WEST virginia legislature

2021 THIRD EXTRAORDINARY session

Engrossed

Senate Bill 3039

By Senators Blair (Mr. President), Azinger, Baldwin, Boley, Maroney, Plymale, Stollings, Takubo, Tarr, Trump, and Weld

[Originating in the Committee on Rules; reported on October 19, 2021]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §31G-1A-7, relating to creating the Broadband Development Fund; providing for the administration of the fund, sources of funding for the fund, and the purposes for expenditures from the fund; authorizing expenditures from the fund from collections and pursuant to legislative appropriations; and requiring certification of projects to Joint Committee on Government and Finance prior to expenditures.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1A. OFFICE OF BROADBAND.

§31G-1A-7. Broadband Development Fund.

(a) The Broadband Development Fund is hereby created in the State Treasury. The fund shall be administered by the Secretary of the Department of Economic Development and shall consist of all moneys made available for the purposes of this article from any source, including, but not limited to, all gifts, grants, bequests or transfers from any source, any moneys that may be appropriated to the fund by the Legislature, and all interest or other return earned from investment of the fund. Expenditures from the fund shall be for the purposes set forth in subsection (b) of this section and are not authorized from collections but are to be made only in accordance with appropriation by the Legislature and in accordance with the provisions of §12-3-1, *et seq.* of this code and upon the fulfillment of the provisions set forth in §11B-2-1, *et seq.* of this code: *Provided*, That for the fiscal year ending June 30, 2022, expenditures are authorized from collections rather than pursuant to an explicit appropriation by the Legislature. Any balance, including accrued interest and other returns, remaining in the fund at the end of each fiscal year shall not revert to the General Revenue Fund but shall remain in the fund and be expended as provided by this section.

(b) Moneys of the Broadband Development Fund may only be expended for the following purposes:

(1) Expenses for the administration of the Office of Broadband;

(2) Line extension advancement and development projects, including expansion of existing fiber and cable networks;

(3) Major broadband project strategies, including new networks or major expansions of existing networks;

(4) GigReady incentive projects, including a state incentive for ISP and local governments and organizations to pool some of their federal American Rescue Plan Act allocations or other local funding; and

(5) Wireless Internet Networks, including expansions or upgrades of existing fixed wireless networks.

(c) Except funds expended for the administration of the Office of Broadband, moneys of the Broadband Development Fund may only be expended for projects authorized by subsection (b) of this section that have been certified to the Joint Committee on Government and Finance by the Director of the Office of Broadband or the Secretary of the Department of Economic Development prior to making the expenditures.

(d) There is hereby created in the State Treasury a fund known as the Broadband Middle Mile Fund. The fund shall be administered by and under the control of the Office of Broadband. Expenditures from the fund shall be for the purposes set forth in this section and are to be made only in accordance with appropriation by the Legislature and in accordance with the provisions of §11B-2-1 *et seq*. of this code.

(1) The fund shall consist of moneys appropriated by the Legislature. The amount appropriated shall be transferred to the fund to be used solely for the purposes provided by this section.

(2) Expenditures from the fund shall be for the purposes of constructing middle mile fiber broadband to unserved and unfunded areas on the broadband availability map as so designated by the Office of Broadband and pursuant to this code: *Provided,* That if a broadband project is funded solely with public money, the project shall be an open access project.