

2SSB 5511 - H COMM AMD

By Committee on Innovation, Technology & Economic Development

NOT ADOPTED 04/16/2019

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that:

4 (1) Access to broadband is critical to full participation in
5 society and the modern economy;

6 (2) Increasing broadband access to unserved areas of the state
7 serves a fundamental governmental purpose and function and provides a
8 public benefit to the citizens of Washington by enabling access to
9 health care, education, and essential services, providing economic
10 opportunities, and enhancing public health and safety;

11 (3) Achieving affordable and quality broadband access for all
12 Washingtonians will require additional and sustained investment,
13 research, local and community participation, and partnerships between
14 private, public, and nonprofit entities;

15 (4) The federal communications commission has adopted a national
16 broadband plan that includes recommendations directed to federal,
17 state, and local governments, including recommendations to:

18 (a) Design policies to ensure robust competition and maximize
19 consumer welfare, innovation, and investment;

20 (b) Ensure efficient allocation and management of assets that the
21 government controls or influences to encourage network upgrades and
22 competitive entry;

23 (c) Reform current universal service mechanisms to support
24 deployment in high-cost areas, ensuring that low-income Americans can
25 afford broadband, and supporting efforts to boost adoption and
26 utilization; and

27 (d) Reform laws, policies, standards, and incentives to maximize
28 the benefits of broadband in sectors that government influences
29 significantly, such as public education, health care, and government
30 operations;

1 (5) Extensive investments have been made by the
2 telecommunications industry and the public sector, as well as
3 policies and programs adopted to provide affordable broadband
4 services throughout the state, that will provide a foundation to
5 build a comprehensive statewide framework for additional actions
6 needed to advance the state's broadband goals; and

7 (6) Providing additional funding mechanisms to increase broadband
8 access in unserved areas is in the best interest of the state. To
9 that end, this act establishes a grant and loan program that will
10 support the extension of broadband infrastructure to unserved areas.
11 To ensure this program primarily serves the public interest, the
12 legislature intends that any grant or loan provided to a private
13 entity under this program must be conditioned on a guarantee that the
14 asset or infrastructure to be developed will be maintained for public
15 use for a period of at least fifteen years.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330
17 RCW to read as follows:

18 The definitions in this section apply throughout this section and
19 sections 3 through 6 of this act unless the context clearly requires
20 otherwise.

21 (1) "Board" means the public works board established in RCW
22 43.155.030.

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

27 (3) "Broadband infrastructure" means networks of deployed
28 telecommunications equipment and technologies necessary to provide
29 high-speed internet access and other advanced telecommunications
30 services to end users.

31 (4) "Department" means the department of commerce.

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

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

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

4 (8) "Office" means the governor's statewide broadband office
5 established in section 3 of this act.

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

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

13 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.330
14 RCW to read as follows:

15 (1) The governor's statewide broadband office is established. The
16 director of the office must be appointed by the governor. The office
17 may employ staff necessary to carry out the office's duties as
18 prescribed by this act, subject to the availability of amounts
19 appropriated for this specific purpose.

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

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

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

28 (c) Improve broadband accessibility for unserved communities and
29 populations.

30 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.330
31 RCW to read as follows:

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

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

35 (b) Coordinate with local governments, tribes, public and private
36 entities, nonprofit organizations, and consumer-owned and investor-
37 owned utilities to develop strategies and plans promoting deployment

1 of broadband infrastructure and greater broadband access, while
2 protecting proprietary information;

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

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

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

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

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

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

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

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

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

29 (3) The office may assist applicants for the grant and loan
30 program created in section 7 of this act with seeking federal funding
31 or matching grants and other grant opportunities for deploying
32 broadband services.

33 (4) The office may take all appropriate steps to seek and apply
34 for federal funds for which the office is eligible, and other grants,
35 and accept donations, and must deposit these funds in the statewide
36 broadband account created in section 8 of this act.

37 (5) In carrying out its purpose, the office may collaborate with
38 the utilities and transportation commission, the office of the chief
39 information officer, the department of commerce, the community

1 economic revitalization board, the public works board, the state
2 librarian, and all other relevant state agencies.

3 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.330
4 RCW to read as follows:

5 It is a goal of the state of Washington that:

6 (1) By 2024, all Washington businesses and residences have access
7 to high-speed broadband that provides minimum download speeds of at
8 least twenty-five megabits per second and minimum upload speeds of at
9 least three megabits per second;

10 (2) By 2026, all Washington communities have access to at least
11 one gigabit per second symmetrical broadband service at anchor
12 institutions like schools, hospitals, libraries, and government
13 buildings; and

14 (3) By 2028, all Washington businesses and residences have access
15 to at least one provider of broadband with download speeds of at
16 least one hundred fifty megabits per second and upload speeds of at
17 least one hundred fifty megabits per second.

18 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.330
19 RCW to read as follows:

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

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

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

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

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

34 (d) A summary of the office's activities in coordinating
35 broadband infrastructure development with the public works board,
36 including a summary of funds awarded under section 7 of this act;

1 (e) Suggested policies, incentives, and legislation designed to
2 accelerate the achievement of the goals under section 5 of this act;
3 and

4 (f) Any proposed legislative and policy initiatives.

5 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.155
6 RCW to read as follows:

7 (1) The board, in collaboration with the office, shall establish
8 a competitive grant and loan program to award funding to eligible
9 applicants in order to promote the expansion of access to broadband
10 service in unserved areas of the state.

11 (2)(a) Grants and loans may be awarded under this section to
12 assist in funding acquisition, installation, and construction of
13 middle mile and last mile infrastructure that supports broadband
14 services and to assist in funding strategic planning for deploying
15 broadband service in unserved areas.

16 (b) The board may choose to fund all or part of an application
17 for funding, provided that the application meets the requirements of
18 subsection (9) of this section.

19 (3) Eligible applicants for grants and loans awarded under this
20 section include:

21 (a) Local governments;

22 (b) Tribes;

23 (c) Nonprofit organizations;

24 (d) Cooperative associations;

25 (e) Multiparty entities comprised of public entity members;

26 (f) Limited liability corporations organized for the purpose of
27 expanding broadband access; and

28 (g) Incorporated businesses or partnerships.

