

1 **Revisions Highlighted in Blue**

2 Introduced by Committee on Energy and Technology

3 Date:

4 Subject: Communications; broadband deployment; communications union
5 districts; Vermont Community Broadband Authority

6 Statement of purpose of bill as introduced: This bill proposes to coordinate,
7 facilitate, support, and accelerate community broadband deployment
8 throughout Vermont.

9 An act relating to accelerated community broadband deployment

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 * * * Legislative Findings and Intent * * *

12 Sec. 1. FINDINGS AND INTENT

13 (a) The General Assembly finds that:

14 (1) For over a decade, Vermont has pursued many approaches and
15 strategies designed to ensure that every Vermonter has access to reliable,
16 affordable, high-speed broadband.

17 (2) In 2018, through Acts and Resolves No. 169, the General Assembly
18 found that broadband is essential for supporting economic and educational

1 opportunities, strengthening health and public safety networks, and reinforcing
2 freedom of expression and democratic, social, and civic engagement.

3 (3) We further found in Act No. 169 that the lack of a thriving
4 competitive market in Vermont, particularly in isolated locations,
5 disadvantages the ability of consumers and businesses to protect their interests
6 sufficiently, and we recognized that the State may exercise its traditional role
7 in protecting consumers.

8 (4) In 2019, through Acts and Resolves No. 79, the General Assembly
9 found that despite the FCC’s “light-touch” regulatory approach under Title I of
10 the Communications Act of 1934, rather than “utility-style” regulation under
11 Title II, existing broadband providers are not providing adequate service to
12 many rural areas where fewer potential customers reduce the profitability
13 necessary to justify network expansion.

14 (5) Accordingly, reaching the last mile will require a grassroots
15 approach founded on input from and support of local communities. Existing
16 broadband grant programs do not offer the scale to solve this problem, and
17 traditional capital sources typically shy away from businesses with limited
18 revenue history and little equity or collateral.

19 (6) To this end, public investment in programs and personnel that
20 provide local communities with much-needed resources and technical
21 assistance is required.

1 (7) In 2020, the COVID-19 public health emergency served as an
2 accelerant to the socioeconomic disparities between the connected and the
3 unconnected in our State. Vermonters who cannot access or cannot afford
4 broadband, many of whom are geographically isolated, face challenges with
5 respect to distance learning; remote working; accessing telehealth services; and
6 accessing government programs and services, including our institutions of
7 democracy, such as the court system.

8 (8) Indeed, the ongoing public health emergency has highlighted the
9 extent to which robust and resilient broadband networks are critical to our
10 economic future as a whole and provide a foundation for our educational,
11 health care, public health and safety, and democratic institutions.

12 (9) Broadband infrastructure is critical infrastructure fundamental to
13 accessing other critical services in sectors such as energy, public safety,
14 government, healthcare, education, and commerce.

15 (10) The goal of universal broadband needs to be elevated as a top
16 priority of the State to meet the economic, health, safety, and social needs of
17 Vermonters.

18 (11) While private broadband providers have brought broadband
19 services to many households, businesses, and locations in Vermont, significant
20 gaps remain.

1 (12) When existing broadband providers fail to achieve the goal of
2 providing reliable, high-quality, universal broadband, it is imperative for the
3 State to support and facilitate the construction of broadband infrastructure
4 through financial and other means.

5 (13) Communications union districts (CUDs) were created by the State
6 to coordinate and implement creative and innovative solutions in their
7 respective territories, particularly where existing providers are not providing
8 adequate service that meets the needs of their residents and businesses while
9 ensuring public accountability.

10 (14) CUDs are thus positioned to be the unofficial “provider of last
11 resort” for broadband and ensure public accountability for serving all
12 Vermonters within their respective service territories. Yet CUDs have limited
13 access to financial capital necessary for expansion of broadband to unserved
14 and underserved areas of the State.

15 (15) All Vermont electric ratepayers are supporting the rollout of clean
16 energy technologies, however not all ratepayers are able to access those
17 technologies because they do not have access to adequate broadband. Equity
18 in the energy sector requires universal broadband.

19 (16) The Department of Public Service simultaneously plays a
20 regulatory role in the telecommunications market while also supporting the
21 development of CUDs in an unregulated competitive broadband market.

1 (17) To ensure universal broadband in Vermont, there is a need for
2 greater coordination of grassroots broadband solutions both among the CUDS
3 themselves and also with respect to their other potential partners, such as
4 electric distribution utilities, nonprofit organizations, the federal government,
5 and private broadband providers.

6 (b) Therefore, this act is intended to protect the public interest by:

7 (1) ensuring broadband availability to all Vermonters and Vermont
8 addresses;

9 (2) ensuring public accountability for maintaining and upgrading critical
10 broadband infrastructure;

11 (3) increasing the reliability of the electric grid and ensuring equal
12 access to clean energy services among all electric ratepayers;

13 (4) protecting Vermonters’ privacy and unrestricted access to the
14 Internet;

15 (5) alleviating the inherent tension the Department of Public Service
16 currently experiences as a result of its dual roles as both regulator and
17 community project developer;

18 (6) directing public resources to the development of public broadband
19 assets intended to provide universal access;

20 (7) developing favorable taxing, financing, and regulatory mechanisms
21 to support communications union districts; and

1 (8) providing time-limited leadership for coordinating the buildout of
2 Vermont’s communications union districts and their partners and for
3 developing financing mechanisms to fully support that buildout through a
4 newly created State entity, the Vermont Community Broadband Authority,
5 designed specifically to effectuate these purposes.

6 * * * Vermont Community Broadband Authority * * *

7 Sec. 2. 30 V.S.A. chapter 91A is added to read:

8 CHAPTER 91A: VERMONT COMMUNITY BROADBAND AUTHORITY

9 § 8081. POLICY, FINDINGS, AND PURPOSE

10 (a) Policy. It is the policy of the State of Vermont to support and accelerate
11 community efforts that advance the State’s goal of achieving universal access
12 to reliable, high-quality, affordable broadband.

13 (b) Findings. Broadband is an essential service unavailable to many
14 Vermonters. Federal policies that promote an unregulated, competitive
15 broadband market have failed to deliver this essential service in many rural
16 areas of the State. In addition, federal programs designed to subsidize the
17 buildout of broadband in rural areas have fallen far short of delivering
18 broadband to the most remote regions of our State, often as a result of
19 inadequate federal broadband mapping data or insufficient accountability. As
20 a consequence, many locations in Vermont continue to lack access to
21 broadband, and a comprehensive funded solution through existing federal and

1 State broadband programs is not available to address this critical need we face
2 in Vermont. Despite these challenges, local communities have assembled in
3 the form of communications union districts to address the digital divide
4 collectively and creatively. These local projects, and ultimately all
5 Vermonters, will benefit from the establishment of robust statewide leadership
6 and support for community broadband solutions.

7 (c) Purpose. It is the purpose of this chapter to establish the Vermont
8 Community Broadband Authority to coordinate, facilitate, support, and
9 accelerate the development and implementation of universal community
10 broadband solutions.

