

A RESOLUTION URGING MEMBERS OF THE GENERAL ASSEMBLY AND GOVERNOR PERDUE TO OPPOSE H129 AND S87 (LEVEL PLAYING FIELD/LOCAL GOVERNMENT COMPETITION ACT) AND ANY LEGISLATION WHICH WOULD PROHIBIT OR LIMIT THE ABILITY OF LOCAL GOVERNMENTS TO PROVIDE BROADBAND OR ANY OTHER COMMUNICATION SERVICES OR SYSTEMS (2011-03-14/R-7)

WHEREAS, Senate Bill 87 and House Bill 129 have been introduced in the 2011-2012 Session of the General Assembly of North Carolina; and

WHEREAS, these bills do not provide a level playing field to cities, to cities, towns and counties, but greatly hinder local governments from providing needed communications services, including public safety networks, and especially advanced high-speed broadband services, in unserved and underserved areas; and

WHEREAS, these bills impose numerous obligations on cities and towns that private broadband companies do not have to meet; and

WHEREAS, while private companies declare top top-quality broadband service is cost prohibitive, the United States continues to lose ground to other nations in broadband access, user cost and growth in number of users, falling behind the United Kingdom, Korea, France, Japan, Canada, Estonia, and now China, each of which provides Internet access at speeds that are some 500 times faster than what the private providers in the United States and at less cost; and

WHEREAS, the bills would prohibit North Carolina cities and towns from using federal grant funds to deploy or operate locally-owned or operated broadband systems, thereby denying N.C. residents access to federal assistance available to the rest of the country and hindering employment opportunities; and

WHEREAS, deployment of high-speed Internet is a new public utility vital to the future economic development, educational outreach and community growth in North Carolina necessary to replace lost textile, tobacco, furniture and manufacturing jobs; and

WHEREAS, the General Assembly has already established: (1) rules governing Public Enterprises (NCGS Chapter 160A, Article 16); (2) strict rules in the Budget and Fiscal Control Act governing all municipal budgets and expenditures, including hearing and disclosure requirements (NCGS Chapter 159, Article 3); and (3) strict oversight of municipal borrowing by the Local Government Commission (NCGS Chapter 159, Article 2); and a local government must comply with all of those requirements in order to undertake providing an enterprise service to its community ; and

WHEREAS, the bills are counter to the Local Development Act of 1925 in NCGS Chapter 158 that allows local governments to aid and encourage economic development in communities throughout North Carolina; and

WHEREAS, North Carolina law has long permitted local governments to engage in public enterprises, and there is no justification for treating communications enterprises differently from other public enterprises that are essential for healthy local economies; and

WHEREAS, historically it was government that funded much of the current corporate telecommunications infrastructure in the United States and government paid for and developed the Internet on which these providers depend for their profit; and

WHEREAS, there are telecommunications designers, equipment manufacturers and suppliers, in North Carolina who will be negatively affected if local governments are not allowed to provide needed communications services, meaning North Carolina will lose more jobs as a result of prohibiting public investment in high-quality, advanced broadband infrastructure; and

WHEREAS, H129 and S87 will effectively shut down existing municipal fiber and wireless broadband systems, stop new municipal broadband systems, interfere with and limit smart grid and other energy management systems, prevent collaboration among local governments through regional public safety networks, hinder the deployment of intelligent transportation and other traffic management systems, bar municipalities from working with school districts and community colleges on shared networks, and in partnership with private providers to bring broadband to our underserved, interfere with basic government operations, and will thereby stifle job development and investment in our local communities, undermine the ability of communities in our state to compete in the global economy and respond to local needs, and interfere with the effective and responsive operation of local governments; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council opposes Senate Bill 87 and House Bill 129 and urges all members of the North Carolina General Assembly to vote “no” in committee and, if necessary, on the floor of the General Assembly.

BE IT FURTHER RESOLVED that copies of this resolution be sent to the Governor, the Secretary of Commerce, the General Assembly’s House and Senate leadership, the sponsors and co-sponsors of H129 and S87, and our local House and Senate representatives.

This is the 14th day of March, 2011.