## CERTIFICATION OF ENROLLMENT

## ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1723

Chapter 265, Laws of 2022

67th Legislature 2022 Regular Session

DIGITAL EQUITY—TELECOMMUNICATIONS SERVICES, DEVICES, AND TRAINING

EFFECTIVE DATE: June 9, 2022—Except for sections 101, 102, 301 through 305, and 401, which take effect July 1, 2023.

Passed by the House March 7, 2022 CERTIFICATE Yeas 70 Nays 28 I, Bernard Dean, Chief Clerk of the House of Representatives of the LAURIE JINKINS State of Washington, do hereby Speaker of the House of certify that the attached is ENGROSSED SECOND SUBSTITUTE HOUSE Representatives BILL 1723 as passed by the House of Representatives and the Senate on the dates hereon set forth. Passed by the Senate March 4, 2022 Yeas 27 Nays 20 BERNARD DEAN Chief Clerk DENNY HECK President of the Senate Approved March 31, 2022 4:32 PM FILED April 1, 2022

JAY INSLEE

Governor of the State of Washington

Secretary of State

State of Washington

### ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1723

### AS AMENDED BY THE SENATE

Passed Legislature - 2022 Regular Session

## State of Washington

67th Legislature

2022 Regular Session

By House Appropriations (originally sponsored by Representatives Gregerson, Taylor, Ryu, J. Johnson, Berry, Valdez, Goodman, Macri, Peterson, Ramel, Simmons, Wylie, Slatter, Bergquist, Pollet, Ortiz-Self, Dolan, Stonier, Riccelli, Ormsby, Harris-Talley, Hackney, Kloba, and Frame)

READ FIRST TIME 02/03/22.

- AN ACT Relating to closing the digital equity divide by 1 2 increasing the accessibility and affordability of telecommunications 3 services, devices, and training; amending RCW 43.330.530, 43.330.532, 4 43.330.534, and 43.330.412; adding new sections to chapter 43.330 5 adding a new section to chapter 80.36 RCW; creating new
- sections; and providing an effective date. 6
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- PART 1 8
- INTRODUCTION 9
- 10 NEW SECTION. Sec. 101. This act may be known and cited as the 11 digital equity act.
- 12 NEW SECTION. Sec. 102. (1) The legislature finds that:
- 13 (a) Access to the internet is essential to participating in 14 modern day society including, but not limited to, attending school
- 15 work, accessing health care, paying for basic services,
- 16 connecting with family and friends, civic participation, and economic
- 17 survival.
- 18 (b) For too many people in both rural and urban areas, the cost
- 19 of being online is unaffordable. The legislature recognizes that

- building the last mile of broadband to the home is prohibitively expensive and that urban areas that are home to people earning low incomes continue to face digital redlining. Across the state there is a lack of affordable plans, barriers to enrolling in appropriate broadband plans, and barriers to fully utilize the opportunities that broadband offers.
  - (c) The COVID-19 pandemic has further highlighted the need for affordable access, devices, and skills to use the internet.
  - (d) The need for more accessible and affordable internet is felt more acutely among specific sectors of the population, especially Washington residents in rural areas, people who are currently earning low incomes, seniors and others who lack the skills necessary to get online, people with first languages other than English, immigrant communities, and people with disabilities.
  - (e) The federal government is allocating considerable sums for investment in digital equity that the state broadband office will help to leverage for residents across Washington. Continued comprehensive efforts, including coordination with tribal partners, are needed to ensure truly equitable access. The legislature recognizes that there will be a need for ongoing development and maintenance of broadband infrastructure. The legislature also recognizes that there is a need for ongoing outreach by community-based partnerships to provide enrollment assistance to lower the cost of internet subscriptions and devices.
  - (2) Therefore, the legislature intends to broaden access to the internet, the appropriate devices, and the skills to operate online safely and effectively so that all people in Washington can fully participate in our society, democracy, and economy by expanding assistance and support programs offered in the state and establishing the governor's statewide broadband office as a central access point to such programs.

