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SENATE BILL DRS25008-MQ-19A* (01/23)

Short Title: BRIGHT Futures Act.

(Public)

Sponsors: Senator Meredith (Primary Sponsor).

Referred to:

A BILL TO BE ENTITLED

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

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

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

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

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

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

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

The General Assembly of North Carolina enacts:

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



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1 **"§ 143B-472.127. Programs administered.**

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

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

14 (1a) To construct digital infrastructure needed to support broadband, computing, and
15 communications components where these facilities will generate private
16 job-creating investment. The grants under this subdivision shall not be subject
17 to the provisions of G.S. 143-355.4.

18"

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

20 **"§ 143-128.1C. Public-private partnership construction contracts.**

21 (a) Definitions for purposes of this section:

22 ...

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

30"

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

32 **"§ 143B-472.80. North Carolina Board of Science, Technology, and Innovation; creation;**
33 **powers and duties.**

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

36 ...

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

50 a. An evaluation of the impact of the North Carolina Providing Access to
51 Capital for Entrepreneurs and Small Businesses Act in S.L. 2016-103 on

1 investment in BRIGHT Market enterprises for the previous reporting
2 year and recommendations for increasing that impact.

- 3 b. Recommendations for the establishment and funding of a BRIGHT
4 Futures Innovation Fund, to be administered by the Office of Science,
5 Technology, and Innovation of the Department of Commerce, that
6 would be funded for at least five years to be used to provide annual
7 grants or loans to accelerate innovation by and investment in enterprises
8 in BRIGHT Market segments."

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

10 **"§ 115D-5.1. Workforce Development Programs.**

11 ...

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

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

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

33 **"§ 143B-438.14. "No Adult Left Behind" Initiative.**

34 ...

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

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

1 interfaces and open data frameworks to accelerate and increase employment in
2 the BRIGHT Market segments."

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

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

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

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

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

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

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

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

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