HOUSE COMMITTEE ON ENERGY AND TECHNOLOGY SUMMARY OF CORONAVIRUS RELIEF FUND RECOMMENDATIONS

As Incorporated into H.966, <u>and as Amended by HAC</u>, Secs. 2-10 only Prepared by Maria Royle, Office of Legislative Council, June 17, 2020

RECOMMENDED CORONAVIRUS RELIEF FUND (CRF) APPROPRIATIONS (SECS. 2-10 ONLY)

SECTION	AMOUNT	SUMMARY
Sec. 2	N/A	Findings and Intent Section on Broadband Connectivity Findings. There are 8 findings. Only two are included here. • Data collected by the Department of Public Service underscore the magnitude of the State's connectivity needs. Of the 308,082 addresses in our State: • 6.8 percent (20,978 addresses) do not have access to broadband that meets a minimum speed of 4/1 Mbps • 23 percent (69,899 addresses) do not have access to broadband that meets the FCC's benchmark of 25/3 Mbps • 82.5 percent (254,000 addresses) do not have access to broadband that meets a minimum speed of 100/100 Mbps • The measures taken in this recommendation complement and advance the State's long-term goal of achieving the universal availability of 100 Mbps symmetrical service by the year 2024

		Intent. In response to the COVID-19 pandemic and the critical need for access to broadband connectivity, it is the intent of the General Assembly to support rapid response recovery planning and broadband solutions that will
		significantly increase rural broadband capacity for distance learning, remote working, telehealth, and other critical services during the public health emergency and to do so in a manner that is consistent with the criteria of the federal Coronavirus Relief Fund.
Sec. 3(a), in part, and (b)	\$43,068,500	This is the <u>total</u> recommended appropriation, allocated as further specified in this section.
		Any unexpended funds as of December 20, 2020 shall be transferred to the State's Coronavirus Relief Fund. Recipients of an appropriation under this section shall obtain and retain documentation demonstrating expenses are eligible for reimbursement under the CARES Act.
Sec. 3(a)(1)	\$35,566,500	This is the total appropriation to the Department of Public Service, allocated in subdivisions (a)(1)(A)-(G)
Sec. 3(a)(1)(A) and Sec. 4	\$800,000	COVID-Response Connected Community Resilience Program • Administered by DPS
		 Purpose is to fund recovery planning efforts of communications union districts (CUDS)
		 The COVID-19 public health emergency has caused CUDs to rapidly reassess connectivity needs; reevaluate deployment objectives (either independently or collaboratively); and accelerate deployment schedules

		 Eligible expenses include consultant fees and administrative expenses Each grant award capped at \$100K Commissioner shall develop policies and practices for Program implementation consistent with the CARES Act, including standards for expense verification and records retention
Sec. 3(a)(1)(B) and Sec. 5	\$2,000,000	 COVID-Response Line Extension Customer Assistance Program Administered by DPS Provides financial assistance for customer costs associated with line extensions to unserved locations An unserved location means a location without access to 25/3 Mbps A line extension must be capable of at least 25/3 Mbps Per customer cap is \$3,000 A CUD letter of support is required for line extensions in a CUD's service territory Locations must provide to the Department data related to their telehealth, remote learning, and telework needs Health care providers and K-12 schools may apply on behalf of patients and students, respectively, who have telehealth or distance learning needs Awards may be retained until expenses incurred and properly documented Commissioner shall publish guidelines and procedures on or before July 15, 2020, and may incorporate relevant provisions of PUC Cable Rule 8.313, including the formula for assessing contributions in aid of construction Funds are available only for the most-cost effective and siteappropriate line extension Funds disbursed on a rolling basis until all funds expended or December 20, 2020, whichever occurs first

		 Program sunsets December 31, 2020 Guidelines and procedures must be consistent with the CARES Act and shall ensure the Program will significantly increase broadband capacity for distance learning, telehealth, and telework during the public health emergency
Sec. 3(a)(1)(C) and Sec. 6	\$11,000,000	 Administered by DPS The purpose of the program is to provide financial assistance to Internet service providers to: Offset the customer costs of fiber-to-the-premises (FTTP) installations, which include underground conduit installations, where required, and service drops Expand fixed wireless coverage to unserved and underserved locations Reimburse DPS and ADS for costs associated with Wi-Fi hotspot deployments not covered by FEMA, up to \$50K Priority is given to projects involving installation of underground conduit, where required, that would result in broadband access to low-income households with remote learning, telehealth, and telework needs FTTP and fixed wireless installations supported by the program shall reflect the Department's ongoing efforts with the Agency of Education and VPQHC to identify addresses and clusters of students or vulnerable or high-risk Vermonters, or both, who do not have access to broadband A CUD letter of support is required for proposed projects in a CUD's service territory DPS may provide temporary subsidies for customer broadband monthly subscriptions to increase adoption rates

