

Chapter 74

(Senate Bill 66)

AN ACT concerning

**Department of Housing and Community Development – Office of ~~Digital~~
Inclusion Statewide Broadband – Established
(Digital Connectivity Act of 2021)**

FOR the purpose of establishing the Office of ~~Digital Inclusion~~ Statewide Broadband in the Department of Housing and Community Development; establishing the purpose of the Office; requiring the Governor to appoint the Director of the Office; providing that the Director serves at the pleasure of the Governor and reports to certain individuals; requiring the Director to work closely with certain officials for certain purposes; establishing the duties of the Office; requiring the Office to offer funding and technical assistance through certain partnerships to help local governments and certain entities qualify for federal funding opportunities; requiring the Office to work with a certain unit to initiate a broadband funding structure under a certain provision of law; requiring the Office to prepare and submit a certain plan to the Governor and the General Assembly, on or before a certain date; requiring the Office to solicit input from certain stakeholders in preparing the plan; requiring the Office to collaborate with certain units of State and local government in carrying out certain provisions of this Act; requiring the Office to make a certain annual report on or before a certain date; ~~repealing provisions of law concerning the Rural Broadband Assistance Fund and the Rural Broadband Coordination Board;~~ 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 Digital Inclusion Fund, the Digital Connectivity Fund, and the Rural Broadband Assistance 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 Department Office; ~~repealing a requirement regarding the distribution of funds from the Rural Broadband Assistance Fund;~~ establishing the intent of the General Assembly that a certain individual serve as the first Director of the Office; establishing that the Office of ~~Digital Inclusion~~ Statewide Broadband is the successor of the Office of Rural Broadband within the Department; providing for the meaning of the names and titles of certain agencies and officials in certain laws, executives orders, rules, regulations, policies, and documents; providing that nothing in this Act affects the terms of office of certain members of certain units; providing that a certain individual shall remain for the balance of a certain term except under

certain circumstances; providing for the validity, termination, completion, consummation, and enforcement of certain transactions, employment statuses, rights, duties, and interests; requiring that a certain successor unit be considered in all respects as having the powers and obligations granted the former unit, under certain circumstances; requiring the continuity of certain units to be retained; requiring certain properties, appropriations, credits, assets, liabilities, and obligations to be continued in a certain manner; for certain fiscal years, requiring the Governor to include a certain appropriation in the annual budget bill for a certain purpose; defining certain terms; making conforming changes; providing for the construction of this Act; making this Act an emergency measure; and generally relating to broadband Internet service and the creation of the Office of ~~Digital Inclusion~~ *Statewide Broadband*.

BY repealing

~~Article – Economic Development~~

~~Section 5-1101 and 5-1102 and the subtitle “Subtitle 11. Rural Broadband Assistance Fund”; and Section 13-501 through 13-506 and the subtitle “Subtitle 5. Rural Broadband Coordination Board”~~

~~Annotated Code of Maryland~~

~~(2018 Replacement Volume and 2020 Supplement)~~

BY repealing and reenacting, with amendments, and transferring

Article – Economic Development

Section 5-1102

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

to be

Article – Housing and Community Development

Section ~~6.6-107~~ 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)

BY adding to

Article – Housing and Community Development

Section 6.5-101 through ~~6.5-104~~ 6.5-107 to be under the new title “Title 6.5. Office of ~~Digital Inclusion~~ *Statewide Broadband*”

Annotated Code of Maryland

(2019 Replacement Volume and 2020 Supplement)

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)
(As enacted by Chapter 20 of the Acts of the General Assembly of 2020 and Chapters
4, 8, 25, 28, 33, and 36 of the Acts of the General Assembly of 2021)

BY adding to

Article – State Finance and Procurement
Section 6–226(a)(2)(ii)130., 131., and 132.
Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)

Preamble

WHEREAS, The General Assembly recognizes the importance of the Internet as the most transformative technology of modern life, a key stimulus for socioeconomic opportunity and development, and a prerequisite for social and economic inclusion; and

WHEREAS, High–quality broadband Internet service creates new jobs, attracts new industries, expands markets for new and existing businesses, enables Marylanders to better access educational opportunities and resources, facilitates delivery of health care services, and protects public safety; and

