

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017**

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**HOUSE BILL 68\***

Short Title: BRIGHT Futures Act. (Public)

Sponsors: Representatives Szoka, Saine, S. Martin, and Brenden Jones (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Energy and Public Utilities, if favorable, Commerce and Job Development

February 9, 2017

A BILL TO BE ENTITLED

1 AN ACT ENCOURAGING THE ESTABLISHMENT OF BRIGHT MARKETS BY ADDING  
2 THE DIGITAL INFRASTRUCTURE NECESSARY FOR ECONOMIC DEVELOPMENT  
3 AND INNOVATION IN KEY MARKETS, INCLUDING BROADBAND, RETAIL ONLINE  
4 SERVICES, INTERNET OF THINGS, GRIDPOWER, HEALTH CARE, AND TRAINING  
5 AND EDUCATION.

6  
7       Whereas, North Carolina's population of residents living in rural areas is the second  
8 largest of any state, with more than 3.3 million people living in the 85 counties considered rural;  
9 and

10       Whereas, these areas have historically been last to receive the necessary investment for  
11 the infrastructure required to support advances in economic development, including investment for  
12 basic roads, water, electricity, or telephone service, requiring public and private leaders to develop  
13 new and innovative approaches or business models to encourage or assist in the development of  
14 this infrastructure; and

15       Whereas, the rapid advances in gigabit connectivity and automation threaten the  
16 economic viability of these areas if steps are not taken to develop the digital infrastructure  
17 necessary to allow those in rural areas to take advantage of digitally integrated products and  
18 services; and

19       Whereas, the General Assembly has previously looked to local solutions, like  
20 member-owned utilities and public-private partnerships, as an effective way to provide for the  
21 development of the infrastructure necessary to support economic development in rural and  
22 underserved areas; and

23       Whereas, the General Assembly has long recognized that digital computing and  
24 communications technology is the key element of infrastructure for connecting each person to the  
25 economic development opportunities of the twenty-first century and has taken steps to directly  
26 advance the development and use of this infrastructure where possible through programs like the  
27 School Connectivity Initiative and Digital Learning Plan; and

28       Whereas, it is the intent of the General Assembly to rapidly develop the digital  
29 infrastructure necessary for economic development and innovation in key market segments,  
30 including Broadband, Retail online services, Internet of things, GridPower, Health care, and  
31 Training and education, known collectively by the acronym "BRIGHT" markets, and to use all  
32 means necessary to promote and encourage the development of this infrastructure so that each  
33 person in North Carolina has the ability to connect to opportunities presented by the growth in  
34 these BRIGHT market segments; Now therefore,  
35 The General Assembly of North Carolina enacts:



1           **SECTION 1.** G.S. 143B-472.127 reads as rewritten:

2   "**§ 143B-472.127. Programs administered.**

3       (a)    The Rural Economic Development Division shall be responsible for administering the  
4 program whereby economic development grants or loans are awarded by the Rural Infrastructure  
5 Authority as provided in G.S. 143B-472.128 to local government units. The Rural Infrastructure  
6 Authority shall, in awarding economic development grants or loans under the provisions of this  
7 subsection, give priority to local government units of the counties that have one of the 80 highest  
8 rankings under G.S. 143B-437.08 after the adjustment of that section. The funds available for  
9 grants or loans under this program may be used as follows:

10       (1)   To construct critical water and wastewater facilities or to provide other physical  
11 infrastructure needs, including, but not limited to, natural gas, ~~broadband~~, and  
12 rail to sites where these facilities will generate private job-creating investment.  
13 The grants under this subdivision shall not be subject to the provisions of  
14 G.S. 143-355.4.

15       (1a) To construct digital infrastructure needed to support broadband, computing, and  
16 communications components where these facilities will generate private  
17 job-creating investment. The grants under this subdivision shall not be subject  
18 to the provisions of G.S. 143-355.4.

19       ...."

20           **SECTION 2.** G.S. 143-128.1C(a) reads as rewritten:

21   "**§ 143-128.1C. Public-private partnership construction contracts.**

22       (a)    Definitions for purposes of this section:

23       ...

24       (8)   Public-private project. – A capital improvement project undertaken for the  
25 benefit of a governmental entity and a private developer pursuant to a  
26 development contract that includes construction of a public facility or other  
27 improvements, including paving, grading, utilities, physical infrastructure,  
28 digital infrastructure to support broadband, computing, and communications  
29 components, reconstruction, or repair, and may include both public and private  
30 facilities.

31       ...."

32           **SECTION 3.** G.S. 143B-472.80 is amended by adding a new subdivision to read:

33   "**§ 143B-472.80. North Carolina Board of Science, Technology, and Innovation; creation;**  
34 **powers and duties.**

35       The North Carolina Board of Science, Technology, and Innovation of the Department of  
36 Commerce is created. The Board has the following powers and duties:

37       ...

38       (5)   On or before May 1, 2017, and annually on January 1 thereafter, the Board shall  
39 report to the Governor, the chairs of the House of Representatives  
40 Appropriations Committee on Agriculture and Natural and Economic  
41 Resources, the chairs of the Senate Appropriations Committee on Natural and  
42 Economic Resources, the Fiscal Research Division, the Secretary of  
43 Commerce, and any North Carolina nonprofit corporation with which the  
44 Department of Commerce contracts pursuant to G.S. 143B-431.01 on the  
45 impact that technology and innovation in the BRIGHT Markets is having on  
46 economic growth and development in this State, including recommendations  
47 for increasing that impact. As used in this subdivision, the term "BRIGHT  
48 Markets" means the following market segments: broadband, retail online  
49 services, the internet of things, the power grid, health care, and training and  
50 education. The report shall include:

- 1           a.     An evaluation of the impact of the North Carolina Providing Access to  
 2           Capital for Entrepreneurs and Small Businesses Act in S.L. 2016-103 on  
 3           investment in BRIGHT Market enterprises for the previous reporting  
 4           year and recommendations for increasing that impact.  
 5           b.     Recommendations for the establishment and funding of a BRIGHT  
 6           Futures Innovation Fund, to be administered by the Office of Science,  
 7           Technology, and Innovation of the Department of Commerce, that  
 8           would be funded for at least five years to be used to provide annual  
 9           grants or loans to accelerate innovation by and investment in enterprises  
 10           in BRIGHT Market segments."

