

HB0097/703494/1

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 97
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, at the top of the page, insert “EMERGENCY BILL”; in lines 2 and 3, strike “**Digital Inclusion**” and substitute “**Statewide Broadband**”; in line 5, strike “Digital Inclusion” and substitute “Statewide Broadband”; strike beginning with “repealing” in line 19 down through “Board;” in line 20 and substitute “establishing the Digital Inclusion Fund and the Digital Connectivity Fund as special, nonlapsing funds; establishing the purposes of the funds; requiring the Office to administer the funds; requiring the State Treasurer to hold the funds and the Comptroller to account for the funds; specifying the contents of the funds; specifying the purposes for which the funds may be used; providing for the investment of money in and expenditures from the funds; requiring interest earnings of the Rural Broadband Assistance Fund, the Digital Inclusion Fund, and the Digital Connectivity Fund to be credited to the funds; exempting the Digital Inclusion Fund, the Digital Connectivity Fund, and the Rural Broadband Assistance Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; transferring the Rural Broadband Assistance Fund to the Department; requiring the Rural Broadband Assistance Fund to be administered by the Office;”; and in line 22, strike “Digital Inclusion” and substitute “Statewide Broadband”.

On page 2, in line 5, after “purpose;” insert “defining certain terms; making conforming changes; providing for the construction of this Act; making this Act an emergency measure;”; in line 7, strike “Digital Inclusion” and substitute “Statewide Broadband”; strike in their entirety lines 8 through 14, inclusive, and substitute:

“BY repealing and reenacting, with amendments, and transferring
Article - Economic Development
Section 5-1102”

(Over)

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Annotated Code of Maryland
(2018 Replacement Volume and 2020 Supplement)

to be

Article – Housing and Community Development
Section 6.5–107

Annotated Code of Maryland
(2019 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article - Economic Development
Section 13-504

Annotated Code of Maryland
(2018 Replacement Volume and 2020 Supplement)”;

in line 17, strike “6.5–104” and substitute “6.5–107”; in lines 17 and 18, strike “Digital Inclusion” and substitute “Statewide Broadband”; after line 20, insert:

“BY repealing and reenacting, without amendments,

Article - State Finance and Procurement
Section 6-226(a)(2)(i)

Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article - State Finance and Procurement
Section 6-226(a)(2)(ii)128. and 129.

Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)

BY adding to

Article - State Finance and Procurement
Section 6-226(a)(2)(ii)130., 131., and 132.

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Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)”;

and in line 33, after “infrastructure” insert “by encouraging continued private investment and where necessary,”.

On page 3, in line 2, after “the” insert “acquisition of”; in line 3, strike “growing”; and strike beginning with “That” in line 15 down through “ENACTED,” in line 19.

AMENDMENT NO. 2

On page 3, after line 20, insert:

“Article – Economic Development

13–504.

The Board shall:

(1) assist in the deployment of broadband communication infrastructure in rural and underserved areas of the State;

(2) cooperate with public, private, and nonprofit entities to obtain, coordinate, and disseminate resources for the establishment of broadband communication services in rural and underserved areas of the State;

(3) review and approve the disbursement of funds under the Rural Broadband Assistance Fund under [§ 5–1102 of this article] **§ 6.5–107 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE** and any other federal, State, and private financial resources that may be provided to assist the establishment of broadband communication services in rural and underserved areas of the State; and

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(4) perform other functions that are consistent with the intent of this subtitle.”;

in lines 22, 28, and 30, in each instance, strike “**DIGITAL INCLUSION**” and substitute “**STATEWIDE BROADBAND**”; and in lines 26 and 27, strike “**DIGITAL INCLUSION**” and substitute “**STATEWIDE BROADBAND**”.