29 (4)(a) The board shall develop administrative procedures
30 governing the application and award process. The board shall act as
31 fiscal agent for the program and is responsible for receiving and
32 reviewing applications and awarding funds under this section.

33 (b) At least sixty days prior to the first day applications may
34 be submitted each fiscal year, the board must publish on its web site
35 the specific criteria and any quantitative weighting scheme or
36 scoring system that the board will use to evaluate or rank
37 applications and award funding.

1 (c) The board may maintain separate accounting in the statewide
2 broadband account created in section 8 of this act as the board deems
3 necessary to carry out the purposes of this section.

4 (d) The board must provide a method for the allocation of loans,
5 grants, provision of technical assistance, and interest rates under
6 this section.

7 (5) An applicant for a grant or loan under this section must
8 provide the following information on the application:

9 (a) The location of the project;

10 (b) Evidence regarding the unserved nature of the community in
11 which the project is to be located;

12 (c) Evidence that proposed infrastructure will be capable of
13 scaling to greater download and upload speeds;

14 (d) The number of households passed that will gain access to
15 broadband service as a result of the project or whose broadband
16 service will be upgraded as a result of the project;

17 (e) The estimated cost of retail services to end users
18 facilitated by a project;

19 (f) The proposed actual download and upload speeds experienced by
20 end users;

21 (g) Evidence of significant community institutions that will
22 benefit from the proposed project;

23 (h) Anticipated economic, educational, health care, or public
24 safety benefits created by the project;

25 (i) Evidence of community support for the project;

26 (j) If available, a description of the applicant's user adoption
27 assistance program and efforts to promote the use of newly available
28 broadband services created by the project;

29 (k) The estimated total cost of the project;

30 (l) Other sources of funding for the project that will supplement
31 any grant or loan award;

32 (m) A demonstration of the project's long-term sustainability,
33 including the applicant's financial soundness, organizational
34 capacity, and technical expertise;

35 (n) A strategic plan to maintain long-term operation of the
36 infrastructure;

37 (o) Evidence that no later than six weeks before submission of
38 the application, the applicant contacted, in writing, all entities
39 providing broadband service near the proposed project area to ask
40 each broadband service provider's plan to upgrade broadband service

1 in the project area to speeds that meet or exceed the state's
2 definition for broadband service as defined in section 2 of this act,
3 within the time frame specified in the proposed grant or loan
4 activities;

5 (p) If applicable, the broadband service providers' written
6 responses to the inquiry made under (o) of this subsection; and

7 (q) Any additional information requested by the board.

8 (6) (a) Within thirty days of the close of the grant and loan
9 application process, the board shall publish on its web site the
10 proposed geographic broadband service area and the proposed broadband
11 speeds for each application submitted.

12 (b) Any existing broadband service provider near the proposed
13 project area may, within thirty days of publication of the
14 information under (a) of this subsection, submit in writing to the
15 board an objection to an application. An objection must contain
16 information demonstrating that:

17 (i) The project would result in overbuild, meaning that the
18 objecting provider currently provides, or has begun construction to
19 provide, broadband service to end users in the proposed project area
20 at speeds equal to or greater than the state speed goals contained in
21 section 5 of this act; or

22 (ii) The objecting provider commits to complete construction of
23 broadband infrastructure and provide broadband service to end users
24 in the proposed project area at speeds equal to or greater than the
25 state speed goals contained in section 5 of this act, no later than
26 twenty-four months after the date awards are made under this section
27 for the grant and loan cycle under which the application was
28 submitted.

29 (c) Objections submitted to the board under this subsection must
30 be certified by affidavit.

31 (d) The board may evaluate the information submitted under this
32 section by the objecting provider and must consider it in making a
33 determination on the application objected to. The board may request
34 clarification or additional information. The board may choose to not
35 fund a project if the board determines that the objecting provider's
36 commitment to provide broadband service that meets the requirements
37 of (b) of this subsection in the proposed project area is credible.
38 In assessing the commitment, the board may consider whether the
39 objecting provider has or will provide a bond, letter of credit, or

1 other indicia of financial commitment guaranteeing the project's
2 completion.

3 (e) If the board denies funding to an applicant as a result of a
4 broadband service provider's objection made under this section, and
5 the broadband service provider does not fulfill its commitment to
6 provide broadband service in the project area, then for the following
7 two grant and loan cycles, the board is prohibited from denying
8 funding to an applicant on the basis of a challenge by the same
9 broadband service provider, unless the board determines that the
10 broadband service provider's failure to fulfill the provider's
11 commitment was the result of factors beyond the broadband service
12 provider's control. The board is not prohibited from denying funding
13 to an applicant for reasons other than an objection by the same
14 broadband service provider.

15 (f) An applicant or broadband service provider that objected to
16 the application may request a debriefing conference regarding the
17 board's decision on the application. Requests for debriefing must be
18 coordinated by the office and must be submitted in writing in
19 accordance with procedures specified by the office.

20 (g) Confidential business and financial information submitted by
21 an objecting provider under this subsection is exempt from disclosure
22 under chapter 42.56 RCW.

23 (7)(a) In evaluating applications and awarding funds, the board
24 shall give priority to applications that are constructed in areas
25 identified as unserved.

26 (b) In evaluating applications and awarding funds, the board may
27 give priority to applications that:

28 (i) Provide assistance to public-private partnerships deploying
29 broadband infrastructure from areas currently served with broadband
30 service to areas currently lacking access to broadband services;

31 (ii) Demonstrate project readiness to proceed;

32 (iii) Construct infrastructure that is open access, meaning that
33 during the useful life of the infrastructure, service providers may
34 use network services and facilities at rates, terms, and conditions
35 that are not discriminatory or preferential between providers, and
36 employing accountable interconnection arrangements published and
37 available publicly;

38 (iv) Are submitted by tribal governments whose reservations are
39 in rural and remote areas where reliable and efficient broadband
40 services are unavailable to many or most residents;

1 (v) Bring broadband service to tribal lands, particularly to
2 rural and remote tribal lands or areas servicing rural and remote
3 tribal entities;

