

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

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No. 1432

H.P. 1048

House of Representatives, April 12, 2021

**An Act To Update the Municipal Gigabit Broadband Network
Access Fund**

Received by the Clerk of the House on April 8, 2021. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R. B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative BERRY of Bowdoinham.
Cosponsored by Senator WOODSOME of York.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 35-A MRSA §9204-A, sub-§7**, as amended by PL 2019, c. 625, §8, is
3 further amended to read:

4 **7. Administer funds.** The authority shall administer the ConnectMaine Fund as
5 established pursuant to section 9211 and the Municipal Gigabit Broadband Network Access
6 Fund established pursuant to section 9211-A.

7 **Sec. 2. 35-A MRSA §9204-A, sub-§8**, as enacted by PL 2015, c. 284, §7, is
8 amended to read:

9 **8. Limitations on activities of the authority.** ~~The~~ Except as provided in section
10 9211-A, the authority may not develop, acquire, fund, coordinate or otherwise undertake
11 any project or make any grant, direct investment or loan under this chapter unless the
12 authority determines that without the authority's action the installation of adequate
13 advanced communications technology infrastructure in an unserved or underserved area
14 would not occur within the same time period. When providing grants, direct investment or
15 loans for broadband infrastructure investments, the authority shall give preference to those
16 investments that provide the greatest relative improvement to existing broadband service
17 in an unserved or underserved area. Notwithstanding any other provision of this chapter,
18 the authority may not provide any wireline, wireless, satellite, voice, data or video service
19 at retail or wholesale.

20 **Sec. 3. 35-A MRSA §9211-A**, as amended by PL 2019, c. 343, Pt. QQ, §§5 and 6,
21 is further amended to read:

22 **§9211-A. Municipal Gigabit Broadband Network Access Fund**

23 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
24 following terms have the following meanings.

25 A. "Applicant" means a ~~community, regional partnership or~~ municipality or group of
26 municipalities that applies apply for a grant under this section.

27 B. ~~"Community" means a municipality with a population of at least 1,200 people, as~~
28 ~~determined by the authority in accordance with the United States Census data, or a~~
29 ~~municipality that has received a waiver from this population requirement from the~~
30 ~~authority upon a determination that the municipality is in an unserved or underserved~~
31 ~~area.~~

32 C. "Fund" means the Municipal Gigabit Broadband Network Access Fund established
33 in this section.

34 D. ~~"Regional partnership" means 2 or more municipalities that do not, on their own,~~
35 ~~meet the requirements of paragraph B and have joined together with one or more~~
36 ~~contiguous municipalities in the region to achieve the population requirements of~~
37 ~~paragraph B.~~

38 E. "Gigabit fiber-optic broadband network" means a network of fiber-optic cable
39 capable of offering upload and download speeds of at least one gigabit per second.

40 F. "Open-access network" means an Internet network that is neutral and independent,
41 is available to any Internet service provider based on standardized and transparent

1 pricing and does not compete with Internet service providers to offer retail service of
2 any kind.

3 G. "Symmetrical high-speed Internet" means retail Internet service that meets
4 minimum standards defined by the authority, which, until 2025, must include at least
5 100 megabits per second upload and download speeds. Beginning in 2025, the
6 standards must be defined annually by the authority and include upload and download
7 speeds that are at least equal to or better than the minimum speeds available to residents
8 of the majority of urban census blocks in the United States.

9 **2. Fund established.** The Municipal Gigabit Broadband Network Access Fund is
10 established as a nonlapsing, revolving fund administered by the authority for the purposes
11 of supporting the activities and projects of the authority under this section. All money in
12 the fund must be continuously applied by the authority to carry out this section. The
13 authority may receive and deposit in the fund funds from the following sources:

- 14 A. Federal funds and awards that may be used for the purposes of this section;
- 15 B. The proceeds of bonds issued for the purposes of this section; and
- 16 C. Any other funds from public or private sources received in support of the purposes
17 for which the fund is established.

18 **3. Purpose of the fund.** The fund is established to address the need in the State for
19 access to ~~ultra-high-speed~~ broadband infrastructure that will enhance the State's
20 competitiveness in national and international economies. To the extent funds are available,
21 the fund must be used to provide grants to ~~communities, regional partnerships and~~
22 municipalities to support public-private partnerships to support a municipal gigabit fiber-
23 optic broadband network in their regions with the following goals:

- 24 A. Provide high-speed broadband access to attract, create and grow the State's
25 economy and market the products and services of businesses in the State in national
26 and international markets with ~~ultra-high-speed~~ symmetric connectivity and address
27 challenges in geography;
- 28 B. Provide expanded health care services by facilitating access to telemedicine, as
29 defined in Title 24-A, section 4316, subsection 1, and state and local services for senior
30 citizens and persons with disabilities;
- 31 C. Expand educational opportunities for students across the State through virtual and
32 distance learning;
- 33 D. Facilitate broader access for the public to services provided by municipal and
34 county governments, including, but not limited to, law enforcement entities, the
35 judicial system and child, youth and family social services; and
- 36 E. Provide expanded residential services to support employment opportunities.

37 In order to facilitate the achievement of the goals and policies of this section, the authority
38 shall establish and regularly update, after opportunity for public comment and taking into
39 consideration relevant federal policies, definitions of "gigabit fiber-optic broadband
40 network" and "~~ultra-high-speed~~ broadband infrastructure."