On page 4, in line 22, strike “**AND**”; in line 24, after “**INFRASTRUCTURE;**” insert “**AND**”

(III) ARE NOT AT ODDS WITH DEFINITIONS AND STANDARDS ADOPTED BY THE FEDERAL COMMUNICATIONS COMMISSION;”;

in line 25, after “**(2)**” insert “**(1)**”; in the same line, after “**COLLECT**” insert “**PROMOTIONAL AND**”; in the same line, after “**DATA**” insert “**DIRECTLY**”; and in line 26, after “**PROVIDERS;**” insert “**AND**”

(II) ASSESS THE ACTUAL UPLOAD AND DOWNLOAD SPEEDS EXPERIENCED BY CONSUMERS;”.

On page 5, in line 7, after “**EVALUATION**” insert “**, USING A VARIETY OF DATA COLLECTION METHODS INCLUDING COMMUNITY SURVEYS AND TARGETED OUTREACH TO TRADITIONALLY UNDERREPRESENTED COMMUNITIES,**”; in line 12, strike “**PUBLIC MAP THAT SHOWS, WITH GRANULARITY**” and substitute “**WEBSITE THAT HOUSES A PUBLICLY ACCESSIBLE MAP THAT ALLOWS USERS TO OVERLAY GIS HEAT MAPPING COMMENTS, BASED ON AND INCORPORATING DATA AND INFORMATION FROM THE FEDERAL COMMUNICATIONS COMMISSION, THAT SHOWS, IN ADDITION TO ANY INFORMATION PROVIDED BY THE FEDERAL COMMUNICATIONS COMMISSION**”; in line 13, strike “**RESIDENTS**” and substitute “**RESIDENCES**”; in the same line, after “**HAVE**” insert “**ACCESS TO**”; in line 14, strike

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“AND”; in line 15, after “PRICES” insert “AND PLANS AVAILABLE”; in line 16, after “AREAS;” insert “AND

(III) OTHER AVAILABLE STATE GEOGRAPHIC AND DEMOGRAPHIC DATA;;

in line 21, strike “AND”; in line 24, after “COUNTY;” insert “AND

(III) DATA REGARDING INVESTMENTS IN EXPANDING INTERNET INFRASTRUCTURE, ADOPTION, AND SPEED INCREASES;;

and after line 31, insert:

“(8) ESTIMATE AND IDENTIFY THE AMOUNT AND TYPE OF FUNDING NEEDED TO CONNECT RESIDENTS TO AFFORDABLE HIGH-SPEED INTERNET;”.

On page 6, in lines 1, 8, 10, 13, 16, 20, and 22, strike “(8)”, “(9)”, “(10)”, “(11)”, “(12)”, “(13)”, and “(14)”, respectively, and substitute “(9)”, “(11)”, “(12)”, “(13)”, “(14)”, “(15)”, and “(16)”, respectively; in line 5, strike “AND”; in line 7, after “INTERNET;” insert “AND

(III) IDENTIFYING AND SHARING DATA REGARDING LOCAL, STATE, AND FEDERAL FUNDS ALLOCATED OR RECEIVED THROUGH GRANTS AND PRIVATE SECTOR INVESTMENT FOR INVESTMENT IN EXPANDING INTERNET INFRASTRUCTURE, ADOPTION, AND SPEED INCREASES;

(10) REQUEST INFORMATION REGARDING TOTAL DOLLAR INVESTMENTS IN HIGH-SPEED INTERNET FROM LOCAL JURISDICTIONS, PRIVATE COMPANIES, AND ORGANIZATIONS;;

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in line 8, strike “AND” and substitute a comma; in the same line, after “IDENTIFY” insert “, AND EVALUATE”; in line 18, strike “DEEMS” and substitute “CONSIDERS”; in line 21, after “RESIDENTS” insert “, NONPROFIT ORGANIZATIONS,”; in line 24, after “INTERNET” insert “THAT ALLOWS FOR FULL ENGAGEMENT IN REMOTE LEARNING WITHOUT DISRUPTIVE LAGGING AND PERIODIC DISCONNECTION”; in line 28, after “ENTITIES” insert “:

(I);

and in line 28, after “OPPORTUNITIES” insert “; AND

(II) PLAN, DESIGN, AND CONSTRUCT BROADBAND INFRASTRUCTURE”.