11 § 8082. DEFINITIONS

12 As used in this chapter:

13 (1) “Authority” means the Vermont Community Broadband Authority
14 established by this chapter.

15 (2) “Board” means the Board of Directors of the Vermont Community
16 Broadband Authority.

17 (3) “Connectivity Initiative” means the initiative established under
18 section 7515b of this title.

19 (4) “Department” means the Department of Public Service.

20 (5) “Division” means the Division for Telecommunications and
21 Connectivity within the Department of Public Service.

1 (6) “Fund” means the Vermont Community Broadband Fund established
2 by this chapter.

3 (7) “Underserved” has the same meaning as in subsection 7515b(a) of
4 this title.

5 (8) “Unserved” has the same meaning as in subsection 7515b(a) of this
6 title.

7 § 8083. ESTABLISHMENT AND ORGANIZATION

8 (a) The Vermont Community Broadband Authority is hereby created and
9 established as a body corporate and politic and a public instrumentality of the
10 State. The exercise by the Authority of the powers conferred upon it in this
11 chapter constitutes the performance of essential governmental functions.

12 (b) The Authority shall have a Board of Directors of ~~11~~ seven members as
13 follows:

14 (1) the Commissioner of Public Service or designee;

15 ~~(2) the Secretary of Commerce and Community Development or~~
16 designee;

17 (3) ~~three~~ one public member ~~representing communications union~~
18 districts selected by the Vermont Communications Union District Association;

19 (4) ~~four~~ two public members appointed by the Governor, who shall not
20 be employees or officers of the State at the time of appointment;

1 (5) one public member appointed by the Speaker of the House, who
2 shall not be a member of the General Assembly at the time of the appointment;

3 (6) one public member appointed by the Senate Committee on
4 Committees, who shall not be a member of the General Assembly at the time
5 of the appointment; and

6 (7) the Executive Director of the Authority.

7 (c) In making appointments of public members, the appointing authorities
8 shall give consideration to citizens of the State with knowledge of
9 communications technology; communications law and policy; broadband
10 deployment in rural, high-cost areas; finance; and electric utility law and
11 policy.

12 (d) The public members shall serve terms of three years beginning
13 February 1 of the year of appointment. However, two of the public members
14 first appointed by the Governor shall serve initial terms of one year; and the
15 public members first appointed by the Speaker and the Committee on
16 Committees shall serve initial terms of two years. A vacancy occurring among
17 the public members shall be filled by the respective appointing authority for
18 the balance of the unexpired term. A member may be reappointed.

19 (e) The Authority’s powers are vested in the Board of Directors. At its
20 initial organization meeting, and annually thereafter, the Board shall elect from
21 among its public members a chair and vice chair. The Board may elect officers

1 as it may determine. Meetings shall be held at the call of the Chair or at the
2 request of three members. A majority of sitting members shall constitute a
3 quorum and action taken by the Board under the provisions of this chapter may
4 be authorized by a majority of the members present and voting at any regular
5 or special meeting.

6 (f) Members other than ex officio members shall be entitled to per diem
7 authorized under 32 V.S.A. § 1010 for each day spent in the performance of
8 their duties and each member shall be reimbursed from the Fund for his or her
9 reasonable expenses incurred in carrying out his or her duties under this
10 chapter.

11 (g) The Authority shall hire and employ an Executive Director **who shall be**
12 **a voting member of the Board** and who shall serve as the Authority's chief
13 administrative officer and shall direct and supervise the Authority's
14 administrative affairs and technical activities in accordance with any rules and
15 policies set forth by the Authority. In addition to any other duties, the
16 Executive Director shall:

17 (1) attend all meetings of the Authority, act as its secretary, and keep
18 minutes of its proceedings;

19 (2) approve all accounts of the Authority, including accounts for
20 salaries, per diems, and allowable expenses of any employee or consultant
21 thereof and expenses incidental to the operation of the Authority;

1 (3) make recommendations to the Board of Directors for financial
2 awards or assistance authorized by this chapter, including grants and loans;

3 (4) make an annual report to the Authority documenting the actions of
4 the Authority and such other reports as the Authority may request; and

5 (5) perform such other duties as may be directed by the Authority in the
6 carrying out of the purposes and provisions of this chapter.

7 (h) The Authority may employ technical experts and other officers, agents,
8 and employees Executive Director shall hire three employees to support the
9 Authority and communications union districts in the areas of finance, network
10 planning and technical design, and grant writing to effect the purposes and
11 programs of this chapter and also to perform administrative functions. The
12 Executive Director may fix the qualifications, duties, and compensation of
13 employees hired pursuant to this subsection. The Authority shall use the
14 Office of the Attorney General for legal services, as well as contract for legal
15 services as needed.

16 § 8084. VERMONT COMMUNITY BROADBAND FUND

17 (a) There is created a special fund in the State Treasury to be known as the
18 “Vermont Community Broadband Fund.” The Fund shall be administered by
19 the Authority and expenditures therefrom shall only be made to implement and
20 effectuate the policies and purposes of this chapter. The Fund shall be
21 composed of any monies from time to time appropriated to the Fund by the

1 General Assembly or received from any other source, private or public,
2 approved by the Authority. Unexpended balances and any earning shall
3 remain in the Fund for use in accord with the purposes of this chapter.

4 (b) The money transferred to the Fund pursuant to subsection 7523(b) of
5 this title shall be used to fund the operational expenses of the Authority,
6 including a Rural Broadband Technical Assistance Specialist, whose duties
7 shall include providing outreach, technical assistance, and other support
8 services to communications union districts.

9 (c) From the funds transferred to the Fund under subsection (b) of this
10 section and used to pay the operational expenses of the Authority, any
11 remaining funds shall be used to provide administrative, and technical
12 assistance support and financial assistance to communications union districts
13 as authorized in this chapter and under the Connectivity Initiative established
14 in section 7515b of this title.

15 § 8085. GENERAL POWERS AND DUTIES; CONFIDENTIALITY

16 (a) The Authority shall have all the powers necessary and convenient to
17 carry out and effectuate the purposes and provisions of this chapter, including
18 those general powers provided to a business corporation by Title 11A and
19 those general powers provided to a nonprofit corporation by Title 11B and
20 including, without limitation of the general powers under Title 11A and 11B,
21 the power to:

1 (1) Coordinate and facilitate community broadband efforts and to
2 provide resources to communications union districts in the form of
3 administrative and technical support as well as through grants, loans, and other
4 forms of financial assistance consistent with the purposes and provisions of the
5 chapter and as deemed appropriate by the Board of Directors, with input by the
6 Executive Director.

7 (2) Assist communications union districts with development of business
8 plans that reflect local preferences.

9 (3) Facilitate partnerships between communications union districts and
10 potential partners, including incumbent and competitive communications
11 providers and electric transmission and distribution utilities.

12 (4) Advocate at the federal level for programs and policies that will
13 accelerate the deployment of universal, symmetrical broadband in rural
14 Vermont.