## 32 PART 2 33 STATE DIGITAL EQUITY PLAN

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- NEW SECTION. Sec. 201. A new section is added to chapter 43.330 RCW to read as follows:
- 36 (1) The office, in consultation with the digital equity forum, 37 the utilities and transportation commission, and the department of 38 social and health services, must develop a state digital equity plan.

p. 2

- 1 (a) The office must seek any available federal funding for 2 purposes of developing and implementing the state digital equity 3 plan.
  - (b) The state digital equity plan must include such elements as the office determines are necessary to leverage federal funding.
  - (2) In developing the plan, the office must identify measurable objectives for documenting and promoting digital equity among underserved communities located in the state.
- 9 (3) By December 1, 2023, the office must submit a report to the 10 governor and the appropriate committees of the legislature, including 11 the following:
- 12 (a) The digital equity plan described in subsection (1) of this 13 section and measurable objectives described in subsection (2) of this 14 section;
- 15 (b) A description of how the office collaborated with the 16 membership of the digital equity forum, state agencies, and key 17 stakeholders to develop the plan including, but not limited to, the 18 following:
  - (i) Community anchor institutions;
- 20 (ii) Local governments;

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- 21 (iii) Local educational agencies;
  - (iv) Entities that carry out workforce development programs; and
- 23 (v) Broadband service providers;
  - (c) A description of federal funding available to advance digital equity in the state, including any available information on the extent to which state residents have enrolled in the affordable connectivity program through an approved provider; and
  - (d) Recommendations of additional state law or policy that can be targeted to help improve broadband adoption and affordability for state residents. This may include recommendations of ongoing subsidies that the state can provide to low-income individuals and anchor institutions, as well as identification of revenue sources that other states or jurisdictions have developed to fund such subsidies or discounted rates.
- 35 (4) For the purpose of this section, "office" means the statewide 36 broadband office established in RCW 43.330.532.

# 37 **PART 3**38 **DIGITAL EQUITY OPPORTUNITY PROGRAM**

**Sec. 301.** RCW 43.330.530 and 2019 c 365 s 2 are each amended to read as follows:

The definitions in this section apply throughout this section and RCW 43.330.532 through 43.330.538, 43.330.412, and sections 305 and 306 of this act unless the context clearly requires otherwise.

- 6 (1) "Board" means the public works board established in RCW 43.155.030.
  - (2) "Broadband" or "broadband service" means any service providing advanced telecommunications capability and internet access with transmission speeds that, at a minimum, provide twenty-five megabits per second download and three megabits per second upload.
  - (3) "Broadband infrastructure" means networks of deployed telecommunications equipment and technologies necessary to provide high-speed internet access and other advanced telecommunications services to end users.
    - (4) "Department" means the department of commerce.
  - (5) "Last mile infrastructure" means broadband infrastructure that serves as the final connection from a broadband service provider's network to the end-use customer's on-premises telecommunications equipment.
  - (6) "Local government" includes cities, towns, counties, municipal corporations, public port districts, public utility districts, quasi-municipal corporations, special purpose districts, and multiparty entities comprised of public entity members.
  - (7) "Middle mile infrastructure" means broadband infrastructure that links a broadband service provider's core network infrastructure to last mile infrastructure.
  - (8) "Office" means the governor's statewide broadband office established in RCW 43.330.532.
  - (9) "Tribe" means any federally recognized Indian tribe whose traditional lands and territories included parts of Washington.
  - (10) "Unserved areas" means areas of Washington in which households and businesses lack access to broadband service, as defined by the office, except that the state's definition for broadband service may not be actual speeds less than twenty-five megabits per second download and three megabits per second upload.
- 37 (11) (a) "Advanced telecommunications capability" means, without 38 regard to any transmission media or technology, high-speed, switched, 39 broadband telecommunications capability that enables users to

originate and receive high quality voice, data, graphics, and video telecommunications using any technology.