		 Any new services funded in whole or in part by monies from this Initiative shall be capable of speeds of at least 25/3 Mbps Commissioner may retain awards until expenses have been incurred and properly documented Commissioner shall establish guidelines and procedures consistent with the CARES Act, which shall include provisions ensuring the program will significantly increase broadband capacity for distance learning, telehealth, and telework needs during the public health emergency Funds are distributed through the existing Connectivity Initiative, which specifies: "Unserved" means access only to satellite and dial-up "Underserved" means access to less than 4/1 Mbps DPS solicits bids for eligible census blocks Priority given to lowest cost, but other factors are considered, including: data transmission characteristics; customer prices and installation costs; whether best technology/economically feasible; availability of service of comparable quality and speed; and objectives of Telecom Plan The location and capacity of infrastructure funded through the program shall be part of a permanent, public database maintained by the Department
Sec. 3(a)(1)(D) and Secs. 7 and 8	\$500,000	 COVID-Response Telecommunications Recovery Plan The Commissioner of Public Service shall retain a consultant to assist with the preparation of a COVID-Response Telecom Recovery Plan The purpose of the Plan is to reassess the State's critical connectivity needs in light of the public health emergency and to reevaluate broadband deployment objectives going forward On or before December 20, 2020 the Plan shall be submitted to HE&T

		and Finance Deadline for next 10-year Telecom Plan extended from December 1, 2020 to June 30, 2021, and the deadline for the next Plan after that is extended from December 1, 2023 to June 30, 2024
Sec. 3(a)(1)(E) and Sec. 9	\$800,000	 COVID-Response Telehealth Connectivity Program Administered by VPQHC consistent with its statutory mission and its Connectivity Care Packages pilot proposal Purpose is to support equitable access to telehealth services by providing: Outreach and educational opportunities to improve digital literacy skills of patients and providers Equipment for telehealth during the public health emergency, particularly in areas that are digitally and medically underserved, and distributed geographically across the State Vulnerable and high-risk patients are prioritized Expenditures must be documented and retained consistent with the CARES Act Funds disbursed on a rolling basis until all funds expended or December 20, 2020, whichever occurs first Unexpended funds shall be transferred back to the State on or before December 20, 2020 Program sunsets on December 31, 2020 On or before January 15, 2021, VPQHC reports to relevant legislative committees on the Program's effectiveness
Sec. 3(a)(1)(F)	\$466,500	Funding for the State's PEG access media organizations • Disbursed by DPS in consultation with the Vermont Access Network

		 Purpose is to reimburse staffing and operational costs incurred due to unbudgeted and unplanned coverage of public meetings and events in response to the COVID-19 public health emergency; and for unplanned and unbudgeted expenditures related to increased production and technical support for live-streaming government and community-based organizations
Sec. 3(a)(1)(G) and Sec. 10	\$20,000,000	 Financial Assistance for Utility Ratepayer Arrearages Administered by DPS Purpose is to provide financial assistance to utility ratepayers to cover the account arrearages of ratepayers likely to face disconnection when the PUC's involuntary disconnection moratorium ends A "utility" means a utility affected by the PUC's involuntary disconnection moratorium issued on March 18, 2020, as further amended and revised Funds disbursed on a rolling basis until all funds are expended or December 20, 2020, whichever occurs first Commissioner may contract with an independent third party to assist with program administration Customer information is confidential unless anonymized and aggregated
Sec. 3(a)(2)	\$3,000,000	Appropriation to the Agency of Digital Services (ADS) to mitigate cybersecurity risks posed by State employees working from home as a result of the COVID-19 public health emergency
Sec. 3(a)(3)	\$4,000,000	Appropriation to ADS to reimburse costs incurred for unbudgeted and unplanned expenditures for unemployment insurance claims

		modernization . Legislative intent is to increase Vermonters' access to UI claims services in response to the COVID-19 public health emergency
Sec. 3(a)(4)	\$350,000	Appropriation to ADS to support municipal officials in addressing cybersecurity risks and mitigate vulnerabilities posed by closed municipal offices, muni employees and elected official working from home, and using teleconferencing platforms as a result of the COVID-19 public health emergency
Sec. 3(a)(5)	\$152,000	Appropriation to the E-911 Fund for necessary expenses incurred due to unbudgeted and unplanned critical public health and safety activities and services directly caused by or provided in response to the COVID-19 public health emergency