

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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

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.

4 The General Assembly of North Carolina enacts:

5 Section 1. Article 10 of Chapter 143B of the General Statutes is amended by
6 adding a new Part to read:

7 **"PART 2E. NORTH CAROLINA RURAL INTERNET ACCESS AUTHORITY.**

8 **"§ 143B-437.40. Short title and intent.**

9 This Part is the 'North Carolina Rural Internet Access Authority Act.' The General
10 Assembly finds as follows:

11 (1) Access to computers and the Internet, along with the ability to
12 effectively use these technologies, are becoming increasingly important
13 for full participation in America's economic, political, and social life.

14 (2) Affordable, high-speed Internet access is a key competitive factor for
15 economic development and quality of life in the New Economy of the
16 global marketplace.

1 (3) In the digital age, universal connectivity at affordable prices is a
2 necessity for business transactions, education and training, health care,
3 government services, and the democratic process.

4 (4) Unequal access to computer technology and Internet connectivity by
5 income, educational level and/or geography could deepen and reinforce
6 the divisions that exist in our society.

7 (5) The intent of the Rural Internet Access Authority is to close this digital
8 divide for the citizens of North Carolina.

9 **"§ 143B-437.41. Definitions.**

10 The following definitions apply in this Part:

11 (1) Authority. – The North Carolina Rural Internet Access Authority.

12 (2) Commission. – The governing body of the Authority.

13 (3) High-speed broadband Internet access. – Internet access with
14 transmission speeds of at least 128 kilobits per second for residential
15 customers and at least 256 kilobits per second for business customers.

16 (4) Rural county. – A county with a density of fewer than 200 people per
17 square mile based on the 1990 United States decennial census.

18 (5) Rural partnership. – Any of the following:

19 a. The Western North Carolina Regional Economic Development
20 Commission created in G.S. 158-8.1.

21 b. The Northeastern North Carolina Regional Economic
22 Development Commission created in G.S. 158-8.2.

23 c. The Southeastern North Carolina Regional Economic
24 Development Commission created in G.S. 158-8.3.

25 d. The Global TransPark Development Commission created in G.S.
26 158-33.

27 **"§ 143B-437.42. Creation of Authority and Commission.**

28 (a) Creation. – The North Carolina Rural Internet Access Authority is created
29 within the Department of Commerce. The purpose of the Authority is to manage,
30 oversee, and monitor efforts to provide rural counties with high-speed broadband Internet
31 access.

32 The Authority is located within the Department of Commerce, but exercises all of its
33 powers, including the power to employ, contract with, direct, and supervise all personnel
34 and consultants, independently of the Secretary of Commerce and, notwithstanding any
35 other provision of law, is subject to the direction and supervision of the Secretary of
36 Commerce only with respect to the management functions of coordinating and reporting.
37 These functions of the Secretary of Commerce are ministerial and shall be performed
38 only pursuant to the direction and policy of the Commission. The State Auditor has audit
39 oversight of the Authority pursuant to Article 5A of Chapter 147 of the General Statutes.

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

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

- 1 a. One named from the large incumbent local telephone exchange
2 companies in North Carolina.
- 3 b. One from rural telephone cooperatives.
- 4 c. One from competing local telephone exchange companies
5 certified by the North Carolina Utilities Commission.
- 6 d. One from Internet service providers doing business in North
7 Carolina.
- 8 e. Two representing business and education or other users from
9 rural counties.
- 10 (2) Six members appointed by the General Assembly upon the
11 recommendation of the President Pro Tempore of the Senate in
12 accordance with G.S. 120-121, as follows:
- 13 a. One named from the large incumbent local telephone exchange
14 companies in North Carolina.
- 15 b. One from commercial wireless communications carriers in North
16 Carolina.
- 17 c. One representing MCNC.
- 18 d. One from rural partnerships.
- 19 e. Two representing business and education or other users from
20 rural counties.
- 21 (3) Six members appointed by the General Assembly upon the
22 recommendation of the Speaker of the House of Representatives in
23 accordance with G.S. 120-121, as follows:
- 24 a. One named from the large incumbent local telephone exchange
25 companies in North Carolina.
- 26 b. One from small independent telephone companies.
- 27 c. One from cable television companies doing business in rural
28 counties.
- 29 d. One from rural partnerships.
- 30 e. Two representing business and education or other users from
31 rural counties.
- 32 (4) The State's Chief Information Officer, who shall serve ex officio.
- 33 (5) Chair of the North Carolina Rural Economic Development Center, who
34 shall serve ex officio.
- 35 (6) The Secretary of Commerce, who shall serve ex officio.
- 36 (c) Oath. – As the holder of an office, each member of the Commission must take
37 the oath required by Section 7 of Article VI of the North Carolina Constitution before
38 assuming the duties of a Commission member.
- 39 (d) Terms. – The term of office of a member of the Commission is three years.
- 40 (e) Chair. – The Governor shall designate one of the members appointed by the
41 Governor as the Chair of the Commission. The Governor shall convene the first meeting
42 of the Commission.

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

7 (g) Removal of Commission Members. – The Governor may remove any member
8 of the Commission for misfeasance, malfeasance, or nonfeasance in accordance with G.S.
9 143B-13(d). The Governor or the person who appointed a member may remove the
10 member for using improper influence in accordance with G.S. 143B-13(c).

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

16 (i) Staff. – The Rural Economic Development Center, Inc., shall provide
17 administrative and professional staff support for the Authority under contract.

18 **"§ 143B-437.43. Goals and duties of the Authority.**

19 (a) Duties. – The Authority shall set specific targets and milestones to achieve the
20 goals and objectives set out in subsection (b) of this section. The Authority shall
21 coordinate activities, conduct or sponsor research, and recommend and advocate actions,
22 including regulatory and legislative actions, to achieve its goals and objectives. The
23 Authority shall also propose funding that may be needed from the Rural Redevelopment
24 Authority established in Part 2D of this Article and from other appropriate sources for
25 incentives for the private sector to make necessary investments to achieve the Authority's
26 goals and objectives.

27 (b) Goals. – The goals and objectives of the Authority are:

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

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

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

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

38 (5) Accurate, current, and complete information provided through the
39 Internet to citizens about the availability of present telecommunications
40 and Internet services with periodic updates on the future deployment of
41 new telecommunications and Internet services.

42 (6) Development of government Internet applications promoted to make
43 citizen interactions with government agencies and services easier and

1 more convenient and to facilitate the delivery of more comprehensive
2 programs including training, education, and health care.

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

6 (c) Reports. – The Authority must submit quarterly reports to the Governor, the
7 Joint Select Committee on Information Technology, and the Joint Legislative
8 Commission on Governmental Operations. The reports must summarize the Authority's
9 activities during the quarter and contain any information about the Authority's activities
10 that is requested by the Governor, the Committee, or the Commission.

11 **"§ 143B-437.44. Powers of Authority.**

12 The Authority shall have all necessary powers to carry out its duties including, but not
13 limited to, accepting funds offered to it for accomplishing its duties and performing its
14 administrative operations. The Authority may also advocate before the General
15 Assembly draft legislation to further the goals of rural Internet access."

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

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

19 Section 3. This act does not obligate the General Assembly to appropriate
20 funds.

21 Section 4. This act is effective when it becomes law. The Rural Internet
22 Access Authority created in this act is dissolved effective three years after the first
23 meeting of its Commission. This act is repealed effective when the Rural Internet Access
24 Authority is dissolved.