11           **SECTION 4.** G.S. 115D-5.1(f) reads as rewritten:

12    **"§ 115D-5.1. Workforce Development Programs.**

13           ...  
 14           (f)    The State Board shall report on an annual basis to the Joint Legislative Education  
 15    Oversight Committee ~~on~~ on all of the following:

- 16           (1)    The total amount of funds received by a company under the Customized  
 17           Training Program;Program.  
 18           (1a)   The types of services sought by the company, whether for new, expanding, or  
 19           existing industry.  
 20           (2)    The amount of funds per trainee received by that ~~company;~~ company.  
 21           (3)    The amount of funds received per trainee by the community college delivering  
 22           the ~~training;~~ training.  
 23           (4)    The number of trainees trained by the company and community ~~college;~~  
 24           and college.  
 25           (5)    The number of years that company has been funded.  
 26           (6)    An assessment of how the Customized Training Program has been used to  
 27           support companies in BRIGHT Market segments, including recommendations  
 28           on how these efforts can be expanded or aligned with nondegree certification  
 29           programs to increase employment in jobs shown in the NCWorks Online  
 30           system that require those nondegree certifications. As used in this subdivision,  
 31           the term "BRIGHT Market" means the following market segments: broadband,  
 32           retail online services, the internet of things, the power grid, health care, and  
 33           training and education."

34           **SECTION 5.** G.S. 143B-438.14 is amended by adding a new subsection to read:

35    **"§ 143B-438.14. "No Adult Left Behind" Initiative.**

36           ...  
 37           (e)    On or before May 1, 2017, and annually on January 1 thereafter, the NCWorks  
 38           Commission shall submit to the Governor and to the chairs of the House of Representatives  
 39           Appropriations Committee on Agriculture and Natural and Economic Resources, the chairs of the  
 40           Senate Appropriations Committee on Natural and Economic Resources, and the Fiscal Research  
 41           Division the following regarding BRIGHT Market segments, which phrase means broadband,  
 42           retail online services, the internet of things, the power grid, health care, and training and  
 43           education:

- 44           (1)    An assessment of current adult educational programs to expand economic  
 45           opportunities for adult workers in BRIGHT Market segments.  
 46           (2)    An evaluation of nondegree certifications, as reflected in the NCWorks Online  
 47           system, that are being offered, including recommendations for how certification  
 48           programs can be expanded, accelerated, and made more readily accessible.  
 49           (3)    An evaluation of how data in the NCWorks Online system is made available for  
 50           use in conjunction with other workforce and education data in systems operated  
 51           by other State agencies, including the Department of Information Technology.

1           The evaluation shall include recommendations for how information can be  
2           more readily shared with public and private enterprises through application  
3           interfaces and open data frameworks to accelerate and increase employment in  
4           the BRIGHT Market segments."

5           **SECTION 6.** Section 15.1 of S.L. 2016-94 is amended by adding two new  
6 subsections to read:

7           **"SECTION 15.1.(e)** On or before May 1, 2017, the Department of Commerce shall  
8           supplement the report submitted pursuant to subsection (b) of this section with all of the  
9           following:

10           (1) An evaluation of the impact of the inclusion of digital infrastructure in  
11           G.S. 143-128.1C(a)(8) and G.S. 143B-472.127(a)(1a) on the ability of  
12           individuals and communities to pursue public-private partnerships to develop  
13           digital infrastructure in underserved areas and recommendations on how to  
14           accelerate development efforts.

15           (2) An evaluation of how funds allocated for downtown revitalization projects in  
16           Section 15.12(a) have been used to support the development of digital  
17           infrastructure, with recommendations for how future grants may be used in  
18           conjunction with a BRIGHT Futures Innovation Fund if that Fund is proposed  
19           by the North Carolina Board of Science, Technology, and Innovation pursuant  
20           to G.S. 143B-472.80(5)b..

21           (3) Recommendations for ways the Rural Economic Development Division, North  
22           Carolina Rural Electrification Authority, Labor Force Development Council,  
23           Rural Infrastructure Authority, Community Assistance Division, Employment  
24           and Training Division, Job Training Coordinating Council, along with the  
25           Departments of Information Technology, Department of Environmental  
26           Quality, Department of Labor, Department of Health and Human Services,  
27           Department of Public Instruction, North Carolina Community College System,  
28           The University of North Carolina, and the North Carolina Independent Colleges  
29           and Universities to align the resources and programs targeted at and available to  
30           connect people in rural communities with the opportunities presented by the  
31           growth in the BRIGHT Market segments.

32           **"SECTION 15.1.(f)** As used in subsection (e) of this section, the following meanings apply:

33           (1) BRIGHT Market means the following market segments: broadband, retail  
34           online services, the internet of things, the power grid, health care, and training  
35           and education.

36           (2) Digital infrastructure means the components that support broadband,  
37           computing, and communications."

38           **SECTION 7.** This act is effective when it becomes law.