
Innovation, Technology & Economic Development Committee

HB 1606

Brief Description: Concerning the authority of the community economic revitalization board with respect to loans and grants to political subdivisions and federally recognized Indian tribes for broadband.

Sponsors: Representatives Dye, Hudgins, Mosbrucker, Smith, Tarleton, Eslick, Appleton, Doglio and Frame.

Brief Summary of Bill

- Authorizes the Community Economic Revitalization Board to make broadband loans and grants to local governments and to federally recognized Indian tribes to finance infrastructure for high-speed, open-access broadband service.

Hearing Date: 1/30/19

Staff: Kyle Raymond (786-7190).

Background:

Community Economic Revitalization Board.

The Community Economic Revitalization Board (Board) provides financial assistance to local governments and federally recognized tribes for public infrastructure that encourages new business development and economic growth. The Department of Commerce provides administrative support for the Board.

The Board is authorized to make direct loans and grants to political subdivisions of the state and to federally recognized Indian tribes to finance public facilities. Eligible projects for Board financing include:

- development of land and improvements for public facilities;

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- project-specific environmental, capital, land use, permitting, feasibility, and marketing studies and plans;
- project design, site planning, and analysis;
- project debt and revenue impact analysis; and
- construction, rehabilitation, alteration, expansion, or improvement of the facilities.

Rural Broadband Infrastructure Program.

The 2018 Supplemental Capital Budget created the Board-administered Broadband Infrastructure Program. The Legislature authorized the Board to provide low-interest loans and grants to local governments and federally recognized Indian tribes, in rural and underserved communities, to finance infrastructure for high-speed, open-access broadband service.

Summary of Bill:

The Legislature authorizes the Community Economic Revitalization Board (Board) to make broadband loans and grants to any Washington local government or federally recognized Indian tribes to finance infrastructure for high-speed, open-access broadband service.

The Board may provide financial assistance for broadband projects that support economic growth or serve the needs of local communities, which can include minor general system improvements critical to project viability. Each biennium, no more than 50 percent of all financial assistance approved by the Board may consist of grants.

The Board may not provide financial assistance for: (1) projects where gambling is the primary purpose; or (2) equipment or facilities that enable a public entity to provide retail telecommunications services or additional services the public entity is not authorized to provide.

When evaluating and prioritizing projects, the Board must consider: (1) the project's value to the community; (2) the project's feasibility; (3) the local commitment to matching funds and local participation; (4) the projects inclusion in other plans required by the state; and (5) the project's readiness to proceed.

Applications for financial assistance must be approved by: (1) the local government and supported by local development associations or local workforce development councils; or (2) the governing body of the federally recognized Indian tribe. A local government or tribal official must be present during the Board's deliberations.

The local government or the federally recognized Indian tribe seeking financial assistance must demonstrate to the Board that no other timely funding source is available at costs similar to financing available from the Board.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.