AMENDMENT NO. 3

On page 7, in line 1, after “TO” insert “:

1.;

in the same line, after “ENSURE” insert “98% CONNECTIVITY TO UNIVERSAL, AFFORDABLE, RELIABLE BROADBAND INTERNET BY A DATE NOT LATER THAN DECEMBER 31, 2025;

2. ENSURE”;

in line 3, after “INTERNET” insert “THAT EXCEEDS THE FEDERAL COMMUNICATIONS COMMISSION STANDARD FOR UPLOAD AND DOWNLOAD SPEEDS”; in line 4, strike “2029, AS DETERMINED BY THE OFFICE” and substitute “2026; AND

**3. ESTABLISH KEY PERFORMANCE INDICATORS
RELATING TO INFRASTRUCTURE, ADOPTION, AND SPEED**;

in line 8, strike “THE” and substitute “**IN PREPARING THE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE**”; in the same line, after “SHALL” insert “:

(I);

in line 9, after “STAKEHOLDERS” insert “, **INCLUDING LIBRARIES AND WORKFORCE DEVELOPMENT BOARDS**”; in the same line, strike “IN PREPARING THE PLAN REQUIRED UNDER THIS SUBSECTION” and substitute “;

(II) CONSULT WITH LOCAL GOVERNMENTS, FEDERAL REGULATORS, INTERNET SERVICE PROVIDERS, AND NONGOVERNMENTAL ORGANIZATIONS INVOLVED IN AND WORKING IN THE FIELD OF CONNECTING COMMUNITIES TO HIGH-SPEED INTERNET AND DIGITAL LITERACY;

(III) HOLD AT LEAST TWO ONLINE LISTENING SESSIONS; AND

(IV) RECEIVE WRITTEN STATEMENTS FROM STAKEHOLDERS AT A TIME THE OFFICE DETERMINES;

in line 10, strike “THE PROVISIONS OF”; in line 11, after “SHALL” insert “**MEET QUARTERLY TO**”; in line 13, after “TRANSPORTATION,” insert “**THE MARYLAND STATE LIBRARY, THE DEPARTMENT OF COMMERCE, THE DEPARTMENT OF AGRICULTURE, THE MARYLAND DEPARTMENT OF HEALTH,**”; in line 15, after “GOVERNMENT” insert “, **INCLUDING THE MARYLAND ASSOCIATION OF COUNTIES AND THE MARYLAND MUNICIPAL LEAGUE,**”; in line 17, after “(E)” insert “**(1)**”; in line 19, after “ON” insert “:

(Over)

(I);

in lines 21, 23, and 25, strike “(1)”, “(2)”, and “(3)”, respectively, and substitute “1.”, “2.”, and “3.”, respectively; in line 24, after “STATE” insert “WITH SPECIFIC REPORTING ON IMPROVEMENTS TO INFRASTRUCTURE, ADOPTION, AND SPEEDS”; in the same line, strike “AND”; and in line 25, after “STATE” insert “; AND”

4. INCREASE SPEEDS TO MEET OR EXCEED THE FEDERAL COMMUNICATIONS COMMISSION STANDARD FOR UPLOAD AND DOWNLOAD SPEEDS;

(II) THE EXISTING GAPS IN CONNECTIVITY AND THE STATE’S PROGRESS TOWARD CLOSING THOSE GAPS;

(III) THE IMPACT THAT GAPS IN INTERNET SERVICE HAVE ON THE WORKFORCE AND STATE AND LOCAL ECONOMIES;

(IV) INFORMATION FROM LOCAL EDUCATION AGENCIES ON THE IMPACT OF INTERNET SERVICE QUALITY ON STUDENT ACHIEVEMENT AND ACCESS TO 21ST CENTURY OPPORTUNITIES;

(V) DEMOGRAPHIC DATA ON LOCATIONS WITH GAPS IN SERVICES; AND

(VI) THE ALLOCATION OF MONEY FROM, AND PROGRAMS SUPPORTED BY, THE DIGITAL INCLUSION FUND, THE DIGITAL CONNECTIVITY FUND, AND THE RURAL BROADBAND ASSISTANCE FUND IN THE PRECEDING FISCAL YEAR.

