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HOUSE BILL 1004

Short Title: UNC AI & Technology Hubs.   (Public)

Sponsors: Representatives Hawkins, Lowery, and Reives (Primary Sponsors).
               For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Appropriations, if favorable, Rules, Calendar, and Operations of the House

April 14, 2025

1   A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO ESTABLISH ARTIFICIAL INTELLIGENCE
3   HUBS AT SELECT CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF
4   NORTH CAROLINA AND TO APPROPRIATE FUNDS TO ESTABLISH
5   TECHNOLOGY HUBS AT EACH CONSTITUENT INSTITUTION OF THE
6   UNIVERSITY OF NORTH CAROLINA AND FOR THE NORTH CAROLINA
7   COLLABORATORY TO ESTABLISH A GRANT PROGRAM FOR RESEARCH
8   PROJECTS ON ARTIFICIAL INTELLIGENCE.
9 The General Assembly of North Carolina enacts:
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11 **PART I. ARTIFICIAL INTELLIGENCE HUBS PILOT**
12   **SECTION 1.(a)** No later than December 1, 2026, the Board of Governors of The
13 University of North Carolina shall select up to eight constituent institutions of The University of
14 North Carolina to serve as Artificial Intelligence Hubs (AI Hubs) in this State. At least one AI
15 Hub shall be one of North Carolina's Public Historically Black Colleges and Universities or North
16 Carolina's Historically American Indian University, the University of North Carolina at
17 Pembroke. Each AI Hub shall convene industry and academia to ensure that artificial intelligence
18 (i) generates economic growth for the State of North Carolina and (ii) protects the rights and
19 liberties of the citizens of this State.
20   **SECTION 1.(b)** There is appropriated from the General Fund to the Board of
21 Governors of The University of North Carolina for the 2025-2026 fiscal year the following sums
22 for AI Hubs in this State:
23   (1)   Sixteen million dollars ($16,000,000) in nonrecurring funds to be allocated
24   equally among constituent institutions selected for an AI Hub pursuant to this
25   section, to establish AI Hubs, including necessary infrastructure. These funds
26   shall not be made available to a selected constituent institution until that
27   institution matches ten percent (10%) of the funds made available pursuant to
28   this subdivision with non-State funds.
29   (2)   Eight million dollars ($8,000,000) in recurring funds to be allocated equally
30   among each constituent institution selected for an AI Hub pursuant to this
31   section. These funds shall be used for operational support and personnel
32   needed for the AI Hubs, including to establish an expert in residence position
33   at each AI Hub.
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35 **PART II. TECHNOLOGY HUBS**

1   **SECTION 2.(a)** There is appropriated from the General Fund to the Board of
2 Governors of The University of North Carolina the sum of seventy million dollars ($70,000,000)
3 in nonrecurring funds for the 2025-2026 fiscal year to be allocated to each constituent institution
4 to establish a technology hub or support previously designated Artificial Intelligence (AI) Hub
5 at the institution to encourage (i) technology innovation, (ii) workforce upskilling, (iii)
6 entrepreneurship, and (iv) advanced manufacturing. These funds may be used for capital needs,
7 marketing, personnel, programming, support services, local partnerships, and any other purpose
8 necessary to establish the technology hub. Constituent institutions shall report to the Board of
9 Governors on the departments, units, and schools included in the technology hub, and Board of
10 Governors shall report this information to the Joint Legislative Education Oversight Committee
11 no later than February 15, 2026.
12   **SECTION 2.(b)** There is appropriated from the General Fund to the Board of
13 Governors of The University of North Carolina for allocation to the North Carolina Collaboratory
14 established by G.S. 116-255, the sum of thirty million dollars ($30,000,000) in nonrecurring
15 funds for the 2025-2026 fiscal year to establish a grant fund for research projects on Artificial
16 Intelligence (AI). To qualify for grant funding, a research project must focus on one of the
17 following areas of scope:
18   (1) Involve applied AI research to develop an application in one of the following
19   priority areas:
20   a. Education.
21   b. Workforce development.
22   c. Healthcare.
23   d. Government.
24   (2) Pertain to AI fundamentals and infrastructure by addressing core AI
25   technologies (including, but not limited to, machine learning, natural language
26   processing, and computer vision) and how the technologies contribute to
27   advancing AI infrastructure.
28   (3) Pertain to AI ethics and governance by addressing ethical considerations
29   related to the use of AI and consideration of relevant AI risks and governance
30   frameworks.
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32 **PART III. EFFECTIVE DATE**
33   **SECTION 3.** This act becomes effective July 1, 2025.