



2023-2024 General Assembly

HOUSE BILL 259: 2023 Appropriations Act, Sec. 38.7: Completing Access to Broadband Eligibility Expansion

Committee:
Introduced by:
Analysis of: Sec. 38.7 of S.L. 2023-134

Date: December 6, 2023
Prepared by: Bill Patterson
Staff Attorney

OVERVIEW: Section 38.7 of S.L. 2023-134 provides that a county is ineligible to receive a grant from the Completing Access to Broadband (CAB) Fund if it: 1) is designated as a Tier 3 area by the Department of Commerce for the 2023 calendar year; and 2) has utilized federal funds for broadband infrastructure projects on or after May 1, 2021.

This section became effective July 1, 2023.

CURRENT LAW: Section 38.6 of S.L. 2021-180 established the Completing Access to Broadband (CAB) Fund 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. Under this legislation any county utilizing federal funding for broadband infrastructure projects on or after May 1, 2021, was ineligible to receive a grant from the CAB Fund.

The Department of Commerce annually ranks the State's 100 counties based on economic well-being and assigns a tier designation to each county. A development tier designation is effective only for the calendar year following the designation. The 40 most distressed counties are designated as Tier 1, the next 40 are designated Tier 2, and the 20 least distressed counties are designated as Tier 3. This tier system is used to determine a variety of state funding opportunities to assist in economic development.

BILL ANALYSIS: Section 38.7 of S.L. 2023-134 provides that a county will be ineligible to receive a CAB Fund grant if it: 1) is designated as a Tier 3 area by the Department of Commerce for the 2023 calendar year¹; and 2) utilized federal funding for broadband infrastructure projects on or after May 1, 2021.

EFFECTIVE DATE: This section became effective July 1, 2023.

¹ For the 2023 calendar year, the following counties were designated as Tier 3 areas: Avery, Brunswick, Buncombe, Cabarrus, Camden, Carteret, Chatham, Currituck, Durham, Henderson, Iredell, Johnston, Lincoln, Mecklenburg, Moore, New Hanover, Orange, Pender, Union, and Wake. (Source: <https://www.commerce.nc.gov/2023-tiers-memo-published-113022/open>)

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Legislative Analysis
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