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- (b) "Advanced telecommunications capability" does not include access to a technology that delivers transmission speeds below the minimum download and upload speeds provided in the definition of broadband in this section.
- 7 (12) "Aging individual" means an individual 55 years of age or 8 older.
- 9 <u>(13) "Broadband adoption" means the process by which an</u> 10 <u>individual obtains daily access to the internet:</u>
- 11 (a) At a speed, quality, price, and capacity necessary for the 12 individual to accomplish common tasks, such that the access qualifies 13 as an advanced telecommunications capability;
- 14 <u>(b) Providing individuals with the digital skills necessary to</u> 15 <u>participate online;</u>
  - (c) On a device connected to the internet and other advanced telecommunications services via a secure and convenient network, with associated end-user broadband infrastructure equipment such as wifi mesh router or repeaters to enable the device to adequately use the internet network; and
  - (d) With technical support and digital navigation assistance to enable continuity of service and equipment use and utilization.
  - (14) "Digital equity" means the condition in which individuals and communities in Washington have the information technology capacity that is needed for full participation in society and the economy.
  - (15) (a) "Digital inclusion" means the activities that are necessary to ensure that all individuals in Washington have access to, and the use of, affordable information and communication technologies including, but not limited to:
    - (i) Reliable broadband internet service;
- 32 <u>(ii) Internet-enabled devices that meet the needs of the user;</u>
  33 and
- 34 <u>(iii) Applications and online content designed to enable and</u>
  35 <u>encourage self-sufficiency, participation, and collaboration.</u>
- 36 (b) "Digital inclusion" also includes obtaining access to digital
  37 literacy training, the provision of quality technical support, and
  38 obtaining basic awareness of measures to ensure online privacy and
  39 cybersecurity.

- 1 (16) "Digital literacy" means the skills associated with using
  2 technology to enable users to use information and communications
  3 technologies to find, evaluate, organize, create, and communicate
  4 information.
- 5 (17) "Low-income" means households as defined by the department
  6 of social and health services, provided that the definition may not
  7 exceed the higher of 80 percent of area median household income or
  8 the self-sufficiency standard as determined by the University of
  9 Washington's self-sufficiency calculator.
- 10 (18) "Underserved population" means any of the following:
- 11 (a) Individuals who live in low-income households;
- 12 <u>(b) Aging individuals;</u>
- 13 (c) Incarcerated individuals;
- 14 <u>(d) Veterans;</u>

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- 15 <u>(e) Individuals with disabilities;</u>
- 16 <u>(f) Individuals with a language barrier, including individuals</u> 17 who are English learners or who have low levels of literacy;
- 18 <u>(g) Individuals who are members of a racial or ethnic minority</u>
  19 group;
- 20 (h) Individuals who primarily reside in a rural area;
  - (i) Children and youth in foster care; or
- 22 <u>(j) Individuals experiencing housing instability.</u>
- 23 **Sec. 302.** RCW 43.330.532 and 2021 c 258 s 2 are each amended to 24 read as follows:
  - (1) The governor's statewide broadband office is established. The director of the office must be appointed by the governor. The office may employ staff necessary to carry out the office's duties as prescribed by chapter 365, Laws of 2019, subject to the availability of amounts appropriated for this specific purpose.
- 30 (2) The purpose of the office is to encourage, foster, develop, 31 and improve affordable, quality broadband within the state in order 32 to:
- 33 (a) Drive job creation, promote innovation, improve economic 34 vitality, and expand markets for Washington businesses;
- 35 (b) Serve the ongoing and growing needs of Washington's education 36 systems, health care systems, public safety systems, transportation 37 systems, industries and business, governmental operations, and 38 citizens; and

- 1 (c) Improve broadband accessibility <u>and adoption</u> for unserved <u>and</u> 2 <u>underserved</u> communities and populations.
- 3 **Sec. 303.** RCW 43.330.534 and 2021 c 258 s 3 are each amended to 4 read as follows:
  - (1) The office has the power and duty to:

