
Community & Economic Development Committee

HB 1723

Brief Description: Closing the digital equity divide by increasing the accessibility and affordability of telecommunications services, devices, and training.

Sponsors: Representatives Gregerson, Taylor, Ryu, Johnson, J., Berry and Valdez.

Brief Summary of Bill

- Establishes the Washington Broadband Assistance Program to provide low-income persons with reduced rates for eligible voice and broadband services.
- Creates the Anchor Institution Digital Equity Program for the purpose of providing discounted rates for telecommunications services and discounted telecommunications infrastructure costs to qualifying anchor institutions.
- Makes modifications to the Community Technology Opportunity Program, including renaming it the Digital Equity Opportunity Program and redefining its purpose to be the advancement of broadband adoption and digital equity.
- Establishes the Digital Equity Planning Grant Program to provide grants to local governments, institutions of higher education, workforce development councils, or other entities to fund the development of a digital equity plan for a discrete geographic region of the state.
- Codifies the Digital Equity Forum (Forum) and adds a provision allowing funds to be used to compensate, for any work done in connection with the Forum, additional persons with lived experience navigating barriers to digital connectivity.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Hearing Date: 1/11/22

Staff: Cassie Jones (786-7303).

Background:

State Broadband Office.

The statutory purpose of the Statewide Broadband Office (SBO) is to encourage, foster, develop, and improve affordable, quality broadband within the state to promote innovation, serve the growing needs of Washington's education, healthcare, and public safety systems, industries and business, governmental operations, and citizens, and improve broadband accessibility for unserved communities.

Among other duties, the SBO has a duty to serve as the central broadband planning body for the state and to coordinate with local governments, tribes, public and private entities, nonprofit organizations, and utilities to develop strategies to promote deployment of broadband infrastructure and greater broadband access. The SBO may assist applicants for broadband grants and loans through the Public Works Board with seeking federal funding or matching grants for deploying broadband services.

The SBO's statutory speed goals for broadband are the following:

- by 2024, businesses and residences have access to minimum speeds of 25 megabits per second (Mbps) download and 3 Mbps upload;
- by 2026, communities have access to at least one gigabit per second symmetrical service at anchor institutions; and
- by 2028, businesses and residences have access to at least one provider with 150 Mbps symmetrical service.

Digital Equity Forum.

The Digital Equity Forum (Forum) was established in the 2021 operating budget. The stated purpose of the Forum is to develop recommendations to advance digital connectivity in Washington state. In developing its recommendations, the forum must:

- develop goals that are consistent with the SBO's statutory broadband speed goals;
- strengthen public-private partnerships;
- solicit public input through public hearings or informational sessions;
- work to increase collaboration and communication between local, state, and federal governments and agencies; and
- recommend reforms to universal service mechanisms.

The directors of the SBO and the Office of Equity are responsible for appointing participating members of the Forum. In making appointments, the directors must prioritize appointees representing federally recognized tribes, state agencies involved in digital equity, and underserved and unserved communities, including historically disadvantaged communities. Four legislators may serve on the forum in an ex officio capacity. Each member of the Forum shall

serve without compensation. The SBO must transmit the Forum's recommendations to the Legislature.

Revised Code of Washington.

The Revised Code of Washington (RCW) is the compilation of all permanent laws now in force. It is a collection of Session Laws (enacted by the Legislature, and signed by the Governor, or enacted via the initiative process), arranged by topic, with amendments added and repealed laws removed. It does not include temporary laws such as appropriations acts.

Community Technology Opportunity Program.

The Community Technology Opportunity Program (CTOP) provided organizational and capacity-building support for community technology programs throughout the state and identified and facilitated the availability of other public and private sources of funds to enhance the purposes of the CTOP and the work of community technology programs. A portion of the CTOP funds were distributed through a competitive grant program. The grants were to be used by community technology programs to provide: (1) training and skill-building opportunities; (2) access to hardware and software; (3) Internet connectivity; (4) digital media literacy; (5) assistance in the adoption of information and communication technologies in low-income and underserved areas of the state; and (6) development of locally relevant content and delivery of vital services through technology. Among other grant application requirements, applicants were required to provide evidence of matching funds equivalent to at least one-quarter of the grant amount. The account used to fund the CTOP was repealed in 2019.

Summary of Bill:

Washington Broadband Assistance Program.

The Washington Broadband Assistance Program (Broadband Assistance Program) is established within the Department of Social and Health Services (DSHS) to provide low-income persons with reduced rates for eligible voice and broadband services. Companies providing voice and broadband services must provide those services to low-income persons at a reduced rate as determined by the Utilities and Transportation Commission (Commission). Companies must inform new customers of the Broadband Assistance Program when enrolling them for services.

The DSHS must determine eligibility of low-income persons and must reimburse each company the balance of the price charged. The DSHS may adopt rules to implement the Broadband Assistance Program but may not limit customers to receiving support on only one line. "Low-income" is to be defined by the DSHS, provided that the definition may not exceed the higher of 80 percent of area median income or the self-sufficiency standard as determined by the University of Washington's self-sufficiency calculator. The DSHS must consult with the Office of Equity regarding: (1) methods for administering the program that will reduce barriers to participation; and a plan for outreach, eligibility determination assistance, and enrollment navigation.

The Utilities and Transportation Commission (UTC) must annually establish by rule which

services are eligible for inclusion in the Broadband Assistance Program and the amount of assistance to be provided to customers. In determining the amount of assistance to be provided, the UTC must consider: (1) the number of customers expected to participate; (2) the price of eligible services; (3) other assistance programs available to customers; and (4) other reasonable facts and circumstances. The UTC must also adopt by rule guidelines to ensure reduction of barriers to enrollment. The UTC may exclude a company from the program if it determines that the costs charged by the company are excessive or the quality of service or customer service is poor.