15 (5) Receive and accept grants, gifts, loans, or contributions from any
16 source subject to the provisions of 32 V.S.A. § 5 and for the purpose carrying
17 out the purposes of this chapter.

18 (6) When authorized by one or more communications union districts,
19 apply for grants, loans, permits, licenses, certificates, or approvals, or enter
20 into contractual arrangements for goods or services on behalf of or jointly with
21 a communications union district or districts.

1 ~~(7) Transfer State fiber optic assets to the communications union district~~
2 ~~in which those assets are located.~~

3 (7) Consult with the Vermont Economic Development Authority and the
4 Vermont Municipal Bond Bank with regard to financing community
5 broadband projects.

6 (8) Consult with agencies and departments regarding the establishment
7 or modification of taxes and fees applicable to broadband providers, including
8 the establishment of criteria for the waiver of such taxes and fees when
9 providers offer to furnish comparable value to the State to meet the public
10 good.

11 (9) Assist communications union districts with pursuing route
12 identification for fiber-optic infrastructure and with obtaining pole surveys and
13 negotiating pole attachments.

14 (10) Identify and publish State, federal, nonprofit, and any other
15 broadband funding opportunities and assist communications union districts
16 with completing grant and loan applications.

17 (11) Provide input to the Department of Public Service on the
18 development of the State’s Telecommunications Plan.

19 (12) Do any and all things necessary or convenient to effectuate the
20 purposes and provisions of this chapter and to carry out its purposes and
21 exercise the powers given and granted in this chapter.

1 (b) Any records or information produced or acquired by the Authority that
2 are trade secrets or confidential business information shall be exempt from
3 public inspection and copying pursuant to 1 V.S.A. 317(c)(9).

4 § 8086. ALLOCATION SYSTEM; FUNDING PRIORITIES

5 In reviewing funding proposals and determining the allocation of funds
6 pursuant to programs administered by the Authority, the Authority shall give
7 priority to projects that:

8 (1) provide service to unserved and underserved locations as part of a
9 plan that achieves universal broadband coverage in a community or
10 communications union district;

11 (2) support broadband service that is capable of speeds of at least 100
12 Mbps symmetrical;

13 (3) leverage federal or public-private partnership resources;

14 (4) support low-income or disadvantaged communities;

15 (5) promote geographic diversity of fund allocations; and

16 (6) provide consumers with affordable service options.

17 § 8087. COMMUNITY BROADBAND INNOVATION GRANT

18 PROGRAM

19 (a) There is established the Community Broadband Innovation Grant
20 Program to be administered by the Authority. The purpose of the Program is
21 to fund feasibility studies related to the deployment of broadband in rural

1 ~~unserved and underserved areas of Vermont. The following conditions shall~~
2 ~~apply to the Program:~~

3 ~~(1) In awarding grants under this section, the Authority shall give~~
4 ~~preference to feasibility studies that contemplate the provision of broadband~~
5 ~~service that is symmetrical.~~

6 ~~(2) Eligible grant applicants shall include communications union~~
7 ~~districts.~~

8 ~~(3) Grantees shall produce an actionable business plan for a potential~~
9 ~~broadband solution, which may include formation of or partnership with an~~
10 ~~electric company, rural economic development infrastructure district,~~
11 ~~municipal communications plant, or any other broadband provider. The~~
12 ~~business plan required by this subdivision shall include preconstruction~~
13 ~~engineering and design plans, financing models, estimated construction costs,~~
14 ~~and ideal operational models.~~

15 ~~(4) A grant award may be up to \$60,000.00. The Authority, however,~~
16 ~~may exceed this limit as it deems appropriate taking into consideration the~~
17 ~~geographic size and the number of towns and households served by a district.~~

18 ~~(5) Not more than 10 percent of a grant may be used for grant~~
19 ~~management.~~

20 ~~(6) Studies funded through the Program shall conclude within 12~~
21 ~~months of receipt of the award.~~

1 ~~(7) The Authority shall retain 50 percent of the grant award until it~~
2 ~~determines that the study has been completed consistent with the terms of the~~
3 ~~grant.~~

4 ~~(8) A grant recipient shall report its findings and recommendations to~~
5 ~~the Authority within 30 days following the completion of a study funded under~~
6 ~~the Program.~~

7 ~~(b) To the extent such information is available, the Authority shall~~
8 ~~aggregate the information submitted under subsection (a) of this section and~~
9 ~~shall report its findings and recommendations in the annual report required~~
10 ~~under section 8088 of this chapter.~~

11 ~~(c) The Community Broadband Innovation Grant Program is the successor~~
12 ~~to the Broadband Innovation Grant Program established by 2019 Acts and~~
13 ~~Resolves No. 79, Sec. 10, and any funds remaining in that program shall be~~
14 ~~transferred to the Vermont Community Broadband Fund to support the~~
15 ~~Community Broadband Innovation Grant Program established in this chapter.~~

16 § 8087. COMMUNITY BROADBAND PRECONSTRUCTION GRANT
17 PROGRAM

18 (a) There is established the Community Broadband Preconstruction Grant
19 Program to be administered by the Authority. The purpose of the Program is
20 to provide grants to communications union districts for preconstruction costs
21 related to broadband projects. As used in this section, “preconstruction costs”

1 include expenses for feasibility studies, business planning, pole data surveys,
2 engineering and design, and makeready work associated with the construction
3 of broadband networks, including consultant, legal, and administrative
4 expenses, and any other costs deemed appropriate by the Authority. The
5 following conditions shall apply to the Program:

6 (1) A grant award may not exceed \$XXX.

7 (2) Not more than 2.5 percent of a grant may be used for grant
8 management.

9 (3) The Authority shall only disburse funds to a grantee as costs are
10 incurred.

11 (b) To ensure an equitable distribution of funds under this Program and to
12 encourage collaborative work among communications union districts, grant
13 awards shall be scalable and shall be commensurate with the size of a
14 broadband project as determined by the project's service area, road mileage,
15 the number of unserved or underserved locations, and any other metric deemed
16 appropriate by the Authority. In addition, the Authority may permit a grantee
17 to use a percentage of a grant award for grant management and may develop
18 standards for the disbursement of grant funds in a manner that both supports
19 the efficient and timely use of funds and also ensures accountability.

20 (c) The Authority shall summarize its activities under this section in the
21 annual report required by section 8089 of this chapter.

1 § 8088. SUBORDINATED LOAN PROGRAM

2 (a) The Authority shall establish a subordinated loan program to
3 supplement financing obtained by a communications union district under the
4 Vermont Economic Development Authority’s Broadband Expansion Loan
5 Program. Loans under this section shall be made upon such terms and
6 conditions as may reasonably be expected to be fulfilled by the borrower.

7 (b) Lending decisions under this section shall be made by the Vermont
8 Community Broadband Authority Board of Directors. The Vermont Economic
9 Development Authority shall service all loans made pursuant to this section.
10 In the event of default by a loan recipient, the Vermont Economic
11 Development Authority shall consult with the Vermont Community Broadband
12 Authority prior to commencing any collection action.