4 (vi) Are submitted by tribal governments in rural and remote
5 areas that have spent significant amounts of tribal funds to address
6 the problem but cannot provide necessary broadband services without
7 either additional state support, additional federal support, or both;

8 (vii) Serve economically distressed areas of the state as the
9 term "distressed area" is defined in RCW 43.168.020;

10 (viii) Offer new or substantially upgraded broadband service to
11 important community anchor institutions including, but not limited
12 to, libraries, educational institutions, public safety facilities,
13 and health care facilities;

14 (ix) Facilitate the use of telemedicine and electronic health
15 records, especially in deliverance of behavioral health services and
16 services to veterans;

17 (x) Provide technical support and train residents, businesses,
18 and institutions in the community served by the project to utilize
19 broadband service;

20 (xi) Include a component to actively promote the adoption of
21 newly available broadband services in the community;

22 (xii) Provide evidence of strong support for the project from
23 citizens, government, businesses, and community institutions;

24 (xiii) Provide access to broadband service to a greater number of
25 unserved households and businesses, including farms;

26 (xiv) Utilize equipment and technology demonstrating greater
27 longevity of service;

28 (xv) Seek the lowest amount of state investment per new location
29 served and leverage greater amounts of funding for the project from
30 other private and public sources;

31 (xvi) Include evidence of a customer service plan;

32 (xvii) Consider leveraging existing broadband infrastructure and
33 other unique solutions;

34 (xviii) Benefit public safety and fire preparedness; or

35 (xix) Demonstrate other priorities as the board, in collaboration
36 with the office, may prescribe by rule.

37 (c) The board shall endeavor to award funds under this section to
38 qualified applicants in all regions of the state.

39 (d) The board shall consider affordability and quality of service
40 to end users in making a determination on any application.

1 (e) The board, in collaboration with the office, may develop
2 additional rules for eligibility, project applications, the
3 associated objection process, and funding priority, as provided under
4 this subsection and subsections (3), (5), and (6) of this section.

5 (f) The board, in collaboration with the office, may adopt rules
6 for a voluntary nonbinding mediation between incumbent providers and
7 applicants to the grant and loan program created in this section.

8 (8) To ensure a grant or loan to a private entity under this
9 section primarily serves the public interest and benefits the public,
10 any such grant or loan must be conditioned on a guarantee that the
11 asset or infrastructure to be developed will be maintained for public
12 use for a period of at least fifteen years.

13 (9)(a) No funds awarded under this section may fund more than
14 fifty percent of the total cost of the project, except as provided in
15 (b) of this subsection.

16 (b) The board may choose to fund up to ninety percent of the
17 total cost of a project in financially distressed areas as the term
18 "distressed area" is defined in RCW 43.168.020, and in areas
19 identified as Indian country as the term "Indian country" is defined
20 in WAC 458-20-192.

21 (c) Funds awarded to a single project under this section must not
22 exceed two million dollars, except that the board may choose to fund
23 projects qualifying for the exception in (b) of this subsection up
24 to, but not to exceed, five million dollars.

25 (10) Prior to awarding funds under this section, the board must
26 consult with the Washington utilities and transportation commission.
27 The commission must provide to the board an assessment of the
28 economic and technical feasibility of a proposed application. The
29 board must consider the commission's assessment as part of its
30 evaluation of a proposed application.

31 (11) The board shall have such rights of recovery in the event of
32 default in payment or other breach of financing agreement as may be
33 provided in the agreement or otherwise by law.

34 (12) The community economic revitalization board shall facilitate
35 the timely transmission of information and documents from its
36 broadband program to the board in order to effectuate an orderly
37 transition.

38 (13) The definitions in section 2 of this act apply throughout
39 this section unless the context clearly requires otherwise.

1 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.155
2 RCW to read as follows:

3 (1) The statewide broadband account is created in the state
4 treasury. Moneys received from appropriations by the legislature, the
5 proceeds of bond sales when authorized by the legislature, repayment
6 of loans, or any other lawful source must be deposited into the
7 account for uses consistent with this section. Moneys in the account
8 may be spent only after appropriation.

9 (2) Expenditures from the account may be used only:

10 (a) For grant and loan awards made under section 7 of this act,
11 including costs incurred by the board to administer section 7 of this
12 act;

13 (b) To contract for data acquisition, a statewide broadband
14 demand assessment, or gap analysis;

15 (c) To supplement revenues raised by bonds sold by local
16 governments for broadband infrastructure development; or

17 (d) To provide for state match requirements under federal law.

18 (3) The board must maintain separate accounting for any federal
19 funds in the account.

20 (4) The definitions in section 2 of this act apply throughout
21 this section unless the context clearly requires otherwise.

22 **Sec. 9.** RCW 54.16.330 and 2004 c 158 s 1 are each amended to
23 read as follows:

24 (1) (a) A public utility district in existence on June 8, 2000,
25 may construct, purchase, acquire, develop, finance, lease, license,
26 handle, provide, add to, contract for, interconnect, alter, improve,
27 repair, operate, and maintain any telecommunications facilities
28 within or without the district's limits for the following purposes:

29 ~~((a))~~ (i) For the district's internal telecommunications needs;
30 ~~(and~~

31 ~~(b))~~ (ii) For the provision of wholesale telecommunications
32 services within the district and by contract with another public
33 utility district.

34 (b) Except as provided in subsection (8) of this section, nothing
35 in this ~~((subsection))~~ section shall be construed to authorize public
36 utility districts to provide telecommunications services to end
37 users.

38 (2) A public utility district providing wholesale or retail
39 telecommunications services shall ensure that rates, terms, and

1 conditions for such services are not unduly or unreasonably
2 discriminatory or preferential. Rates, terms, and conditions are
3 discriminatory or preferential when a public utility district
4 offering rates, terms, and conditions to an entity for wholesale or
5 retail telecommunications services does not offer substantially
6 similar rates, terms, and conditions to all other entities seeking
7 substantially similar services.

