PSHB 2414 (H-4213.1/20) (Rep. Hudgins)

Current Version of the Bill:

- Establishes and sets forth requirements for the Digital Capacity Grant Program under the Department of Commerce (Department).
- Requires local jurisdictions seeking a capacity grant to complete a Digital Equity Plan (Plan) that identifies the barriers to digital equity faced by covered populations in the local jurisdiction.
- Requires local jurisdictions seeking a capacity grant to select an administering entity to administer grant funds, among other responsibilities.
- Requires the Department to award annual capacity grants to support the implementation of the Plan and digital inclusion activities in local jurisdictions.
- Establishes and sets forth requirements for the Digital Competitive Grant Program under the Department for the stated purpose of supporting efforts to achieve digital equity, promote digital inclusion activities, and spur greater adoption of broadband among covered populations.
- Establishes grant calculation criteria that the Department must follow in awarding grants.
- Requires the Department to conduct evaluations of the activities carried out under the covered programs and submit and annual report to the Legislature of its findings.
- Provides that the Department may enter into contracts to evaluate grant-supported activities and promote the exchange of best practices related to each program.
- Requires the Department to provide technical support and assistance to entities to prepare grant applications awarded under covered programs.
- Provides that the state share of any Competitive Grant Program project for which the Department awards a grant may not exceed 90 percent of total project funds.
- Establishes assurances that grant recipients agree to in grant applications, and uphold thereafter, such as an assurance to adopt written complaint procedures.
- Sets forth certain requirements related to the provision of grants under each Program, including eligibility, application and awarding procedure, use of funds, stakeholder collaboration, termination of grant, program evaluation, and reporting requirements.

Proposed Substitute (H-4213.1/20) Compared to HB 2414:

- Expands the purpose of the Statewide Broadband Office (SBO) to include improving broadband adoption for underserved communities.
- Provides that the SBO may provide grant and loan assistance under the digital equity grant program.
- Transfers authority of the digital equity plan and grant activities under the SBO.
- Requires the SBO to prepare a report on the comparative availability and adoption of broadband across the state by July 1, 2021.
- Modifies and repurposes the Community Technology Opportunity Program to establish the Digital Equity Opportunity Program to advance broadband adoption digital equity.
- Modifies and repurposes the Digital Inclusion and Technology Planning Advisory Group on broadband access and adoption to establish the Statewide Action Team.
- Eliminates the local jurisdiction administering entity.

- Eliminates and modifies certain requirements related to the eligibility, application and awarding procedure, use of funds, grant calculation, stakeholder collaboration, termination of grant, program evaluation, and reporting requirements under the grant program.

AN ACT Relating to digital equity; amending RCW 43.330.530, 43.330.532, 43.330.534, 43.330.538, 43.330.412, and 43.330.421; adding a new section to chapter 43.330 RCW; and creating a new section.

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

NEW SECTION. **Sec. 1.** (1) The legislature finds that broadband connection and digital literacy are increasingly critical for Washingtonians' ability to participate in society, the economy, and civic institutions.

(2) The legislature further finds that broadband connection and digital literacy are critical in accessing health care and essential services, obtaining an education, and building careers in Washington.

(3) The legislature further finds that digital exclusion carries an immense societal and economic cost for Washingtonians. Digital exclusion materially harms an individual's opportunity for economic success, educational achievement, positive health outcomes, social inclusion, and civic engagement. Digital exclusion also exacerbates existing wealth and income gaps, especially those experienced by covered populations.

(4) The legislature further finds that achieving digital equity in Washington requires additional and sustained investment and research efforts and is a matter of social and economic justice.

(5) Therefore, it is the intent of the legislature to create a digital equity capacity grant program and a digital equity competitive grant program to promote the expansion of digital equity across the state by supporting digital inclusion activities and building capacity for local jurisdictions to spur greater adoption of broadband among covered populations throughout Washington.

Sec. 2. RCW 43.330.530 and 2019 c 365 s 2 are each amended to read as follows:

The definitions in this section apply throughout this section and RCW 43.330.532 through 43.330.538 unless the context clearly requires otherwise.