13 § 8089. ANNUAL REPORT

14 Notwithstanding 2 V.S.A. § 20(d), on or before January 15 of each year, the
15 Authority shall submit a report of its activities pursuant to this chapter for the
16 preceding year to the Senate Committee on Finance, the House Committee on
17 Energy and Technology, and the Joint Information Technology Oversight
18 Committee. The report shall include an operating and financial statement
19 covering the Authority’s operations during the year, including a summary of
20 all grant awards and contracts and agreements entered into by the Authority.
21 In addition, the report shall include a description of the progress each start-up

1 communications union district has made in achieving long-term financial
2 sustainability that is not dependent upon public funding, as well as an update
3 on its efforts to secure additional federal funds for broadband deployment.

4 § 8089a. SUNSET; TRANSFER PLAN

5 (a) The Authority shall cease to exist July 1, 2026.

6 (b) As part of its annual report submitted on or before January 15, 2026, the
7 Authority shall develop a plan for transferring its assets, liabilities, and legal
8 and contractual obligations to another appropriate State entity. The Authority
9 may include in its report a recommendation regarding the continued existence
10 of the Authority beyond its statutory sunset date.

11 Sec. 3. ORGANIZATIONAL MEETING; SPACE ALLOCATION

12 (a) Within 60 days of the effective date of this act, the Vermont
13 Community Broadband Authority Board of Directors shall hold its initial
14 organizational meeting. The Department of Public Service shall provide
15 administrative support to the Authority for 180 days commencing on the date
16 of the Authority’s initial organizational meeting, which shall be paid for from
17 the Vermont Community Broadband Fund established in Sec. 2 of this act.

18 (b) Within 60 days of the effective date of this act, the Commissioner of
19 Buildings and General Services shall allocate space for the Vermont
20 Community Broadband Authority established in Sec. 2 of this act.

21 Sec. 4. REPEALS

1 The following provisions of law are repealed:

2 (1) 2019 Acts and Resolves No. 79, Sec. 10 (Broadband Innovation
3 Grant Program).

4 (2) 2020 Acts and Resolves No. 154, Sec. B1105.2 (amending the
5 Broadband Innovation Grant Program).

6 * * * Universal Service Charge; Vermont Community Broadband Fund * * *

7 Sec. 5. 30 V.S.A. § 7516 is amended to read:

8 § 7516. CONNECTIVITY FUND

9 (a) There is created a Connectivity Fund for the purpose of providing
10 support to the High-Cost Program established under section 7515 of this
11 chapter and the Connectivity Initiative established under section 7515b of this
12 chapter. The fiscal agent shall determine annually, on or before November 1,
13 the amount of monies available to the Connectivity Fund. Such funds shall be
14 apportioned as follows: 45 percent to the High-Cost Program and 55 percent to
15 the Connectivity Initiative.

16 ~~(b) Of the money transferred to the Connectivity Fund pursuant to~~
17 ~~subsection 7523(b) of this title, up to \$120,000.00 shall be appropriated~~
18 ~~annually to the Department of Public Service to fund a Rural Broadband~~
19 ~~Technical Assistance Specialist whose duties shall include providing outreach,~~
20 ~~technical assistance, and other support services to communications union~~
21 ~~districts established pursuant to chapter 82 of this title and other units of~~

1 ~~government, nonprofit organizations, cooperatives, and for-profit businesses~~
2 ~~for the purpose of expanding broadband service to unserved and underserved~~
3 ~~locations. Support services also may include providing business model~~
4 ~~templates for various approaches, including formation of or partnership with a~~
5 ~~cooperative, a communications union district, a rural economic development~~
6 ~~infrastructure district, an electric utility, or a new or existing Internet service~~
7 ~~provider as operator of the network. Any remaining funds shall be used to~~
8 ~~support the Connectivity Initiative established under section 7515b of this title.~~

9 [Repealed.]

10 Sec. 6. 30 V.S.A. § 7523(b) is amended to read:

11 (b) Beginning on July 1, 2019, the rate of charge established under
12 subsection (a) of this section shall be increased by four-tenths of one percent of
13 retail telecommunications service, and the monies collected from this increase
14 shall be transferred to the ~~Connectivity Fund established under section 7516 of~~
15 ~~this title~~ Vermont Community Broadband Fund established under section 8084
16 of this title.

17 * * * Transfer of Fiber-optic Assets * * *

18 Sec. 7. TRANSFER OF FIBER-OPTIC ASSETS

19 On or before July 1, 2021, the Department of Public Service shall transfer
20 ownership of its fiber-optic assets to the communications union district in
21 which those assets are located. The transfer shall include the transfer of rights

1 and obligations under any existing contracts or lease agreements with third
2 parties regarding the maintenance or use of the fiber-optic assets. In addition,
3 the transfer shall include a requirement that, upon the dissolution of a
4 communications union district, any such fiber assets shall become the property
5 of the State to be managed by ~~the Vermont Community Broadband Authority~~
6 or the Department of Public Service ~~if the Authority no longer exists.~~ A
7 communications union district may refuse to accept the transfer of assets
8 authorized by this section, in which case, the assets shall become remain the
9 property of the Department of Public Service.

10 * * * Connectivity Initiative; Department of Public Service * * *

11 Sec. 8. 30 V.S.A. § 7515b is amended to read:

12 § 7515b. CONNECTIVITY INITIATIVE

13 (a) The purpose of the Connectivity Initiative is to provide each service
14 location in Vermont access to ~~Internet service~~ broadband that is capable of
15 speeds of at least ~~25 Mbps download and 3 Mbps upload, or the FCC speed~~
16 ~~requirements established under Connect America Fund Phase II, whichever is~~
17 ~~higher, beginning with locations not served as of December 31, 2013 according~~
18 ~~to the minimum technical service characteristic objectives applicable at that~~
19 ~~time~~ 100 Mbps symmetrical. Within this category of service locations, priority
20 shall be given first to unserved and then to underserved locations that are part
21 of a plan to achieve universal broadband coverage in a community or

1 **communications union district**. As used in this section, “unserved” means a
2 location ~~having access to only satellite or dial-up Internet service~~ that only has
3 access to broadband capable of speeds of less than 4 Mbps download and 1
4 Mbps upload and “underserved” means a location ~~having access to Internet~~
5 ~~service with speeds that exceed satellite and dial-up speeds but are less than~~
6 that only has access to broadband capable of speeds of at least 4 Mbps
7 download and 1 Mbps upload but less than 25 Mbps download and 3 Mbps
8 upload. Any new services funded in whole or in part by monies from this
9 Initiative shall be capable of being continuously upgraded to reflect the best
10 available, most economically feasible service capabilities.