8 (3) A public utility district providing wholesale or retail
9 telecommunications services shall not be required to, but may,
10 establish a separate utility system or function for such purpose. In
11 either case, a public utility district providing wholesale or retail
12 telecommunications services shall separately account for any revenues
13 and expenditures for those services according to standards
14 established by the state auditor pursuant to its authority in chapter
15 43.09 RCW and consistent with the provisions of this title. Any
16 revenues received from the provision of wholesale or retail
17 telecommunications services must be dedicated to costs incurred to
18 build and maintain any telecommunications facilities constructed,
19 installed, or acquired to provide such services, including payments
20 on debt issued to finance such services, until such time as any bonds
21 or other financing instruments executed after June 8, 2000, and used
22 to finance such telecommunications facilities are discharged or
23 retired.

24 (4) When a public utility district provides wholesale or retail
25 telecommunications services, all telecommunications services rendered
26 to the district for the district's internal telecommunications needs
27 shall be allocated or charged at its true and full value. A public
28 utility district may not charge its nontelecommunications operations
29 rates that are preferential or discriminatory compared to those it
30 charges entities purchasing wholesale or retail telecommunications
31 services.

32 (5) If a person or entity receiving retail telecommunications
33 services from a public utility district under this section has a
34 complaint regarding the reasonableness of the rates, terms,
35 conditions, or services provided, the person or entity may file a
36 complaint with the district commission.

37 (6) A public utility district shall not exercise powers of
38 eminent domain to acquire telecommunications facilities or
39 contractual rights held by any other person or entity to
40 telecommunications facilities.

1 ~~((6))~~ (7) Except as otherwise specifically provided, a public
2 utility district may exercise any of the powers granted to it under
3 this title and other applicable laws in carrying out the powers
4 authorized under this section. Nothing in chapter 81, Laws of 2000
5 limits any existing authority of a public utility district under this
6 title.

7 (8) (a) If an internet service provider operating on
8 telecommunications facilities of a public utility district that
9 provides wholesale telecommunications services but does not provide
10 retail telecommunications services, ceases to provide access to the
11 internet to its end-use customers, and no other retail service
12 providers are willing to provide service, the public utility district
13 may provide retail telecommunications services to the end-use
14 customers of the defunct internet service provider in order for end-
15 use customers to maintain access to the internet until a replacement
16 internet service provider is, or providers are, in operation.

17 (b) Within thirty days of an internet service provider ceasing to
18 provide access to the internet, the public utility district must
19 initiate a process to find a replacement internet service provider or
20 providers to resume providing access to the internet using
21 telecommunications facilities of a public utility district.

22 (c) For a maximum period of five months, following initiation of
23 the process begun in (b) of this section, or, if earlier than five
24 months, until a replacement internet service provider is, or
25 providers are, in operation, the district commission may establish a
26 rate for providing access to the internet and charge customers to
27 cover expenses necessary to provide access to the internet.

28 (9) The tax treatment of the retail telecommunications services
29 provided by a public utility district to the end-use customers during
30 the period specified in subsection (8) of this section must be the
31 same as if those retail telecommunications services were provided by
32 the defunct internet service provider.

33 **Sec. 10.** RCW 53.08.370 and 2018 c 169 s 2 are each amended to
34 read as follows:

35 (1) A port district in existence on June 8, 2000, may construct,
36 purchase, acquire, develop, finance, lease, license, handle, provide,
37 add to, contract for, interconnect, alter, improve, repair, operate,
38 and maintain any telecommunications facilities within or without the
39 district's limits for the following purposes:

1 (a) For the district's own use; and

2 (b) For the provision of wholesale telecommunications services
3 within or without the district's limits. Nothing in this subsection
4 shall be construed to authorize port districts to provide
5 telecommunications services to end users.

6 (2) Except as provided in subsection (9) of this section, a port
7 district providing wholesale telecommunications services under this
8 section shall ensure that rates, terms, and conditions for such
9 services are not unduly or unreasonably discriminatory or
10 preferential. Rates, terms, and conditions are discriminatory or
11 preferential when a port district offering such rates, terms, and
12 conditions to an entity for wholesale telecommunications services
13 does not offer substantially similar rates, terms, and conditions to
14 all other entities seeking substantially similar services.

15 (3) When a port district establishes a separate utility function
16 for the provision of wholesale telecommunications services, it shall
17 account for any and all revenues and expenditures related to its
18 wholesale telecommunications facilities and services separately from
19 revenues and expenditures related to its internal telecommunications
20 operations. Any revenues received from the provision of wholesale
21 telecommunications services must be dedicated to the utility function
22 that includes the provision of wholesale telecommunications services
23 for costs incurred to build and maintain the telecommunications
24 facilities until such time as any bonds or other financing
25 instruments executed after June 8, 2000, and used to finance the
26 telecommunications facilities are discharged or retired.

27 (4) When a port district establishes a separate utility function
28 for the provision of wholesale telecommunications services, all
29 telecommunications services rendered by the separate function to the
30 district for the district's internal telecommunications needs shall
31 be charged at its true and full value. A port district may not charge
32 its nontelecommunications operations rates that are preferential or
33 discriminatory compared to those it charges entities purchasing
34 wholesale telecommunications services.

35 (5) A port district shall not exercise powers of eminent domain
36 to acquire telecommunications facilities or contractual rights held
37 by any other person or entity to telecommunications facilities.

38 (6) Except as otherwise specifically provided, a port district
39 may exercise any of the powers granted to it under this title and
40 other applicable laws in carrying out the powers authorized under

1 this section. Nothing in chapter 81, Laws of 2000 limits any existing
2 authority of a port district under this title.

3 (7) A port district that has not exercised the authorities
4 provided in this section prior to June 7, 2018, must develop a
5 business case plan before exercising the authorities provided in this
6 section. The port district must procure an independent qualified
7 consultant to review the business case plan, including the use of
8 public funds in the provision of wholesale telecommunications
9 services. Any recommendations or adjustments to the business case
10 plan made during third-party review must be received and either
11 rejected or accepted by the port commission in an open meeting.

12 (8) A port district with telecommunications facilities for use in
13 the provision of wholesale telecommunications in accordance with
14 subsection (1)(b) of this section may be subject to local leasehold
15 excise taxes under RCW 82.29A.040.

16 (9) (a) A port district under this section may select a
17 telecommunications company to operate all or a portion of the port
18 district's telecommunications facilities.

