoke Center in Rich Square, Northampton County.
- 18 (6) Rockingham County Business and Technology Center in Wentworth,
19 Rockingham County.
- 20 (7) Foothills Connect Business and Technology Center in Rutherfordton,
21 Rutherford County.
- 22 (8) New Telecenter, New town, New county.
- 23 (9) New Telecenter, New town, New county.

24 Three million one hundred ninety-two thousand five hundred dollars (\$3,192,500) in
25 State funding has been awarded for e-NC Business and Technology Telecenter grants since the
26 inception of the BTT program. The economic impact of the BTTs without economic multipliers
27 being applied has been more than two hundred twenty-one million dollars (\$221,000,000) in
28 direct dollar impact to the seven counties.

29 **SECTION 4.** Public access and digital inclusion grants. – There is appropriated
30 from the General Fund to the e-NC Authority the sum of one million five hundred thousand
31 dollars (\$1,500,000) in nonrecurring funds for the 2009-2010 fiscal year to support public
32 Internet access sites in communities with low levels of connectivity and to provide digital
33 literacy programs and access to communities with low participation rates in the digital
34 economy. These funds shall be granted through a formal request for proposals (RFP) process.
35 These funds will be utilized to assist the public access centers in refreshing the technology
36 equipment they have been using for the past five years. Their current equipment shall be
37 refurbished and utilized by the local public access center or local school in a lending program
38 for students who do not have a computer to take home from school.

39 **SECTION 5.** This act becomes effective July 1, 2009.