

HOUSE BILL 947:

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

The G.R.E.A.T. Broadband Expansion Act.

2021-2022 General Assembly

Committee: House Appropriations. If favorable, re-refer to **Date:**

Rules, Calendar, and Operations of the House

Introduced by: Reps. Arp, Lambeth, Saine, Johnson

Analysis of: PCS to First Edition

H947-CSMOa-6

May 19, 2021

Prepared by: Matthew Meinig,

Phyllis Pickett, and

Joyce Jones

Committee Co-Counsel

OVERVIEW: The PCS (i) creates the Completing Access to Broadband Program (CAB) to supplement federal American Rescue Plan Act (ARPA) funding received by counties with State ARPA funds to expand broadband infrastructure to unserved and underserved areas (ii) establishes a separate process to administer ARPA funds appropriated for broadband grants in the Growing Rural Economies with Access to Technology (GREAT) program, and (iii) makes various changes to the State-funded GREAT program.

BILL ANALYSIS: The PCS does the following:

- Section 1.1 creates the Completing Access to Broadband (CAB) program. Counties participating in the CAB program can identify unserved areas, in collaboration with the Broadband Infrastructure Office in the Department of Information Technology, that are eligible for program funding. Under the guidance of the Department, a county can initiate a bid process to select a broadband service provider for broadband infrastructure expansion into unserved and underserved areas. The county and the State would each be responsible for a portion of the project cost utilizing American Rescue Plan Act (ARPA) funds.
- Section 2.1 establishes a separate American Rescue Plan Act GREAT process to administer ARPA funds appropriated to the GREAT program for broadband infrastructure grants. The process largely mirrors the provisions in G.S. 143B-1373, with the exception of scoring metrices adapted for (i) the use of county ARPA funds, (ii) heightened broadband download and upload speeds required by federal guidelines, and (iii) changes to certain matching requirements.
- Section 2.2 directs the Department of Information Technology to utilize a portion of funds allowed
 for administration of the American Rescue Plan Act GREAT program for legal and appraisal
 services to assist the Department of Administration in its review and disposition of requests for
 collocation, installation, and operation of equipment pursuant to G.S. 146-29.2(b1) for broadband
 providers participating in the American Rescue Plan Act GREAT program.
- Section 3.1 makes various changes to the GREAT program, including the following:
 - Changes to clarify that project area protection can be maintained for the duration of a project that is in good standing.
 - Changes to the protest period, including a reduction of the period to 20 days and detailing the eligibility of protests and the evidence and criteria used by the Department to evaluate a protest.

Kory Goldsmith Director



Legislative Drafting 919-733-6660

House PCS 947

Page 2

- o Changes to enable the Department to evaluate applications that utilize a partnership, and that clarify the types of partnerships that are eligible under the program.
- o Various changes to the scoring metrices, matching requirements, and grant thresholds.
- Section 4.1 appropriates \$350 million in ARPA funds to be used in the American Rescue Plan Act GREAT program established in Part II of the PCS.
- Section 4.2 allows the Department to use up to 1.1% of ARPA funds for administration of the American Rescue Plan Act GREAT program.
- Section 4.3 expresses the intent of the General Assembly to appropriate ARPA funds in future legislation in the sum of \$400 million for the CAB program established in Part I of the PCS.
- Section 5.1 directs the Office of Broadband Infrastructure to utilize the development tier status in the annual ranking performed by the Department of Commerce pursuant to G.S. 143B-437.08 for the 2020 calendar year through the 2024-2025 fiscal year to offset any disparate economic impacts the COVID-19 pandemic may have upon the tier rankings.

EFFECTIVE DATE: The act would become effective July 1, 2021.