WHEREAS, Increased deployment of broadband Internet services and infrastructure will improve long–term quality of life for all Marylanders and will ensure that the State remains economically competitive both locally and globally; and

WHEREAS, Maryland is committed to enabling the development of a statewide digital communications infrastructure by encouraging continued private investment and where necessary, through public investment, public–private partnerships, and cooperatives to meet the growing demand for reliable, high–speed, universal, and affordable broadband access in the key sectors of public safety, education, health care, and transportation for all Marylanders; and

WHEREAS, By advancing digital literacy and universal access among Marylanders, the State will help eradicate the inequalities in adoption, knowledge, and skills needed to effectively use and communicate through various digital platforms and tools, ultimately enabling the acquisition of skills and knowledge necessary for digitally inclusive communities; and

WHEREAS, A ~~growing~~ digital divide between Marylanders who have the ability and means to use broadband Internet services and those who do not exacerbates preexisting inequality in the State; and

WHEREAS, The Governor established the Office of Rural Broadband in 2017 through Executive Order, and the Office is doing important work to provide Internet access and connectivity to certain residents in more rural parts of the State; and

WHEREAS, There are Marylanders in every county of the State who are unable to adequately use broadband Internet today, or who are unaware of the utility and benefits of broadband Internet; and

WHEREAS, It is necessary to establish an office that will work not only with rural jurisdictions but with every county in the State; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, ~~That Section(s) 5-1101 and 5-1102 and the subtitle "Subtitle 11. Rural Broadband Assistance Fund"; and Section(s) 13-501 through 13-506 and the subtitle "Subtitle 5. Rural Broadband Coordination Board" of Article Economic Development of the Annotated Code of Maryland be repealed.~~

~~SECTION 2. AND BE IT FURTHER ENACTED,~~ That the Laws of Maryland read as follows:

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

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

Article – Housing and Community Development

TITLE 6.5. OFFICE OF ~~DIGITAL INCLUSION~~ STATEWIDE BROADBAND.

6.5–101.

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “DIRECTOR” MEANS THE DIRECTOR OF THE OFFICE OF ~~DIGITAL INCLUSION~~ STATEWIDE BROADBAND.

(C) “OFFICE” MEANS THE OFFICE OF ~~DIGITAL INCLUSION~~ STATEWIDE BROADBAND.

6.5–102.

(A) THERE IS AN OFFICE OF ~~DIGITAL INCLUSION~~ STATEWIDE BROADBAND IN THE DEPARTMENT.

(B) THE PURPOSE OF THE OFFICE IS TO ENSURE THAT EVERY RESIDENT OF THE STATE:

(1) IS SUPPORTED IN THE ADOPTION OF RELIABLE, UNIVERSAL, HIGH-QUALITY BROADBAND INTERNET SERVICE AT AN AFFORDABLE PRICE; AND

(2) HAS THE TOOLS NECESSARY TO USE THE INTERNET AND TAKE ADVANTAGE OF INTERNET RESOURCES.

6.5–103.

(A) THE GOVERNOR SHALL APPOINT THE DIRECTOR OF THE OFFICE.

(B) THE DIRECTOR:

(1) SERVES AT THE PLEASURE OF THE GOVERNOR; AND

(2) REPORTS TO BOTH THE SECRETARY AND THE GOVERNOR.

(C) THE DIRECTOR SHALL WORK CLOSELY WITH THE SECRETARY OF COMMERCE AND THE STATE SUPERINTENDENT OF SCHOOLS TO HARMONIZE THE EFFORTS OF THE OFFICE WITH THE ECONOMIC DEVELOPMENT ASPECTS OF DIGITAL INFRASTRUCTURE AND WITH THE NEEDS OF LOCAL EDUCATION AGENCIES.

