

SB 445-FN - AS AMENDED BY THE SENATE

03/31/2022 1263s

2022 SESSION

22-3041

12/05

SENATE BILL **445-FN**

AN ACT relative to the broadband matching grant initiative.

SPONSORS: Sen. Hennessey, Dist 1; Sen. Bradley, Dist 3; Sen. Watters, Dist 4; Sen. Whitley, Dist 15; Sen. Daniels, Dist 11; Sen. Avard, Dist 12; Sen. Birdsell, Dist 19; Sen. Carson, Dist 14; Sen. Cavanaugh, Dist 16; Sen. Sherman, Dist 24; Sen. Prentiss, Dist 5; Sen. Giuda, Dist 2; Sen. Gray, Dist 6

COMMITTEE: Finance

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AMENDED ANALYSIS

This bill transfers funding to the broadband matching grant fund and makes various changes to the broadband matching grant initiative's guidelines.

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Explanation: Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears ~~[in brackets and struckthrough.]~~  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

## STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT relative to the broadband matching grant initiative.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1       1 Appropriation; Department of Business and Economic Affairs. The sum of \$122,100,000 of  
 2 federal coronavirus capital projects funds, authorized by the American Rescue Plan Act of 2021,  
 3 Public Law 117-2, from the United States Department of Treasury, shall be transferred to the  
 4 broadband matching grant fund established in RSA 12-O:63. The department of business and  
 5 economic affairs is authorized to transfer amounts from said coronavirus capital projects funds for  
 6 other purposes allowable under federal guidelines, with prior approval of the fiscal committee of the  
 7 general court and the governor and council.

8       2 Broadband Matching Grant Initiative; Program Guidelines; Rulemaking. Amend RSA 12-  
 9 O:62, II(b) to read as follows:

10           (b) Establishment of a challenge process, with reasonable timelines, through which  
 11 information may be provided to the state to ensure that funds are not used to build projects in served  
 12 areas or areas where construction has commenced. [~~Projects in planning, design, or terms~~  
 13 ~~negotiations, and not under construction as of January 1, 2021, shall be eligible for funding]~~ ***For the***  
 14 ***purposes of this subdivision, construction has commenced when a provider initiates the***  
 15 ***make-ready process or begins construction of broadband infrastructure in the project area.***  
 16 ***A provider who challenges an application's eligibility for funding because construction***  
 17 ***has commenced shall complete construction as soon as practical and without undue delay.***

18       3 Broadband Matching Grant Initiative Established. Amend RSA 12-O:61, III to read as  
 19 follows:

20           III. Any broadband provider, political subdivision, or communications district formed under  
 21 RSA 53-G shall be eligible for a grant of up to [~~50~~] **75** percent of the total eligible costs of a project.  
 22 Projects under construction at the time of application shall be ineligible, ***unless the provisions of***  
 23 ***RSA 12-O:62, VIII apply.*** Projects in the planning stages shall be eligible.

24       4 Broadband Matching Grant Initiative; Program Guidelines; Cost Contribution. Amend RSA  
 25 12-O:62, VI to read as follows:

26           VI. The broadband provider, political subdivision, or communications district shall provide a  
 27 minimum of [~~50~~] **25** percent of the total cost of the project. Sources of the match may include  
 28 revenue bonds issued by the political subdivision, bonds issued by the communication district, or  
 29 private investment by broadband providers either jointly or independently. Sources of the match  
 30 provided by broadband providers shall not include other federal or state funding awarded specifically  
 31 to support the expansion of broadband networks.

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1           5 New Paragraph; Broadband Matching Grant Initiative; Federal Conflicts. Amend RSA 12-  
2 O:62 by inserting after paragraph VII the following new paragraph:

3           VIII. If the provisions of RSA 12-O:61, RSA 12-O:62, or RSA 12-O:63 conflict with the  
4 provisions of the federal funding guidance, specifically for the purposes of the broadband matching  
5 grant initiative or the broadband matching grant fund, the federal funding guidance shall control.

6           6 Effective Date. This act shall take effect upon its passage.

**SB 445-FN- FISCAL NOTE**  
 AS AMENDED BY THE SENATE (AMENDMENT #2022-1263s)

AN ACT relative to the broadband matching grant initiative.

**FISCAL IMPACT:**     State             County             Local             None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$122,100,000	\$0	\$0
<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Funding Source:</b>	<input type="checkbox"/> General <input type="checkbox"/> Education <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Broadband Matching Grant Fund and ARPA Funds			

**COUNTY:**

<b>Revenue</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Expenditures</b>	\$0	\$0	\$0	\$0

**LOCAL:**

<b>Revenue</b>	\$0	Indetermine Increase	Indeterminable Increase	Indeterminable Increase
<b>Expenditures</b>	\$0	\$0	\$0	\$0

**METHODOLOGY:**

This bill appropriates \$122,100,000 to the broadband matching grant fund established in RSA 12-O:63, administered by the Department of Business and Economic Affairs. The source of this appropriation would be funds from the American Rescue Plan Act (ARPA). The broadband matching grant fund is a continually appropriated dedicated fund and it is unclear at this time how much of the \$122,100,000 would be expended for program purposes each year, although it is assumed some would be made available as matching grants to political subdivisions (county and local governments).

The Department of Business and Economic Affairs (BEA) states expenditures from this program, which will continue until FY 2027, will be covered through an administrative set-aside of up to \$6.1 million. BEA also assumes the transfer of the \$122,100,000 appropriation will not occur until FY 2023.

**AGENCIES CONTACTED:**

Department of Business and Economic Affairs