

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 1999

SESSION LAW 2000-149  
SENATE BILL 1343

AN ACT TO CREATE THE NORTH CAROLINA RURAL INTERNET ACCESS AUTHORITY AND TO DIRECT THE REGIONAL PARTNERSHIPS, WITH THE ASSISTANCE OF THE NORTH CAROLINA RURAL ECONOMIC DEVELOPMENT CENTER, TO STUDY AND REPORT ON THE INFORMATION TECHNOLOGY INFRASTRUCTURE AND INFORMATION TECHNOLOGY NEEDS OF THE STATE.

The General Assembly of North Carolina enacts:

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

"Part 2E. North Carolina Rural Internet Access Authority.

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

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

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

**"§ 143B-437.41. Definitions.**

The following definitions apply in this Part:

- (1) Authority. – The North Carolina Rural Internet Access Authority.
- (2) Commission. – The governing body of the Authority.

- (3) High-speed broadband Internet access. – Internet access with transmission speeds of at least 128 kilobits per second for residential customers and at least 256 kilobits per second for business customers.
- (4) Regional partnership. – Defined in G.S. 143B-437.21.
- (5) Rural county. – A county with a density of fewer than 200 people per square mile based on the 1990 United States decennial census.

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

(a) Creation. – The North Carolina Rural Internet Access Authority is created within the Department of Commerce and, notwithstanding any other provision of law, is subject to the direction and supervision of the Secretary of Commerce only with respect to the management functions of coordinating and reporting. These functions of the Secretary of Commerce are ministerial and shall be performed only pursuant to the direction and policy of the Commission.

The purpose of the Authority is to manage, oversee, and monitor efforts to provide rural counties with high-speed broadband Internet access. The Authority shall also serve as the central rural Internet access policy planning body of the State and shall communicate and coordinate with State, regional, and local agencies and private entities in order to implement a coordinated rural Internet access policy.

(b) Commission. – The Authority is governed by a Commission that consists of 21 members, six members appointed by the Governor, six members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, six members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, and the following three ex officio, voting members: the State's Chief Information Officer, the chair of the North Carolina Rural Economic Development Center, and the Secretary of Commerce.

It is the intent of the General Assembly that the appointing authorities, in making appointments, shall appoint members who represent the geographic, gender, and racial diversity of the State, members who represent rural counties, members who represent regional partnerships, and members who represent the communications industry, which may include local telephone exchange companies, rural telephone cooperatives, Internet service providers, commercial wireless communications carriers, and other communications businesses.

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

(d) Terms; Commencement; Staggering. – Except as provided in subsection (f) of this section, all terms of office shall commence on August 1 of the year the appointment is made. The appointing officers shall designate one-half of their appointees to serve one-year terms; members may serve up to four consecutive one-year terms. The appointing officers shall designate their remaining appointees to serve three-year terms; members may serve up to two consecutive three-year terms.

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

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

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

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

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

(j) Conflicts of Interest. – Members of the Authority shall comply with the provisions of G.S. 14-234 prohibiting conflicts of interest. In addition, if any member, officer, or employee of the Authority is interested either directly or indirectly, or is an officer or employee of or has an ownership interest in any firm or corporation, not including units of local government, interested directly or indirectly, in any contract with the Authority, the member, officer, or employee must disclose the interest to the Commission, which must set forth the disclosure in the minutes of the Commission. The member, officer, or employee having an interest may not participate on behalf of the Authority in the authorization of any contract.

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

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

- (1) To employ, contract with, direct, and supervise all personnel and consultants.
- (2) To apply for, accept, and utilize grants, contributions, and appropriations in order to carry out its duties and goals as defined in this Part.
- (3) To enter into contracts and to provide support and assistance to local governments, nonprofit entities, and regional partnerships, in carrying out its duties and goals under this Part.
- (4) To review and recommend changes in all laws, rules, programs, and policies of this State or any agency or subdivision thereof to further the goals of rural Internet access.

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

- (1) To develop and recommend to the Governor, the General Assembly, and the North Carolina Rural Redevelopment Authority a plan to provide rural counties with high-speed broadband Internet access.
  - (2) To propose funding that may be needed from the North Carolina Rural Redevelopment Authority established in Part 2D of this Article and from other appropriate sources for incentives for the private sector to make necessary investments to achieve the Authority's goals and objectives.
  - (3) To set specific targets and milestones to achieve the goals and objectives set out in subsection (c) of this section.
- (c) Goals. – The goals and objectives of the Authority are:
- (1) Local dial-up Internet access provided from every telephone exchange within one year.
  - (2) High-speed Internet access available to every citizen of North Carolina within three years, at prices in rural counties that are comparable to prices in urban North Carolina.
  - (3) Two model Telework Centers in either enterprise tier one or enterprise tier two area established by January 1, 2002. To the extent practicable, the Centers should be established in existing facilities.
  - (4) Significant increases in ownership of computers, related web devices, and Internet subscriptions promoted throughout North Carolina.
  - (5) Accurate, current, and complete information provided through the Internet to citizens about the availability of present telecommunications and Internet services with periodic updates on the future deployment of new telecommunications and Internet services.
  - (6) Development of government Internet applications promoted to make citizen interactions with government agencies and services easier and more convenient and to facilitate the delivery of more comprehensive programs, including training, education, and health care.
  - (7) Open technology approaches employed to encourage all potential providers to participate in the implementation of high-speed Internet access with no technology bias.
  - (8) To coordinate activities, conduct and sponsor research, and recommend and advocate actions, including regulatory and legislative actions to achieve its goals and objectives.
- (d) Limitations. – The Authority does not have the power of eminent domain or the power to levy any tax.
- (e) Reports. – The Authority must submit quarterly reports to the Governor, the Joint Select Committee on Information Technology, and the Joint Legislative Commission on Governmental Operations. The reports must summarize the Authority's activities during the quarter and contain any information about the Authority's activities that is requested by the Governor, the Committee, or the Commission."

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

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

Section 3. Each regional partnership, as defined in G.S. 143B-437.21, shall, with the assistance of the North Carolina Rural Economic Development Center, study the information technology infrastructure and information technology needs of each county within its particular region. Each study shall include an inventory of existing information technology infrastructure, an inventory of information technology needs, an analysis of how the information technology needs affect industrial and business recruitment, and recommendations that address the information technology needs of each region. In conducting the studies required by this section, the regional partnerships shall consider the findings of the Connect NC study. The regional partnerships may contract with the North Carolina Rural Economic Development Center as needed to undertake these studies. No later than November 1, 2001, each regional partnership shall report the results of its study, including any legislative proposals, to the Joint Select Committee on Information Technology.

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

Section 5. This act is effective when it becomes law. The North Carolina Rural Internet Access Authority created in this act is dissolved effective December 31, 2003. This act is repealed effective December 31, 2003. Part 2E of Article 10 of Chapter 143B of the General Statutes and G.S. 120-123(71), as enacted by this act, are repealed effective December 1, 2003.

In the General Assembly read three times and ratified this the 10th day of July, 2000.

s/ Marc Basnight  
President Pro Tempore of the Senate

s/ James B. Black  
Speaker of the House of Representatives

s/ James B. Hunt, Jr.  
Governor

Approved 9:24 a.m. this 2nd day of August, 2000