

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1989**

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SENATE BILL 451  
Small Business Committee Substitute Adopted 6/29/89

Short Title: Small Business Council Act.

(Public)

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Sponsors:

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Referred to:

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March 15, 1989

1                                   A BILL TO BE ENTITLED  
2 AN ACT TO CREATE THE NORTH CAROLINA SMALL BUSINESS AND  
3 ECONOMIC DEVELOPMENT COUNCIL.

4                   Whereas, job creation and retention and the expansion of the economic base  
5 of the State are critically important to the future of the State; and

6                   Whereas, the State now provides substantial financial support for small  
7 business and related economic development activities and programs through a number  
8 of State agencies, the Board of Governors, the Department of Community Colleges, and  
9 several quasi-public and private organizations;

10                  Whereas, it is in the best interests of the State to marshal and consolidate  
11 resources where appropriate to improve the quality and cost effectiveness of services to  
12 the public and to eliminate efforts which have not proven effective;

13                  Whereas, in order to reduce duplication of effort and services, it is  
14 appropriate to foster coordination and cooperation among the various State-funded  
15 programs designed to stimulate small business and economic development; and

16                  Whereas, it is important to have a defined mechanism in place for review and  
17 comments on new programs relating to small business and economic development and  
18 for regular reporting to the General Assembly, the Governor, and the public on State-  
19 funded small business and economic development programs; Now, therefore,  
20 The General Assembly of North Carolina enacts:

21                  Section 1. To enhance the effectiveness of State-funded activities and  
22 programs and to facilitate cooperation and coordination among these, there is hereby  
23 created the North Carolina Small Business and Economic Development Council.

1           Sec. 2. Membership in the Council shall consist of appointments by:

- 2           (1)    The Department of Agriculture;  
3           (2)    The Department of Labor;  
4           (3)    The Department of Secretary of State;  
5           (4)    The Department of Commerce;  
6           (5)    The Department of Natural Resources & Community Development;  
7           (6)    The North Carolina Technological Development Authority;  
8           (7)    The North Carolina Science and Technology Research Center;  
9           (8)    The Small Business and Technology Development Center of The  
10           University of North Carolina;  
11           (9)    The Small Business Center Programs of the Department of  
12           Community Colleges;  
13           (10)   The North Carolina Agricultural Extension Service;  
14           (11)   The North Carolina Biotechnology Center; and  
15           (12)   The North Carolina Rural Economic Development Center.

16           Sec. 3. No later than August 1, 1989, each appointing authority designated  
17 by Section 2 of this act shall designate in writing to the Secretary of State the official  
18 who will represent their agency or organization on the Council. Annually thereafter  
19 each appointing authority shall provide such designation to the Council Coordinator.

20           Council representatives shall receive no compensation for their services on  
21 the Council. When on Council business, they will be reimbursed for travel and  
22 subsistence expenses in accordance with State law.

23           A majority of the Council representatives shall constitute a quorum, but less  
24 than a majority may adjourn any meeting. The Council shall hold meetings at least on a  
25 quarterly basis by call of the Coordinator or a majority of the representatives of the  
26 Council. Such meetings shall be held in Raleigh or at any other place within the State  
27 of North Carolina acceptable to a majority of the Council.

28           Sec. 4. The duties of the Council shall be:

- 29           (1)    **Coordination.** To encourage action among the members of the  
30           Council to assure that the role of each member organization is clearly  
31           defined and that there is minimal duplication of efforts or services  
32           among the member organizations. The Council shall encourage and  
33           facilitate the creation of written memoranda of understanding to  
34           formalize interrelationships among member organizations.  
35           (2)    **Program Review and Evaluation.** To encourage the development  
36           and implementation of formal systems for assessing the quality and  
37           effectiveness of the programs of each of the Council members. As part  
38           of this effort, the Council shall provide a forum for the private sector  
39           to comment on the State's efforts to stimulate small business  
40           development and will take these comments into account in its program  
41           evaluations. The Council shall also review all proposed programs and  
42           initiatives affecting small businesses or the State's economic  
43           development efforts and shall provide comments as to their usefulness  
44           and how they can most effectively be implemented.

- 1           (3)   **Advocacy.** To serve as an advocate for the small business community  
2           in North Carolina. This would include identifying unnecessary  
3           government regulations or other impediments to the successful  
4           operation of small businesses and proposing new methods for  
5           encouraging entrepreneurship.
- 6           (4)   **Public Awareness.** To develop a plan for increasing public awareness  
7           of State-funded programs designed to assist small businesses and  
8           economic development in North Carolina.
- 9           (5)   **Reporting.** To report at least annually to the General Assembly and  
10          the Governor on the activities and recommendations of the Council.  
11          The Council will also provide other data and comments as requested  
12          by the General Assembly or the Governor.

13           Sec. 5. No later than August 1, 1989, the Secretary of State shall convene a  
14          meeting of the official designated representatives of members of the Council for the  
15          purpose of selecting the initial coordinator of the Council. The Coordinator shall be  
16          elected for a two-year term by a majority vote of the Council representatives. Every  
17          two years thereafter, or in the event that it is necessary to fill an unexpired term, the  
18          Council representatives shall elect a Coordinator. The initial Coordinator and each  
19          successor shall be a full-time employee of a member of the Council and shall have  
20          offices within 25 miles of Raleigh, North Carolina.

21           Sec. 6. The duties and responsibilities of the Coordinator shall be:

- 22          (1)   To preside at all Council meetings;
- 23          (2)   To schedule and notify all members of the Council of the time and  
24          place of each meeting;
- 25          (3)   To schedule an adequate number of meetings to ensure the  
26          effectiveness of the Council;
- 27          (4)   To actively solicit the advice, counsel and input of Council members;
- 28          (5)   In consultation with the Council, to provide the means for assuring  
29          input from the private sector;
- 30          (6)   To query State agencies not named to the Council on programs being  
31          offered to promote economic development or to assist small  
32          businesses;
- 33          (7)   To ensure that agencies and organizations not named in this act, but  
34          which meet the continued funding requirement, are invited to serve on  
35          the Council and to determine, following consultation with the Council,  
36          which agencies meet the criteria in cases where membership is  
37          disputed;
- 38          (8)   With the active involvement and support of the Council, to prepare and  
39          submit a report to the General Assembly and Governor annually.

40           Sec. 7. There is appropriated from the General Fund to the Department of  
41          Commerce for fiscal year 1989-90 the sum of twelve thousand dollars (\$12,000) to  
42          support the cost of operation of the Council and preparation of the required reports.  
43          Such funds may be transferred to other organizations as necessary to fulfill the above-  
44          stated intent.

1           Sec. 8. This act shall become effective July 1, 1989.