

HOUSE BILL REPORT

HB 2365

As Reported by House Committee On:

Technology, Economic Development, & Veterans
Appropriations

Title: An act relating to advancing digital opportunities for all.

Brief Description: Advancing digital opportunities for all.

Sponsors: Representatives Gregerson, Ryu, Berry, Obras, Zahn, Scott, Ormsby, Macri, Parshley and Pollet.

Brief History:

Committee Activity:

Technology, Economic Development, & Veterans: 1/20/26, 1/27/26 [DPS];
Appropriations: 2/6/26, 2/9/26 [DP2S(w/o sub TEDV)].

Brief Summary of Second Substitute Bill

- Expands the purpose of the Statewide Broadband Office (SBO) to include promoting digital equity and requires the SBO to implement and report on a state Digital Equity Plan, subject to the availability of amounts appropriated for this purpose.
- Modifies the purpose of the Digital Equity Forum (Forum) to include developing recommendations related to digital equity and makes certain changes to the Forum's administrative processes.
- Removes certain duties of the Washington State Office of Equity relating to the Forum and the SBO's outreach efforts.
- Modifies the purposes of, and application requirements for, the Digital Equity Opportunity Program.

HOUSE COMMITTEE ON TECHNOLOGY, ECONOMIC DEVELOPMENT, & VETERANS

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.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Ryu, Chair; Kloba, Vice Chair; Cortes, Donaghy, Paul, Shavers, Simmons and Thomas.

Minority Report: Do not pass. Signed by 4 members: Representatives Barnard, Ranking Minority Member; Keaton, Volz and Waters.

Minority Report: Without recommendation. Signed by 1 member: Representative Penner.

Staff: Emily Poole (786-7106).

Background:

Statewide Broadband Office.

The Statewide Broadband Office (SBO) is the central broadband planning body for the state, and as such, it is tasked with promoting deployment of broadband infrastructure and greater broadband access. Among other duties, the SBO is required to coordinate an outreach effort to hard-to-reach and low-income communities across the state to provide information about available broadband programs, and the outreach effort must be reviewed by the Washington State Office of Equity (Office of Equity) annually. The SBO is tasked with updating the state's broadband goals and definitions for broadband service, except that the state's definition for broadband service may not be actual speeds less than 25 megabits per second (mbps) download and 3 mbps upload. In carrying out its purpose, the SBO may collaborate with relevant state agencies.

Washington State Office of Equity.

The Office of Equity serves the purpose of promoting access to equitable opportunities and resources that reduce disparities and improve outcomes statewide across state government.

Digital Equity Forum.

The Digital Equity Forum (Forum) develops recommendations to advance digital connectivity and advises the SBO on Department of Commerce (Department) digital equity grant programs. In developing its recommendations, among other requirements, the Forum must develop goals that are consistent with the SBO's broadband goals and strengthen public-private partnerships.

The SBO and the Office of Equity are responsible for appointing members of the Forum, providing staff support for the Forum, and transmitting the Forum's recommendations to the Legislature. In making appointments, the SBO and the Office of Equity must prioritize certain types of appointees. A majority of the participating members must appoint an administrative chair for the Forum. Members of the Forum serve without compensation, but may be reimbursed for travel expenses.

Digital Equity Plan.

The SBO, in consultation with the Forum and certain agencies, is required to develop a state Digital Equity Plan (Plan). In developing the Plan, the SBO is required to identify measurable objectives for documenting and promoting digital equity among underserved communities. The SBO was required to submit a report by December 1, 2023, including a description of how the SBO collaborated with key stakeholders to develop the Plan and recommendations to improve broadband adoption.

Digital Equity Opportunity Program.

The purpose of the Digital Equity Opportunity Program, administered by the Department, is to advance broadband adoption and digital equity. In implementing the Digital Equity Opportunity Program, the Department must provide organizational support to digital equity programs and provide grants to community technology programs to advance digital equity and inclusion. The Forum must review grant applications and provide input to the Department regarding the prioritization of applications. In awarding grants, the Department must consider the Forum's input and also consider the extent to which grants would increase the number of students gaining access to greater levels of digital inclusion.

Summary of Substitute Bill:

Statewide Broadband Office Duties.

The purpose of the SBO is expanded to include promoting broadband adoption and digital equity. The SBO must coordinate with relevant state agencies and community anchor institutions, in addition to other entities, when developing strategies to promote broadband access, and the SBO must develop strategies to promote broadband adoption.

In setting broadband goals and definitions for broadband service, the state's definition for broadband may not be speeds less than 100 mbps download and 20 mbps upload.

As part of the SBO's outreach efforts, the SBO must request that broadband providers report cost information for retail service, and the SBO must include such information in outreach materials. The SBO must prioritize translation of outreach materials into the three most commonly spoken non-English languages in areas served by the outreach effort. The outreach effort must be reviewed annually by the Forum, instead of by the Office of Equity.