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- 6 (a) Serve as the central broadband planning body for the state of Washington;
  - (b) Coordinate with local governments, tribes, public and private entities, <u>public housing agencies</u>, nonprofit organizations, and consumer-owned and investor-owned utilities to develop strategies and plans promoting deployment of broadband infrastructure and greater broadband access, while protecting proprietary information;
- 13 (c) Review existing broadband initiatives, policies, and public and private investments;
  - (d) Develop, recommend, and implement a statewide plan to encourage cost-effective broadband access and to make recommendations for increased usage, particularly in rural and other unserved areas;
  - (e) Update the state's broadband goals and definitions for broadband service in unserved areas as technology advances, except that the state's definition for broadband service may not be actual speeds less than twenty-five megabits per second download and three megabits per second upload; and
- 23 (f) Encourage public-private partnerships to increase deployment 24 and adoption of broadband services and applications.
- 25 (2) When developing plans or strategies for broadband deployment, 26 the office must consider:
  - (a) Partnerships between communities, tribes, nonprofit organizations, local governments, consumer-owned and investor-owned utilities, and public and private entities;
  - (b) Funding opportunities that provide for the coordination of public, private, state, and federal funds for the purposes of making broadband infrastructure or broadband services available to rural and unserved areas of the state;
- 34 (c) Barriers to the deployment, adoption, and utilization of 35 broadband service, including affordability of service and project 36 coordination logistics; and
- 37 (d) Requiring minimum broadband service of twenty-five megabits 38 per second download and three megabits per second upload speed, that 39 is scalable to faster service.

(3) The office may assist applicants for the grant and loan program created in RCW 43.155.160, the digital equity opportunity program created in RCW 43.330.412, and the digital equity planning grant program created in section 305 of this act with seeking federal funding or matching grants and other grant opportunities for deploying or increasing adoption of broadband services.

- (4) The office may take all appropriate steps to seek and apply for federal funds for which the office is eligible, and other grants, and accept donations, and must deposit these funds in the statewide broadband account created in RCW 43.155.165.
- reach communities and low-income communities across the state to provide information about broadband programs available to consumers of these communities. The outreach effort must include, but is not limited to, providing information to applicable communities about the federal lifeline program and other low-income broadband benefit programs. The outreach effort must be reviewed by the office of equity annually. The office may contract with other public or private entities to conduct outreach to communities as provided under this subsection.
- (6) In carrying out its purpose, the office may collaborate with the utilities and transportation commission, the office of the chief information officer, the department of commerce, the community economic revitalization board, the department of transportation, the public works board, the state librarian, and all other relevant state agencies.
- **Sec. 304.** RCW 43.330.412 and 2011 1st sp.s. c 43 s 607 are each amended to read as follows:
  - The ((community technology opportunity program is created to support the efforts of community technology programs throughout the state. The community technology)) digital equity opportunity program is created to advance broadband adoption and digital equity and inclusion throughout the state. The digital equity opportunity program must be administered by the department. The department may contract for services in order to carry out the department's obligations under this section.
- 37 (1) In implementing the ((community technology)) digital equity 38 opportunity program the director must, to the extent funds are 39 appropriated for this purpose:

- (a) Provide organizational and capacity building support to ((community technology)) digital equity programs throughout the state((, and identify and facilitate the availability of other public and private sources of funds to enhance the purposes of the program and the work of community technology programs. No more than fifteen)) and additional support for the purpose of:
- (i) Evaluating the impact and efficacy of activities supported by grants awarded under the covered programs; and
- (ii) Developing, cataloging, disseminating, and promoting the exchange of best practices, with respect to and independent of the covered programs, in order to achieve digital equity. After July 1, 2024, no more than 15 percent of funds received by the director for the program may be expended on these functions;
- (b) Establish a competitive grant program and provide grants to community technology programs to ((provide training and skill-building opportunities; access to hardware and software; internet connectivity; digital media literacy; assistance in the adoption of information and communication technologies in low-income and underserved areas of the state; and development of locally relevant content and delivery of vital services through)) advance digital equity and digital inclusion by providing:
  - (i) Training and skill-building opportunities;
- 23 <u>(ii) Access to hardware and software, including online service</u> 24 <u>costs such as application and software;</u>
  - (iii) Internet connectivity;
  - (iv) Digital media literacy and cybersecurity training;
- 27 <u>(v) Assistance in the adoption of information and communication</u> 28 technologies for low-income and underserved populations of the state;
- 29 <u>(vi) Development of locally relevant content and delivery of</u> 30 vital services through technology; and
  - (vii) Technical support;

