
HOUSE BILL 1606

State of Washington

66th Legislature

2019 Regular Session

By Representatives Dye, Hudgins, Mosbrucker, Smith, Tarleton, Eslick, Appleton, Doglio, and Frame

Read first time 01/25/19. Referred to Committee on Innovation, Technology & Economic Development.

1 AN ACT Relating to the authority of the community economic
2 revitalization board with respect to loans and grants to political
3 subdivisions and federally recognized Indian tribes for broadband;
4 adding a new section to chapter 43.160 RCW; and creating a new
5 section.

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

7 NEW SECTION. **Sec. 1.** The legislature recognizes that high-speed
8 internet connectivity through broadband is essential to support:
9 Educational opportunity; innovations in the provision of education,
10 public safety, and health care; and business growth. The legislature
11 also finds that open-access dark fiber networks create a public
12 platform that bolsters the private sector's ability to provide
13 broadband internet access to communities for which access was
14 previously cost-prohibitive. Therefore, to efficiently and
15 sustainably expand access to broadband throughout Washington, this
16 act establishes a grant and loan program through the community
17 economic revitalization board for local governments and federally
18 recognized Indian tribes to develop open-access dark fiber networks.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.160
20 RCW to read as follows:

1 (1) The definitions in this subsection apply throughout this
2 section unless the context clearly requires otherwise.

3 (a) "Broadband" means dark fiber, open access networks.

4 (b) "Local governments" includes cities, towns, counties,
5 municipal corporations, public port districts, quasi-municipal
6 corporations, and special purpose districts.

7 (2) Subject to the availability of amounts appropriated for this
8 specific purpose, the board is authorized to make broadband loans and
9 grants to local governments and to federally recognized Indian tribes
10 for the purposes of financing the cost to build infrastructure to
11 provide high-speed, open-access broadband service for the purpose of
12 economic development or community development. However, no more than
13 fifty percent of all financial assistance approved by the board in
14 any biennium may consist of grants to local governments and federally
15 recognized Indian tribes.

16 (3) An application for funding must be made in the form and
17 manner as the board may prescribe. In making grants or loans, the
18 board must conform to the following requirements:

19 (a) The board may not provide financial assistance:

20 (i) For a project where the primary purpose is to facilitate or
21 promote gambling; and

22 (ii) For equipment or facilities that would enable a public
23 entity to provide retail telecommunications services or services that
24 the entity is not authorized by statute to provide;

25 (b) The board may provide financial assistance for projects that
26 encourage, foster, develop, and improve broadband within the state in
27 order to:

28 (i) Drive job creation, promote innovation, and expand markets
29 for local businesses; or

30 (ii) Serve the ongoing and growing needs of local education
31 systems, health care systems, public safety systems, industries,
32 businesses, governmental operations, and citizens;

33 (c) An application must be approved by: (i) The local government
34 and supported by the local associate development organization or
35 local workforce development council; or (ii) the governing body of
36 the federally recognized Indian tribe;

37 (d) The board may allow de minimis general system improvements to
38 be funded if they are critically linked to the viability of the
39 project;

1 (e) When evaluating and prioritizing projects, the board must
2 give consideration, at a minimum, to the following factors:
3 (i) The project's value to the community, including evidence of
4 support from affected local businesses and government;
5 (ii) The project's feasibility, using standard economic
6 principles;
7 (iii) The commitment of local matching resources and local
8 participation;
9 (iv) The project's inclusion in a capital facilities plan,
10 comprehensive plan, or local economic development plan consistent
11 with applicable state planning requirements; and
12 (v) The project's readiness to proceed.
13 (4) A responsible official of the local government or the
14 federally recognized Indian tribe must be present during board
15 deliberations and provide information that the board requests.
16 (5) Before any financial assistance application is approved, the
17 local government or the federally recognized Indian tribe seeking the
18 assistance must demonstrate to the board that no other timely source
19 of funding is available to it at costs reasonably similar to
20 financing available from the board.

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