

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1982

Chapter 86, Laws of 2024

68th Legislature
2024 Regular Session

COMMUNITY ECONOMIC REVITALIZATION BOARD—RURAL BROADBAND PROGRAM

EFFECTIVE DATE: June 6, 2024

Passed by the House February 8, 2024
Yeas 97 Nays 0

LAURIE JINKINS

**Speaker of the House of
Representatives**

Passed by the Senate March 1, 2024
Yeas 48 Nays 1

DENNY HECK

President of the Senate

Approved March 14, 2024 11:17 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1982** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

March 14, 2024

**Secretary of State
State of Washington**

HOUSE BILL 1982

Passed Legislature - 2024 Regular Session

State of Washington 68th Legislature 2024 Regular Session

By Representatives Waters, Shavers, Ryu, Couture, Ramos, McClintock, Callan, Cheney, Doglio, Sandlin, Paul, Harris, Berg, Tharinger, Riccelli, and Santos

Prefiled 12/19/23. Read first time 01/08/24. Referred to Committee on Innovation, Community & Economic Development, & Veterans.

1 AN ACT Relating to the authority of the community economic
2 revitalization board with respect to loans and grants to political
3 subdivisions and federally recognized Indian tribes for broadband;
4 amending RCW 43.160.020; adding a new section to chapter 43.160 RCW;
5 and creating a new section.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature recognizes that high-speed
8 internet connectivity through broadband is essential to support
9 educational opportunity; innovations in the provision of education,
10 public safety, and health care; and business growth. The legislature
11 also finds that open-access broadband networks create a public
12 platform that bolsters the private sector's ability to provide
13 broadband internet access to communities for which access was
14 previously cost-prohibitive. Therefore, to efficiently and
15 sustainably expand access to broadband throughout Washington, this
16 act establishes a grant and loan program through the community
17 economic revitalization board for local governments and federally
18 recognized Indian tribes to develop open-access broadband networks.

19 **Sec. 2.** RCW 43.160.020 and 2012 c 225 s 3 are each amended to
20 read as follows:

1 Unless the context clearly requires otherwise, the definitions in
2 this section apply throughout this chapter.

3 (1) "Board" means the community economic revitalization board.

4 (2) "Broadband" means a network of deployed telecommunications
5 equipment and technologies necessary to provide high-speed internet
6 access and other advanced telecommunications services.

7 (3) "Department" means the department of commerce.

8 ~~((3))~~ (4) "Local government" or "political subdivision" means
9 any port district, county, city, town, special purpose district, and
10 any other municipal corporations or quasi-municipal corporations in
11 the state providing for public facilities under this chapter.

12 ~~((4))~~ (5) "Public facilities" means a project of a local
13 government or a federally recognized Indian tribe for the planning,
14 acquisition, construction, repair, reconstruction, replacement,
15 rehabilitation, or improvement of: Bridges; roads; research, testing,
16 training, and incubation facilities in areas designated as innovation
17 partnership zones under RCW 43.330.270; buildings or structures;
18 domestic and industrial water, earth stabilization, sanitary sewer,
19 storm sewer, railroad, electricity, telecommunications,
20 transportation, natural gas, and port facilities; all for the purpose
21 of job creation, job retention, or job expansion.

22 ~~((5))~~ (6) "Rural county" means a county with a population
23 density of fewer than one hundred persons per square mile or a county
24 smaller than two hundred twenty-five square miles, as determined by
25 the office of financial management and published each year by the
26 department for the period July 1st to June 30th.

27 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.160
28 RCW to read as follows:

29 (1) The board is authorized to make rural broadband loans and
30 grants to local governments and to federally recognized Indian tribes
31 for the purposes of financing the cost to build infrastructure to
32 provide high-speed, open-access broadband service, to rural and
33 underserved communities, for the purpose of economic or community
34 development.

35 (2) Applications for funding must be made in the form and manner
36 as the board may prescribe. In making grants or loans the board must
37 conform to the following requirements:

38 (a) The board may not provide financial assistance:

1 (i) For a project the primary purpose of which is to facilitate
2 or promote a retail shopping development or expansion; or

3 (ii) For the deployment of publicly owned telecommunications
4 network infrastructure (commonly referred to as "backbone") solely
5 for the sake of creating competitive, publicly owned
6 telecommunications network infrastructure.

7 (b) The board may provide financial assistance only for projects
8 located in a rural community as defined by the board, or located in a
9 rural county, that encourage, foster, develop, and improve broadband
10 within the state in order to:

11 (i) Drive job creation, promote innovation, and expand markets
12 for local businesses; or

13 (ii) Serve the ongoing and growing needs of the local education
14 system, health care system, public safety system, industries and
15 businesses, governmental operations, and citizens.

16 (c) An application must be approved by the local government and
17 supported by the local associate development organization or local
18 workforce development council or approved by the governing body of
19 the federally recognized Indian tribe.

20 (d) The board may allow de minimis general system improvements to
21 be funded if they are critically linked to the viability of the
22 project.

23 (e) When evaluating and prioritizing projects, the board must
24 give consideration, at a minimum, to the following factors:

25 (i) The project's value to the community, including evidence of
26 support from affected local businesses and government;

27 (ii) The project's feasibility, using standard economic
28 principles;

29 (iii) Commitment of local matching resources and local
30 participation;

31 (iv) The project's use of a technology-neutral approach in order
32 to expand access at the lowest cost;

33 (v) The project's inclusion in a capital facilities plan,
34 comprehensive plan, or local economic development plan consistent
35 with applicable state planning requirements; and

36 (vi) The project's readiness to proceed.

37 (3) A responsible official of the local government or the
38 federally recognized Indian tribe must be present during board
39 deliberations and provide information that the board requests.

1 (4) Before any financial assistance application is approved, the
2 local government or the federally recognized Indian tribe seeking the
3 assistance must demonstrate to the board that no other timely source
4 of funding is available to it at costs reasonably similar to
5 financing available from the board.

Passed by the House February 8, 2024.
Passed by the Senate March 1, 2024.
Approved by the Governor March 14, 2024.
Filed in Office of Secretary of State March 14, 2024.

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