In carrying out its purpose, the SBO must consider collaborating with tribes and relevant state agencies.

Plan Implementation.

The SBO is required to coordinate implementation of the Plan in consultation with relevant state agencies. The SBO must submit a report to the Governor and the Legislature by January 1, 2027, and every two years thereafter, including an updated version of the Plan and a summary evaluation of progress made in implementing the Plan.

Digital Equity Forum Duties and Membership.

The purpose of the Forum is modified to include developing recommendations related to broadband adoption and digital equity. In addition to existing requirements, when the Forum is developing recommendations, the Forum must also:

- strengthen cooperatives and other partnerships that promote digital connectivity, broadband adoption, and digital equity, instead of just public-private partnerships;
- increase awareness of digital equity needs and resources;
- work to increase collaboration with tribal governments and other partners;
- recommend opportunities for sustainable digital equity funding;
- consider related issues within its scope brought forward by the public or members of the Forum;
- annually review the SBO's outreach effort; and
- provide feedback on digital equity grant programs.

The Forum may also consult with the SBO and other relevant agencies on the Plan.

The Office of Equity is not required to appoint members of the Forum, provide staffing for the Forum, or transmit the Forum's recommendations to the Legislature. Instead, the SBO must consult with the Office of Equity, as well as the chair or cochairs of the Forum, on Forum appointments.

The SBO must prioritize appointees representing local agencies, in addition to other priority appointees, and the SBO must also consider appointees representing broadband providers, the technology industry, philanthropy, the health industry, and the legal and justice system. A majority of Forum members may appoint an administrative chair or cochairs, and members of the Forum may receive a stipend for attendance at quarterly meetings. The total number of appointed Forum members should not exceed 25 members, unless it is determined that a larger forum is necessary to ensure adequate representation of underserved communities.

Digital Opportunity Program.

The Digital Equity Opportunity Program is renamed as the Digital Opportunity Program (Program). The Program must provide grants to digital equity programs, instead of community technology programs.

In implementing the Program, to the extent that funds are appropriated, the SBO must provide support to regional coalitions supporting digital equity, and organizational and capacity-building support provided by the SBO must serve the purpose of enabling directories of digital equity program services, community needs assessments, and tracking of lower-cost broadband offerings.

Program applicants must provide certain evidence of local partnership. In awarding grants, the SBO must consider whether the grant furthers the goals of the Plan, opportunities to leverage additional investments, the requirements and intent associated with federal or

private funds, and the geographic distribution of students that may benefit from the Program.

The Forum is not required to review grant applications and provide input, but the SBO must share certain Program materials with the Forum on a timely basis and consider the Forum's input.

Definitions.

Definitions for certain terms, including "community anchor institution" and "low-income," are added or modified.

Substitute Bill Compared to Original Bill:

The substitute bill:

- adds accountable communities of health to the definition of "community anchor institution";
- provides definitions for "incarcerated individual," "individuals experiencing housing instability," "individuals with disabilities," and "veteran";
- specifies that for outreach materials created by the SBO, the SBO must prioritize translation of outreach materials into the three most commonly spoken non-English languages in areas served by the outreach effort, and the SBO may leverage existing translations from other state agencies and federal programs where available;
- specifies that in carrying out its purpose, the SBO shall consider collaborating with all relevant state agencies, "such as" Washington Technology Solutions and other identified agencies, instead of "including, but not limited to," Washington Technology Solutions and other identified agencies, and removes the Utilities and Transportation Commission from the identified agencies;
- specifies that the SBO's consultation with other state agencies to implement the Plan only includes state agencies relevant to the Plan's implementation;
- modifies the required contents of the report to be submitted with the Plan, such that the report must include a summary evaluation of progress made in implementing the Plan, including key digital equity programs and funding needs, instead of an evaluation of progress made in implementing the Plan, including an assessment of existing digital equity initiatives, policies, programs, funding needs, and public and private investments, including a recommended model for future investments;
- specifies that the reporting requirements associated with the Plan are subject to appropriation, beginning July 1, 2027;
- permits the Forum to consult with the SBO and other relevant agencies on the Plan, instead of requiring such consultation;
- specifies that the total number of appointed members of the Forum should not exceed 25, unless it is determined that a larger Forum is necessary to ensure adequate representation of underserved communities;
- restores language that members of the Forum may be reimbursed for travel expenses;
- limits stipends for Forum members to only when authorized by the SBO, and

- specifies that stipends are for attendance at quarterly meetings; and
 - specifies that when administering the Program, the Department may prioritize elements of the Program based on federal or private matching funds.
-

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on January 28, 2026.

