

1 **Highlighted provisions comprise new language as well as items TBD for**
2 **inclusion in final strike-all amendment**

3 TO THE HONORABLE SENATE:

4 The Committee on Finance to which was referred House Bill No. 360
5 entitled “An act relating to accelerated community broadband deployment”
6 respectfully reports that it has considered the same and recommends that the
7 Senate propose to the House that the bill be amended by striking out all after
8 the enacting clause and inserting in lieu thereof the following:

9 ***** Legislative Findings and Intent *****

10 Sec. 1. FINDINGS AND INTENT

11 (a) The General Assembly finds that:

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

15 (2) In 2018, through Acts and Resolves No. 169, the General Assembly
16 found that broadband is essential for supporting economic and educational
17 opportunities, strengthening health and public safety networks, and reinforcing
18 freedom of expression and democratic, social, and civic engagement.

19 (3) We further found in Act No. 169 that the lack of a thriving
20 competitive market in Vermont, particularly in isolated locations,
21 disadvantages the ability of consumers and businesses to protect their interests

1 sufficiently, and we recognized that the State may exercise its traditional role
2 in protecting consumers.

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

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

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

17 (7) In 2020, the COVID-19 public health emergency served as an
18 accelerant to the socioeconomic disparities between the connected and the
19 unconnected in our State. Vermonters who cannot access or cannot afford
20 broadband, many of whom are geographically isolated, face challenges with
21 respect to distance learning; remote working; accessing telehealth services; and

1 accessing government programs and services, including our institutions of
2 democracy, such as the court system.

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

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

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

13 (11) While private broadband providers have brought broadband
14 services to many households, businesses, and locations in Vermont, significant
15 gaps remain.

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

20 (13) Communications union districts (CUDs) were created by the State
21 to coordinate and implement creative and innovative solutions in their

1 respective territories, particularly where existing providers are not providing
2 adequate service that meets the needs of their residents and businesses while
3 ensuring public accountability.

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

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

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

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

1 (18) The Department of Public Service estimates that 82 percent of
2 Vermont addresses (254,000 locations) lack access to 100 Mbps symmetrical
3 service. The total cost to provide 100 Mbps symmetrical service to each of
4 these locations is approximately \$1,000,000,000.00. This figure is based on
5 estimates in the Magellan Advisors’ report commissioned by the Department,
6 and it includes estimates of both fixed and variable capital costs for fiber to the
7 premise infrastructure (Feasibility Study of Electric Companies Offering
8 Broadband in Vermont, dated December 31, 2019).

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

10 (1) ensuring broadband availability to all Vermonters and Vermont
11 addresses;

12 (2) ensuring public accountability for maintaining and upgrading critical
13 broadband infrastructure;

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

16 (4) protecting Vermonters’ privacy and unrestricted access to the
17 Internet;

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

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

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

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

10 * * * Vermont Community Broadband Board * * *

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

12 CHAPTER 91A: VERMONT COMMUNITY BROADBAND BOARD

13 § 8081. PURPOSE

14 In recognition of the historic level of broadband funding currently available
15 to the State and the critical need for broadband access and adoption, it is the
16 purpose of this chapter to establish the Vermont Community Broadband Fund
17 to support policies and programs designed to accelerate community efforts that
18 advance the State’s goal of achieving universal access to reliable, high-quality,
19 affordable, fixed broadband.

20 § 8082. DEFINITIONS

21 As used in this chapter:

1 (1) “Board” means the Vermont Community Broadband Board.

2 (2) “Broadband service” or “broadband” means a mass-market retail
3 service by wire or radio in Vermont that provides the capability to transmit
4 data to and receive data from all or substantially all Internet endpoints,
5 including any capabilities that are incidental to and enable the operation of the
6 communications service, but excluding dial-up Internet access service.

7 (3) “Community” means a contiguous geographic area of the State,
8 without regard to municipal boundaries or size of geographic area, that
9 contains unserved and underserved locations.

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

11 (5) “Eligible provider” means a:

12 (A) communications union district; or

13 (B) small communications carrier.

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

16 (7) “Internet service provider” means a business that provides
17 broadband Internet access service to any person in Vermont.

18 (8) “Location” means an E-911 business or residential address
19 connected to the electric power grid.

20 (9) “Served” means a location that has access to broadband service
21 capable of speeds of at least 25 Mbps download and 3 Mbps upload.

1 (10) “Small communications carrier” means a carrier:

2 (A) a carrier that has elected to be regulated under subsection 227d(a)
3 of this title; or

4 (B) an Internet service provider that operates in not more than three
5 counties.

6 (11) “Underserved” means a location that only has access to broadband
7 service capable of speeds of at least 4 Mbps download and 1 Mbps upload but
8 less than 25 Mbps download and 3 Mbps upload.

9 (12) “Universal service plan” means a plan for providing each unserved
10 and underserved location in a community, communications union district, or
11 service territory of a small telecommunications carrier access to broadband
12 service capable of speeds of at least 100 Mbps download and 100 Mbps
13 upload.

14 (13) “Unserved” means a location that only has access to broadband
15 capable of speeds of less than 4 Mbps download and 1 Mbps upload.