11 (b) The Department of Public Service shall publish annually a list of ~~eensus~~
12 ~~blocks~~ E-911 locations eligible for funding based on the Department’s most
13 recent broadband mapping data. The Department annually shall solicit
14 proposals from service providers to deploy broadband to eligible ~~eensus blocks~~
15 E-911 locations. Funding shall be available for capital improvements only, not
16 for operating and maintenance expenses. The Department shall give priority to
17 proposals that reflect the lowest cost of providing services to unserved and
18 underserved locations; however, the Department also shall consider:

- 19 (1) the proposed data transfer rates and other data transmission
20 characteristics of services that would be available to consumers;
21 (2) the price to consumers of services;

1 (3) the proposed cost to consumers of any new construction, equipment
2 installation service, or facility required to obtain service;

3 (4) whether the proposal would use the best available technology that is
4 economically feasible;

5 (5) the availability of service of comparable quality and speed; ~~and~~

6 (6) the objectives of the State’s Telecommunications Plan; and

7 (7) the extent to which a proposal leverages federal or private funding
8 opportunities.

9 (c) In order to ensure that grants are disbursed based on the value of work
10 completed, the Department shall develop with each grantee a payment
11 schedule that reflects the verified percentage of project completion. To verify
12 project completion, the grantee shall retain a Department-approved third party
13 to conduct independent field testing, which the Department may supplement
14 with provider-supplied data and crowd-sourced user data. If deemed necessary
15 by the Department, the Department may advance a grantee funds necessary for
16 project commencement. The Department shall retain five percent of an award
17 for two years after project completion to ensure continued compliance with
18 contract terms. A grantee shall reimburse the Department any funds received
19 for contracted work that is not completed pursuant to contract specifications.

1 (d) The Department shall maintain a publicly accessible inventory of
2 completed broadband projects financed in whole or in part with grants under
3 this section.

4 * * * Connectivity Initiative; Vermont Community Broadband Authority * * *

5 Sec. 9. 30 V.S.A. § 7515b is amended to read:

6 § 7515b. CONNECTIVITY INITIATIVE

7 (a) The Connectivity Initiative shall be administered by the Vermont
8 Community Broadband Authority. The purpose of the Connectivity Initiative
9 is to provide each service location in Vermont access to broadband that is
10 capable of speeds of at least 100 Mbps symmetrical. Within this category of
11 service locations, priority shall be given first to unserved and then to
12 underserved locations **that are part of a plan to achieve universal broadband**
13 **coverage in a community or communications union district.** As used in this
14 section, “unserved” means a location that only has access to broadband
15 capable of speeds of less than 4 Mbps download and 1 Mbps upload and
16 “underserved” means a location that only has access to broadband capable of
17 speeds of at least 4 Mbps download and 1 Mbps upload but less than 25 Mbps
18 download and 3 Mbps upload. Any new services funded in whole or in part by
19 monies from this Initiative shall be capable of being continuously upgraded to
20 reflect the best available, most economically feasible service capabilities.

- 1 (b) The Department of Public Service shall publish annually a list of E-911
2 locations eligible for funding based on the Department’s most recent
3 broadband mapping data. The ~~Department~~ Authority annually shall solicit
4 proposals from ~~service providers~~ communications union districts and from a
5 service provider working in conjunction with a communications union district
6 to provide universal broadband service in a community or communications
7 union district, to deploy broadband to eligible E-911 locations. Funding shall
8 be available for capital improvements only, not for operating and maintenance
9 expenses. The ~~Department~~ Authority shall give priority to proposals that
10 reflect the lowest cost of providing services to unserved and underserved
11 locations; however, the ~~Department~~ Authority also shall consider:
- 12 (1) the proposed data transfer rates and other data transmission
13 characteristics of services that would be available to consumers;
 - 14 (2) the price to consumers of services;
 - 15 (3) the proposed cost to consumers of any new construction, equipment
16 installation service, or facility required to obtain service;
 - 17 (4) whether the proposal would use the best available technology that is
18 economically feasible;
 - 19 (5) the availability of service of comparable quality and speed; and
 - 20 (6) the objectives of the State’s Telecommunications Plan; and

1 (7) the extent to which a proposal leverages federal or private funding
2 opportunities.

3 (c) In order to ensure that grants are disbursed based on the value of work
4 completed, the ~~Department~~ Authority shall develop with each grantee a
5 payment schedule that reflects the verified percentage of project completion.
6 To verify project completion, the grantee shall retain a ~~Department-approved~~
7 an Authority-approved third party to conduct independent field testing, which
8 the ~~Department~~ may supplement with provider-supplied data and crowd-
9 sourced user data. If deemed necessary by the ~~Department~~ Authority, the
10 ~~Department~~ Authority may advance a grantee funds necessary for project
11 commencement. The ~~Department~~ Authority shall retain five percent of an
12 award for two years after project completion to ensure continued compliance
13 with contract terms. A grantee shall reimburse the ~~Department~~ Authority any
14 funds received for contracted work that is not completed pursuant to contract
15 specifications.

16 (d) The ~~Department~~ Authority shall maintain a publicly accessible
17 inventory of completed broadband projects financed in whole or in part with
18 grants under this section.

19 * * * Telecommunications and Connectivity Advisory Board * * *

20 Sec. 10. 30 V.S.A. § 202f is amended to read:

1 § 202f. TELECOMMUNICATIONS AND CONNECTIVITY ADVISORY

2 BOARD

3 (a) There is created the Telecommunications and Connectivity Advisory
4 Board for the purpose of making recommendations to the Commissioner of
5 Public Service regarding his or her telecommunications responsibilities and
6 duties as provided in this section. The Connectivity Advisory Board shall
7 consist of eight members selected as follows:

8 (1) the State Treasurer or designee;

9 (2) the Secretary of Commerce and Community Development or
10 designee;

11 (3) five at-large members appointed by the Governor, who shall not be
12 employees or officers of the State at the time of appointment; and

13 (4) the Secretary of Transportation or designee.

14 (b) A quorum of the Connectivity Advisory Board shall consist of four
15 voting members. No action of the Board shall be considered valid unless the
16 action is supported by a majority vote of the members present and voting and
17 then only if at least four members vote in favor of the action. The Governor
18 shall select, from among the at-large members, a chair and vice chair.

19 (c) In making appointments of at-large members, the Governor shall give
20 consideration to citizens of the State with knowledge of telecommunications
21 technology, telecommunications regulatory law, transportation rights-of-way

1 and infrastructure, finance, environmental permitting, and expertise regarding
2 the delivery of telecommunications services in rural, high-cost areas.
3 However, the five at-large members may not be persons with a financial
4 interest in or owners or employees of an enterprise that provides broadband or
5 cellular service or that is seeking in-kind or financial support from the
6 Department of Public Service. The conflict of interest provision in this
7 subsection shall not be construed to disqualify a member who has ownership in
8 a mutual fund, exchange traded fund, pension plan, or similar entity that owns
9 shares in such enterprises as part of a broadly diversified portfolio. The at-
10 large members shall serve terms of two years beginning on February 1 in odd-
11 numbered years and until their successors are appointed and qualified.
12 However, three of the five at-large members first appointed by the Governor
13 shall serve an initial term of three years. Vacancies shall be filled for the
14 balance of the unexpired term. A member may be reappointed for up to three
15 consecutive terms. Upon completion of a term of service for any reason,
16 including the term's expiration or a member's resignation, and for one year
17 from the date of such completion, a former Board member shall not advocate
18 before the Connectivity Board, Department of Public Service, or the Public
19 Utility Commission on behalf of an enterprise that provides broadband or
20 cellular service.