19 (b) For the purposes of this section "telecommunications company"
20 means any for-profit entity owned by investors that sells
21 telecommunications services to end users.

22 (c) Nothing in this subsection (9) is intended to limit or
23 otherwise restrict any other authority provided by law.

24 **Sec. 11.** RCW 80.36.630 and 2013 2nd sp.s. c 8 s 202 are each
25 amended to read as follows:

26 (1) The definitions in this section apply throughout this section
27 and RCW 80.36.650 through 80.36.690 and 80.36.610 unless the context
28 clearly requires otherwise.

29 (a) "Basic residential service" means those services set out in
30 47 C.F.R. Sec. 54.101(a) (2011), as it existed on the effective date
31 of this section, and mandatory extended area service approved by the
32 commission.

33 (b) "Basic telecommunications services" means the following
34 services:

35 (i) Single-party service;

36 (ii) Voice grade access to the public switched network;

37 (iii) Support for local usage;

38 (iv) Dual tone multifrequency signaling (touch-tone);

39 (v) Access to emergency services (911);

- 1 (vi) Access to operator services;
- 2 (vii) Access to interexchange services;
- 3 (viii) Access to directory assistance; and
- 4 (ix) Toll limitation services.

5 (c) "Broadband service" means any service providing advanced
6 telecommunications capability, including internet access and access
7 to high quality voice, data, graphics, or video.

8 (d) "Communications provider" means a provider of communications
9 services that assigns a working telephone number to a final consumer
10 for intrastate wireline or wireless communications services or
11 interconnected voice over internet protocol service, and includes
12 local exchange carriers.

13 ~~((d))~~ (e) "Communications services" includes telecommunications
14 services and information services and any combination thereof.

15 ~~((e))~~ (f) "Incumbent local exchange carrier" has the same
16 meaning as set forth in 47 U.S.C. Sec. 251(h).

17 ~~((f))~~ (g) "Incumbent public network" means the network
18 established by incumbent local exchange carriers for the delivery of
19 communications services to customers that is used by communications
20 providers for origination or termination of communications services
21 by or to customers.

22 ~~((g))~~ (h) "Interconnected voice over internet protocol service"
23 means an interconnected voice over internet protocol service that:

- 24 ~~((a)–[(i)])~~ (i) Enables real-time, two-way voice communications;
- 25 ~~((b)–[(ii)])~~ (ii) requires a broadband connection from the user's
26 location; ~~((c)–[(iii)])~~ (iii) requires internet protocol-compatible
27 customer premises equipment; and ~~((d)–[(iv)])~~ (iv) permits users
28 generally to receive calls that originate on the public network and
29 to terminate calls to the public network.

30 ~~((h))~~ (i) "Program" means the state universal communications
31 services program created in RCW 80.36.650.

32 ~~((i))~~ (j) "Telecommunications" has the same meaning as defined
33 in 47 U.S.C. Sec. 153(43).

34 ~~((j))~~ (k) "Telecommunications act of 1996" means the
35 telecommunications act of 1996 (P.L. 104-104, 110 Stat. 56).

36 ~~((k) "Working telephone number" means a north American numbering
37 plan telephone number, or successor dialing protocol, that is
38 developed for use in placing calls to or from the public network,
39 that enables a consumer to make or receive calls.))~~

40 (2) This section expires July 1, ~~((2020))~~ 2025.

1 **Sec. 12.** RCW 80.36.650 and 2016 c 145 s 1 are each amended to
2 read as follows:

3 (1) A state universal communications services program is
4 established. The program is established to protect public safety and
5 welfare under the authority of the state to regulate
6 telecommunications under Article XII, section 19 of the state
7 Constitution. The purpose of the program is to support continued
8 provision of basic telecommunications services under rates, terms,
9 and conditions established by the commission (~~during the time over~~
10 ~~which incumbent communications providers in the state are adapting to~~
11 ~~changes in federal universal service fund and intercarrier~~
12 ~~compensation support)) and the provision, enhancement, and
13 maintenance of broadband services, recognizing that, historically,
14 the incumbent public network functions to provide all communications
15 services including, but not limited to, voice and broadband services.~~

16 (2) Under the program, eligible communications providers may
17 receive distributions from the universal communications services
18 account created in RCW 80.36.690 in exchange for the affirmative
19 agreement to provide continued telecommunications services under the
20 rates, terms, and conditions established by the commission under this
21 chapter, and broadband services, for the period covered by the
22 distribution. The commission must implement and administer the
23 program under terms and conditions established in RCW 80.36.630
24 through 80.36.690. Expenditures for the program may not exceed five
25 million dollars per fiscal year; provided, however, that if less than
26 five million dollars is expended in any fiscal year, the unexpended
27 portion must be carried over to subsequent fiscal years and, unless
28 fully expended, must be available for program expenditures in such
29 subsequent fiscal years in addition to the five million dollars
30 allotted for each of those subsequent fiscal years.

31 (3) A communications provider is eligible to receive
32 distributions from the account if:

33 (a) (i) The communications provider is: (~~(+i+)~~) (A) An incumbent
34 local exchange carrier serving fewer than forty thousand access lines
35 in the state; or (~~(+ii+)~~) (B) a radio communications service company
36 providing wireless two-way voice communications service and broadband
37 services to less than the equivalent of forty thousand access lines
38 in the state. For purposes of determining the access line threshold
39 in this subsection, the access lines or equivalents of all wireline

1 affiliates must be counted as a single threshold, if the lines or
2 equivalents are located in Washington;

3 ~~((b))~~ (ii) ~~The ((customers of the communications provider are~~
4 ~~at risk of rate instability or service interruptions or cessations~~
5 ~~absent a distribution to the provider that will allow the provider to~~
6 ~~maintain rates reasonably close to the benchmark))~~ communications
7 provider has adopted a plan to provide, enhance, or maintain
8 broadband services in its service area; and

9 ~~((e))~~ (iii) The communications provider meets any other
10 requirements established by the commission pertaining to the
11 provision of communications services, including basic
12 telecommunications services; or

13 (b) The communications provider demonstrates to the commission
14 that the communications provider is able to provide the same or
15 comparable services at the same or similar service quality standards
16 at a lower price; and: (i) Will provide communications services to
17 all customers in the exchange or exchanges in which it will provide
18 service; and (ii) submits to the commission's regulation of its
19 service as if it were the incumbent local exchange company serving
20 the exchange or exchanges for which it seeks distribution from the
21 account.

