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**SENATE BILL 5671**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senators Hansen and Hasegawa

Read first time 02/05/25. Referred to Committee on Environment,  
Energy & Technology.

1 AN ACT Relating to modifying eligibility for the broadband  
2 service expansion grant and loan program; and amending RCW  
3 43.155.160.

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

5 **Sec. 1.** RCW 43.155.160 and 2022 c 201 s 1 are each amended to  
6 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 (1) of this section.

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

21 (a) Local governments;

- 1 (b) Tribes;
- 2 (c) Nonprofit organizations;
- 3 (d) Cooperative associations; and
- 4 (e) Multiparty entities comprised of public entity members (~~(f)~~
- 5 ~~limited liability corporations organized for the purpose of~~
- 6 ~~expanding broadband access; and~~
- 7 ~~(g) Incorporated businesses or partnerships).~~

8 (4) (a) The board shall develop administrative procedures  
9 governing the preapplication and award process. The board shall act  
10 as fiscal agent for the program and is responsible for receiving and  
11 reviewing applications and awarding funds under this section.

12 (b) At least sixty days prior to the first day preapplications  
13 may be submitted each fiscal year, the board must publish on its  
14 website the specific criteria and any quantitative weighting scheme  
15 or scoring system that the board will use to evaluate or rank  
16 applications and award funding.

17 (c) The board may maintain separate accounting in the statewide  
18 broadband account created in RCW 43.155.165 as the board deems  
19 necessary to carry out the purposes of this section.

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

23 (5) An applicant for a grant or loan under this section must  
24 provide the following information on the preapplication:

- 25 (a) The location and description of the project;
- 26 (b) Evidence regarding the unserved nature of the community in  
27 which the project is to be located;
- 28 (c) Evidence that proposed infrastructure will be capable of  
29 scaling to greater download and upload speeds;
- 30 (d) The number of households passed that will gain access to  
31 broadband service as a result of the project or whose broadband  
32 service will be upgraded as a result of the project;
- 33 (e) Evidence that before submission of the application, the  
34 applicant contacted, in writing, all entities providing broadband  
35 service near the proposed project area to ask each broadband service  
36 provider's plan to upgrade broadband service in the project area to  
37 speeds that meet or exceed the state's definition for broadband  
38 service as defined in RCW 43.330.530, within the time frame specified  
39 in the proposed grant or loan activities;

1 (f) If applicable, the broadband service providers' written  
2 responses to the inquiry made under (e) of this subsection;

3 (g) The proposed geographic broadband service area and the  
4 proposed broadband speeds in the form and manner prescribed by the  
5 board;

6 (h) Evidence of community support for the project; and  
7 (i) Any additional information requested by the board.

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

10 (a) The final location and description of the project;  
11 (b) Evidence that the proposed infrastructure will be capable of  
12 scaling to greater download and upload speeds;

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

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

18 (e) The proposed actual download and upload speeds experienced by  
19 end users;

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

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

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

27 (i) The estimated total cost of the project;

28 (j) Other sources of funding for the project that will supplement  
29 any grant or loan award;

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

33 (l) A strategic plan to maintain long-term operation of the  
34 infrastructure;

35 (m) If applicable, documentation describing the outcome of the  
36 broadband service providers' written responses to the inquiry made  
37 prior to or during the preapplication phase; and  
38 (n) Any additional information requested by the board.

39 (7)(a) The board shall publish on its website for at least 30  
40 days the proposed geographic broadband service area and the proposed

1 broadband speeds for each proposed broadband project submitted in the  
2 preapplication period.

3 (b) The board shall, within three business days following the  
4 close of the preapplication cycle, publish on its website  
5 preapplications as described in subsection (5) of this section.

6 (c) The board shall set an objection period of at least 30 days.

7 (8)(a) Any existing broadband service provider near the proposed  
8 project area may submit in writing to the board an objection to a  
9 proposed broadband project. An objection must contain information  
10 demonstrating that:

11 (i) The project would result in overbuild, meaning that the  
12 objecting provider currently provides, or has begun construction to  
13 provide, broadband service to end users in the proposed project area  
14 at speeds equal to or greater than the speeds contained in the  
15 definition of broadband in RCW 43.330.530(~~((2))~~); or

16 (ii) The objecting provider commits to complete construction of  
17 broadband infrastructure and provide broadband service to end users  
18 in the proposed project area at speeds equal to or greater than the  
19 speeds contained in the definition of broadband in RCW  
20 43.330.530(~~((2))~~), no later than twenty-four months after the date  
21 awards are made under this section for the grant and loan cycle under  
22 which the preapplication was submitted.

23 (b) Objections submitted to the board under this subsection must  
24 be certified by affidavit.

25 (c) The board may evaluate the information submitted under this  
26 section by the objecting provider and must consider it in making a  
27 determination on the proposed broadband project objected to. The  
28 board may request clarification or additional information. The board  
29 may choose to not fund a project if the board determines that the  
30 objecting provider's commitment to provide broadband service that  
31 meets the requirements of (a) of this subsection in the proposed  
32 project area is credible. In assessing the commitment, the board may  
33 consider whether the objecting provider has or will provide a bond,  
34 letter of credit, or other indicia of financial commitment  
35 guaranteeing the project's completion.