6.5–104.**(A) THE OFFICE SHALL:**

(1) DEVELOP DEFINITIONS AND STANDARDS FOR BROADBAND INTERNET THAT:

(I) ADDRESS CURRENT AND FUTURE REQUIREMENTS AND USES BY COMMUNITIES, BUSINESSES, SCHOOLS, HEALTH CARE PROVIDERS, AND OTHER STAKEHOLDERS; ~~AND~~

(II) REFLECT THE NEED FOR A FORWARD–LOOKING, STATEWIDE DIGITAL COMMUNICATIONS INFRASTRUCTURE; AND

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

(2) (I) COLLECT PROMOTIONAL AND NONPROMOTIONAL PRICING DATA DIRECTLY FROM BROADBAND INTERNET PROVIDERS; AND

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

(3) CREATE A STATEWIDE AUDIT OF THE AVAILABILITY, RELIABILITY, AND AFFORDABILITY OF BROADBAND INTERNET SERVICES IN EVERY COUNTY, WHICH SHALL INCLUDE:

(I) NETWORK PERFORMANCE METRICS, INCLUDING INFORMATION ON DATA TRANSFER SPEEDS, NETWORK THROUGHPUT, AND NETWORK LATENCY;

(II) A DATA–BASED EVALUATION, USING A VARIETY OF DATA COLLECTION METHODS INCLUDING COMMUNITY SURVEYS AND TARGETED OUTREACH TO TRADITIONALLY UNDERREPRESENTED COMMUNITIES, OF THE REASONS THAT CERTAIN RESIDENTS AND BUSINESSES DO NOT HAVE ACCESS TO BROADBAND INTERNET SERVICES; AND

(III) DEMOGRAPHIC INFORMATION REGARDING COMMUNITIES WHERE BROADBAND INTERNET SERVICES ARE UNAVAILABLE OR UNAFFORDABLE;

(4) CREATE A ~~PUBLIC MAP THAT SHOWS, WITH GRANULARITY~~ 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:

(I) WHICH ~~RESIDENTS~~ RESIDENCES DO AND DO NOT HAVE ACCESS TO BROADBAND INTERNET; AND

(II) BROADBAND INTERNET SERVICE PRICES AND PLANS AVAILABLE IN DIFFERENT AREAS; AND

(III) OTHER AVAILABLE STATE GEOGRAPHIC AND DEMOGRAPHIC DATA;

(5) COLLECT, ANALYZE, AND PUBLICLY SHARE:

(I) GEOGRAPHIC AND DEMOGRAPHIC DATA REGARDING HOUSEHOLDS THAT RELY ON MOBILE BROADBAND FOR INTERNET SERVICE, BASED ON THE UNDERSTANDING THAT MOBILE BROADBAND IS NOT A SUBSTITUTE FOR IN-HOME FIXED INTERNET SERVICES; ~~AND~~

(II) DATA REGARDING THE ADOPTION AND AFFORDABILITY OF RELIABLE BROADBAND INTERNET IN THE STATE, INCLUDING THE AVERAGE COST PER AVERAGE SPEED BY COUNTY; AND

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

(6) ASSIST AND SUPPORT LOCAL JURISDICTIONS IN THEIR EFFORTS TO IMPROVE ACCESS TO BROADBAND INTERNET, INCLUDING THROUGH THE DEVELOPMENT AND DEPLOYMENT OF TRAINING PROGRAMS TO INCREASE RESIDENTS' DIGITAL LITERACY;

(7) WORK WITH LOCAL JURISDICTIONS AND ECONOMIC DEVELOPMENT ORGANIZATIONS TO IDENTIFY AREAS WITH A DEMAND FOR BETTER INTERNET SERVICE;

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

~~(8)~~ (9) IDENTIFY AND COORDINATE THE DELIVERY OF RESOURCES TO LOCAL JURISDICTIONS FOR THE IMPROVEMENT OF ACCESS TO BROADBAND INTERNET, INCLUDING BY:

(I) IDENTIFYING SOURCES OF FUNDS THAT CAN BE USED TO EXPAND ACCESS TO BROADBAND INTERNET; ~~AND~~

(II) ASSISTING LOCAL JURISDICTIONS TO APPLY FOR AND RECEIVE FUNDS FOR EXPANDING ACCESS TO BROADBAND INTERNET; 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;

~~(9)~~ (11) INVESTIGATE ~~AND~~, IDENTIFY, AND EVALUATE NEW TECHNOLOGIES THAT WOULD INCREASE THE AVAILABILITY OF BROADBAND INTERNET SERVICE IN THE STATE;

~~(10)~~ (12) IDENTIFY OPPORTUNITIES FOR PRODUCTIVE PARTNERSHIPS THAT WOULD ENABLE THE SHARING OF RESOURCES AND FURTHER THE GOAL OF EXPANDING ACCESS AND CONNECTION TO BROADBAND INTERNET SERVICE;

