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SENATE CS FOR CS FOR HOUSE BILL NO. 363(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/15/22

Referred: Rules

Sponsor(s): REPRESENTATIVES EDGMON, Hopkins, Zulkosky, Foster, Schrage, Rasmussen, Ortiz, Spohnholz, Johnson, Merrick, Tarr, Drummond, Nelson, Fields, Josephson, Tuck, Patkotak, Cronk

SENATORS Costello, Kawasaki, Begich, Gray-Jackson, Hoffman, Stevens, Micciche

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the office of broadband; creating the broadband parity adjustment**
2 **fund; establishing the Statewide Broadband Advisory Board; and providing for an**
3 **effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 LEGISLATIVE FINDINGS. The legislature finds that

8 (1) access to broadband is critical for a person to fully participate in modern
9 society and the economy;

10 (2) increasing broadband access to unserved and underserved areas of the state
11 serves a fundamental governmental purpose and function and benefits citizens of the state by
12 enabling access to health care, education, and essential services, providing economic
13 opportunities, and enhancing public health and safety;

14 (3) achieving affordable and quality broadband access for all citizens of the
15 state requires sustained investment, research, local and community participation, and

1 partnerships between private, public, and nonprofit entities; and

2 (4) extensive investments have been made by the telecommunications industry
3 and the public sector, and policies and programs have been adopted to provide affordable
4 broadband throughout the state, that will provide a foundation to build a comprehensive
5 statewide framework for additional actions necessary for advancing the broadband goals of
6 the state.

7 * **Sec. 2.** AS 44.33 is amended by adding new sections to read:

8 **Article 16A. Broadband.**

9 **Sec. 44.33.910. Office of broadband; purpose, powers, and duties.** (a) The
10 office of broadband is established in the Department of Commerce, Community, and
11 Economic Development.

12 (b) The purpose of the office of broadband is to

13 (1) expand broadband access and digital equity in the state through
14 federal, tribal, and local partnerships;

15 (2) focus on broadband infrastructure projects that meet certain speed,
16 latency, reliability, and scalability requirements, while maintaining technological
17 neutrality within those requirements;

18 (3) identify scalable and sustainable technologies that meet the needs
19 of state residents into the future; and

20 (4) support broadband equity and affordability for all state residents.

21 (c) The office of broadband shall

22 (1) prioritize broadband service expansion in the following order of
23 priority:

24 (A) unserved areas;

25 (B) underserved areas; and

26 (C) anchor institutions;

27 (2) make grants to eligible grantees and prioritize grants to grantees
28 with in-state experience, qualifications, and expertise needed to deploy, operate,
29 repair, and maintain broadband infrastructure;

30 (3) develop a procedure for issuance of grants;

31 (4) develop a procedure for adoption of broadband service maps that

1 (A) incorporates the Federal Communications Commission
2 maps developed in accordance with P.L. 116-130 (Broadband DATA Act) to
3 define unserved and underserved areas;

4 (B) allows for broadband parity adjustments; and

5 (C) provides for a process to challenge adoption of broadband
6 service maps, including a public notice and comment period;

7 (5) administer and set criteria for the broadband parity adjustment
8 program under AS 44.33.915;

9 (6) streamline permitting to support broadband deployment;

10 (7) encourage local workforce development with in-state partners
11 through the University of Alaska, technical, vocational, or trade schools, and
12 apprenticeship programs; and

13 (8) review and consider the recommendations of the Statewide
14 Broadband Advisory Board established under AS 44.33.920.

15 (d) The office of broadband shall adopt regulations under AS 44.62
16 (Administrative Procedure Act) to carry out its duties.

17 (e) In this section, "anchor institution" means a school, library, health care
18 facility, health care provider, public safety entity, institution of higher education,
19 public housing organization, community support organization, or other entity that
20 facilitates greater use of broadband service by low-income individuals, unemployed
21 individuals, or elderly individuals.

22 **Sec. 44.33.915. Broadband parity adjustment fund.** (a) The broadband
23 parity adjustment fund is created as a separate fund in the treasury for the purpose of

24 (1) offsetting the costs of broadband services for consumers under (b)
25 of this section; and

26 (2) making grants to eligible beneficiaries under (c) of this section to
27 improve the performance of and access to broadband across the state.