(1) "Advanced telecommunications capability" means, without regard to any transmission media or technology, high-speed, switched, broadband telecommunications capability that enables users to originate and receive high quality voice, data, graphics, and video telecommunications using any technology.

(2) "Aging individual" means an individual sixty years of age or older.

(3) "Board" means the public works board established in RCW 43.155.030.

((~~(2)~~)) (4) "Broadband" or "broadband service" means any service providing advanced telecommunications capability and internet access with transmission speeds that, at a minimum, provide twenty-five megabits per second download and three megabits per second upload.

((~~(3)~~)) (5) "Broadband adoption" means the process by which an individual obtains daily access to the internet that:

(a) Is at a speed, quality, and capacity necessary for the individual to accomplish common tasks, such that the access qualifies as an advanced telecommunications capability;

(b) Allows individuals the digital skills necessary to participate online; and

(c) Is on a personal device that is on a secure and convenient network.

(6) "Broadband infrastructure" means networks of deployed telecommunications equipment and technologies necessary to provide

high-speed internet access and other advanced telecommunications services to end users.

((~~(4)~~)) (7) "Department" means the department of commerce.

((~~(5)~~)) (8) "Digital equity" means the condition in which individuals and communities in Washington have the information technology capacity that is needed for full participation in society and the economy.

(9)(a) "Digital inclusion" means the activities that are necessary to ensure that all individuals in Washington have access to, and the use of, affordable information and communication technologies, including:

(i) Reliable fixed and wireless broadband internet service;

(ii) Internet-enabled devices that meet the needs of the user; and

(iii) Applications and online content designed to enable and encourage self-sufficiency, participation, and collaboration.

(b) "Digital inclusion" also includes obtaining access to digital literacy training, the provision of quality technical support, and obtaining basic awareness of measures to ensure online privacy and cybersecurity.

(10) "Digital literacy" means the skills associated with using technology to enable users to use information and communications technologies to find, evaluate, organize, create, and communicate information.

(11) "Disability" has the same meaning as defined in RCW 49.60.040.

(12) "Last mile infrastructure" means broadband infrastructure that serves as the final connection from a broadband service provider's network to the end-use customer's on-premises telecommunications equipment.

((~~(6)~~)) (13) "Local government" includes cities, towns, counties, municipal corporations, public port districts, public utility districts, quasi-municipal corporations, special purpose districts, and multiparty entities comprised of public entity members.

((~~(7)~~)) (14) "Low-income household" means a household, the federal taxable income of which is not more than two hundred percent of an amount equal to the poverty level, as determined by using criteria of poverty established by the United States bureau of the census, for the most recently completed taxable year.

(15) "Middle mile infrastructure" means broadband infrastructure that links a broadband service provider's core network infrastructure to last mile infrastructure.

((~~(8)~~)) (16) "Office" means the governor's statewide broadband office established in RCW 43.330.532.

((~~(9)~~)) (17) "Tribe" means any federally recognized Indian tribe whose traditional lands and territories included parts of Washington.

((~~(10)~~)) (18) "Underserved population" means:

(a) Individuals who live in low-income households;

(b) Aging individuals;

(c) Incarcerated individuals;

(d) Veterans;

(e) Individuals with disabilities;

(f) Individuals with a language barrier, including individuals who are English learners or who have low levels of literacy;

(g) Individuals who are members of a racial or ethnic minority group; and

(h) Individuals who primarily reside in a rural area.

(19) "Unserved areas" means areas of Washington in which households and businesses lack access to broadband service, as defined by the office, except that the state's definition for broadband service may not be actual speeds less than twenty-five megabits per second download and three megabits per second upload.

Sec. 3. RCW 43.330.532 and 2019 c 365 s 3 are each amended to read as follows:

(1) The governor's statewide broadband office is established. The director of the office must be appointed by the governor. The office may employ staff necessary to carry out the office's duties as prescribed by chapter 365, Laws of 2019, subject to the availability of amounts appropriated for this specific purpose.

(2) The purpose of the office is to encourage, foster, develop, and improve affordable, quality broadband within the state in order to:

(a) Drive job creation, promote innovation, improve economic vitality, and expand markets for Washington businesses;

(b) Serve the ongoing and growing needs of Washington's education systems, health care systems, public safety systems, industries and business, governmental operations, and citizens; and

(c) Improve broadband accessibility and adoption for ((~~unserved~~)) underserved communities and populations.