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- 32 <u>(c) Collaborate with broadband stakeholders, including broadband</u>
  33 <u>action teams across the state, in implementing the program as</u>
  34 provided under this subsection; and
- 35 <u>(d) For the purposes of this section, include wireless meshed</u> 36 <u>network</u> technology.
  - (2) Grant applicants must:
- 38 (a) Provide evidence that the applicant is a nonprofit entity or 39 a public entity that is working in partnership with a nonprofit 40 entity;

(b) Define the geographic area or population to be served;

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- (c) Include in the application the results of a needs assessment addressing, in the geographic area or among the population to be served: The impact of inadequacies in technology access or knowledge, barriers faced, and services needed;
- (d) Explain in detail the strategy for addressing the needs identified and an implementation plan including objectives, tasks, and benchmarks for the applicant and the role that other organizations will play in assisting the applicant's efforts;
- (e) ((Provide evidence of matching funds and resources, which are equivalent to at least one-quarter of the grant amount committed to the applicant's strategy;
- (f))) Provide evidence that funds applied for, if received, will be used to provide effective delivery of community technology services in alignment with the goals of this program and to increase the applicant's level of effort beyond the current level; and
- 17  $((\frac{g}{g}))$  (f) Comply with such other requirements as the director 18 establishes.
  - (3) The digital equity forum shall review grant applications and provide input to the director regarding the prioritization of applications in awarding grants among eligible applicants under the program.
- 23 (4) In awarding grants under the digital equity opportunity 24 program created in this section, the director must:
  - (a) Consider the input provided by the digital equity forum, as provided in subsection (3) of this section, in awarding grants; and
  - (b) Consider the extent to which the mix of grants awarded would increase in the number of prekindergarten through 12th grade students gaining access to greater levels of digital inclusion as a factor in awarding grants.
- 31 <u>(5)</u> The director may use no more than ((ten)) <u>10</u> percent of funds 32 received for the ((community technology)) <u>digital equity</u> opportunity 33 program to cover administrative expenses.
- $((\frac{4}{}))$  (6) The director must establish expected program outcomes for each grant recipient and must require grant recipients to provide an annual accounting of program outcomes.
- NEW SECTION. Sec. 305. A new section is added to chapter 43.330 RCW to read as follows:

- (1) Subject to the availability of funds appropriated for this specific purpose, the department shall establish a digital equity planning grant program.
  - (2) (a) This program must 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. Only the director or the director's designee may authorize expenditures.
    - (b) Priority must be given for grant applications:
  - (i) Accompanied by express support from community or neighborhood-based nonprofit organizations, public development authorities, federally recognized Indian tribes in the state, or other community partners and partners from the categories of institutions identified in RCW 43.330.421; and
- 15 (ii) That intend to use community-based participatory action 16 research methods as a part of the proposed plan.
  - (3) An applicant must submit an application to the department in order to be eligible for funding under this section.
  - (4) The digital equity forum shall review grant applications and provide input to the department regarding the prioritization of applications in awarding grants among eligible applicants under the program.
    - (5) The department must:

- (a) Pursuant to subsection (2)(b) of this section, evaluate and rank applications using objective criteria such as the number of underserved populations served and subjective criteria such as the degree of support and engagement evidenced by the community who will be served;
- (b) Consider the input provided by the forum, as provided in subsection (4) of this section, in awarding grants under the digital equity planning grant program; and
- (c) Consider the extent to which the mix of grants awarded would increase in the number of prekindergarten through 12th grade students gaining access to greater levels of digital inclusion as a factor in awarding grants under the digital equity planning grant program.
- 36 (6) The department shall develop criteria for what the digital 37 equity plans must include.
  - (7) The department may adopt rules to implement this section.