~~(11)~~ (13) DEVELOP RECOMMENDATIONS REGARDING POLICIES, REGULATIONS, OR LEGISLATION TO IMPROVE THE AVAILABILITY OF AND ACCESS TO BROADBAND INTERNET SERVICES IN THE STATE;

~~(12)~~ (14) REVIEW EXISTING LAWS, POLICIES, AND REGULATIONS REGARDING ACCESS TO THE RIGHTS-OF-WAY AND EASEMENTS OF PUBLIC UTILITIES AND RECOMMEND ANY CHANGES THE OFFICE ~~DEEMS~~ CONSIDERS NECESSARY TO ENCOURAGE THE DEPLOYMENT OF BROADBAND INTERNET;

~~(13)~~ (15) SUPPORT EFFORTS TO INCREASE THE DIGITAL LITERACY OF RESIDENTS, NONPROFIT ORGANIZATIONS, AND BUSINESS OWNERS; AND

~~(14)~~ (16) COLLABORATE WITH LOCAL EDUCATION AGENCIES AND COMMUNITY COLLEGES TO ENSURE THAT STUDENTS HAVE THE ABILITY TO CONNECT TO BROADBAND INTERNET THAT ALLOWS FOR FULL ENGAGEMENT IN REMOTE LEARNING WITHOUT DISRUPTIVE LAGGING AND PERIODIC DISCONNECTION.

(B) (1) THROUGH PARTNERSHIPS WITH LOCAL JURISDICTIONS, LIBRARY SYSTEMS, ANCHOR INSTITUTIONS, AND THE PRIVATE SECTOR, THE OFFICE SHALL OFFER FUNDING AND TECHNICAL ASSISTANCE TO HELP LOCAL GOVERNMENTS AND PRIVATE ENTITIES:

(I) QUALIFY FOR FEDERAL FUNDING OPPORTUNITIES; AND

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

(2) TO COMPLEMENT OTHER SOURCES OF FUNDING, THE OFFICE SHALL WORK WITH THE COMMUNITY DEVELOPMENT ADMINISTRATION TO INITIATE A BROADBAND FUNDING STRUCTURE UNDER § 4-229 OF THIS ARTICLE.

(C) (1) ON OR BEFORE JULY 1, 2022, THE OFFICE SHALL:

(I) PREPARE A STATEWIDE PLAN TO:

1. ENSURE 98% CONNECTIVITY TO UNIVERSAL, AFFORDABLE, RELIABLE BROADBAND INTERNET BY A DATE NOT LATER THAN DECEMBER 31, 2025;

2. ENSURE THAT EVERY RESIDENT OF THE STATE HAS THE ABILITY TO CONNECT TO UNIVERSAL, AFFORDABLE, RELIABLE BROADBAND INTERNET THAT EXCEEDS THE FEDERAL COMMUNICATIONS COMMISSION STANDARD FOR UPLOAD AND DOWNLOAD SPEEDS BY A DATE NOT LATER THAN DECEMBER 31, 2029, AS DETERMINED BY THE OFFICE 2026; AND

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

(II) SUBMIT THE PLAN TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

(2) ~~THE~~ IN PREPARING THE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE OFFICE SHALL:

(I) SOLICIT INPUT FROM A DIVERSE RANGE OF STAKEHOLDERS, INCLUDING LIBRARIES AND WORKFORCE DEVELOPMENT BOARDS IN PREPARING THE PLAN REQUIRED UNDER THIS SUBSECTION;

(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.

(D) IN CARRYING OUT ~~THE PROVISIONS OF~~ THIS SECTION, THE OFFICE SHALL MEET QUARTERLY TO COLLABORATE WITH THE APPROPRIATE UNITS OF STATE GOVERNMENT, INCLUDING THE DEPARTMENT OF INFORMATION TECHNOLOGY, THE STATE DEPARTMENT OF EDUCATION, THE STATE DEPARTMENT OF TRANSPORTATION, THE MARYLAND STATE LIBRARY, THE DEPARTMENT OF COMMERCE, THE DEPARTMENT OF AGRICULTURE, THE MARYLAND DEPARTMENT OF HEALTH, AND THE DEPARTMENT OF PLANNING, AND THE APPROPRIATE UNITS OF LOCAL GOVERNMENT, INCLUDING THE MARYLAND ASSOCIATION OF COUNTIES AND THE MARYLAND MUNICIPAL LEAGUE, TO ENSURE THAT EFFORTS TO EXPAND AND ENHANCE BROADBAND INTERNET SERVICES ARE COORDINATED STATEWIDE.