1 **4. Implementation grants; maximum awards.** To the extent funds are available, the
2 authority shall award implementation grants to achieve the purpose of the fund as described
3 in subsection 3 as follows.

4 ~~A. An implementation grant to an applicant may not exceed \$200,000 for each eligible~~
5 ~~project selected for funding.~~

6 ~~B. An implementation grant may be awarded only to an applicant that has~~
7 ~~demonstrated to the satisfaction of the authority that it has a viable plan identical or~~
8 ~~similar to one created in accordance with subsections 5, 6 and 7.~~

9 ~~C. Municipalities~~ An applicant selected for funding must be required to provide a 25%
10 cash match.

11 D. ConnectMaine funds may not be used to fund more than 50% of the total cost of a
12 project.

13 E. An applicant must demonstrate either that no more than one Internet service
14 provider already offers symmetrical high-speed Internet to a majority of the premises
15 to be served or that the grant will be used to construct or expand an open-access
16 network.

17 **5. Planning grants; requirements for applicants.** In order to assist applicants with
18 completion of the planning process necessary to achieve the goals of this section, to the
19 extent funds are available, the authority shall may award planning grants ~~of up to \$20,000~~
20 ~~for community applicants and up to \$25,000 for regional partnerships and municipalities,~~
21 ~~which require a cash match~~ applicants that meet the cash match and other application
22 requirements for the award of planning grants, as established by the authority. The
23 authority shall establish application requirements for planning grants for community and
24 regional applicants that require an applicant to demonstrate to the satisfaction of the
25 authority participation with public and private institutions and local businesses in the
26 development of the grant process. ~~Municipal applicants must provide the authority with~~
27 ~~the following information:~~

28 ~~A. A plan that identifies how the municipality will use ultra high-speed broadband~~
29 ~~access to fulfill the economic goals of the municipality;~~

30 ~~B. A written commitment to nondiscriminatory open access to the broadband~~
31 ~~infrastructure by all parties involved in the grant;~~

32 ~~C. A written summary of public forums used to gather information from the public in~~
33 ~~establishing the goals for the grant that serve the goals of this section;~~

34 ~~D. Information gathered from local public and private institutions that identifies how~~
35 ~~the broadband services will expand access to state and local services identified under~~
36 ~~subsection 3; and~~

37 ~~E. A summary of input received from the business community to identify the services~~
38 ~~that will be used in planning the implementation grant application.~~

39 **6. Planning grant report requirements.** An applicant awarded a planning grant
40 under subsection 5 must provide to the authority, at a minimum:

41 A. Identification of the local broadband needs and goals;

- 1 B. An inventory of existing broadband infrastructure assets within the municipality,
2 municipalities or region;
- 3 C. The results of a gap analysis that defines the additional broadband infrastructure
4 necessary to meet identified needs and goals;
- 5 D. One or more potential network designs, cost estimates, operating models and
6 potential business models, based on input from broadband providers operating within
7 the municipality, municipalities or region and any other parties that submit a network
8 design solution, to address any broadband gaps identified in the analysis described in
9 paragraph C; and
- 10 E. An assessment of all existing municipal procedures, policies, rules and ordinances
11 that may have the effect of delaying or increasing the cost of broadband infrastructure
12 deployment.

13 ~~7. Cash match for planning grants; restrictions.~~ The cash match required from the
14 applicant for a planning grant under subsection 5 may consist of municipal appropriations,
15 private funds, funding from economic development entities and funding from nonprofit
16 entities.

17 **8. Technical assistance; contract for services.** The authority may provide technical
18 assistance to applicants that request assistance with the grant application process. The
19 authority may contract for services to assist in the administration, management and
20 evaluation of the fund.

21 ~~9. Rules; application procedure.~~ The authority shall adopt rules to implement this
22 section, including rules governing the application process for the fund. Rules adopted
23 under this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter
24 2-A.

25 **10. Report.** Beginning December 15, 2016, the authority shall provide an annual
26 report to the joint standing committee of the Legislature having jurisdiction over energy
27 and utility matters on the grants distributed from the fund and an analysis of the fund's
28 activities that have addressed the need for expansion of ultra high-speed broadband access
29 in the State.

30 **SUMMARY**

31 This bill amends the Municipal Gigabit Broadband Network Access Fund, which is a
32 fund administered by the ConnectMaine Authority to address the need in Maine to access
33 ultra high-speed broadband infrastructure through the provision of grants to communities,
34 regional partnerships and municipalities to support a municipal gigabit fiber-optic
35 broadband network. This bill makes the following changes to the fund:

- 36 1. It limits the grants to a municipality or group of municipalities;
- 37 2. It provides definitions of "gigabit fiber-optic network," "symmetrical high-speed
38 Internet" and "open-access network" and requires the authority, beginning in 2025, to
39 establish minimum upload and download speeds for a symmetrical high-speed Internet at
40 least equal to the minimum upload and download speeds available to a majority of urban
41 census blocks in the United States;

- 1 3. It removes the cap on the amount of the grant, but limits the amount of
2 ConnectMaine funds that may be used to 50% of the total cost of a project;
- 3 4. It maintains the requirement that a municipality provide at least a 25% cash match
4 but provides that the cash match may not consist of funds from a source other than the
5 municipality; and
- 6 5. It removes specific reporting requirements for applicants, instead requiring them to
7 meet application requirements established by the authority.