22 (4) (a) Distributions to eligible communications providers are
23 based on ~~((a benchmark))~~ criteria established by the commission.
24 ~~((The benchmark is the rate the commission determines to be a~~
25 ~~reasonable amount customers should pay for basic residential service~~
26 ~~provided over the incumbent public network. However, if an incumbent~~
27 ~~local exchange carrier is charging rates above the benchmark for the~~
28 ~~basic residential service, that provider may not seek distributions~~
29 ~~from the fund for the purpose of reducing those rates to the~~
30 ~~benchmark.))~~

31 (b) If the program does not have sufficient funds to fully fund
32 the distribution formula set out in (a) of this subsection,
33 distributions must be reduced on a pro rata basis using the amounts
34 calculated for that year's program support as the basis of the pro
35 rata calculations.

36 (c) To receive a distribution under the program, an eligible
37 communications provider must affirmatively consent to continue
38 providing communications services to its customers under rates,
39 terms, and conditions established by the commission pursuant to this
40 chapter for the period covered by the distribution.

1 (5) The program is funded from amounts deposited by the
2 legislature in the universal communications services account
3 established in RCW 80.36.690. The commission must operate the program
4 within amounts appropriated for this purpose and deposited in the
5 account.

6 (6) The commission must periodically review the accounts and
7 records of any communications provider that receives distributions
8 under the program to ensure compliance with the program and monitor
9 the providers' use of the funds.

10 (7) The commission must establish an advisory board, consisting
11 of a reasonable balance of representatives from different types of
12 stakeholders, including but not limited to communications providers
13 and consumers, to advise the commission on any rules and policies
14 governing the operation of the program.

15 (8) The program terminates on June 30, (~~(2019)~~) 2024, and no
16 distributions may be made after that date.

17 (9) This section expires July 1, (~~(2020)~~) 2025.

18 **Sec. 13.** RCW 80.36.660 and 2013 2nd sp.s. c 8 s 204 are each
19 amended to read as follows:

20 (1) To implement the program, the commission must adopt rules for
21 the following purposes:

22 (a) Operation of the program, including criteria for: Eligibility
23 for distributions; use of the funds; identification of any reports or
24 data that must be filed with the commission, including, but not
25 limited to, how a communication provider used the distributed funds;
26 and the communications provider's infrastructure;

27 (b) Operation of the universal communications services account
28 established in RCW 80.36.690;

29 (c) Establishment of the (~~benchmark~~) criteria used to calculate
30 distributions; and

31 (d) Readoption, amendment, or repeal of any existing rules
32 adopted pursuant to RCW 80.36.610 (~~and 80.36.620~~) as necessary to
33 be consistent with RCW 80.36.630 through 80.36.690 and 80.36.610.

34 (2) This section expires July 1, (~~(2020)~~) 2025.

35 **Sec. 14.** RCW 80.36.670 and 2013 2nd sp.s. c 8 s 205 are each
36 amended to read as follows:

37 (1) In addition to any other penalties prescribed by law, the
38 commission may impose penalties for failure to make or delays in

1 making or filing any reports required by the commission for
2 administration of the program. In addition, the commission may
3 recover amounts determined to have been improperly distributed under
4 RCW 80.36.650. For the purposes of this section, the provisions of
5 RCW 80.04.380 through 80.04.405, inclusive, apply to all companies
6 that receive support from the universal communications services
7 account created in RCW 80.36.690.

8 (2) Any action taken under this section must be taken only after
9 providing the affected communications provider with notice and an
10 opportunity for a hearing, unless otherwise provided by law.

11 (3) Any amounts recovered under this section must be deposited in
12 the universal communications services account created in RCW
13 80.36.690.

14 (4) This section expires July 1, (~~2020~~) 2025.

15 **Sec. 15.** RCW 80.36.680 and 2013 2nd sp.s. c 8 s 206 are each
16 amended to read as follows:

17 (1) The commission may delegate to the commission secretary or
18 other staff the authority to resolve disputes and make other
19 administrative decisions necessary to the administration and
20 supervision of the program consistent with the relevant statutes and
21 commission rules.

22 (2) This section expires July 1, (~~2020~~) 2025.

23 **Sec. 16.** RCW 80.36.690 and 2013 2nd sp.s. c 8 s 208 are each
24 amended to read as follows:

25 (1) The universal communications services account is created in
26 the custody of the state treasurer. Revenues to the account consist
27 of moneys deposited in the account by the legislature and any
28 penalties or other recoveries received pursuant to RCW 80.36.670.
29 Expenditures from the account may be used only for the purposes of
30 the universal communications services program established in RCW
31 80.36.650 and commission expenses related to implementation and
32 administration of the provisions of RCW 80.36.630 through 80.36.690
33 and section 212, chapter 8, Laws of 2013 2nd sp. sess. Only the
34 secretary of the commission or the secretary's designee may authorize
35 expenditures from the account. The account is subject to allotment
36 procedures under chapter 43.88 RCW, but an appropriation is not
37 required for expenditures.

38 (2) This section expires July 1, (~~2020~~) 2025.

1 **Sec. 17.** RCW 80.36.700 and 2013 2nd sp.s. c 8 s 211 are each
2 amended to read as follows:

3 (1) The universal communications services program established in
4 RCW 80.36.630 through 80.36.690 terminates on June 30, (~~(2019)~~) 2024.

5 (2) This section expires July 1, (~~(2020)~~) 2025.