(E) (1) ON OR BEFORE DECEMBER 1, 2021, AND EACH YEAR THEREAFTER, THE OFFICE SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON:

(I) THE PROGRESS OF THE STATE'S EFFORTS TO:

~~(1)~~ 1. DEVELOP AND IMPLEMENT THE PLAN REQUIRED UNDER SUBSECTION (C) OF THIS SECTION;

~~(2)~~ 2. INCREASE ACCESS AND CONNECTION TO BROADBAND INTERNET SERVICES THROUGHOUT THE STATE WITH SPECIFIC REPORTING ON IMPROVEMENTS TO INFRASTRUCTURE, ADOPTION, AND SPEEDS; AND

~~(3)~~ 3. IMPROVE DIGITAL LITERACY AMONG RESIDENTS OF THE STATE; 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 ~~AND~~, 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.

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.

(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.

(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.

(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]

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 ~~3~~ 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.

SECTION ~~3~~ 4 3. AND BE IT FURTHER ENACTED, That:

(a) It is the intent of the General Assembly that the individual serving as Director of the Office of Rural Broadband on the effective date of this Act shall become the first Director of the Office of ~~Digital Inclusion~~ *Statewide Broadband*.

(b) The Office of ~~Digital Inclusion~~ *Statewide Broadband* is the successor of the Office of Rural Broadband within the Department of Housing and Community Development.

(c) In every law, executive order, rule, regulation, policy, or document created by an official, an employee, or a unit of this State, the names and titles of those agencies and officials mean the names and titles of the successor agency or official.

SECTION ~~4~~ 5 4. AND BE IT FURTHER ENACTED, That nothing in this Act affects the term of office of an appointed or elected member of any commission, office, department, agency, or other unit. An individual who is a member of a unit on the effective date of this Act shall remain for the balance of the term to which appointed or elected, unless the member sooner dies, resigns, or is removed under provisions of law.

SECTION ~~6~~ 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*.

SECTION ~~5~~ 7 6. AND BE IT FURTHER ENACTED, That any transaction or employment status affected by or flowing from any change of nomenclature or any statute amended by this Act and validly entered into or existing before the effective date of this Act and every right, duty, or interest flowing from a statute amended by this Act remains valid after the effective date of this Act and may be terminated, completed, consummated, or enforced as required or allowed by any statute amended by this Act as though the amendment had not occurred. If a change in nomenclature involves a change in name or designation of any State unit, the successor unit shall be considered in all respects as having the powers and obligations granted the former unit.

SECTION ~~6~~ 8 7. AND BE IT FURTHER ENACTED, That:

(1) the continuity of every commission, office, department, agency, or other unit is retained; and

(2) the personnel, records, files, furniture, fixtures, and other properties and all appropriations, credits, assets, liabilities, and obligations of each retained unit are

continued as the personnel, records, files, furniture, fixtures, properties, appropriations, credits, assets, liabilities, and obligations of the unit under the laws enacted by this Act.

SECTION ~~7. 9.~~ 8. AND BE IT FURTHER ENACTED, That letterhead, business cards, and other documents reflecting the renaming of the Office of Rural Broadband to be the Office of ~~Digital Inclusion~~ *Statewide Broadband* may not be used until all letterhead, business cards, and other documents already in print and reflecting the name of the Office before the effective date of this Act have been used.

SECTION ~~8. 10.~~ 9. AND BE IT FURTHER ENACTED, That for fiscal year 2022, and for each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation in an amount sufficient to employ two employees in the Office of ~~Digital Inclusion~~ *Statewide Broadband* in addition to any employees assigned to the Office of Rural Broadband on the effective date of this Act.

SECTION ~~9. 11.~~ 10. AND BE IT FURTHER ENACTED, That this Act ~~shall take effect July 1, 2021~~ 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, 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.

Approved by the Governor, April 13, 2021.