1 (d) Except for those members otherwise regularly employed by the State,
2 the compensation of the Board’s members is that provided by 32 V.S.A. §
3 1010(a). All members of the Board, including those members otherwise
4 regularly employed by the State, shall receive their actual and necessary
5 expenses when away from home or office upon their official duties.

6 (e) In performing its duties, the Connectivity Advisory Board may use the
7 legal and technical resources of the Department of Public Service. The
8 Department of Public Service shall provide the Board with administrative
9 services.

10 (f) The Connectivity Advisory Board shall:

11 ~~(1) have review and nonbinding approval authority with respect to the~~
12 ~~awarding of grants under the Connectivity Initiative. The Commissioner shall~~
13 ~~have sole authority to make the final decision on grant awards, as provided in~~
14 ~~subsection (g) of this section.~~

15 ~~(2)~~function in an advisory capacity to the Commissioner on the
16 development of State telecommunications policy and planning, including the
17 action plan required under subdivision 202e(b)(6) of this chapter and the State
18 Telecommunications Plan.

19 ~~(3) annually advise the Commissioner on the development of requests for~~
20 ~~proposals under the Connectivity Initiative.~~

1 ~~(4) annually provide the Commissioner with recommendations for the~~
2 ~~apportionment of funds to the High-Cost Program and the Connectivity~~
3 ~~Initiative.~~

4 ~~(5)(2) annually provide the Commissioner with recommendations on the~~
5 ~~appropriate Internet access speeds for publicly funded telecommunications and~~
6 ~~connectivity broadband projects. For planning~~

7 ~~(g) The Commissioner shall make an initial determination as to whether a~~
8 ~~proposal submitted under the Connectivity Initiative meets the criteria of the~~
9 ~~request for proposals. The Commissioner shall then provide the Connectivity~~
10 ~~Advisory Board a list of all eligible proposals and recommendations. The~~
11 ~~Connectivity Advisory Board shall review the recommendations of the~~
12 ~~Commissioner and may review any proposal submitted, as it deems necessary,~~
13 ~~and either approve or disapprove each recommendation and may make new~~
14 ~~recommendations for the Commissioner's final consideration. The~~
15 ~~Commissioner shall have final decision-making authority with respect to the~~
16 ~~awarding of grants under the Connectivity Initiative. If the Commissioner does~~
17 ~~not accept a recommendation of the Board, he or she shall provide the Board~~
18 ~~with a written explanation for such decision.~~

19 ~~(h)(g)~~ On November 15, 2019, and annually thereafter, the Commissioner
20 shall submit to the Connectivity Advisory Board an accounting of monies in
21 the Connectivity Fund and anticipated revenue for the next year.

1 ~~(i)~~(h) The Chair shall call the first meeting of the Connectivity Advisory
2 Board. The Chair or a majority of Board members may call a Board meeting.
3 The Board may meet up to six times a year.

4 ~~(j)~~(i) At least annually, the Connectivity Advisory Board and the
5 Commissioner or designee shall jointly hold a public meeting to review and
6 discuss the status of State telecommunications policy and planning, the
7 Telecommunications Plan, the Connectivity Fund, the Connectivity Initiative,
8 the High-Cost Program, and any other matters they deem necessary to fulfill
9 their obligations under this section.

10 ~~(k)~~(j) Information and materials submitted by a telecommunications service
11 provider concerning confidential financial or proprietary information shall be
12 exempt from public inspection and copying under the Public Records Act, nor
13 shall any information that would identify a provider who has submitted a
14 proposal under the Connectivity Initiative be disclosed without the consent of
15 the provider, unless a grant award has been made to that provider. Nothing in
16 this subsection shall be construed to prohibit the publication of statistical
17 information, determinations, reports, opinions, or other information so long as
18 the data are disclosed in a form that cannot identify or be associated with a
19 particular telecommunications service provider.

20 * * * VEDA; Broadband Expansion Loan Program; Lending Capacity * * *

21 Sec. 11. 10 V.S.A. § 280ee is amended to read:

1 § 280ee. BROADBAND EXPANSION LOAN PROGRAM

2 (a) Creation. There is established within the Authority the Vermont
3 Broadband Expansion Loan Program (~~the Program~~), the purpose of which is to
4 enable the Authority to make loans ~~to communications union districts~~ that
5 expand broadband service to unserved and underserved Vermonters as part of a
6 plan to achieve universal broadband coverage in a community or
7 communications union district.

8 (b) Intent. It is understood that loans under the Program may be high-
9 risk loans to likely start-up businesses and therefore losses in the Program may
10 be higher than the Authority's historical loss rate. Loans shall be underwritten
11 by the Authority utilizing underwriting parameters that acknowledge the higher
12 risk nature of these loans. The Authority shall not make a loan unless the
13 Authority has a reasonable expectation of the long-term viability of the
14 business. The Program is intended to provide start-up loans until such time as
15 the borrower can refinance the loans through the municipal revenue bond
16 market.

17 (c)(1) Requirements. The Authority shall make loans for start-up and
18 expansion that enable the ~~Internet service providers~~ communications union
19 districts to expand broadband availability in unserved and underserved
20 locations as part of a plan to achieve universal broadband coverage in a
21 community or communications union district.

1 (2) The Authority shall establish policies and procedures for the
2 Program necessary to ensure the expansion of broadband availability to the
3 largest number of Vermont addresses as possible. The policies shall specify
4 that:

5 (A) loans may be made in an amount of up to ~~\$4,000,000.00~~
6 \$8,000,000.00;

7 (B) eligible borrowers include communications union districts and
8 other units of government, nonprofit organizations, cooperatives, and for profit
9 businesses;

10 (i) communications union districts;

11 (ii) Internet service providers working in conjunction with a
12 communications union district to expand broadband service to unserved and
13 underserved locations as part of a plan to achieve universal broadband
14 coverage in the district; and

15 (iii) Internet service providers working in conjunction with a
16 municipality that was not part of a communications union district prior to
17 December 1, 2020 to expand broadband service to unserved and underserved
18 locations as part of a plan to achieve universal broadband coverage in such
19 municipality;

20 (C) a loan shall not exceed 90 percent of project costs;

21 (D) interest and principal may be deferred up to ~~two~~ three years;

1 (E) a maximum of ~~\$10,800,000.00~~ \$36,000,000.00 in Authority loans
2 may be made under the Program commencing on June 20, 2019; ~~and~~

3 (F) the ~~provider communications union district~~ shall offer to all
4 customers broadband service that is capable of speeds of at least 100 Mbps
5 symmetrical; and

6 (G) not more than one-sixth of the total allowable loans under this
7 Program shall be available to eligible borrowers under subdivision
8 (c)(2)(B)(iii) of this section.

