Washington State
House of Representatives
Office of Program Research

BILL ANALYSIS

Community & Economic Development Committee

HB 1673

Brief Description: Concerning broadband infrastructure loans and grants made by the public works board.

Sponsors: Representatives Ryu, Donaghy, Leavitt, Boehnke and Eslick; by request of Public Works Board.

Brief Summary of Bill

- Modifies certain application and public notice requirements for the Public Works Board's grant and loan program (Broadband Program).
- Eliminates a Broadband Program requirement for a Utilities and Transportation consultation and technical feasibility study.
- Allows the Public Works Board (PWB) to make low-interest or interest-free loans or grants for emergency public works broadband projects.
- Exempts from public disclosure financial and commercial information and records supplied by businesses or individuals during the application for Broadband Program loans or program services.

Hearing Date: 1/11/22

Staff: Cassie Jones (786-7303).

Background:

Public Works Board.
The Public Works Board (PWB) administers the Public Works Assistance Account and provides

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financial and technical assistance to local governments in addressing local infrastructure and public works projects by making loans, grants, financing guarantees, and technical assistance available to local governments for these projects.

Emergency Loan Program.
The PWB may make low-interest or interest-free loans or grants to local governments for emergency public works projects. Emergency public works projects are public works projects made necessary by a natural disaster or an immediate and emergent threat to the public health and safety due to unforeseen or unavoidable circumstances. The loans or grants may be used to help fund all or part of an emergency public works project less any reimbursement from certain specified sources.

Broadband Program.
The PWB administers a competitive grant and loan program (Broadband Program) to award funding to eligible applicants in order to promote the expansion of access to broadband service in unserved areas. Grants and loans may be awarded under the Broadband Program to assist in funding acquisition, installation, and construction of middle mile and last mile infrastructure that supports broadband services and to assist in funding strategic planning for deploying broadband service in unserved areas. Eligible applicants include local governments, tribes, nonprofit organizations, cooperative associations, multiparty entities comprised of public entities, limited liability corporations organized for the purpose of expanding broadband access, and incorporated businesses or partnerships.

An applicant for the Broadband Program must provide specific information to the PWB as part of the application process. For instance, an applicant is required to provide evidence that no later than six weeks before submission of the application, the applicant contacted all entities providing broadband service near the proposed project area to ask for each broadband service provider's plan to upgrade broadband service in the project area. Applicants must also provide the broadband service provider's response. Within 30 days of the close of the application process, the PWB must publish on its website the proposed geographic broadband service area and the proposed broadband speeds for each application submitted. An existing broadband service provider may object to an application within 30 days of the publication of the proposed geographic service area.

Prior to awarding funds under the Broadband Program, the PWB must consult with the Utilities and Transportation Commission (UTC). The UTC must provide to the PWB a technical feasibility assessment for a proposed application. The PWB must consider the UTC's assessment as part of its evaluation of a proposed application.

Public Records.
The Public Records Act (PRA) requires state and local agencies to make all public records available for public inspection and copying unless a record falls within an exemption in the PRA or another statute that exempts or prohibits disclosure of specific information or records. There is an exemption under the PRA for certain financial, commercial, and proprietary information.

For example, financial and commercial information and records supplied by businesses or individuals during application for certain loans or program services are exempt from disclosure.

Summary of Bill:

The requirement that an applicant to the PWB's Broadband Program contact existing broadband service providers is modified to remove the requirement that the contact occur no later than six weeks before submission of the application. An applicant must provide evidence that no later than 30 days prior to submission of the application, that the applicant submitted the proposed geographic broadband service area and the proposed broadband speeds to the PWB.

The PWB must publish on its website for at least 30 days the proposed geographic broadband service area and the proposed speeds for each application submitted, instead of publishing the information within 30 days of the close of the grant and loan application process.

The following provisions related to the UTC are eliminated:

- the requirement that the PWB consult with the UTC prior to awarding funds; and
- the requirement that the UTC provide the PWB a technical feasibility assessment of proposed applications.

The PWB may make low-interest or interest-free loans or grants to eligible applicants for emergency public works broadband projects. Emergency public works broadband projects include construction, repair, reconstruction, replacement, rehabilitation, or improvement to critical broadband infrastructure that has been damaged by unforeseen events. The loans or grants may be used to help fund all or part of an emergency public works broadband infrastructure project less any reimbursement from certain specified sources.

Financial and commercial information and records supplied by businesses or individuals during the application for loans or program services provided by the Broadband Program are exempt from disclosure under the PRA.

Appropriation: None.

Fiscal Note: Requested on January 5, 2022.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.