

Draft C of C Amendment to HB 2-FN-A-LOCAL

1 Amend the bill by inserting the following:

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3 1 Nullification of Prior Legislation. SB 85-FN of the 2021 legislative session, establishing a  
4 broadband matching grant initiative and fund, shall not take effect.

5 2 Broadband Matching Grant Initiative; Findings and Purpose. The COVID-19 pandemic has  
6 shown the absolute necessity for broadband Internet access for all New Hampshire residents for  
7 working, education, medicine, social interaction, and other purposes. The pandemic has also shown  
8 gaps in adequate coverage primarily in rural areas of New Hampshire. Increasingly residents are  
9 going to require better access to broadband at a sufficient upload and download speed. A matching  
10 grant that utilizes state and federal funds shall be matched by political subdivision and private  
11 funds is essential to improved broadband access. The general court recognizes that a public-private  
12 partnership is essential to developing broadband access required in New Hampshire.

13 3 New Subdivision; Broadband Matching Grant Initiative; Department of Business and  
14 Economic Affairs. Amend RSA 12-O by inserting after section 60 the following new subdivision:

15 Broadband Matching Grant Initiative

16 12-O:61 Broadband Matching Grant Initiative Established.

17 I. There is hereby established within the department of business and economic affairs a  
18 broadband matching grant initiative, the purpose of which shall be to provide matching grants to  
19 broadband providers, political subdivisions, and communications districts in order to improve  
20 broadband availability across the state. When awarding grants, the department shall take into  
21 consideration broad geographic coverage of broadband services in New Hampshire and participation  
22 of political subdivisions and broadband providers in the grant process that will support business and  
23 residential users.

24 II. Eligible projects shall provide high speed Internet access in unserved areas of the state  
25 that lack access to broadband services, as defined in RSA 38:38, I(f), from at least one broadband  
26 provider.

27 III. Any broadband provider, political subdivision, or communications district formed under  
28 RSA 53-G shall be eligible for a grant of up to 50 percent of the total eligible costs of a project.  
29 Projects under construction at the time of application shall be ineligible. Projects in the planning  
30 stages shall be eligible.

31 12-O:62 Program Guidelines; Rulemaking.

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1           I. The department of business and economic affairs shall adopt rules under RSA 541-A,  
2 relative to grant application and distribution procedures.

3           II. The rules shall, at a minimum, include the following:

4               (a) Establishment of a technology-neutral competitive grant process based on objective  
5 criteria.

6               (b) Establishment of a challenge process, with reasonable timelines, through which  
7 information may be provided to the state to ensure that funds are not used to build projects in served  
8 areas or areas where construction has commenced. Projects in planning, design, or terms  
9 negotiations, and not under construction as of January 1, 2021, shall be eligible for funding.

10              (c) A method to ensure an applicant's trade secrets, financial information, and  
11 proprietary information submitted as part of an application are exempt from disclosure under RSA  
12 91-A.

13              (d) Establishment of a process that promotes faster service, up to and including gigabit  
14 service.

15           III. The department of business and economic affairs shall ensure that any grants awarded  
16 to broadband providers are provided with an appropriate level of consultation with the local  
17 governing bodies and a determination that the grants advance the goal of deploying broadband to  
18 unserved areas within communities.

19           IV. Eligible costs for the program shall include, but are not limited to:

20               (a) Costs associated with access to utility poles and other necessary structures.

21               (b) Construction of broadband network infrastructure in eligible areas.

22               (c) Construction of service connections to individual homes or businesses.

23               (d) Upgrades to existing infrastructure that currently provides service that does not  
24 meet the minimum definition of broadband in RSA 38:38, I(c).

25               (e) All other costs directly attributable to the construction project. In cases where a cost  
26 is shared with another ongoing project, shared costs shall be prorated.

27               (f) Planning costs related to network design and program eligibility.

28           V. Eligible costs shall not include any operating expenses or other recurring costs.

29           VI. The broadband provider, political subdivision, or communications district shall provide a  
30 minimum of 50 percent of the total cost of the project. Sources of the match may include revenue  
31 bonds issued by the political subdivision, bonds issued by the communication district, or private  
32 investment by broadband providers either jointly or independently. Sources of the match provided  
33 by broadband providers shall not include other federal or state funding awarded specifically to  
34 support the expansion of broadband networks.

35           VII. The department of business and economic affairs shall not, as a condition of an award of  
36 grant money, impose any requirement, rate regulation, or other term or condition of service that  
37 differs from the applicant's terms or conditions of service in its other service areas.

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1           12-O:63 Broadband Matching Grant Fund.

2           I. There is hereby established the broadband matching grant fund. The fund shall be kept  
3 separate and distinct from all other funds and shall be continually appropriated to the commissioner  
4 of the department of business and economic affairs for the purposes of this subdivision. In addition  
5 to state appropriations, the department may accept gifts, grants, and donations for deposit into the  
6 fund.

7           II. Any federal funds received by the state for the purposes of expanding or improving  
8 Internet access that are not otherwise committed to other programs or required by the federal  
9 legislation authorizing the funds shall be deposited into the broadband matching grant fund.

10          3 New Subparagraph; Dedicated Funds; Broadband Matching Grant Fund. Amend RSA 6:12,  
11 I(b) by inserting after subparagraph (364) the following new subparagraph:

12                   (365) Moneys deposited in the broadband matching grant fund under RSA 12-O:63.

2021-2026h

AMENDED ANALYSIS

This bill establishes the broadband matching grant initiative and fund in the department of business and economic affairs.