

**RESOLUTION OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA
AGAINST SENATE BILL 1004 and HOUSE BILL 1252
*Level Playing Field Act***

WHEREAS, Senate Bill 1004 and House Bill 1252 (*The Level Playing Field Act*) have been introduced in the 2009 Session of the General Assembly of North Carolina and referred to the Senate Commerce Committee and House Committee on Science and Technology, respectively; **AND**

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

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

WHEREAS, private companies, despite having received favorable regulatory and tax treatment to enable broadband investment, have chosen to avoid the financial commitment necessary to provide top quality services and instead are offering lesser quality, slow non-state-of-the-art infrastructure technologies that are **not even** available to all residents; **AND**

WHEREAS, while private companies declare top quality service is cost-prohibitive in our country, the United States continues to lose ground to other nations in broadband access, cost and growth in number of users, thereby falling behind the United Kingdom, Korea, France, Japan and Canada to name a few, and Japan has internet access that is at least 500 times faster than what is considered high-speed in the United States and at a lesser cost; **AND**

WHEREAS, the U.S. Congress provided funds in the American Recovery and Reinvestment Act (federal stimulus) to reverse our country’s catastrophic broadband decline by making local and state governments – not private communication companies – directly eligible for \$4.7 billion in federal grants to provide affordable access to high capacity broadband services in unserved and underserved areas; **AND**

WHEREAS, these 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 North Carolina residents access to billions of dollars of federal assistance available to the rest of the country and hindering employment opportunities; **AND**

WHEREAS, deployment of a true high-speed broadband internet is a new public utility vital to the future economic development, educational outreach, and community growth in North Carolina as well as being necessary to replace the lost textile, tobacco, furniture and manufacturing jobs; **AND**

WHEREAS, the General Assembly has already established 1) statutory provisions for Public Enterprises (NCGS Chapter 160A, Article 16); 2) conservation finance provisions in the Budget and Fiscal Control Act (NCGS Chapter, 159 Article 3); and 3) oversight by the Local Government Commission (NCGS Chapter, 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**

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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 a sound economy; **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; **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 the needed communications services, meaning that **North Carolina will stand to lose more jobs by not investing in top-quality broadband infrastructure than it will lose due to government provision of such services; AND**

WHEREAS, many for-profit companies with operations in North Carolina have joined our local governments in opposing these bills.

NOW THEREFORE BE IT RESOLVED that the Mayor and members of the Fayetteville City Council oppose Senate Bill 1004 and House Bill 1252 and urge all members of the North Carolina General Assembly to vote "no" in committee and, if necessary, on the floor of the General Assembly.

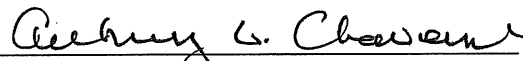
Adopted this 27th day of April 2009.

CITY OF FAYETTEVILLE, NORTH CAROLINA



ATTEST


Candice H. White, City Clerk


Anthony G. Chavonne, Mayor