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**HOUSE BILL 1606**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Representatives Dye, Hudgins, Mosbrucker, Smith, Tarleton, and Eslick

1 AN ACT Relating to the authority of the community economic  
2 revitalization board with respect to loans and grants to political  
3 subdivisions and federally recognized Indian tribes for broadband;  
4 adding a new section to chapter 43.160 RCW; and creating a new  
5 section.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature recognizes that high-speed  
8 internet connectivity through broadband is essential to support:  
9 Educational opportunity; innovations in the provision of education,  
10 public safety, and health care; and business growth. The legislature  
11 also finds that open-access dark fiber networks create a public  
12 platform that bolsters the private sector's ability to provide  
13 broadband internet access to communities for which access was  
14 previously cost-prohibitive. Therefore, to efficiently and  
15 sustainably expand access to broadband throughout Washington, this  
16 act establishes a grant and loan program through the community  
17 economic revitalization board for local governments and federally  
18 recognized Indian tribes to develop open-access dark fiber networks.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.160  
20 RCW to read as follows:

1 (1) The definitions in this subsection apply throughout this  
2 section unless the context clearly requires otherwise.

3 (a) "Broadband" means dark fiber, open access networks.

4 (b) "Local governments" includes cities, towns, counties,  
5 municipal corporations, public port districts, quasi-municipal  
6 corporations, and special purpose districts.

7 (2) Subject to the availability of amounts appropriated for this  
8 specific purpose, the board is authorized to make broadband loans and  
9 grants to local governments and to federally recognized Indian tribes  
10 for the purposes of financing the cost to build infrastructure to  
11 provide high-speed, open-access broadband service for the purpose of  
12 economic development or community development. However, no more than  
13 fifty percent of all financial assistance approved by the board in  
14 any biennium may consist of grants to local governments and federally  
15 recognized Indian tribes.

16 (3) An application for funding must be made in the form and  
17 manner as the board may prescribe. In making grants or loans, the  
18 board must conform to the following requirements:

19 (a) The board may not provide financial assistance:

20 (i) For a project where the primary purpose is to facilitate or  
21 promote gambling; and

22 (ii) For equipment or facilities that would enable a public  
23 entity to provide retail telecommunications services or services that  
24 the entity is not authorized by statute to provide;

25 (b) The board may provide financial assistance for projects that  
26 encourage, foster, develop, and improve broadband within the state in  
27 order to:

28 (i) Drive job creation, promote innovation, and expand markets  
29 for local businesses; or

30 (ii) Serve the ongoing and growing needs of local education  
31 systems, health care systems, public safety systems, industries,  
32 businesses, governmental operations, and citizens;

33 (c) An application must be approved by: (i) The local government  
34 and supported by the local associate development organization or  
35 local workforce development council; or (ii) the governing body of  
36 the federally recognized Indian tribe;

37 (d) The board may allow de minimis general system improvements to  
38 be funded if they are critically linked to the viability of the  
39 project;

1           (e) When evaluating and prioritizing projects, the board must  
2 give consideration, at a minimum, to the following factors:  
3           (i) The project's value to the community, including evidence of  
4 support from affected local businesses and government;  
5           (ii) The project's feasibility, using standard economic  
6 principles;  
7           (iii) The commitment of local matching resources and local  
8 participation;  
9           (iv) The project's inclusion in a capital facilities plan,  
10 comprehensive plan, or local economic development plan consistent  
11 with applicable state planning requirements; and  
12           (v) The project's readiness to proceed.  
13           (4) A responsible official of the local government or the  
14 federally recognized Indian tribe must be present during board  
15 deliberations and provide information that the board requests.  
16           (5) Before any financial assistance application is approved, the  
17 local government or the federally recognized Indian tribe seeking the  
18 assistance must demonstrate to the board that no other timely source  
19 of funding is available to it at costs reasonably similar to  
20 financing available from the board.

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