



Bill Draft 2019-MQa-144A: Satellite Broadband Grants.

2019-2020 General Assembly

Committee:	House Select Committee on COVID-19 Economic Support Workgroup	Date:	May 26, 2020
Introduced by:		Prepared by:	Matthew Meinig Staff Attorney
Analysis of:	2019-MQa-144A		

OVERVIEW: *The bill draft would create a new grant program within the Department of Information Technology (DIT) for satellite-based broadband providers.*

BILL ANALYSIS: The bill draft would appropriate \$2.5 million from the General Fund to a newly created Satellite-Based Broadband Grant Fund. The new grant program, within DIT, would be for satellite-based broadband providers. The grant program features are summarized as follows:

- DIT will award grants to satellite-based broadband providers that propose the provision of broadband to the greatest number of households, with a priority to those projects that propose provision to “significantly unserved” census tracts.
- Satellite-based providers awarded a grant may receive up to \$250, annually, per unserved household that subscribes to broadband service. No more than \$500 awarded for a single unserved household.
- A household must have broadband access for at least 83% of the year to be eligible for a grant award to the provider. Grant awards are issued annually by calculating the months of broadband service for each unserved household.
- Grant recipients must enter into an agreement with DIT that requires reporting of various metrics and the provision of broadband service for at least 5 years at the same speed and subscription cost identified in the grant application.
- DIT cannot exceed \$2.5 million in annual grant award liability in any given calendar year and cannot exceed \$4 million in total aggregate liability for all grants in the program.

EFFECTIVE DATE: The grant program would become effective when it becomes law and the recurring \$2.5 million appropriation would become effective July 1, 2020.

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Legislative Drafting
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