16 § 8083. 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.” Expenditures from the Fund shall be
19 made only to implement and effectuate the policies, purposes, and programs
20 established in this chapter. The Fund shall be composed of any monies from
21 time to time appropriated to the Fund by the General Assembly or received

1 from any other source, private or public, subject to the provisions of 32 V.S.A.
2 § 5. Unexpended balances and any earnings shall remain in the Fund for use in
3 accord with the purposes of this chapter.

4 (b) Authorized expenditures from the Fund include:

5 (1) grants pursuant to the Broadband Preconstruction Grant Program
6 established in section 8085 of this chapter;

7 (2) grants pursuant to the Broadband Construction Grant Program
8 established in section 8086 of this chapter;

9 (3) funding for communications workforce training and development, in
10 consultation with the Commissioner of Labor, to the extent such funds are not
11 available from other funding sources;

12 (4) administrative expenses of grant recipients in an amount determined
13 by the Board, subject to applicable federal law and guidance; and

14 (5) Up to \$1,500,000.00 to fund the operational expenses of the Board
15 and the Department to the extent the Department's expenses are not
16 reimbursable under its annual budget funded by the gross receipts tax.

17 § 8084. MANAGEMENT OF THE FUND

18 (a) Vermont Community Broadband Board. (1) There is created within
19 the Department of Public Service the Vermont Community Broadband Board.
20 The Board shall have approval authority with respect to budget development,

1 program design, grant awards, and all other funding allocations pursuant to this
2 chapter.

3 (2) The Board shall consist of three members as follows:

4 (A) one public member appointed by the Governor who shall not be
5 an employee or officer of the State at the time of the appointment and who
6 shall have expertise in the area of finance and who shall serve as the Chair;

7 (B) one member appointed by the Speaker of the House who shall not
8 be a member of the General Assembly at the time of the appointment and who
9 shall have expertise in the area of broadband deployment in rural, high-cost
10 areas; and

11 (C) one member appointed by the Senate Committee on Committees
12 who shall not be a member of the General Assembly at the time of the
13 appointment and who shall have expertise in the area of communications and
14 electric utility law and policy.

15 (3) The members may not be persons with a financial interest in or
16 owners, employees, or members of a governing board of an Internet service
17 provider or a communications union district; however, this provision shall not
18 be construed to disqualify a member who has ownership in a mutual fund,
19 exchange-traded fund, pension plan, or similar entity that owns shares in such
20 enterprises as part of a broadly diversified portfolio. Members shall serve
21 terms of three years beginning on February 1 of the year of appointment;

1 however, the member first appointed by the Governor shall serve an initial
2 term of four years, the member first appointed by the Speaker of the House
3 shall serve an initial term of three years, and the member first appointed by the
4 Committee on Committees shall serve an initial term of two years. A vacancy
5 shall be filled by the respective appointing authority for the balance of the
6 unexpired term. A member may be reappointed. A member may be removed
7 for cause only.

8 (4) At its initial organizational meeting, and annually thereafter at the
9 first meeting following February 1, the Board shall elect from among its
10 members a vice chair. The Board may elect officers as it may determine.
11 Meetings shall be held at the call of the Chair or at the request of two
12 members. A majority of sitting members shall constitute a quorum, and action
13 taken by the Board under the provisions of this chapter may be authorized by a
14 majority of the members present and voting at any regular or special meeting.
15 Two members may discuss or deliberate the business of the Board outside an
16 open meeting consistent with 1 V.S.A. § 310(a)(3)(B) (D).

17 (5) Members are entitled to a per diem in the amount of \$250.00 for
18 each day spent in the performance of their duties and each member shall be
19 reimbursed for his or her reasonable expenses incurred in carrying out his or
20 her duties under this chapter.

1 (6) The Board shall have all the powers necessary and convenient to
2 carry out and effectuate the purposes and provisions of this chapter, including
3 the power to:

4 (A) coordinate and facilitate community broadband efforts;

5 (B) provide resources to communications union districts in the form
6 of administrative and technical support;

7 (C) provide grants for the preconstruction and construction costs of
8 broadband projects;

9 (D) facilitate partnerships between communications union districts
10 and their potential partners;

11 (E) develop policies or recommend to the General Assembly
12 programs that promote a strong communications workforce in Vermont;

13 (F) develop policies or recommend to the General Assembly
14 programs that promote access to affordable broadband service plans;

15 (G) consult with the Vermont Economic Development Board and the
16 Vermont Municipal Bond Bank with regard to financing community
17 broadband projects;

18 (H) identify and publish State, federal, nonprofit, and any other
19 broadband funding opportunities;

20 (I) provide input to the Department of Public Service on the
21 development of the State’s Telecommunications Plan; and

1 (J) do any and all things necessary or convenient to effectuate the
2 purposes and provisions of this chapter and to carry out its purposes and
3 exercise the powers given and granted in this chapter.