(2) THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE PUBLISHED ON THE WEBSITE ESTABLISHED UNDER SUBSECTION (A)(4) OF THIS SECTION".

AMENDMENT NO. 4

On page 7, after line 25, insert:

"6.5-105.

(A) IN THIS SECTION, "FUND" MEANS THE DIGITAL INCLUSION FUND.

(B) THERE IS A DIGITAL INCLUSION FUND.

(C) THE PURPOSE OF THE FUND IS TO PROVIDE A COMPETITIVE GRANT PROGRAM TO SUPPORT CAPACITY BUILDING FOR LOCAL GOVERNMENTS AND NONPROFIT ORGANIZATIONS SEEKING TO CLOSE THE DIGITAL DIVIDE IN MARYLAND BY FURTHERING ACCESS TO HIGH-SPEED INTERNET AND TO IMPLEMENT PROGRAMS TO EXPAND DIGITAL LITERACY.

(D) (1) THE OFFICE SHALL ADMINISTER THE FUND.

(2) THE OFFICE SHALL WORK WITH OTHER OFFICES WITHIN THE DEPARTMENT AND THE DEPARTMENT OF COMMERCE TO ADOPT REGULATIONS SPECIFYING:

(I) PROCEDURES FOR APPLYING FOR FINANCIAL ASSISTANCE; AND

(II) PRIORITIES FOR ALLOCATING, SELECTING, AND DISTRIBUTING FINANCIAL ASSISTANCE FROM THE FUND.

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(E) (1) THE FUND IS A CONTINUING, NONLAPSING SPECIAL FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(F) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED BY THE STATE TO THE FUND;

(2) FINANCIAL ASSISTANCE PROVIDED TO THE STATE BY THE FEDERAL GOVERNMENT FOR THE FUND;

(3) INTEREST EARNINGS; AND

(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) (1) THE FUND MAY BE USED ONLY TO DISTRIBUTE GRANTS NOT TO EXCEED \$500,000 TO LOCAL GOVERNMENTS AND NONPROFIT CORPORATIONS THAT ARE WORKING TO FURTHER THE GOALS OF THE OFFICE, INCLUDING:

(I) PROVIDING TRAINING TO RESIDENTS IN THE USE OF DIGITAL TOOLS;

(II) ENHANCING THE CAPACITY OF COMMUNITIES TO ACCESS GOVERNMENT SERVICES, PARTICIPATE IN CIVIC MATTERS, AND PURSUE EDUCATIONAL OPPORTUNITIES;

(III) RESEARCHING POPULATIONS WITH LOW ADOPTION RATES FOR HOME INTERNET AND COMPUTERS; AND

(IV) OTHER DIGITAL INCLUSION OR EQUITY GOALS IDENTIFIED IN THE STATEWIDE PLAN.

(2) MONEY IN THE FUND MAY NOT BE USED FOR INCREASING BROADBAND INTERNET INFRASTRUCTURE.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

6.5-106.

(A) IN THIS SECTION, "FUND" MEANS THE DIGITAL CONNECTIVITY FUND.

(B) THERE IS A DIGITAL CONNECTIVITY FUND.

(Over)

(C) THE PURPOSE OF THE FUND IS TO ASSIST IN THE ESTABLISHMENT AND EXPANSION OF AFFORDABLE BROADBAND COMMUNICATION SERVICES IN DISCONNECTED AREAS AND COMMUNITIES IN THE STATE.

(D) (1) THE OFFICE SHALL ADMINISTER THE FUND.

(2) THE OFFICE SHALL ADOPT APPLICATION PROCEDURES FOR GRANTS DISTRIBUTED FROM THE FUND.

(3) THE OFFICE SHALL WORK WITH OTHER OFFICES WITHIN THE DEPARTMENT AND THE DEPARTMENT OF COMMERCE TO ADOPT REGULATIONS SPECIFYING:

(I) PROCEDURES FOR APPLYING FOR FINANCIAL ASSISTANCE; AND

(II) PRIORITIES FOR ALLOCATING, SELECTING, AND DISTRIBUTING FINANCIAL ASSISTANCE FROM THE FUND.

