

HCS HB 1872 -- MISSOURI RURAL BROADBAND DEVELOPMENT

SPONSOR: Johnson

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Special Committee on Innovation and Technology by a vote of 12 to 1. Voted "Do Pass" by the Rules- Administrative Oversight Committee by a vote of 13 to 0.

This bill establishes a grant program within the Department of Economic Development to expand broadband Internet access to unserved and under-served parts of Missouri. Grants may be awarded to fund the acquisition and installation of middle-mile and last-mile infrastructure that support Internet speeds of at least 10 megabits per second download and one megabit per second upload. Grants may be provided to corporations, incorporated businesses or partnerships, nonprofit organizations, cooperative associations, and political subdivisions.

The department is directed to develop certain application procedures for the grant program, while other procedural time lines are already provided, and the grant application's requirements are specified in the bill. The department shall give priority to applications for broadband service projects in unserved areas, and may give priority to under-served areas in limited circumstances. Any grant awarded under the bill may not fund more than 50% of the total cost of a broadband service project, and no single project shall be awarded grants that cumulatively exceed \$5 million. The department is also directed to report annually on the participation in the grant program, and any results thereof.

PROPOSERS: Supporters say that the bill is based on a successful rural broadband expansion plan from Minnesota. The bill would create a broadband development grant program to address the 61% of rural Missourians, representing more than one million individuals, who do not have access to reliable broadband services.

Testifying for the bill were Representative Johnson; Association of Missouri Electric Cooperatives; BJ Tanksley, Missouri Farm Bureau; Missouri Cattlemen's Association; and Missouri Chamber of Commerce and Industry.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say rural broadband access is a national issue, and access to capital is one of the biggest impediments to resolving the issue. Legislators should encourage programs that are technologically neutral and policies that do not disincentive private investment, but also consider whether they

want to prioritize broadband speed or reliability.

Testifying on the bill were Century Link; Missouri Telecommunications Industry Association; Missouri Cable Telecom Association; and Missouri Small Telephone Company Group.