6 **Sec. 18.** 2013 2nd sp.s. c 8 s 212 (uncodified) is amended to
7 read as follows:

8 (1) By December 1, (~~(2017)~~) 2024, and in compliance with RCW
9 43.01.036, the Washington utilities and transportation commission
10 (~~must~~) may report to the appropriate committees of the legislature,
11 on the following: (~~(1)~~) (a) Whether funding levels for each small
12 telecommunications company have been adequate to maintain reliable
13 universal service; (~~(2)~~) (b) the future impacts on small
14 telecommunications companies from the elimination of funding under
15 this act; (~~(3)~~) (c) the impacts on customer rates from the current
16 level of funding and the future impacts when the funding terminates
17 under this act; and (~~(4)~~) (d) the impacts on line and service
18 delivery investments when the funding is terminated under this act.
19 The report may also include an analysis of the need for future
20 program funding and recommendations on potential funding mechanisms
21 to improve the availability of communications services, including
22 broadband service, in unserved areas. Commission expenses related to
23 conducting all analysis in preparation of this report must be
24 expended from the universal communications services account.

25 (2) The Washington utilities and transportation commission must
26 initiate a rule making to reform the state universal communications
27 services program no later than ninety days following the effective
28 date of this section. The rule making must address adding broadband
29 as a supported service and, consistent with the size of the fund,
30 establishing:

31 (a) Broadband provider eligibility;

32 (b) Service performance and buildout requirements for funding
33 recipients;

34 (c) Support amounts for maintaining systems that meet federal or
35 state broadband speed guidelines; and

36 (d) Methods to effectively and efficiently distribute program
37 support to eligible providers.

1 **Sec. 19.** RCW 43.84.092 and 2018 c 287 s 7, 2018 c 275 s 10, and
2 2018 c 203 s 14 are each reenacted and amended to read as follows:

3 (1) All earnings of investments of surplus balances in the state
4 treasury shall be deposited to the treasury income account, which
5 account is hereby established in the state treasury.

6 (2) The treasury income account shall be utilized to pay or
7 receive funds associated with federal programs as required by the
8 federal cash management improvement act of 1990. The treasury income
9 account is subject in all respects to chapter 43.88 RCW, but no
10 appropriation is required for refunds or allocations of interest
11 earnings required by the cash management improvement act. Refunds of
12 interest to the federal treasury required under the cash management
13 improvement act fall under RCW 43.88.180 and shall not require
14 appropriation. The office of financial management shall determine the
15 amounts due to or from the federal government pursuant to the cash
16 management improvement act. The office of financial management may
17 direct transfers of funds between accounts as deemed necessary to
18 implement the provisions of the cash management improvement act, and
19 this subsection. Refunds or allocations shall occur prior to the
20 distributions of earnings set forth in subsection (4) of this
21 section.

22 (3) Except for the provisions of RCW 43.84.160, the treasury
23 income account may be utilized for the payment of purchased banking
24 services on behalf of treasury funds including, but not limited to,
25 depository, safekeeping, and disbursement functions for the state
26 treasury and affected state agencies. The treasury income account is
27 subject in all respects to chapter 43.88 RCW, but no appropriation is
28 required for payments to financial institutions. Payments shall occur
29 prior to distribution of earnings set forth in subsection (4) of this
30 section.

31 (4) Monthly, the state treasurer shall distribute the earnings
32 credited to the treasury income account. The state treasurer shall
33 credit the general fund with all the earnings credited to the
34 treasury income account except:

35 (a) The following accounts and funds shall receive their
36 proportionate share of earnings based upon each account's and fund's
37 average daily balance for the period: The abandoned recreational
38 vehicle disposal account, the aeronautics account, the aircraft
39 search and rescue account, the Alaskan Way viaduct replacement
40 project account, the brownfield redevelopment trust fund account, the

1 budget stabilization account, the capital vessel replacement account,
2 the capitol building construction account, the Cedar River channel
3 construction and operation account, the Central Washington University
4 capital projects account, the charitable, educational, penal and
5 reformatory institutions account, the Chehalis basin account, the
6 cleanup settlement account, the Columbia river basin water supply
7 development account, the Columbia river basin taxable bond water
8 supply development account, the Columbia river basin water supply
9 revenue recovery account, the common school construction fund, the
10 community forest trust account, the connecting Washington account,
11 the county arterial preservation account, the county criminal justice
12 assistance account, the deferred compensation administrative account,
13 the deferred compensation principal account, the department of
14 licensing services account, the department of licensing tuition
15 recovery trust fund, the department of retirement systems expense
16 account, the developmental disabilities community trust account, the
17 diesel idle reduction account, the drinking water assistance account,
18 the drinking water assistance administrative account, the early
19 learning facilities development account, the early learning
20 facilities revolving account, the Eastern Washington University
21 capital projects account, the Interstate 405 express toll lanes
22 operations account, the education construction fund, the education
23 legacy trust account, the election account, the electric vehicle
24 charging infrastructure account, the energy freedom account, the
25 energy recovery act account, the essential rail assistance account,
26 The Evergreen State College capital projects account, the federal
27 forest revolving account, the ferry bond retirement fund, the freight
28 mobility investment account, the freight mobility multimodal account,
29 the grade crossing protective fund, the public health services
30 account, (~~the high capacity transportation account,~~) the state
31 higher education construction account, the higher education
32 construction account, the highway bond retirement fund, the highway
33 infrastructure account, the highway safety fund, the high occupancy
34 toll lanes operations account, the hospital safety net assessment
35 fund, the industrial insurance premium refund account, the judges'
36 retirement account, the judicial retirement administrative account,
37 the judicial retirement principal account, the local leasehold excise
38 tax account, the local real estate excise tax account, the local
39 sales and use tax account, the marine resources stewardship trust
40 account, the medical aid account, the mobile home park relocation