4 (7) In performing its duties, the Board may use the legal and technical
5 resources of the Department. The Department shall provide the Board with
6 administrative services. The Commissioner is authorized to hire one full-time
7 employee to provide administrative services for the Board. This position shall
8 be a limited service position that is part of the classified service created in 3
9 V.S.A. Chapter 13. The Commissioner is authorized to hire one full-time
10 attorney to provide legal services for the Board. This position shall be an
11 exempt position. The salaries and benefits for these two positions shall
12 constitute expenses that are to be reimbursed to the Department from the Fund
13 pursuant to 8083(b)(10).

14 (8) All meetings of the Board shall be open to the public and conducted
15 in accordance with the Vermont Open Meeting Law. All records of the Board
16 are subject to the Vermont Public Records Act. Any records or information
17 produced or acquired by the Board that are trade secrets or confidential
18 business information shall be exempt from public inspection and copying
19 pursuant to 1 V.S.A. § 317(c)(9).

20 (b) Executive Director. (1) The Vermont Community Broadband Fund
21 shall have an Executive Director who shall be appointed by the Governor with

1 the advice and consent of the Senate. The Executive Director shall be an
2 employee of the Department of Public Service. The Executive Director shall
3 be overseen and managed by the Board and shall serve as its chief
4 administrative officer. The Executive Director shall direct and supervise the
5 Board’s administrative affairs and technical activities in accordance with
6 Board policies. In addition to any other duties necessary for carrying out the
7 purposes of this chapter, the Executive Director shall:

8 (A) work with the Board in developing and implementing the
9 programs established by this chapter;

10 (B) approve all accounts of the Board, including accounts for
11 salaries, per diems, and allowable expenses of any employee or consultant
12 thereof and expenses incidental to the operation of the Board;

13 (C) make recommendations to the Board for grant awards or other
14 forms of financial or technical assistance authorized by this chapter;

15 (D) make an annual report to the Board documenting the actions of
16 the Board and such other reports as the Board may request; and

17 (E) perform such other duties as may be directed by the Board in the
18 carrying out of the purposes and provisions of this chapter.

19 (2) The Executive Director may retain or employ technical experts and
20 other officers, agents, employees, and contractors as are necessary to give
21 effect to the purposes of this chapter, including in the areas of finance, network

1 planning, engineering and technical design, and grant writing, and may fix
2 their qualifications, duties, and compensation. The Executive Director shall
3 oversee and manage the Rural Broadband Technical Assistance Specialist.
4 The Executive Director is authorized to hire up to three additional full-time
5 employees pursuant to this subdivision who shall be part of the classified
6 service created in 3 V.S.A. chapter 13.

7 (c) Administration. The Fund shall be administered by the Department.
8 The Department is authorized to expend monies from the Fund in accordance
9 with this chapter. The Commissioner shall make all decisions necessary to
10 implement this chapter and administer the Fund except those decisions
11 committed to the Board under this section. The Department shall ensure an
12 open public process in the administration of the Fund for the purposes
13 established in this chapter.

14 (d) Grant administration redesignation. The Board shall be redesignated as
15 the responsible entity for administering the \$1,000,000.00 grant award to the
16 Department of Public Service by the Northern Border Regional Commission
17 for the purpose of supporting communications union districts. Any position
18 funded by the grant shall be overseen and managed by the Board in a manner
19 that is consistent with grant terms and conditions.

1 § 8085. BROADBAND PRECONSTRUCTION GRANT PROGRAM

2 (a) There is established the Community Broadband Preconstruction Grant
3 Program to be administered by the Board. The purpose of the Program is to
4 provide grants to communications union districts for preconstruction costs
5 related to broadband projects that are part of a universal service plan.

6 (b) As used in this section, “preconstruction costs” include expenses for
7 feasibility studies, business planning, pole data surveys, engineering and
8 design, and make-ready work associated with the construction of broadband
9 networks, including consultant, legal, and administrative expenses, and any
10 other costs deemed appropriate by the Board.

11 (c) 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, or any other metric deemed
16 appropriate by the Board. In addition, the Board may develop standards for the
17 disbursement of grant funds in a manner that both supports the efficient and
18 timely use of funds and also ensures accountability.

19 (d) To ensure the expeditious allocation of funds prior to the organization
20 of the Vermont Community Broadband Board, the Department is authorized to
21 allocate and disburse up to \$9,000,000.00, or up to \$14,000,000.00 if an

1 additional \$5,000,000.00 is approved by the Joint Fiscal Committee, under this
2 Program on or before December 31, 2021 or until the Board is operational,
3 whichever occurs first.

4 § 8086. BROADBAND CONSTRUCTION GRANT PROGRAM

5 (a) There is established the Broadband Construction Grant Program to
6 finance the broadband projects of eligible providers that are part of a universal
7 service plan.

8 (b) In evaluating grant proposals under this chapter, the Board shall give
9 priority to broadband projects that:

10 (1) leverage existing private resources and assets, with a high priority
11 given to partnerships between a communications union district and a
12 distribution utility;

13 (2) demonstrate project readiness;

14 (3) provide broadband service that complies with the consumer
15 protection and net neutrality standards established in 3 V.S.A. § 348;

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

17 (5) promote geographic diversity of fund allocations;

18 (6) provide consumers with affordable service options; and

19 (7) include public broadband assets that can be shared by multiple
20 service providers and that can support a variety of public purposes.