Sec. 4. RCW 43.330.534 and 2019 c 365 s 4 are each amended to read as follows:

(1) The office has the power and duty to:

(a) Serve as the central broadband planning body for the state of Washington;

(b) Coordinate with local governments, tribes, public and private entities, nonprofit organizations, and consumer-owned and investor-owned utilities to develop strategies and plans promoting deployment of broadband infrastructure and greater broadband access, while protecting proprietary information;

(c) Review existing broadband initiatives, policies, and public and private investments;

(d) Develop, recommend, and implement a statewide plan to encourage cost-effective broadband access and to make recommendations for increased usage, particularly in rural and other unserved areas;

(e) Update the state's broadband goals and definitions for broadband service in unserved areas as technology advances, except that the state's definition for broadband service may not be actual speeds less than twenty-five megabits per second download and three megabits per second upload; and

(f) Encourage public-private partnerships to increase deployment and adoption of broadband services and applications.

(2) When developing plans or strategies for broadband deployment, the office must consider:

(a) Partnerships between communities, tribes, nonprofit organizations, local governments, consumer-owned and investor-owned utilities, and public and private entities;

(b) Funding opportunities that provide for the coordination of public, private, state, and federal funds for the purposes of making broadband infrastructure or broadband services available to rural and unserved areas of the state;

(c) Barriers to the deployment, adoption, and utilization of broadband service, including affordability of service; and

(d) Requiring minimum broadband service of twenty-five megabits per second download and three megabits per second upload speed, that is scalable to faster service.

(3) The office may assist applicants for the grant and loan programs created in RCW 43.155.160 and 43.330.412 and section 7 of this act with seeking federal funding or matching grants and other grant opportunities for deploying or increasing adoption of broadband services.

(4) The office may take all appropriate steps to seek and apply for federal funds for which the office is eligible, and other grants, and accept donations, and must deposit these funds in the statewide broadband account created in RCW 43.155.165.

(5) In carrying out its purpose, the office may collaborate with the utilities and transportation commission, the office of the chief information officer, the department of commerce, the community economic revitalization board, the public works board, the state librarian, and all other relevant state agencies.

Sec. 5. RCW 43.330.538 and 2019 c 365 s 6 are each amended to read as follows:

(1) Beginning January 1, 2021, and biennially thereafter, the office shall report to the legislative committees with jurisdiction over broadband policy and finance on the office's activities during the previous two years.

(2) The report must, at a minimum, contain:

(a) An analysis of the current availability and use of broadband, including average broadband speeds, within the state;

(b) Information gathered from schools, libraries, hospitals, and public safety facilities across the state, determining the actual speed and capacity of broadband currently in use and the need, if any, for increases in speed and capacity to meet current or anticipated needs;

(c) An overview of incumbent broadband infrastructure within the state;

(d) A summary of the office's activities in coordinating broadband infrastructure development with the public works board, including a summary of funds awarded under RCW 43.155.160;

(e) Suggested policies, incentives, and legislation designed to accelerate the achievement of the goals under RCW 43.330.536; and

(f) Any proposed legislative and policy initiatives.

(3) Subject to funds appropriated for this specific purpose, by July 1, 2021, the office must prepare a report documenting the comparative availability and adoption of broadband across the state,

including barriers to adoption. The department may use any source including, but not limited to, data collected from:

(a) The federal communications commission;

(b) The American community survey or, if necessary, other data collected by the United States bureau of the census; and

(c) State, local, and community reports and research on broadband adoption.

Sec. 6. RCW 43.330.412 and 2011 1st sp.s. c 43 s 607 are each amended to read as follows:

The ((~~community technology~~)) digital equity opportunity program is created to ((~~support the efforts of community technology programs~~)) advance broadband adoption and digital equity and inclusion throughout the state. The ((~~community technology~~)) digital equity opportunity program must be administered by the department. The department may contract for services in order to carry out the department's obligations under this section.