1 fund, the money-purchase retirement savings administrative account,
2 the money-purchase retirement savings principal account, the motor
3 vehicle fund, the motorcycle safety education account, the multimodal
4 transportation account, the multiuse roadway safety account, the
5 municipal criminal justice assistance account, the natural resources
6 deposit account, the oyster reserve land account, the pension funding
7 stabilization account, the perpetual surveillance and maintenance
8 account, the pollution liability insurance agency underground storage
9 tank revolving account, the public employees' retirement system plan
10 1 account, the public employees' retirement system combined plan 2
11 and plan 3 account, the public facilities construction loan revolving
12 account beginning July 1, 2004, the public health supplemental
13 account, the public works assistance account, the Puget Sound capital
14 construction account, the Puget Sound ferry operations account, the
15 Puget Sound taxpayer accountability account, the real estate
16 appraiser commission account, the recreational vehicle account, the
17 regional mobility grant program account, the resource management cost
18 account, the rural arterial trust account, the rural mobility grant
19 program account, the rural Washington loan fund, the sexual assault
20 prevention and response account, the site closure account, the
21 skilled nursing facility safety net trust fund, the small city
22 pavement and sidewalk account, the special category C account, the
23 special wildlife account, the state employees' insurance account, the
24 state employees' insurance reserve account, the state investment
25 board expense account, the state investment board commingled trust
26 fund accounts, the state patrol highway account, the state route
27 number 520 civil penalties account, the state route number 520
28 corridor account, the state wildlife account, the statewide broadband
29 account, the statewide tourism marketing account, the student
30 achievement council tuition recovery trust fund, the supplemental
31 pension account, the Tacoma Narrows toll bridge account, the
32 teachers' retirement system plan 1 account, the teachers' retirement
33 system combined plan 2 and plan 3 account, the tobacco prevention and
34 control account, the tobacco settlement account, the toll facility
35 bond retirement account, the transportation 2003 account (nickel
36 account), the transportation equipment fund, the transportation
37 future funding program account, the transportation improvement
38 account, the transportation improvement board bond retirement
39 account, the transportation infrastructure account, the
40 transportation partnership account, the traumatic brain injury

1 account, the tuition recovery trust fund, the University of
2 Washington bond retirement fund, the University of Washington
3 building account, the volunteer firefighters' and reserve officers'
4 relief and pension principal fund, the volunteer firefighters' and
5 reserve officers' administrative fund, the Washington judicial
6 retirement system account, the Washington law enforcement officers'
7 and firefighters' system plan 1 retirement account, the Washington
8 law enforcement officers' and firefighters' system plan 2 retirement
9 account, the Washington public safety employees' plan 2 retirement
10 account, the Washington school employees' retirement system combined
11 plan 2 and 3 account, the Washington state health insurance pool
12 account, the Washington state patrol retirement account, the
13 Washington State University building account, the Washington State
14 University bond retirement fund, the water pollution control
15 revolving administration account, the water pollution control
16 revolving fund, the Western Washington University capital projects
17 account, the Yakima integrated plan implementation account, the
18 Yakima integrated plan implementation revenue recovery account, and
19 the Yakima integrated plan implementation taxable bond account.
20 Earnings derived from investing balances of the agricultural
21 permanent fund, the normal school permanent fund, the permanent
22 common school fund, the scientific permanent fund, the state
23 university permanent fund, and the state reclamation revolving
24 account shall be allocated to their respective beneficiary accounts.

25 (b) Any state agency that has independent authority over accounts
26 or funds not statutorily required to be held in the state treasury
27 that deposits funds into a fund or account in the state treasury
28 pursuant to an agreement with the office of the state treasurer shall
29 receive its proportionate share of earnings based upon each account's
30 or fund's average daily balance for the period.

31 (5) In conformance with Article II, section 37 of the state
32 Constitution, no treasury accounts or funds shall be allocated
33 earnings without the specific affirmative directive of this section.

34 **Sec. 20.** 2013 2nd sp.s. c 8 s 303 (uncodified) is amended to
35 read as follows:

36 Section 209 of this act expires July 1, (~~2020~~) 2025.

37 NEW SECTION. **Sec. 21.** The following acts or parts of acts are
38 each repealed:

1 (1) RCW 43.330.415 (Washington community technology opportunity
2 account) and 2011 1st sp.s. c 43 s 608, 2009 c 509 s 8, & 2008 c 262
3 s 8;

4 (2) RCW 43.330.418 (Broadband deployment and adoption—Governor's
5 actions—Oversight and implementation by the department) and 2011 1st
6 sp.s. c 43 s 609 & 2009 c 509 s 9; and

7 (3) RCW 80.36.620 (Universal service program—Rules) and 1998 c
8 337 s 3.

9 NEW SECTION. **Sec. 22.** If any provision of this act or its
10 application to any person or circumstance is held invalid, the
11 remainder of the act or the application of the provision to other
12 persons or circumstances is not affected.

13 NEW SECTION. **Sec. 23.** Sections 11 through 18 and 20 of this act
14 are necessary for the immediate preservation of the public peace,
15 health, or safety, or support of the state government and its
16 existing public institutions, and take effect immediately.

17 NEW SECTION. **Sec. 24.** If specific funding for the purposes of
18 this act, referencing this act by bill or chapter number, is not
19 provided by June 30, 2019, in the omnibus appropriations act, this
20 act is null and void."

21 Correct the title.

EFFECT: (1) Provides that the Public Works Board is to
collaborate with the Statewide Broadband Office on establishing the
grants and loans programs, prescribing funding priorities, developing
additional rules for eligibility, and adopting rules for voluntary
nonbinding mediation.

(2) Eliminates the requirement that an applicant to the Public
Works Board grants and loans program provide information about the
kind and amount of broadband infrastructure to be purchased for a
project.

(3) Removes the requirement in Sec. 7(7)(c) that the Public Works
Board give top priority to tribal reservations in rural and remote
regions when endeavoring to award funds to qualified applicants in
all regions of the state.

(4) Authorizes the Public Works Board to fund up to 90 percent of
the total cost of a project and up to \$5 million in "distressed
areas" and "Indian country" and provides statutory definitions for
those terms.

(5) Requires the Public Works Board to consult with the
Washington Utilities and Transportation Commission, rather than an

expert review panel of up to three members, on the economic and technical feasibility of a proposed project.

(6) Requires a public utility district providing wholesale or retail telecommunications services to keep separate accounting for any revenues and expenditures for those services and to dedicate any revenues received from the provision of wholesale or retail telecommunications services to costs incurred to build and maintain telecommunications facilities.

(7) Modifies the maximum period of time during which a public utility district is authorized to provide retail telecommunications services from eleven months to five months.

(8) Specifies that the tax treatment of the retail telecommunications services provided by a public utility district must be the same as if those retail telecommunications services were provided by the defunct internet service provider.

(9) Provides that the act is null and void if specific funding for the purposes of the act is not provided by June 30, 2019, in the omnibus appropriations act.

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