

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 1520*

Short Title: TDA Infrastructure Funds.

(Public)

Sponsors: Representatives H. Hunter; Bowman, Fitch, Adams, McCrary, and Jenkins.

Referred to: Appropriations.

May 25, 1994

A BILL TO BE ENTITLED

1
2 AN ACT TO APPROPRIATE FUNDS TO THE NORTH CAROLINA
3 TECHNOLOGICAL DEVELOPMENT AUTHORITY, INC., TO SUPPORT THE
4 CONTINUED DEVELOPMENT OF THE TECHNOLOGICAL DEVELOPMENT
5 AUTHORITY AS STATEWIDE ENTREPRENEURIAL INFRASTRUCTURE.

6 Whereas, North Carolina entrepreneurial companies make increasingly
7 important contributions to the State's economic development and it is therefore
8 imperative that our State identify and support successful efforts to promote
9 entrepreneurial development statewide; and

10 Whereas, to date, the General Assembly, through the North Carolina
11 Technological Development Authority (TDA), has joined with more than a dozen
12 communities from across the State to develop business incubators which have
13 demonstrated that innovative entrepreneurs can succeed anywhere across North
14 Carolina, provided they have access to the essential resources – information,
15 technology, capital, and management – needed for their growth; and

16 Whereas, this experience of TDA and community-sponsored small business
17 incubators from across North Carolina has demonstrated such initiatives to be very
18 efficient tools for local economic development, already accounting for some 1,800 new
19 jobs by 203 companies, 26% of which have been women-owned and 28% of which
20 have been minority-owned; and

21 Whereas, the success of these incubators shows that entrepreneurs can
22 succeed anywhere in North Carolina when they have access to the necessary resources
23 and that by integrating current and future business incubators into developing statewide
24 information networks, communities from across the State will be able to provide

1 entrepreneurs in their areas with access to the information and technological resources
2 that will fuel their growth; and

3 Whereas, in order to realize the economic potential offered by entrepreneurial
4 companies, these companies must be provided with efficient access to the State's growth
5 resources wherever they may be located; and

6 Whereas, TDA's second decade strategy is to develop a statewide
7 entrepreneurial infrastructure, as a statewide network of business incubators assisting
8 the State's entrepreneurial companies, especially those in rural eastern and western
9 North Carolina, to identify and transfer technology developed in the Research Triangle
10 Park area into commercial applications, to identify and fund commercialization
11 partnerships between the State's innovative entrepreneurs and existing North Carolina
12 industry, and to provide access to growth capital, management assistance, and research
13 applications for entrepreneurs from across North Carolina; Now, therefore,
14 The General Assembly of North Carolina enacts:

15 Section 1. There is appropriated from the General Fund to the North Carolina
16 Technological Development Authority, Inc., the sum of eight million five hundred
17 thousand dollars (\$8,500,000) for the 1994-95 fiscal year to support the continued
18 development of the Technological Development Authority as statewide entrepreneurial
19 infrastructure. These funds shall be used as follows:

20 (1) The sum of two million five hundred thousand dollars (\$2,500,000)
21 shall be used to establish new business incubators in areas not
22 currently served and enhance existing TDA-sponsored incubators,
23 through the establishment of equivalent standard business support
24 services for rural, as well as urban, incubators, and through integrating
25 TDA incubators into statewide vehicles for recruiting and location of
26 early-stage industrial development targets.

27 (2) The sum of three million dollars (\$3,000,000) shall be used to expand
28 TDA's current Innovation Research Fund investment to support the
29 identification and early-stage development of technological
30 innovations developed in the State's research universities and to attract
31 coinvestment and follow-on investment capital.

32 (3) The sum of three million dollars (\$3,000,000) shall be used to create
33 and capitalize the North Carolina Rural Technology Development
34 Fund to structure and finance the location of production operations for
35 Research Triangle Park area and non-North Carolina technology-based
36 companies into the rural areas of North Carolina, to capitalize or to
37 facilitate capitalization of growth companies that can provide
38 employment in rural areas of North Carolina, to support the
39 identification and early-stage development of technological
40 innovations developed in the State's research universities, and to attract
41 coinvestment and follow-on investment capital into the State's rural
42 areas.

43 Sec. 2. This act becomes effective July 1, 1994.