Anchor Institution Digital Equity Program.

The Anchor Institution Digital Equity Program (AIDE Program) is established. The SBO must develop, implement, and administer the AIDE Program for the purpose of providing discounted rates for telecommunications services, including broadband service, and discounted telecommunications infrastructure costs, including broadband infrastructure, to qualifying anchor institutions. Anchor institution is defined as a public school, a public housing authority, a library, a medical or health care provider, a community college or other institution of higher education, a state library agency, and other nonprofit or governmental community support organizations. The SBO must consult with the Office of Superintendent of Public Instruction, the state library, and the DSHS in developing and implementing the AIDE Program.

Eligible applicants include, but are not limited to, customers that receive discounts under the E-Rate Program administered by Universal Services Administration. The discount under the AIDE Program must be: (1) a minimum of 50 percent for broadband service; (2) a minimum of 25 percent for basic telecommunications services; and (3) applied after applying an E-Rate discount. Anchor institutions may apply for, and the SBO may provide, partial or full discount of telecommunications infrastructure costs. The SBO must determine the infrastructure costs that are eligible for discount under the AIDE Program.

The SBO must develop a process to prioritize applications for funding among eligible applicants under the AIDE Program. The SBO must prioritize applications based on the following factors: (1) the extent to which the application meets the state policy objective of bridging the digital divide; and (2) for broadband service discounts, the extent to which the service provided to the applicant is consistent with Washington's statutory broadband speed goals. The SBO may adopt rules to implement the AIDE Program.

Digital Equity Opportunity Program.

The Community Technology Opportunity Program, administered by the Department of Commerce (Commerce), is renamed to become the Digital Equity Opportunity Program (Opportunity Grant Program). The Opportunity Grant Program is created to advance broadband adoption and digital equity and inclusion through the state.

The Opportunity Grant Program must provide organizational and capacity-building support to digital equity programs throughout the state and additional support for the purpose of: (1) evaluating the impact and efficacy of activities supported by grants awarded under the covered

programs; and (2) developing, cataloging, disseminating, and promoting the exchange of best practices, in order to achieve digital equity.

The Opportunity Grant Program includes a competitive grant program to provide grants community technology programs to advance digital equity and digital inclusion by providing: (1) training and skill-building opportunities; (2) access to hardware and software; (3) Internet connectivity; (4) digital media literacy; (5) assistance in the adoption of information and communication technologies in low-income and underserved areas of the state; and (6) development of locally relevant content and delivery of vital services through technology; and (7) technical support. The requirement to provide matching funds is eliminated.

The Forum must review grant applications to provide input to Commerce regarding the prioritization of applications in awarding grants. Commerce must consider the input provided by the Forum and the extent to which the mix of grants awarded would increase the number of K-12 students gaining access to greater levels of digital inclusion.

Digital Equity Planning Grant Program.

Commerce must establish a Digital Equity Planning Grant Program (Planning Grant Program) to provide grants to local governments, institutions of higher education, workforce development councils, or other entities to fund the development of a digital equity plan for a discrete geographic region of the state.

Commerce must evaluate and rank applications using both objective and subjective criteria. Priority must be given for applications accompanied by express support from certain nonprofit organizations, public development authorities, federally recognized Indian tribes, or other certain community partners that intend to use community-based participatory action research methods. Commerce must also consider input from the Forum in awarding grants and how the grants awarded would increase the number of K-12 students gaining greater access to digital inclusion. Commerce must develop criteria for the contents of digital equity plans and may adopt rules as necessary to implement the Planning Grant Program.

State Broadband Office.

The statutory purpose of the SBO is modified to include improving broadband accessibility and adoption for unserved and underserved communities and populations. Public housing agencies are added to the statutory list of entities with which the SBO must coordinate to develop strategies to promote deployment of broadband infrastructure and greater broadband access.

In addition to applicants for Public Works Board broadband grants and loans, the SBO may assist applicants for the Opportunity Grant Program and the Planning Grant Program with seeking federal funds or matching grants for deploying or increasing adoption of broadband services.

The SBO must coordinate outreach to hard-to-reach and low-income communities across the state to provide information about broadband programs available to consumers in these

communities. The outreach effort must be reviewed by the Office of Equity annually.

Digital Equity Forum.

The Forum is codified in the RCW. A provision is added that allows funds to be used to compensate, for any work done in connection with the Forum, additional persons with lived experience navigating barriers to digital connectivity.

Digital Equity Account.

The Digital Equity Account is created in the State Treasury. The Legislature may appropriate moneys in the account only for the purposes of the Broadband Assistance Program, the AIDE Program, Opportunity Grant Program, and the Planning Grant Program.

Miscellaneous Provisions.

The secretaries or directors of the DSHS, the UTC, Commerce, and the SBO, or their designee, may take any action necessary to ensure that the provisions of the act are implemented by the relevant effective dates.

A severability clause is included.

Appropriation: None.

Fiscal Note: Requested on January 5, 2022.

Effective Date: The bill takes effect July 1, 2023, except for following sections, which take effect 90 days after adjournment of the session in which the bill is passed: section 406, relating to the Forum; section 601, relating to authority of the DSHS, the UTC, and Commerce to take actions necessary to implement the act; section 602, relating to effective dates; and section 603, a severability provision.