- 1 (c) The Board shall establish policies and standard grant terms and
2 conditions that:
- 3 (1) reflect payment schedules that ensure maximum accountability;
4 (2) adopt an industry-accepted engineering standard that promotes
5 network reliability, resiliency, and interoperability;
6 (3) establish standards for recouping grant funds and transferring
7 ownership of grant-funded network assets to the State if a grantee materially
8 fails to comply with the terms and conditions of a grant;
9 (4) prohibit the sale or transfer of grant-funded network assets without
10 the prior written approval of the Board;
11 (5) ensure project completion within a reasonable period of time and
12 consistent with applicable federal law and guidance; and
13 (6) comply with Administrative Bulletin No. 5, the Agency of
14 Administration’s policy for grant issuance and monitoring and Administrative
15 Bulletin 3.5 the Agency of Administration’s policy for procurement and
16 contracting procedures, as appropriate, and any other requirements of federal
17 law and guidance, if applicable.
- 18 (d) Before the Board awards a grant under this section, it shall determine
19 that the applicant has produced a viable business plan for its proposed
20 broadband project, which takes into consideration network engineering and
21 design, labor needs and availability, supply-chain contingencies for equipment

1 and materials, make-ready work, and any other relevant capital and operational
2 expenses.

3 (e) Before the Board awards a grant to a small communications carrier
4 under this Program, the Board shall make a reasonable effort to determine that
5 the carrier's universal service plan does not conflict with or undermine the
6 deployment plans of an existing communications union district. [Pearson]

7 (f) The Board may provide a grant to a project that enables the provision of
8 broadband service in a geographic area currently served, provided that:

9 (1) the project is the most cost-effective method for providing
10 broadband service to nearby unserved and underserved locations; and

11 (2) before awarding the grant, the Board makes a reasonable effort to
12 distinguish served and unserved or underserved locations within the
13 geographic area, including recognition and consideration of known or probable
14 service extensions or upgrades.

15 (g) The Board may award a grant to an Internet service provider to finance
16 a broadband project, such as a line extension or upgrade, that is not part of a
17 universal service plan if it finds that the project will provide unserved and
18 underserved locations with broadband service capable of speeds of at least 25

1 Mbps download and 3 Mbps upload on or before December 31, 2021 and is in
2 a geographic area that is not part of a communications union district.

3 (h) It is the intent of the General Assembly that a broadband project
4 financed under this Program demonstrates an economically sustainable
5 business model that ultimately will be eligible for financing in the private or
6 municipal bond market.

7 (i) To ensure the expeditious allocation of funds prior to the organization of
8 the Vermont Community Broadband Board, the Department is authorized to
9 allocate and disburse up to \$XXX, or up to \$XXX if the additional \$XXX is
10 approved by the Joint Fiscal Committee, under this Program on or before
11 December 31, 2021 or until the Board is operational, whichever occurs first.

12 § 8087. CENTRALIZED RESOURCES FOR COMMUNICATIONS UNION

13 DISTRICTS

14 (a) The Board shall provide centralized resources and technical and
15 administrative support to communications union districts with respect to the
16 planning, development, and implementation of broadband projects.

17 (b) In carrying out the purpose of this section, the Board shall:

18 (1) develop standardized forms, contracts, network business and design
19 models, and templates for use by any communications union district;

20 (2) assist communications union districts with identifying and
21 negotiating with potential partners, including with respect to the development

1 of a memorandum of understanding or other form of legally-binding
2 commitment pertaining to a broadband project;

3 (3) when authorized by one or more communications union districts,
4 apply for grants, loans, permits, licenses, certificates, or approvals, or enter
5 into contractual arrangements for goods or services on behalf of or jointly with
6 a communications union district or districts;

7 (4) assist communications union districts with pursuing route
8 identification for fiber-optic infrastructure and with obtaining pole surveys and
9 negotiating pole attachments;

10 (5) assist communications union districts with completing grant and loan
11 applications for funding opportunities that exist outside this chapter; and

12 (6) assist communications union districts with obtaining access to fiber-
13 optic networks owned by the State or by an electric transmission or distribution
14 utility, where appropriate.

15 § 8088. INTERAGENCY COOPERATION AND ASSISTANCE

16 Other departments and agencies of the State government, including the E-
17 911 Board, shall assist and cooperate with the Board and shall make available
18 to it information and data as needed to assist the Board in carrying out its
19 duties. The Secretary of Administration shall establish protocols and
20 agreements among the Board and departments and agencies of the State for
21 this purpose. Nothing in this section shall be construed to waive any privilege

1 or protection otherwise afforded to the data and information under exemption
2 to the Public Records Act or under other laws due solely to the fact that the
3 information or data is shared with the Board pursuant to this section.