9 (3) To ensure the limited funding available through the Program
10 supports the highest-quality broadband available to the most Vermonters and
11 prioritizes delivering services to the unserved and underserved, the Authority
12 shall consult with the Department of Public Service and the Vermont
13 Community Broadband Authority.

14 (d) On or before January 1, 2020, and annually thereafter, the Authority
15 shall submit a report of its activities pursuant to this section to the Senate
16 Committee on Finance and the House Committees on Commerce and
17 Economic Development and on Energy and Technology. Each report shall
18 include operating and financial statements for the two most recently concluded
19 State fiscal years. In addition, each report shall include information on the
20 Program portfolio, including the number of projects financed; the amount,

1 terms, and repayment status of each loan; and a description of the broadband
2 projects financed in whole or in part by the Program.

3 Sec. 12. 10 V.S.A. § 280ff is amended to read:

4 § 280ff. FUNDING

5 (a) The State Treasurer, in consultation with the Secretary of
6 Administration, shall negotiate an agreement with the Authority incorporating
7 the provisions of this section and consistent with the requirements of this
8 subchapter.

9 (b) ~~Repayment or appropriation~~ State appropriations to the Authority ~~in~~
10 ~~years 2021 and until the Program terminates is~~ are based on the Authority's
11 contributions to loan loss reserves for the Program in accordance with
12 generally accepted accounting principles. Any difference between the actual
13 loan losses incurred by the Authority in a fiscal year 2020 through Program
14 ~~termination~~ shall be adjusted in the following year's appropriation.

15 (1) ~~The Program shall terminate when all borrowers enrolled in the~~
16 ~~Program have repaid in full or loans have been charged off against the reserves~~
17 ~~of the Authority.~~

18 (2) ~~Upon termination of the Program, any remaining funds held by the~~
19 ~~Authority and not used for the Program shall be repaid to the State~~ This is a
20 revolving loan program.

1 ~~(3)~~(2) The accumulated total of the appropriation shall not exceed
2 ~~\$8,500,000.00 over the life of the Program~~ \$27,000,000.00.

3 ~~(4)~~(3) The Authority shall absorb its historical loan loss reserve rate
4 before any State funds are expended.

5 ~~(5)~~(4) Additionally, the Authority shall absorb up to ~~\$3,000,000.00~~
6 \$9,000,000.00 in Program losses shared with the State on a pro rata basis.

7 Sec. 13. 10 V.S.A. § 219(d) is amended to read:

8 (d) In order to ensure the maintenance of the debt service reserve
9 requirement in each debt service reserve fund established by the Authority,
10 there may be appropriated annually and paid to the Authority for deposit in
11 each such fund, such sum as shall be certified by the Chair of the Authority, to
12 the Governor, the President of the Senate, and the Speaker of the House, as is
13 necessary to restore each such debt service reserve fund to an amount equal to
14 the debt service reserve requirement for such fund. The Chair shall annually,
15 on or about February 1, make, execute, and deliver to the Governor, the
16 President of the Senate, and the Speaker of the House, a certificate stating the
17 sum required to restore each such debt service reserve fund to the amount
18 aforesaid, and the sum so certified may be appropriated, and if appropriated,
19 shall be paid to the Authority during the then current State fiscal year. The
20 principal amount of bonds or notes outstanding at any one time and secured in
21 whole or in part by a debt service reserve fund to which State funds may be

1 appropriated pursuant to this subsection shall not exceed ~~\$181,000,000.00~~
2 \$193,000,000.00, provided that the foregoing shall not impair the obligation of
3 any contract or contracts entered into by the Authority in contravention of the
4 Constitution of the United States.

5 Sec. 14. 30 V.S.A. § 8064(a)(1) is amended to read:

6 (a)(1) The Authority may issue its negotiable notes and bonds in such
7 principal amount as the Authority determines to be necessary to provide
8 sufficient funds for achieving any of its corporate purposes, including the
9 payment of interest on notes and bonds of the Authority, establishment of
10 reserves to secure the notes and bonds including the reserve funds created
11 under section 8065 of this title, and all other expenditures of the Authority
12 incident to and necessary or convenient to carry out its corporate purposes and
13 powers. However, the bonds or notes of the Authority outstanding at any one
14 time shall not exceed ~~\$34,000,000.00~~ \$22,000,000.00. No bonds shall be
15 issued under this section without the prior approval of the Governor and the
16 State Treasurer or their respective designees. In addition, before the Authority
17 may initially exercise its bonding authority granted by this section, it shall
18 submit to the Emergency Board of the State a current business plan, including
19 an explanation of the bond issue or issues initially proposed.

20 * * * CUDs; Public Records Act; Trade Secret Exemption; Intent * * *

21 Sec. 15. 30 V.S.A. § 3084 is added to read:

1 § 3084. CONFIDENTIALITY; LEGISLATIVE INTENT

2 The purpose of this section is to clarify that any records or information
3 produced or acquired by a district that are trade secrets or confidential business
4 information shall be exempt from public inspection and copying pursuant to 1
5 V.S.A. 317(c)(9). Such records or information shall be available for public
6 inspection after project completion.

7 * * * Property Tax Exemption; Broadband Infrastructure * * *

8 Sec. 16. 32 V.S.A. § 3802 is amended to read:

9 § 3802. PROPERTY TAX

10 The following property shall be exempt from taxation:

11 * * *

12 (19) Real and personal property, except land, owned by an electric
13 distribution utility that comprises broadband infrastructure, including
14 structures, machinery, lines, poles, wires, and fixtures, provided the
15 infrastructure is leased to a communications union district and is primarily for
16 the purpose of providing broadband service capable of speeds of at least 100
17 Mbps symmetrical. This exemption applies only to broadband infrastructure
18 constructed on or after July 1, 2021.

19 (20) Real and personal property, except land, owned by a broadband
20 provider that comprises broadband infrastructure, including structures,
21 machinery, lines, poles, wires, and fixtures, provided the infrastructure is used

1 for the purpose of providing universal broadband service in unserved and
2 underserved areas that is capable of speeds of at least 100 Mbps symmetrical,
3 is part of a plan to achieve universal broadband coverage in a community or
4 communications union district with unserved and underserved locations. is
5 constructed on or after July 1, 2021, and further provided:

6 (A) this purpose plan is affirmed in writing by the Department of
7 Public Service; and

8 (B) the broadband service is being provided pursuant to a written
9 agreement contractual arrangement entered into between the broadband
10 provider and either a communications union district in which the broadband
11 infrastructure is located or other municipality in which the broadband
12 infrastructure is located, provided such other municipality was not part of a
13 communications union district prior to December 1, 2020 and that agreement is
14 filed with Department of Public Service.

15 Sec. 17. 32 V.S.A. § 3800(n) is added to read:

16 (n) The statutory purpose of the exemptions for broadband infrastructure in
17 subdivisions 3802(19) and (20) of this title is to lower the cost of broadband
18 deployment in unserved and underserved areas of Vermont.