36 (d) If the board denies funding to an applicant as a result of a  
37 broadband service provider's objection made under this section, and  
38 the broadband service provider does not fulfill its commitment to  
39 provide broadband service in the project area, then for the following  
40 two grant and loan cycles, the board is prohibited from denying

1 funding to an applicant on the basis of a challenge by the same  
2 broadband service provider, unless the board determines that the  
3 broadband service provider's failure to fulfill the provider's  
4 commitment was the result of factors beyond the broadband service  
5 provider's control. The board is not prohibited from denying funding  
6 to an applicant for reasons other than an objection by the same  
7 broadband service provider.

8 (e) An applicant or broadband service provider that objected to  
9 the application may request a debriefing conference regarding the  
10 board's decision on the application. Requests for debriefing must be  
11 coordinated by the office and must be submitted in writing in  
12 accordance with procedures specified by the office.

13 (f) Confidential business and financial information submitted by  
14 an objecting provider under this subsection is exempt from disclosure  
15 under chapter 42.56 RCW.

16 (9)(a) In evaluating applications and awarding funds, the board  
17 shall give priority to applications that are constructed in areas  
18 identified as unserved.

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

21 (i) Provide assistance to public-private partnerships deploying  
22 broadband infrastructure from areas currently served with broadband  
23 service to areas currently lacking access to broadband services;

24 (ii) Demonstrate project readiness to proceed;

25 (iii) Construct infrastructure that is open access, meaning that  
26 during the useful life of the infrastructure, service providers may  
27 use network services and facilities at rates, terms, and conditions  
28 that are not discriminatory or preferential between providers, and  
29 employing accountable interconnection arrangements published and  
30 available publicly;

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

34 (v) Bring broadband service to tribal lands, particularly to  
35 rural and remote tribal lands or areas servicing rural and remote  
36 tribal entities;

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

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

3 (viii) Offer new or substantially upgraded broadband service to  
4 important community anchor institutions including, but not limited  
5 to, libraries, educational institutions, public safety facilities,  
6 and health care facilities;

7 (ix) Facilitate the use of telemedicine and electronic health  
8 records, especially in deliverance of behavioral health services and  
9 services to veterans;

10 (x) Provide technical support and train residents, businesses,  
11 and institutions in the community served by the project to utilize  
12 broadband service;

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

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

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

19 (xiv) Utilize equipment and technology demonstrating greater  
20 longevity of service;

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

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

25 (xvii) Consider leveraging existing broadband infrastructure and  
26 other unique solutions;

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

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

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

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

34 (e) The board, in collaboration with the office, may develop  
35 additional rules for eligibility, project preapplications, project  
36 applications, the associated objection process, and funding priority,  
37 as provided under this subsection and subsections (3), (5), (6), (7),  
38 and (8) of this section.

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

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

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

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

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

21 (12) The board shall have such rights of recovery in the event of  
22 default in payment or other breach of financing agreement as may be  
23 provided in the agreement or otherwise by law.

24 (13) The community economic revitalization board shall facilitate  
25 the timely transmission of information and documents from its  
26 broadband program to the board in order to effectuate an orderly  
27 transition.

28 (14)(a) Subject to rules promulgated by the board, the board may  
29 make low-interest or interest-free loans or grants to eligible  
30 applicants for emergency public works broadband projects. While  
31 developing rules, the board shall consider prioritizing broadband  
32 infrastructure projects that replace existing infrastructure impacted  
33 by an emergency, as described in (b) of this subsection.

34 (b) Emergency public works broadband projects include  
35 construction, repair, reconstruction, replacement, rehabilitation, or  
36 improvement to critical broadband infrastructure that has been made  
37 necessary by a natural disaster or damaged by unforeseen events. To  
38 ensure limited resources are provided as efficiently as possible, the  
39 board shall grant priority to emergency public works projects that  
40 replace existing infrastructure of the provider whose facilities were

1 damaged by the unforeseen event and shall not provide funds to a new  
2 provider to overbuild the existing provider. The loans or grants may  
3 be used to help fund all or part of an emergency public works  
4 broadband infrastructure project less any reimbursement from any of  
5 the following sources: (i) Federal disaster or emergency funds,  
6 including funds from the federal emergency management agency; (ii)  
7 state disaster or emergency funds; (iii) insurance settlements; and  
8 (iv) litigation.

9 (c) Eligible applicants for grants and loans awarded under this  
10 subsection are the same as those described in subsection (3) of this  
11 section.

12 (15) The definitions in RCW 43.330.530 apply throughout this  
13 section unless the context clearly requires otherwise.

14 (16) For purposes of this section, a "proposed broadband project"  
15 means a project that has been submitted as a preapplication to the  
16 public works board.

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