- NEW SECTION. Sec. 306. A new section is added to chapter 43.330 RCW to read as follows:
  - (1) The Washington digital equity forum is established for the purpose of developing recommendations to advance digital connectivity in Washington state and advising the statewide broadband office on the digital equity opportunity program as provided under RCW 43.330.412 and the digital equity planning grant program as provided under section 305 of this act.
- 9 (2) In developing its recommendations to advance digital 10 connectivity, the forum must:
  - (a) Develop goals that are consistent with the goals of the governor's statewide broadband office, as provided in RCW 43.330.536;
    - (b) Strengthen public-private partnerships;

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- 14 (c) Solicit public input through public hearings or informational sessions;
  - (d) Work to increase collaboration and communication between local, state, and federal governments and agencies; and
    - (e) Recommend reforms to current universal service mechanisms.
    - (3) The directors of the governor's statewide broadband office and the Washington state office of equity are responsible for appointing participating members of the digital equity forum and no appointment may be made unless each director concurs in the appointment. In making appointments, the directors must prioritize appointees representing:
      - (a) Federally recognized tribes;
      - (b) State agencies involved in digital equity; and
- 27 (c) Underserved and unserved communities, including historically disadvantaged communities.
  - (4) A majority of the participating members appointed by the directors must appoint an administrative chair for the forum.
  - (5) In addition to members appointed by the directors, four legislators may serve on the digital equity forum in an ex officio capacity. Legislative participants must be appointed as follows:
  - (a) The speaker of the house of representatives must appoint one member from each of the two largest caucuses of the house of representatives; and
- 37 (b) The president of the senate must appoint one member from each 38 of the two largest caucuses of the senate.
- (6) (a) Funds appropriated to the forum may be used to compensate, for any work done in connection with the forum, additional persons

- 1 who have lived experience navigating barriers to digital connectivity and digital equity.
  - (b) Each member of the digital equity forum shall serve without compensation but may be reimbursed for travel expenses as authorized in RCW 43.03.050 and 43.03.060.
  - (7) Staff for the digital equity forum must be provided by the governor's statewide broadband office and the Washington state office equity. The governor's statewide broadband office and the Washington state office of equity are jointly responsible for transmitting the recommendations of the digital equity forum to the legislature, consistent with RCW 43.01.036, by October 28, 2025, and every odd-numbered year thereafter.

## 13 PART 4

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## DIGITAL EQUITY ACCOUNT 14

- 15 Sec. 401. A new section is added to chapter 80.36 NEW SECTION. RCW to read as follows: 16
- (1) The digital equity account is created in the state treasury. 17 Moneys in the account may be spent only after appropriation. 18
  - (2) Any amounts appropriated by the legislature to the account, private contributions, or any other source directed to the account, must be deposited into the account. Funds from sources outside the state, from private contributions, federal or other sources may be directed to the specific purposes of the digital equity opportunity program or digital equity planning grant program.
- (3) The legislature may appropriate moneys in the account only 25 for the purposes of: 26
  - (a) RCW 43.330.412, the digital equity opportunity program; and
- (b) Section 305 of this act, the digital equity planning grant 28 29 program.

#### 30 PART 5 MISCELLANEOUS PROVISIONS 31

32 NEW SECTION. Sec. 501. The director of the department of commerce or the director's designee, and the director of the 33 statewide broadband office or the director's designee, may take any 34 35 actions necessary to ensure that the provisions of this act are implemented on the date identified in section 502 of this act. 36

- NEW SECTION. Sec. 502. Sections 101, 102, 301 through 305, and 401 of this act take effect July 1, 2023.
- NEW SECTION. Sec. 503. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.
- NEW SECTION. Sec. 504. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2022, in the omnibus appropriations act, this act is null and void.

Passed by the House March 7, 2022. Passed by the Senate March 4, 2022. Approved by the Governor March 31, 2022. Filed in Office of Secretary of State April 1, 2022.

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