(1) In implementing the ((~~community technology~~)) digital equity opportunity program the director must, to the extent funds are appropriated for this purpose:

(a) Provide ((~~organizational and capacity building~~)) support to community technology programs throughout the state((~~, and identify and facilitate the availability of other public and private sources of funds to enhance the purposes of the program and the work of community technology programs. No~~)) for the purpose of:

(i) Evaluating the impact and efficacy of activities supported by grants awarded under the covered programs; and

(ii) Developing, cataloging, disseminating, and promoting the exchange of best practices, both with respect to and independent of the covered programs, in order to achieve digital equity. After July 1, 2023, no more than fifteen percent of funds received by the director for the program may be expended on these functions;

(b) Establish a competitive grant program and provide grants to community technology programs to ((~~provide~~)) advance digital equity and digital inclusion by providing training and skill-building opportunities; access to hardware and software; internet connectivity; digital media literacy; assistance in the adoption of information and communication technologies in low-income and underserved areas and populations of the state; and development of

locally relevant content and delivery of vital services through technology.

(2) Grant applicants must:

(a) Provide evidence that the applicant is a nonprofit entity or a public entity that is working in partnership with a nonprofit entity;

(b) Define the geographic area or population to be served;

(c) Include in the application the results of a needs assessment addressing, in the geographic area or among the population to be served: The impact of inadequacies in technology access or knowledge, barriers faced, and services needed;

(d) Explain in detail the strategy for addressing the needs identified and an implementation plan including objectives, tasks, and benchmarks for the applicant and the role that other organizations will play in assisting the applicant's efforts;

(e) Provide evidence of matching funds and resources, which are equivalent to at least ((~~one-quarter~~)) ten percent of the grant amount committed to the applicant's strategy;

(f) Provide evidence that funds applied for, if received, will be used to provide effective delivery of community technology services in alignment with the goals of this program and to increase the applicant's level of effort beyond the current level; and

(g) Comply with such other requirements as the director establishes.

(3) The director may use no more than ten percent of funds received for the ((~~community technology~~)) digital equity opportunity program to cover administrative expenses.

(4) The director must establish expected program outcomes for each grant recipient and must require grant recipients to provide an annual accounting of program outcomes.

(5) In establishing the digital equity opportunity program, the department shall consult with the action team established in RCW 43.330.421.

NEW SECTION. **Sec. 7.** A new section is added to chapter 43.330 RCW to read as follows:

(1) Subject to the availability of funds appropriated for this purpose, the department shall establish a digital equity planning grant program.

(2) This program shall provide grants to local governments, institutions of higher education, or other entities who have entered into an agreement with a local government, to fund the development of a digital equity plan for a discrete geographic region of the state. Priority must be given for grant applications accompanied by express support from nonprofit community or neighborhood-based organizations, public development authorities, federally recognized Indian tribes in the state, or other community partners and partners from the categories of institutions outlined in RCW 43.330.421. Only the director or the director's designee may authorize expenditures.

(3) An applicant must submit an application to the department in order to be eligible for funding under this section.

(4) The department must evaluate and rank applications using objective criteria such as the number of underserved population served and subjective criteria such as the degree of support and engagement evidenced by the community who will be served.

(5) The department shall develop criteria for what the digital equity plans must include.

(6) The department may adopt rules to implement this section.

Sec. 8. RCW 43.330.421 and 2011 1st sp.s. c 43 s 610 are each amended to read as follows:

((~~Subject to the availability of federal or state funding, the~~)) The department may convene ((~~an advisory group on digital inclusion and technology planning. The advisory group~~)) a statewide action team on broadband access and adoption. The team may include, but is not limited to, volunteer representatives from ((~~community technology~~)) community-based organizations, workforce training providers, telecommunications providers, higher education institutions, K-12 education institutions, public health institutions, public housing entities, and local government and other governmental and community entities that are engaged in community technology and digital inclusion activities. Consideration shall be given to ensuring inclusion of diverse demographics and representation of covered populations who most need broadband access and help with broadband adoption. When significant federal funding opportunities arise, the department is encouraged to tailor membership of the action team or a

subset of the action team to include such members as will promote the optimal coordination in leveraging federal funds.

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