

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 320
Commerce, Small Business and Entrepreneurship Committee Substitute Adopted
4/30/07

Short Title: Statewide Certification of HUBs. (Public)

Sponsors:

Referred to:

February 26, 2007

1 A BILL TO BE ENTITLED
2 AN ACT AUTHORIZING THE SECRETARY OF ADMINISTRATION TO
3 DEVELOP AND ADMINISTER A STATEWIDE UNIFORM CERTIFICATION
4 PROGRAM FOR HISTORICALLY UNDERUTILIZED BUSINESSES DOING
5 BUSINESS WITH STATE DEPARTMENTS, AGENCIES, AND INSTITUTIONS,
6 AND POLITICAL SUBDIVISIONS OF THE STATE.

7 The General Assembly of North Carolina enacts:

8 SECTION 1. G.S. 143-48(d1) is repealed.

9 SECTION 2. Article 3 of Chapter 143 of the General Statutes is amended by
10 adding the following new section to read:

11 "§ 143-48.4. Statewide uniform certification of historically underutilized
12 businesses.

13 (a) In addition to the powers and duties provided in G.S. 143-49, the Secretary of
14 Administration shall have the power, authority, and duty to:

15 (1) Develop and administer a statewide uniform program for: (i) the
16 certification of a historically underutilized business, as defined in
17 G.S. 143-128.4, by State departments, agencies, and institutions, and
18 political subdivisions of the State; and (ii) the creation and
19 maintenance of a database of the businesses certified as historically
20 underutilized businesses.

21 (2) Adopt rules and procedures for statewide uniform certification of
22 historically underutilized businesses.

23 (b) The Secretary of Administration shall seek input from State departments,
24 agencies, and institutions, political subdivisions of the State, and any other entity
25 deemed appropriate to determine the qualifications and criteria for statewide uniform
26 certification of historically underutilized businesses."

27 SECTION 3. G.S. 143-128.3(e1) is repealed.

28 SECTION 4. G.S. 143-128.4 reads as rewritten:

1 **"§ 143-128.4. Historically underutilized business ~~defined~~defined; statewide**
2 **uniform certification.**

3 (a) As used in this Chapter, the term "historically underutilized business" means
4 a business that meets all of the following conditions:

5 (1) At least fifty-one percent (51%) of the business is owned by one or
6 more persons who are members of at least one of the groups set forth
7 in subsection (b) of this section, or in the case of a corporation, at least
8 fifty-one percent (51%) of the stock is owned by one or more persons
9 who are members of at least one of the groups set forth in subsection
10 (b) of this section.

11 (2) The management and daily business operations are controlled by one
12 or more owners of the business who are members of at least one of the
13 groups set forth in subsection (b) of this section.

14 (b) To qualify as a historically underutilized business under this section, a
15 business must be owned and controlled as set forth in subsection (a) of this section by
16 one or more citizens or lawful permanent residents of the United States who are
17 members of one or more of the following groups:

18 (1) Black. – A person having origins in any of the black racial groups of
19 Africa.

20 (2) Hispanic. – A person of Spanish or Portuguese culture having origins
21 in Mexico, South or Central America, or the Caribbean islands,
22 regardless of race.

23 (3) Asian American. – A person having origins in any of the original
24 peoples of the Far East, Southeast Asia, Asia, Indian continent, or
25 Pacific islands.

26 (4) American Indian. – A person having origins in any of the original
27 Indian peoples of North America.

28 (5) Female.

29 (6) Disabled. – A person with a disability as defined in G.S. 168-1 or
30 G.S. 168A-3.

31 (7) Disadvantaged. – A person who is socially and economically
32 disadvantaged as defined in 15 U.S.C. § 637.

33 (c) In addition to the powers and duties provided in G.S. 143-49, the Secretary of
34 Administration shall have the power, authority, and duty to:

35 (1) Develop and administer a statewide uniform program for: (i) the
36 certification of a historically underutilized business, as defined in this
37 section, by State departments, agencies, and institutions, and political
38 subdivisions of the State; and (ii) the creation and maintenance of a
39 database of the businesses certified as historically underutilized
40 businesses.

41 (2) Adopt rules and procedures for the statewide uniform certification of
42 historically underutilized businesses.

43 (d) The Secretary of Administration shall seek input from State departments,
44 agencies, and institutions, political subdivisions of the State, and any other entity

1 deemed appropriate to determine the qualifications and criteria for statewide uniform
2 certification of historically underutilized businesses."

3 **SECTION 5.** This act becomes effective July 1, 2007.