4 § 8089. ANNUAL REPORT

5 (a) Notwithstanding 2 V.S.A. § 20(d), on or before January 15 of each year,
6 the Board shall submit a report of its activities pursuant to this chapter for the
7 preceding year to the Senate Committees on Finance and on Natural Resources
8 and Energy, the House Committee on Energy and Technology, and the Joint
9 Information Technology Oversight Committee. The report shall include an
10 operating and financial statement covering the Board's operations during the
11 year, including a summary of all grant awards and contracts and agreements
12 entered into by the Board. In addition, the report shall include a description of
13 the progress each start-up communications union district has made in
14 achieving long-term financial sustainability that is not dependent upon public
15 funding, an update on its efforts to secure additional federal funds for
16 broadband deployment, and progress made towards meeting the State's goal of
17 ensuring every E-911 location has access to broadband capable of delivering a
18 minimum of 100 Mbps symmetrical service as required in subdivision
19 202c(b)(10) of this title.

20 (b) As part of its first annual report, the Board shall include recommended
21 legislation for policies and programs not authorized under this chapter but

1 consistent with its purpose or for any other policies and programs it deems
2 appropriate. **The report shall include recommendations concerning increased**
3 **access to and use of fiber-optic networks owned by the State or by an electric**
4 **transmission or distribution utility in furtherance of the goals of this chapter.**

5 In addition, and with input from relevant stakeholders, the Board shall make
6 recommendations on whether and to what extent authorized expenditures under
7 the Fund should be expanded to include:

8 (A) funding for equipment replacement in the Department of Libraries’
9 FiberConnect Network;

10 (B) funding for building-wide Wi-Fi installations at multi-unit affordable
11 housing owned by nonprofits and housing authorities for the purpose of
12 providing free broadband service to the residents thereof;

13 (C) funding for digital inclusion efforts, such as subsidized customer
14 equipment installations and broadband service, grants for long-term
15 affordability planning; and outreach and digital literacy training;

16 (D) funding for co-worker spaces;

17 (E) additional funding for communications workforce development
18 initiatives; and

19 (F) funding for any other broadband programs or initiatives.

20 § 8089a. SUNSET; TRANSFER PLAN

21 (a) The Fund and Board shall cease to exist on July 1, 2029.

1 (b) As part of its annual report submitted on or before January 15, 2029, the
2 Board shall develop a plan for transferring its assets, liabilities, and legal and
3 contractual obligations to another appropriate State entity. The Board may
4 include in its report a recommendation regarding the continued existence of the
5 Board beyond its statutory sunset date.

6 Sec. 3. ORGANIZATIONAL MEETING; SPACE ALLOCATION

7 (a) Within 60 days following the effective date of this act, the Vermont
8 Community Broadband Board shall hold its initial organizational meeting and
9 the Governor shall appoint an Executive Director.

10 (b) Within 60 days following the effective date of this act, the
11 Commissioner of Buildings and General Services shall allocate space for the
12 Vermont Community Broadband Board.

13 **Sec. 4. REPEALS**

14 The following provisions of law are repealed:

15 (1) 2019 Acts and Resolves No. 79, Sec. 10 (Broadband Innovation
16 Grant Program); and

17 (2) 2020 Acts and Resolves No. 154, Sec. B1105.2 (amending the
18 Broadband Innovation Grant Program).

19 **Sec. 4a. POSITION TRANSFER**

20 The position of Rural Broadband Technical Assistance Specialist shall be
21 transferred from the Department of Public Service to the Vermont Community

1 ~~Broadband Authority upon the hiring of the Authority's Executive Director.~~
2 ~~The position shall remain in the classified service created in 3 V.S.A. chapter~~
3 ~~13. The Authority shall reimburse the Department for any expenses associated~~
4 ~~with the position and incurred by the Department in fiscal year 2022 prior to~~
5 ~~the transfer required by this section.~~

6 * * * Universal Service Charge; Vermont Community

7 Broadband Fund * * *

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

9 § 7516. CONNECTIVITY FUND

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

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

1 ~~districts established pursuant to chapter 82 of this title and other units of~~
2 ~~government, nonprofit organizations, cooperatives, and for-profit businesses~~
3 ~~for the purpose of expanding broadband service to unserved and underserved~~
4 ~~locations. Support services also may include providing business model~~
5 ~~templates for various approaches, including formation of or partnership with a~~
6 ~~cooperative, a communications union district, a rural economic development~~
7 ~~infrastructure district, an electric utility, or a new or existing Internet service~~
8 ~~provider as operator of the network. Any remaining funds shall be used to~~
9 ~~support the Connectivity Initiative established under section 7515b of this title.~~

10 ~~[Repealed.]~~ The money transferred to the Connectivity Fund pursuant to
11 subsection 7523(b) of this title shall be used to support the Connectivity
12 Initiative. [TBD]

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

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

20 * * * Transfer of Fiber-optic Assets * * *

21 Sec. 6. TRANSFER OF FIBER-OPTIC ASSETS

1 On or before September 30, 2021, the Department of Public Service shall
2 transfer ownership of its fiber-optic assets to the communications union district
3 in which those assets are located. The transfer shall include the transfer of
4 rights and obligations under any existing contracts or lease agreements with
5 third parties regarding the maintenance or use of the fiber-optic assets. In
6 addition, the transfer shall include a requirement that, upon the dissolution of a
7 communications union district, any such fiber assets shall become the property
8 of the State to be managed by the Department of Public Service. A
9 communications union district may refuse to accept the transfer of assets
10 authorized by this section, in which case the assets shall remain the property of
11 the Department of Public Service. Nothing in this section shall preclude the
12 Department from transferring fiber-optic assets to a communications union
13 district that initially declined to accept such assets prior to September 30, 2021.

