



HOUSE BILL 815: County Broadband Authority.

**This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.**

2021-2022 General Assembly

Committee:	House Appropriations, Information Technology. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	June 2, 2021
Introduced by:	Reps. Saine, Johnson, Reives, Wray	Prepared by:	Gayle Moses & Matthew Meinig Committee Staff
Analysis of:	PCS to First Edition H815-CSMQa-7		

OVERVIEW: *The bill appropriates from the State Fiscal Recovery Fund to the Department of Information Technology the sum of \$100,000,000 in nonrecurring funds for the 2021-2022 FY for the purpose of reimbursing communications service providers for their costs in removing and replacing existing poles in connection with qualified projects to bring broadband services to unserved areas of the State; authorizes counties to provide grants to private or nonprofit providers of broadband service; expands the definition of the term "city utility pole" for purposes of wireless telecommunication facilities; prohibits municipalities from imposing certain fees and recurring charges for the collocation of small wireless facilities; and makes related changes.*

CURRENT LAW:

G.S. 153A-459 authorizes counties to provide grants to unaffiliated qualified private providers of high speed Internet access for the purpose of expanding service in unserved areas for economic development in the county. The county may use only unrestricted general fund revenue for the grants. Nothing in the statute authorizes a county to provide high-speed Internet broadband service.

G.S. 160D-937 provides that cities that own or operate an electric service as a public enterprise and electric membership corporations are exempt from the statutory requirements that prohibit cities from denying, limiting, restricting, or determining the rates, fees, terms, and conditions for the use of or attachment to its utility poles, city utility poles, or wireless support structures by a wireless provider.

BILL ANALYSIS: Section 1 revises G.S. 153A-459 to authorize counties to (i) provide grants to unaffiliated nonprofit providers of broadband service for the purpose of expanding broadband service in unserved areas and (ii) use State or federal funds for the grants. Section 2 also excludes from the definition of the term "unserved area" any locations where a private provider has been designated to receive funds through a State or federally funded program for broadband service deployment if the recipient is in good standing with the grantor agency's requirements. Section 2 does not authorize counties to provide broadband service.

Section 2 establishes the Broadband Pole Replacement Program in the Department of Information Technology for the purpose of speeding and facilitating the deployment of broadband service to individuals, businesses, agricultural operations, and community access points in unserved areas by reimbursing a portion of eligible pole replacement costs incurred by communications service providers. A communications service provider who pays or incurs the costs of removing and replacing an existing pole in connection with a qualified project may apply to the Department of Information Technology for

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reimbursement in an amount equal to fifty percent (50%) of eligible pole replacement costs paid or incurred by the applicant or ten thousand dollars (\$10,000), whichever is less, for each pole replaced.

Section 3 amends the definition of "city utility pole" in Part 3 of Article 9 of Chapter 160D (Wireless Telecommunications Facilities) to include a pole owned by a city as part of the city's electric service public enterprise.

Section 4 prohibits cities from charging certain wireless providers fees or recurring charges for the collocation of a small wireless facility in the city's right-of-way or for the installation, modification, or replacement of a utility pole or city utility pole in the city's right-of-way.

Section 5 removes certain restrictions imposed on right-of-way charges that may be assessed by a city for use or occupation of the right-of-way by a wireless provider.

Section 6 provides that electric membership corporations are exempt from the statutory requirements that prohibit cities from denying, limiting, restricting, or determining the rates, fees, terms, and conditions for the use of or attachment to its utility poles, city utility poles, or wireless support structures by a wireless provider.

EFFECTIVE DATE: The act is effective when it becomes law. Section 2 expires December 31, 2021.