



HOUSE BILL 387: Growing G.R.E.A.T.

**This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.**

2019-2020 General Assembly

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|-----------------------|---------------------------------------|---------------------|----------------------------------|
| Committee: | Senate Appropriations/Base Budget | Date: | October 1, 2019 |
| Introduced by: | Reps. Arp, Szoka, Lewis, Hunter | Prepared by: | Matthew Meinig Staff Attorney |
| Analysis of: | PCS to Second Edition H387-CSMQa-4 | | |

OVERVIEW: This bill would enact various changes to the Growing Rural Economies with Access to Technology (GREAT) program which provides grants for expansion of broadband access in rural areas of the State.

BILL ANALYSIS: The PCS to House Bill 387 does the following, which is consistent with what is included in House Bill 966 of the 2019 Regular Session:

Section 1: Makes various definitional and procedural changes for grant applicants and participants. Significant changes include:

- Requirement that a broadband provider with a reserved federally funded project area submit documentation to the Broadband Infrastructure Office (Office) demonstrating that the project has commenced or completed.
- Requirement that an applicant submit specific data to the Office identifying specific locations that are proposed to be served in the grant application and that the applicant bears the burden of proving that the proposed technology to be employed can serve the proposed number of households at the proposed minimum download and upload speeds.
- Allows the Office to provide an applicant information relating to ineligible areas, however that information is not considered a public record under G.S. 132-1.
- Clarifies procedures for the Office to receive and hear protests, including the ability to conduct speed tests.
- Makes changes to the scoring model to enable the Office to maximize the number of unserved households that will be served by awarded grants.
- Allows multiple projects within the same county if funds remain after top applications have been awarded a grant. The sum of all projects within a single county cannot exceed two million dollars (\$2,000,000).

Sections 2, 3, & 4: Expands the GREAT program to tier two counties, beginning in July 1, 2020. No more than one-third of funds appropriated to the GREAT program in a fiscal year can be awarded to a tier two county. Beginning in July 1, 2021, no more than half of funds appropriated to the GREAT program in a fiscal year can be awarded to a tier two county.

Section 5: Allows the Office to utilize up to one percent (1%) of funds appropriated to the GREAT program in a fiscal year for administrative purposes.

Kory Goldsmith
Director



Legislative Drafting
919-733-6660

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Section 6: Directs the Department of Administration and the Broadband Infrastructure Office, in collaboration with the Office of the Attorney General, the land grant universities, and various industry stakeholders, to develop a streamlined approval process for collocation of broadband equipment on State-owned property pursuant to G.S. 146-29.2. The Department of Administration is directed to report to the Joint Legislative Oversight Committee on Information Technology and Fiscal Research on or before December 1, 2019.

Section 7: Transfers and appropriates the sum of fifteen million dollars (\$15,000,000) for the GREAT program.

Section 8: In the event H966 becomes law, the provisions of this act will be superseded and repealed.

EFFECTIVE DATE: Except as otherwise provided in the act, the act becomes effective July 1, 2019.