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

15 Sec. 7. 30 V.S.A. § 7515b is amended to read:

16 § 7515b. CONNECTIVITY INITIATIVE

17 (a) The purpose of the Connectivity Initiative is to provide each service
18 location in Vermont access to ~~Internet service~~ broadband that is capable of
19 speeds of at least ~~25 Mbps download and 3 Mbps upload, or the FCC speed~~
20 ~~requirements established under Connect America Fund Phase II, whichever is~~
21 ~~higher, beginning with locations not served as of December 31, 2013 according~~

1 ~~to the minimum technical service characteristic objectives applicable at that~~
2 ~~time~~ 100 Mbps symmetrical. Within this category of service locations, priority
3 shall be given first to unserved and then to underserved locations that are part
4 of a plan to achieve universal broadband coverage in a community or
5 communications union district. As used in this section, “unserved” means a
6 location ~~having access to only satellite or dial-up Internet service~~ that only has
7 access to broadband capable of speeds of less than 4 Mbps download and 1
8 Mbps upload and “underserved” means a location ~~having access to Internet~~
9 ~~service with speeds that exceed satellite and dial-up speeds but are less than~~
10 that only has access to broadband capable of speeds of at least 4 Mbps
11 download and 1 Mbps upload but less than 25 Mbps download and 3 Mbps
12 upload. ~~Any new services funded in whole or in part by monies from this~~
13 ~~Initiative shall be capable of being continuously upgraded to reflect the best~~
14 ~~available, most economically feasible service capabilities.~~

15 (b) The Department of Public Service shall publish annually a list of ~~census~~
16 ~~blocks~~ E-911 locations eligible for funding based on the Department’s most
17 recent broadband mapping data. The Department annually shall solicit
18 proposals from ~~service providers~~ communications union districts and from
19 service providers working in conjunction with a communications union district
20 to provide universal broadband service in a community or communications
21 union district, to deploy broadband to eligible ~~census blocks~~ E-911 locations.

1 Funding shall be available for capital improvements only, not for operating and
2 maintenance expenses. The Department shall give priority to proposals that
3 reflect the lowest cost of providing services to unserved and underserved
4 locations; however, the Department also shall consider:

5 (1) the proposed data transfer rates and other data transmission
6 characteristics of services that would be available to consumers;

7 (2) the price to consumers of services;

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

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

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

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

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

16 (c) In order to ensure that grants are disbursed based on the value of work
17 completed, the Department shall develop with each grantee a payment
18 schedule that reflects the verified percentage of project completion. To verify
19 project completion, the grantee shall retain a Department-approved third party
20 to conduct independent field testing, which the Department may supplement
21 with provider-supplied data and crowd-sourced user data. If deemed necessary

1 by the Department, the Department may advance a grantee funds necessary for
2 project commencement. The Department shall retain five percent of an award
3 for two years after project completion to ensure continued compliance with
4 contract terms. A grantee shall reimburse the Department any funds received
5 for contracted work that is not completed pursuant to contract specifications.

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

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

10 *[If accept these amendments, replace Authority with Board]*

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

12 § 7515b. CONNECTIVITY INITIATIVE

13 (a) The Connectivity Initiative shall be administered by the Vermont
14 Community Broadband Authority. The purpose of the Connectivity Initiative
15 is to provide each service location in Vermont access to broadband that is
16 capable of speeds of at least 100 Mbps symmetrical. Within this category of
17 service locations, priority shall be given first to unserved and then to
18 underserved locations that are part of a plan to achieve universal broadband
19 coverage in a community or communications union district. As used in this
20 section, “unserved” means a location that only has access to broadband
21 capable of speeds of less than 4 Mbps download and 1 Mbps upload and

1 “underserved” means a location that only has access to broadband capable of
2 speeds of at least 4 Mbps download and 1 Mbps upload but less than 25 Mbps
3 download and 3 Mbps upload.

4 (b) The Department of Public Service shall publish annually a list of E-911
5 locations eligible for funding based on the Department’s most recent
6 broadband mapping data. The ~~Department~~ Authority annually shall solicit
7 proposals from communications union districts and from service providers
8 working in conjunction with a communications union district to provide
9 universal broadband service in a community or communications union district,
10 to deploy broadband to eligible E-911 locations. Funding shall be available for
11 capital improvements only, not for operating and maintenance expenses. The
12 ~~Department~~ Authority shall give priority to proposals that reflect the lowest
13 cost of providing services to unserved and underserved locations; however, the
14 ~~Department~~ Authority also shall consider:

15 (1) the proposed data transfer rates and other data transmission
16 characteristics of services that would be available to consumers;

17 (2) the price to consumers of services;

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

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

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

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

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

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

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

21 * * * Telecommunications and Connectivity Advisory Board * * *

1 Sec. 9. 30 V.S.A. § 202f is amended to read:

2 § 202f. TELECOMMUNICATIONS AND CONNECTIVITY ADVISORY
3 BOARD

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

9 (1) the State Treasurer or designee;

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

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

14 (4) the Secretary of Transportation or designee.