28 (b) The office of broadband shall set the criteria for offsetting the costs of
29 broadband services for consumers in the state by regulation.

30 (c) An eligible beneficiary may include a resident, business, nonprofit
31 organization, local government, tribal organization as defined in 25 U.S.C. 5304(l), or

1 Native entity as defined in 15 U.S.C. 9501(10) in the state, but may not include a
2 school district, library, or health care facility.

3 (d) The broadband parity adjustment fund shall be administered by the office
4 of broadband. The fund consists of

5 (1) money appropriated by the legislature;

6 (2) gifts, bequests, contributions from other sources, and federal
7 money; and

8 (3) interest earned on the fund balance.

9 (e) The legislature may appropriate money from the broadband parity
10 adjustment fund to the office of broadband to carry out the purposes of the fund.

11 (f) The broadband parity adjustment fund is not a dedicated fund.

12 (g) In this section,

13 (1) "health care facility" has the meaning given in AS 18.23.400(n).

14 (2) "school district" has the meaning given in AS 14.30.350.

15 **Sec. 44.33.920. Statewide Broadband Advisory Board.** (a) The Statewide
16 Broadband Advisory Board is established.

17 (b) The purpose of the advisory board is to provide technology-neutral input,
18 recommendations, and advice regarding

19 (1) state broadband policy, goals, and objectives;

20 (2) project proposal processes and criteria for project selection;

21 (3) mapping and data collection and sharing efforts; and

22 (4) progress made on the recommendations of the Governor's Task
23 Force on Broadband established under Administrative Order No. 322.

24 (c) The advisory board is composed of

25 (1) the commissioner of education and early development or the
26 commissioner's designee;

27 (2) the commissioner of commerce, community, and economic
28 development or the commissioner's designee;

29 (3) two members from the legislature, serving as ex officio nonvoting
30 members, one of whom shall be appointed by the president of the senate and one by
31 the speaker of the house of representatives; and

1 (4) 11 additional members, at least two of whom live in an unserved or
2 underserved area, appointed by the governor to three-year terms

3 (A) representing a local government;

4 (B) representing an Alaska Native corporation;

5 (C) representing a tribal government;

6 (D) representing a school district;

7 (E) representing the University of Alaska;

8 (F) representing the health care community;

9 (G) representing the business community;

10 (H) representing the broadband industry;

11 (I) a broadband consumer;

12 (J) representing rural energy systems; and

13 (K) a technology neutral consultant.

14 (d) The advisory board shall establish a broadband technical working group to
15 provide technical recommendations to the advisory board. The advisory board shall
16 appoint individuals to the technical working group who collectively have expertise in
17 the different technologies that provide broadband service in the state and who manage
18 and deliver projects in the state. The broadband technical working group is composed
19 of eight members appointed by the advisory board to three-year terms as follows:

20 (1) one member who is a mechanical engineer;

21 (2) one member who is a civil engineer;

22 (3) one member who is an aerospace engineer;

23 (4) one member who has expertise in telecommunications;

24 (5) one member who has expertise in fiber optics;

25 (6) one member who has expertise in satellite technology;

26 (7) one member who has expertise in microwave technology; and

27 (8) the advisory board broadband industry representative.

28 (e) Members of the advisory board shall elect a chair from among the
29 members listed in or appointed under (c)(1), (2), or (4) of this section.

30 (f) Members of the advisory board and the broadband technical working group
31 are not entitled to compensation, per diem, or reimbursement of travel expenses.

1 **Sec. 44.33.930. Definitions.** In AS 44.33.910 - 44.33.930,

2 (1) "underserved area" means an area that does not have broadband
3 speeds of at least 100 Megabits per second downstream and at least 20 Megabits per
4 second upstream with a latency sufficient to support real-time interactive applications;

5 (2) "unserved area" means an area that does not have broadband
6 speeds of at least 25 Megabits per second downstream and at least 3 Megabits per
7 second upstream with a latency sufficient to support real-time interactive applications.

8 * **Sec. 3.** AS 44.33.910, 44.33.915, 44.33.920, and 44.33.930 are repealed June 30, 2030.

9 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).