19 Sec. 18. 32 V.S.A. § 3602a is amended to read:

20 § 3602a. FACILITIES USED IN THE GENERATION, TRANSMISSION,
21 OR DISTRIBUTION OF ELECTRIC POWER

1 All structures, machinery, poles, wires, and fixtures of all kinds and
2 descriptions used in the generation, transmission, or distribution of electric
3 power that are so fitted and attached as to be part of the works or facilities used
4 to generate, transmit, or distribute electric power shall be set in the grand list as
5 real estate. Nothing in this section shall alter the scope of the ~~exemption in~~
6 ~~subdivision~~ exemptions in subdivisions 3803(2) and 3802(19) and (20) of this
7 title, nor shall it alter the taxation of municipally owned improvements
8 accorded by section 3659 of this title.

9 Sec. 19. 32 V.S.A. § 3620 is amended to read:

10 § 3620. ELECTRIC UTILITY POLES, LINES, AND FIXTURES

11 Electric utility poles, lines, and fixtures owned by nonmunicipal utilities
12 shall be taxed at appraisal value as defined by section 3481 of this title, except
13 as provided under subdivisions 3802(19) and (20) of this title.

14 ~~*** Electric Distribution Utilities; Middle-mile Fiber;~~

15 ~~Broadband Provider Access ***~~

16 ~~*** 248a; Telecommunications Facility Siting; Notice; CUDs ***~~

17 ~~*** Communications Workforce Development ***~~

18 Sec. 20. BROADBAND OCCUPATIONAL NEEDS ANALYSIS

19 (a) The Commissioner of Labor shall conduct an occupational needs
20 analysis to determine workforce needs in the communications sector. In
21 conducting this analysis, the Commissioner shall solicit input from employers

1 and subcontractors throughout the State. The purpose of the analysis is to
2 identify skills needed; workers needed; and any regional needs and challenges.

3 (b) The Commissioner shall report his or her findings and
4 recommendations to the relevant legislative committees of jurisdiction on or
5 before January 15, 2022, and annually thereafter based on updated information.

6 Sec. 21. FTTX; INCUMBENT TRAINING PROGRAM

7 Vermont Technical College, in consultation with the Vermont Department
8 of Labor, shall establish an incumbent training program for communications
9 installers and technicians. The goal of the program is to provide skills
10 upgrades for existing employees. The program shall be financed by an annual
11 \$75,000.00 appropriation from the Vermont Department of Labor Training
12 Fund.

13 Sec. 22. BROADBAND INSTALLER APPRENTICESHIP PROGRAM

14 The Commissioner of Labor shall establish a broadband installer
15 apprenticeship program. The purpose of this educational and training program
16 is to ensure the State’s broadband workforce needs are met long-term. The
17 program shall be a fully-registered, 18-month training program the follows an
18 “earn while you learn” model and teaches skills that are recognized nationally
19 and transferrable across state lines.

20 * * * Appropriations; Fund Transfers * * *

21 **Sec. 23. APPROPRIATIONS; FUND TRANSFERS**

1 **(a) Appropriations. The following appropriations are contemplated by**
2 **this act:**

3 **(1) \$1,000,000.00 to the Line Extension Customer Assistance Program**
4 **established by 2020 Acts and Resolves No. 137, Sec. 13.**

5 **(2) \$2,300,000.00 to the Community Broadband Preconstruction Grant**
6 **Program established in Sec. 2 of this act specifically to be used for network**
7 **design, pole data surveys, and makeready work.**

8 **(3) \$500,000.00 to the Vermont Community Broadband Fund**
9 **established in Sec. 2 of this act to support the start-up costs of the Vermont**
10 **Community Broadband Authority. [Will be paid back in fiscal year 2022]**

11 **(4) \$1,260,000.00 to the Vermont Economic Development Authority for**
12 **loan loss reserves for the Broadband Expansion Loan Program established in**
13 **10 V.S.A. § 280ee.**

14 **(5) \$150,000.00 to the Department of Labor for the Broadband Installer**
15 **Apprenticeship Program established in Sec. 22 of this act.**

16 **(6) \$4,000,000.00 to the Vermont Community Broadband Authority for**
17 **the Community Broadband Preconstruction Grant Program established in Sec.**
18 **2 of this act.**

19 **(7) \$24,000,000.00 to the Vermont Community Broadband Authority**
20 **for the subordinated loan program established in Sec. 2 of this act.**

1 **(b) Funding sources.** Funding sources for the appropriations in subsection
2 **(a)** of this section are as follows:

3 **(1)** Unexpended Coronavirus Relief Funds appropriated to the
4 Department of Public Service in 2020 (\$3,300,000.00) shall fund the
5 appropriation in subdivision (a)(1) of this section.

6 **(2)** Unexpended funds from the \$900,000.00 appropriated to the
7 Department of Public Service in 2017 Acts and Resolves No. 84, Sec. 16c, as
8 amended by 2018 Acts and Resolves No. 190, Sec. 14, and by 2019 Acts and
9 Resolves No. 79, Secs. 27a and 27b, (i.e., \$898,000.00) shall fund loan loss
10 reserves in subdivision (a)(4) as required in the 2021 capital bill. [Additional
11 GF dollars needed.]

12 **(3)** Fiscal year 2021, one-time General Fund appropriations shall
13 support the programs in (a)(2), (3), (4), (5), (6), and (7).

14 **(c) Fund transfers.**

15 **(1)** Any funds remaining in the Broadband Innovation Grant Program
16 established by 2019 Acts and Resolves No. 79, Sec. 10, shall be transferred to
17 the Vermont Community Broadband Fund. [\$60K?]

18 **(2)** The Vermont Community Broadband Authority shall be
19 redesignated as the responsible entity for the \$1,000,000.00 grant award to the
20 Department of Public Service by the Northern Border Regional Commission
21 (NBRC) for the purpose of supporting communications union districts.

1 * * * Legislative Priorities for Federal Stimulus Funds * * *

2 Sec. 24. LEGISLATIVE PRIORITIES; FEDERAL FUNDS

3 With respect to federal funds potentially available to the State of Vermont
4 in fiscal years 2021 and 2022, the General Assembly establishes as a high
5 priority providing support for community efforts that advance the State’s goal
6 of achieving universal access to reliable, high-quality, affordable broadband
7 consistent with the policies, purposes, and programs established under 30
8 V.S.A. chapter 91A, concerning the Vermont Community Broadband
9 Authority.

10 * * * Effective Dates * * *

11 Sec. 25. EFFECTIVE DATES

12 This act shall take effect on passage, except that:

13 (1) Secs 16-19 (concerning the property tax exemption for broadband
14 infrastructure) shall take effect on July 1, 2021.

15 (2) Sec. 9 (concerning the administration of the Connectivity Initiative
16 by the Vermont Community Broadband Authority) and Sec. 10 (concerning the
17 Telecommunications and Connectivity Advisory Board) shall take effect on
18 January 1, 2022.