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

20 (c) In making appointments of at-large members, the Governor shall give
21 consideration to citizens of the State with knowledge of telecommunications

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

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

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~~
17 ~~does not accept a recommendation of the Board, he or she shall provide the~~
18 ~~Board with a written explanation for such decision.~~

19 ~~(h) 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 ~~(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 provided the data are disclosed in a form that cannot identify or be associated
19 with a particular telecommunications service provider.

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

21 Sec. 10. 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 that expand broadband service to unserved
5 and underserved Vermonters as part of a plan to achieve universal broadband
6 coverage in a community or communications union district.

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

16 (c)(1) Requirements. The Authority shall make loans for start-up and
17 expansion ~~that enable Internet service providers to expand broadband~~
18 availability of broadband projects in unserved and underserved locations as
19 part of a plan to achieve universal broadband coverage in a community or
20 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 (B) eligible borrowers include ~~communications union districts and~~
7 ~~other units of government, nonprofit organizations, cooperatives, and for-profit~~
8 ~~businesses;~~

9 (i) communications union districts;

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

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

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

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

1 ~~(E)~~(D) a maximum of \$10,800,000.00 in Authority loans may be
2 ~~made~~ outstanding under the Program commencing on June 20, 2019; ~~and~~
3 ~~(F)~~(E) the provider shall offer to all customers broadband service that
4 is capable of speeds of at least 100 Mbps symmetrical; and
5 (F) not more than one-sixth of the total allowable loans under this
6 Program shall be available to eligible borrowers under subdivision (2)(B)(iii)
7 of this subsection (c).

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

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

1 Sec. 11. 10 V.S.A. § 280ff is amended to read:

2 § 280ff. FUNDING

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

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

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

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

19 (3)~~(2)~~ The accumulated total of the appropriation shall not exceed
20 \$8,500,000.00 over the life of the Program.

1 structures, machinery, lines, poles, wires, and fixtures, provided the
2 infrastructure is leased to a communications union district or to an Internet
3 service provider working in conjunction with a communications union district,
4 and is primarily for the purpose of providing broadband service capable of
5 speeds of at least 100 Mbps symmetrical. This exemption applies only to
6 broadband infrastructure constructed on or after July 1, 2021.

7 ~~(20) Real and personal property, except land, owned by an Internet~~
8 ~~service provider that comprises broadband infrastructure, including structures,~~
9 ~~machinery, lines, poles, wires, and fixtures, provided the infrastructure is~~
10 ~~capable of speeds of at least 100 Mbps symmetrical, is part of a plan to achieve~~
11 ~~universal broadband coverage in a community or communications union~~
12 ~~district with unserved and underserved locations, is constructed on or after~~
13 ~~July 1, 2021, and further provided:~~

14 ~~(A) this plan is affirmed in writing by the Department of Public~~
15 ~~Service; and~~

16 ~~(B) the broadband service is being provided pursuant to a contractual~~
17 ~~arrangement entered into between the Internet service provider and either a~~
18 ~~communications union district in which the broadband infrastructure is located~~
19 ~~or other municipality in which the broadband infrastructure is located,~~
20 ~~provided such other municipality was not part of a communications union~~
21 ~~district prior to December 1, 2020.~~

1 Sec. 14. 32 V.S.A. § 3800(n) is added to read:

2 (n) The statutory purpose of the exemptions for broadband infrastructure in
3 subdivision 3802(19) of this title is to lower the cost of broadband deployment
4 in unserved and underserved areas of Vermont.

5 Sec. 15. 32 V.S.A. § 3602a is amended to read:

6 § 3602a. FACILITIES USED IN THE GENERATION, TRANSMISSION,
7 OR DISTRIBUTION OF ELECTRIC POWER

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

16 Sec. 16. 32 V.S.A. § 3620 is amended to read:

17 § 3620. ELECTRIC UTILITY POLES, LINES, AND FIXTURES

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

21 ***** Communications Workforce Development *****

1 Sec. 17. BROADBAND OCCUPATIONAL NEEDS SURVEY

2 (a) The Commissioner of Labor shall conduct an occupational needs survey
3 to determine workforce needs in the communications sector specific to
4 broadband buildout and maintenance. In conducting this survey, the
5 Commissioner shall solicit input from employers and subcontractors
6 throughout the State. The Department of Public Service and communications
7 union districts shall assist the Department of Labor in identifying employers
8 with workforce needs connected to this act. The purpose of the survey is to
9 identify current and future employment opportunities and the prerequisite skills
10 needed for widespread worker recruitment and building a talent pipeline to
11 support the goals of this act.