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

Staff Summary of Public Testimony:

(In support) The majority of jobs require digital skills, but only two-thirds of workers have access to the required training in order to succeed. Many areas of the state lack reliable access to affordable broadband. Organizations that provide digital skills training and online safety workshops to rural and low-income communities have experienced a drop in funding across the board, which makes it unsustainable to keep up with the growing needs of Washingtonians. This bill will establish a pathway for oversight of, and access to, these services for generations to come. This bill will allow communities who have been most impacted by a lack of access to technology to be able to collaborate and share solutions, including through the Forum. This bill will promote adoption of best practices and strategies for the use of technology to improve student education and behavioral health outcomes. Reliable broadband represents access to opportunity, but families have to know how to use the internet safely. The bill recognizes that digital inclusion includes basic awareness of online privacy and cybersecurity.

(Other) Some of the bill's requirements, including growing the digital equity planning process, will create costs for the state. This bill does not affect the implementation of federal broadband funds. The state recently lost \$15 million in previously expected federal grants for digital equity work.

Persons Testifying: (In support) Representative Mia Gregerson, prime sponsor; Dr. Shaun Glaze, BBR Academy; Will Booth, Creating Pathways; Tori Emerson, President, Washington State PTA; Sonee Kulaga Wilson Kulaga Wilson, Tri-Cities Diversity and Inclusion Council; and Nancy Chang, Legislative District 10 Constituent.

(Other) Dave Pringle, Dept. of Commerce.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Technology, Economic Development, & Veterans. Signed by 18 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Berg, Bergquist, Callan, Cortes, Doglio, Fitzgibbon, Leavitt, Lekanoff, Peterson, Pollet, Ryu, Springer, Stonier, Street and Thai.

Minority Report: Do not pass. Signed by 12 members: Representatives Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Burnett, Corry, Dye, Keaton, Manjarrez, Marshall, Rude and Valdez.

Staff: Ryan Simonis (786-7290).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Technology, Economic Development, & Veterans:

The Appropriations Committee recommended that requirements related to the Plan are subject to the availability of amounts appropriated. The SBO may seek federal or other funding for Plan development and implementation, rather than must. The initial Plan progress report must provide a summary evaluation, and subsequent reports must include certain additional components. The Department must establish procedures for SBO staff to raise concerns directly to leadership about improper payments or contract non-compliance. Applicants for the Program must provide details on subgrantee selection and accountability requirements. The Director of the Department must have draft eligibility and selection criteria for the Program reviewed and approved by the Department's contracts and compliance division.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 10, 2026

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

Staff Summary of Public Testimony:

(In support) Washington communities face affordability barriers, device gaps, and the need for digital skills and navigation support. Washington has made historic infrastructure investments, but infrastructure alone is not universal service. Washington recently lost access to roughly \$53 million in federal digital equity funding due to federal level changes. Federal funding faces increasing legal and political uncertainty. Infrastructure investments fail to deliver full value when families lose service or federal subsidies are disrupted. Many Washingtonians remain digitally disconnected due to cost, infrastructure gaps, language barriers, and accessibility challenges. When people lack access to the internet, they also

lack access to jobs, education, healthcare, and civic participation.

Digital access is no longer a luxury. It is a prerequisite for economic mobility. Digital inequities in rural communities are an everyday reality with one in four people facing digital inequities. In Okanogan County, nearly 30 percent of households have no internet service and many communities remain below the previous broadband standards. In Grant County, more than a quarter of households lack a laptop or desktop computer. Rural communities urgently need coordinated support that connects state strategy with local organizations that provide hands-on assistance to families.

This trailer bill is a critical update. This bill is subject to future fundraising and appropriations, which is important with the loss of federal funds. It asks internet service providers to share low-cost pricing as a simple step to consumer education and monitor affordability, which is important with the loss of the Affordable Connectivity Program. This bill strengthens Washington's digital equity framework by improving coordination across agencies and formalizing partnerships with the community-based organizations that are already delivering services. It supports accountability and helps ensure investments reach the communities most impacted by the digital divide.

This bill clarifies the scope of the Statewide Broadband Office to ensure broadband adoption alongside deployment. It recognizes rural and frontier needs and allows the Digital Equity Forum advisory board to provide timely advice. This bill directs the state to study, evaluate, and recommend sustainable subsidy mechanisms. This bill is about preparation, resilience, and fiscal responsibility. This bill treats broadband access as a serious equity provision. This bill moves the state from intent to execution by requiring implementation and reporting on a digital equity plan. This bill does not require Washington to create a state universal service fund, nor establish a surcharge, contribution mechanism, or a new tax. It targets resources more effectively and connects people to opportunities in a measurable way.

(Opposed) None.

Persons Testifying: Representative Mia Gregerson, prime sponsor; Ernie Rasmussen, Bigfoot Telecommunications of the Colville Tribes; John Schapman, NCW Thriving Together; Katherine VanHenley, Digital Equity Learning Network of Seattle-King County; David Keyes, David Keyes; and Aaron Tulloch, FMSGs/WBBA.

Persons Signed In To Testify But Not Testifying: None.