



RESOLUTION OF THE CHATHAM COUNTY BOARD OF COMMISSIONERS

Resolution urging the State of North Carolina to oppose legislation which would limit or place a moratorium on local governments providing broadband service and to recognize the role of local governments in the deployment of broadband services for the economic development of this state.

WHEREAS, the United States has fallen behind other countries in providing broadband capability, and lags other countries, such as the United Kingdom, Korea, France, Japan, Canada and Estonia, all which have access to ultra high-speed fiber broadband systems; and

WHEREAS, the current national administration understands the importance of broadband access, and has made it a national priority and Congress has approved \$7.2 million to expand high-speed networks by both public and private providers; and

WHEREAS, North Carolina has recently become a leader in deploying ultra-high speed broadband infrastructure, not only through the efforts of the City of Wilson and City of Salisbury to deploy fiber but also through the Microelectronics Center of North Carolina (MCNC) efforts to build a multi-million dollar middle mile network across the state which serves as a model for the rest of the country; and

WHEREAS, in April 2010 the NC Revenue Laws Study Committee announced its plan to vote for a moratorium on all future local government broadband deployments in North Carolina, based on unproven allegations of the state's incumbent communications providers that local government deployment brings harm to the private sector and could lead to reduced state tax revenues; and

WHEREAS, if such legislation were to pass local governments would be prohibited from providing essential infrastructure to bring advanced high-speed broadband to underserved and unserved areas of North Carolina, thus stifling economic development, job growth and associated tax revenue and denying residents the benefits of having broadband access; and

WHEREAS, if enacted, a moratorium would also deny local governments the availability of federal grants under the American Recovery and Reinvestment Act to assist in providing affordable access to high capacity broadband service in unserved and underserved areas; and

WHEREAS, the incumbent providers of broadband service in North Carolina have recently stated their belief that they provide residents sufficient broadband service and that the State's broadband needs are being met; and

WHEREAS, in March 2010 more than forty North Carolina communities demonstrated their need for higher broadband capacity by requesting Google to partner with them in deploying fiber to the home networks in their communities; and

WHEREAS, private providers have not been willing or able to provide high speed broadband service to all, and local governments have stepped in to serve the public and promote economic development in their respective areas; and

WHEREAS, North Carolina law has long permitted local governments to engage in public enterprises, and where there is no justification for treating communication enterprises differently; and

WHEREAS, Chatham County is a largely rural area, with 708 square miles and a population of approximately 65,000 people, with more than 80 percent of this population living in the unincorporated areas of the county;

WHEREAS, rural areas in Chatham County, many with farms which have an increasingly need for high speed internet access to manage and operate their business, have limited access to broadband service; and

WHEREAS, the General Assembly of North Carolina has already established the (1) rules for public enterprise (NCGS 160A, Article 16), (2) regulations through the Budget and Fiscal Control Act (NCGS 159), and (3) oversight by the Local Government Commission, and

WHEREAS, any local government broadband moratorium is county to the Local Development Act of 1925 as established in NCGS 158 that allows local governments to aid and encourage economic development in communities throughout North Carolina.

NOW THEREFORE BE IT RESOLVED by the Chatham County Board of Commissioners that:

1. To fully serve the citizens and advance education and economic development throughout the state that the State of North Carolina adopt policies to encourage the development of high speed broadband, including advanced, next generation fiber to the premise networks.
2. The General Assembly provides incentives for both public and private development of high capacity connections to handle rapidly growing data needs.

3. The General Assembly promotes competition by curtailing predatory pricing practices that are used to push new providers and public broadband services out of the market.
4. The General Assembly reject any local government broadband moratorium or legislation similar to the *Level Playing Field* bills that would result in having a chilling effect on local economies and would impede or remove local governments' ability to provide broadband services to enhance economic development and improve the quality of life for our citizens.
5. A copy of this resolution is given to each member of the Revenue Laws Study Committee and House Select Committee on Urban and Rural Broadband, the House and Senate leadership and the Governor.

Adopted this the 3rd day of May, 2010.

ATTEST:



Sally Kost, Chair



Sandra B. Sublett, CMC, NCCC
Clerk to the Board of Commissioners