12 (b) The Commissioner shall report his or her findings and
13 recommendations to the relevant legislative committees of jurisdiction on or
14 before January 15, 2022.

15 (c) Employers who do not participate in supplying information for this
16 report will not be eligible for grant funding under this act.

17 Sec. 18. FTTX; INCUMBENT TRAINING PROGRAM

18 Vermont Technical College, in consultation with the Vermont Department
19 of Labor, shall establish an incumbent training program for communications
20 installers and technicians. The goal of the program is to provide skills
21 upgrades for existing employees. Up to \$40,000.00 is appropriated from the

1 Vermont Department of Labor’s fiscal year 2022 Training Fund to support this
2 training program.

3 Sec. 19. BROADBAND INSTALLER APPRENTICESHIP PROGRAM

4 The Commissioner of Labor, working with broadband employers, shall
5 establish a federally registered apprenticeship program that meets one or more
6 occupational needs related to the installation and maintenance of broadband
7 networks.

8 * * * Appropriation; Fund Transfers * * *

9 Sec. 23. APPROPRIATIONS; GRANT ADMINISTRATION

10 (a)(1) To the extent necessary, for appropriations using federal funds
11 provided to the State by the American Rescue Plan Act of 2021 (ARPA), the
12 Commissioner of Finance and Management is authorized to expend the funds
13 in anticipation of receipts.

14 (2) In fiscal year 2021, to the extent permitted by federal law and
15 guidance, \$150,000,000.00 of federal funds allocated to the State by the ARPA
16 shall be appropriated as follows:

17 (A) \$30,000,000.00 to the Vermont Community Broadband Fund to
18 support the Community Broadband Preconstruction Grant Program established
19 in Sec. 2, 30 V.S.A. § 8087, of this act;

1 ~~(B) \$120,000,000.00 to the Vermont Community Broadband Fund to~~
2 ~~support the Construction Grant and Subordinated Debt Program established in~~
3 ~~Sec. 2, 30 V.S.A. § 8088, of this act; and~~

4 ~~(3) In fiscal year 2021, to the extent permitted by federal law and~~
5 ~~guidance, \$100,000.00 of federal funds allocated to the State by the ARPA~~
6 ~~shall be appropriated to the Department of Labor to support the broadband~~
7 ~~occupational needs survey required by Sec. 20 of this act and the broadband~~
8 ~~installer apprenticeship program established in Sec. 22 of this act as follows:~~

9 ~~(A) \$3,000.00 to finance the development of the apprenticeship~~
10 ~~program;~~

11 ~~(B) \$90,000.00 to support the related instruction tuition and on-~~
12 ~~the job training contracts with employer sponsors under the apprenticeship~~
13 ~~program; and~~

14 ~~(C) \$7,000.00 to support non-federally funded work related to~~
15 ~~developing, conducting, and reporting on the occupational needs survey.~~

16 ~~(c) In fiscal year 2022, the Authority is authorized to expend \$500,000.00~~
17 ~~in anticipated receipts pursuant to 30 V.S.A. § 7523(b) (0.4 percent of the~~
18 ~~Vermont Universal Service Charge) to support the start-up costs of the~~
19 ~~Vermont Community Broadband Authority.~~

20 ~~(d) The Vermont Community Broadband Authority shall be~~
21 ~~redesignated as the responsible entity for administering the \$1,000,000.00~~

1 grant award to the Department of Public Service by the Northern Border
2 Regional Commission (NBRC) for the purpose of supporting communications
3 union districts. Any position funded by the grant shall be overseen and
4 managed by the Authority in a manner that is consistent with grant terms and
5 conditions.

6 Sec. 20. APPROPRIATION

7 In fiscal year 2022, the sum of \$100,000,000.00 is appropriated from the
8 American Rescue Plan Act of 2021 State Fiscal Relief Fund to the Vermont
9 Community Broadband Fund to be expended in a manner consistent with 30
10 V.S.A. § chapter 91A.

11 * * * Legislative Priorities for Federal Funds * * *

12 Sec. 21. LEGISLATIVE PRIORITIES; FEDERAL FUNDS

13 With respect to federal funds potentially available to the State of Vermont
14 in fiscal years 2021 and 2022, the General Assembly establishes as a high
15 priority providing support for community efforts that advance the State’s goal
16 of achieving universal access to reliable, high-quality, affordable broadband
17 consistent with the policies, purposes, and programs established under
18 30 V.S.A. chapter 91A, concerning the Vermont Community Broadband Board
19 established in Sec. 2 of this act.

20 * * * Effective Dates * * *

21 Sec. 22. EFFECTIVE DATES

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

2 (1) Secs. 13-16 (property tax exemption for broadband infrastructure)

3 shall take effect on July 1, 2021; and

4 (2) Sec. 4 (repeal of the Broadband Innovation Grant Program), Sec. 8

5 (administration of the Connectivity Initiative by the Vermont Community

6 Broadband Board), and Sec. 9 (Telecommunications and Connectivity

7 Advisory Board) shall take effect on January 1, 2022.

8

9

10

11

12

13 (Committee vote: _____)

14

15

Senator _____

16

FOR THE COMMITTEE