(E) (1) THE FUND IS A CONTINUING, NONLAPSING SPECIAL FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(F) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED BY THE STATE TO THE FUND;

(2) FINANCIAL ASSISTANCE PROVIDED TO THE STATE BY THE FEDERAL GOVERNMENT FOR THE FUND;

(3) INTEREST EARNINGS; AND

(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED ONLY TO DISTRIBUTE COMPETITIVE GRANTS:

(1) FOR PLANNING, CONSTRUCTION, AND MAINTENANCE OF BROADBAND COMMUNICATION SERVICES, EQUIPMENT, AND ACTIVITIES; AND

(2) TO PROVIDE FINANCIAL ASSISTANCE TO LOCAL GOVERNMENTS TO EXPAND HIGH-SPEED INTERNET ACCESS IN DISCONNECTED COMMUNITIES IN THE STATE.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

[5-1102.] 6.5-107.

(a) There is a Rural Broadband Assistance Fund in the Department.

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(b) The purpose of the Fund is to assist in the establishment of broadband communication services in rural and underserved areas of the State.

(c) The [Department] OFFICE shall administer the Fund.

(d) (1) The Fund is a special, nonlapsing fund that is not subject to [reversion under] § 7-302 of the State Finance and Procurement Article.

(2) The Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(e) The Fund consists of:

(1) money appropriated in the State budget to the Fund;

(2) money appropriated in the State budget to the Maryland Economic Development Assistance Fund under [Subtitle 3 of this title] **TITLE 5, SUBTITLE 3 OF THE ECONOMIC DEVELOPMENT ARTICLE** for the purpose of assisting in the establishment of broadband communication services in rural and underserved areas of the State;

(3) federal money allocated or granted to the Fund;

(4) **INTEREST EARNINGS**; and

[(4)] (5) any other money from any source accepted for the benefit of the Fund.

(f) The Fund may be used only for planning, construction, and maintenance of broadband communication services and equipment in rural and underserved areas and related activities.

(g) (1) The Treasurer shall invest the money in the Fund in the same manner as other State money may be invested.

(2) Any [investment] INTEREST earnings of the Fund shall be credited to the [General] Fund [of the State].

(h) The [Department] OFFICE shall make payments from the Fund within 30 days after notice of a decision of the MARYLAND RURAL BROADBAND COORDINATION Board under § 13-504(3) of [this article] THE ECONOMIC DEVELOPMENT ARTICLE.

Article – State Finance and Procurement

6-226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

128. the Michael Erin Busch Sports Fund; [and]

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129. the Coordinated Community Supports Partnership Fund;

130. THE RURAL BROADBAND ASSISTANCE FUND;

131. THE DIGITAL INCLUSION FUND; AND

132. THE DIGITAL CONNECTIVITY FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That nothing in this Act shall be construed to preclude the Governor from developing a commission to coordinate efforts to establish high-speed Internet for all Marylanders.”;

and in lines 29 and 30, in each instance, strike “Digital Inclusion” and substitute “Statewide Broadband”.

On page 8, in lines 9, 18, 25, 30, and 35, strike “5.”, “6.”, “7.”, “8.”, and “9.”, respectively, and substitute “6.”, “7.”, “8.”, “9.”, and “10.”, respectively; after line 8, insert:

“SECTION 5. AND BE IT FURTHER ENACTED, That nothing in this Act shall be construed to reduce the annual allocation of funds for rural broadband infrastructure expansion under the Office of Statewide Broadband.”;

in line 27, strike “Digital Inclusion” and substitute “Statewide Broadband”; in lines 32 and 33, strike “Digital Inclusion” and substitute “Statewide Broadband”; and strike beginning with “shall” in line 35 down through “2021” in line 36 and substitute “is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. It shall remain effective through June 30, 2030, and,

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at the end of June 30, 2030, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect”.