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HOUSE BILL 2312

State of Washington 65th Legislature 2018 Regular Session

By Representatives DeBolt, Kretz, Smith, Tharinger, and Buys

Prefiled 12/20/17. Read first time 01/08/18. Referred to Committee on Technology & Economic Development.

AN ACT Relating to providing urban levels of internet speed and access in rural areas to secure a brighter more equitable economic future for all Washingtonians without increasing taxes or fees; adding new sections to chapter 43.105 RCW; creating new sections; and making an appropriation.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. The legislature recognizes that truly Sec. 1. high-speed internet connectivity is missing for many parts of this state, and universally agreed to be essential to support educational opportunity, innovations in the provision of public safety and health care, and business growth. The legislature acknowledges that other states, like New York, have acted decisively and successfully to invest in a program to provide universal and equitable access to urban-levels of broadband speed by working with private sector vendors to expedite deployment of state-of-the-art broadband. The legislature intends to mimic the success of New York, by utilizing a similar reverse auction approach whereby the state pays the lowest private sector bidder willing to build the last-mile of truly highspeed broadband to the unserved and underserved populations of our state.

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NEW SECTION. Sec. 2. A new section is added to chapter 43.105 RCW to read as follows:

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- (1) The agency must implement and operate a reverse auction program that awards funding to broadband internet service providers to support high-speed internet infrastructure deployment projects in unserved and underserved rural regions throughout the state. The program must develop requests for proposals that:
- (a) Require successful project proposals to provide at least one commercial voice and broadband service with rates comparable to similar offerings in urban areas;
- (b) Prioritize projects that bring high-speed internet access to unserved rural areas of the state beginning with those counties having the highest total population without access according to the federal communications commission's 2016 broadband progress report;
- 15 (c) Prioritize projects that seek the lowest amount of state 16 investment per new location served; and
- 17 (d) Consider leverage of existing telecommunications 18 infrastructure and the potential use of unique solutions.
 - (2) From amounts appropriated to it from the expanding rural internet access account created in section 3 of this act, the agency may incur any expenses necessary to implement and operate the expanding internet access program, including:
- 23 (a) Development and expenditures of the reverse auction mechanism 24 under subsection (1) of this section;
 - (b) Contracting for an evaluation of the impact of the expanding internet access program; and
- 27 (c) Paying for the administrative expenses of the expanding 28 internet access program.
- 29 (3) The agency must submit a report to the governor and the 30 economic development committees of the senate and the house of 31 representatives by December 1, 2021, detailing:
- 32 (a) The total amount of public funds committed by this program 33 annually;
- 34 (b) The total amount of private funds committed annually and, if 35 applicable, the amount of these funds that have been invested by 36 private parties;
- 37 (c) The location of each area receiving investments under this 38 program and the goals for each of these areas;
- 39 (d) Planned future investments by both public and private 40 parties; and

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(e) Other information as the agency deems necessary.

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- NEW SECTION. Sec. 3. A new section is added to chapter 43.105 RCW to read as follows:
- The expanding rural internet access account is created in the state treasury. Moneys appropriated to the account must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the purposes described in section 2(2) of this act.
- 9 <u>NEW SECTION.</u> **Sec. 4.** FOR THE RURAL INTERNET ACCESS ACCOUNT. (1) 10 During the 2017-2019 fiscal biennium, the treasurer must transfer the 11 sum of \$300,000,000, from the budget stabilization account to the 12 expanding rural internet access account created in section 3 of this 13 act.
 - (2) For the 2017-2019 fiscal biennium, the sum of \$300,000,000 is appropriated from the expanding rural internet access account created in section 3 of this act to the consolidated technology services agency. The amount is provided solely for the purposes described in section 2 of this act. For purposes of RCW 43.88.055(4), the appropriation in this section does not alter the requirement to balance in the ensuing biennia.
- 21 NEW SECTION. Sec. 5. The joint legislative audit and review 22 committee must conduct an evaluation of the program created in 23 section 2 of this act and report its findings and recommendations to the governor and the economic development committees of the senate 24 25 and the house of representatives by December 1, 2021. The purpose of 26 the evaluation is to determine the extent to which the program has contributed to expanding high speed internet access in unserved and 27 28 underserved rural areas.
- NEW SECTION. Sec. 6. This act may be known and cited as the Washington equitable broadband "web" act.

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