

GENERAL ASSEMBLY OF NORTH CAROLINA



**SPECIAL PROVISIONS**  
**HOUSE APPROPRIATIONS, INFORMATION TECHNOLOGY REPORT**

**MAY 14, 2025**

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GENERAL ASSEMBLY OF NORTH CAROLINA

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2025-DIT-H2(S40.1)-P

Department of Information Technology  
House Appropriations, Information Technology

**BROADBAND FUND FLEXIBILITY**

**SECTION 40.1.(a)** G.S. 143B-1373.2 is repealed.

**SECTION 40.1.(b)** G.S. 143B-1374 is repealed.

**SECTION 40.1.(c)** The Department of Information Technology shall use funds appropriated for the Growing Rural Economies with Access to Technology program for fixed wireless and satellite broadband grants, established in G.S. 143B-1373.2 to award grants to eligible entities to purchase installation materials for satellite internet service. Installation materials must be for the grantee's own use and not for distribution to other parties. No portion of funds granted under this section shall be used for internet service subscriptions. The Department shall prioritize grant applicants that will deploy installation materials in one of the 39 counties designated as a disaster area due to Hurricane Helene. The Department may also give priority to grantees that offer emergency services, disaster relief, educational services, or economic development.

**SECTION 40.1.(d)** For the purposes of this section, an eligible entity is one of the following:

- (1) A State agency.
- (2) A local government entity.
- (3) A volunteer fire department.
- (4) An anchor point, as that term is defined in G.S. 117-18.1(d)(1).

**SECTION 40.1.(e)** The Department of Information Technology may provide emergency funding to communications services providers to rebuild, repair, or replace broadband infrastructure damaged by Hurricane Helene, including costs already incurred for rebuilding, repairing, or replacing broadband infrastructure, provided that all of the following apply:

- (1) An applicant for funding under this section shall only be permitted to recovery costs that are not subject to reimbursement from another source of external funding, including insurance.
- (2) The Department may cap reimbursement at a portion of the costs incurred based upon evaluation of considerations, such as the number of applications anticipated compared to funds available.
- (3) Priority shall be given to restoration of broadband service.

**SECTION 40.1.(f)** The Department may use up to fifty million dollars (\$50,000,000) of the funds available from the Broadband Make Ready Accelerator appropriation in S.L. 2021-180 for the emergency funding described in subsection (e) of this section. Funds shall be used in compliance with applicable federal guidelines associated with the use of federal funds. The Department may use its emergency procurement authority provided in 09 NCAC 06B .1302 to procure any goods or services in accordance with this section and shall document the request for funding, the emergency situation or need, the area to be served, and the community's need for the procurement.

**SECTION 40.1.(g)** Section 38.15 of S.L. 2021-180, as enacted by Section 16.1(a) of S.L. 2022-6, reads as rewritten:

1       **"SECTION 38.15.** Except as otherwise ~~provided,~~provided and after the intent of the original  
2 appropriation has been satisfied to the extent practicable, the Department of Information  
3 Technology shall have flexibility to transfer funding between the programs outlined in Section  
4 38.4, Section 38.5, and Section 38.6 of this ~~act, so long as the total allocations for the programs~~  
5 ~~remain the same.act."~~

6               **SECTION 40.1.(h)** The Department of Information Technology, working with the  
7 North Carolina Pandemic Recovery Office in the Office of State Budget and Management, shall  
8 ensure that all federal laws, regulations, and guidance, including reporting requirements, are  
9 followed in the reallocation of funding between projects funded with federal State Fiscal  
10 Recovery Funds described in this section.

11               **SECTION 40.1.(i)** Subsection (c) of this section becomes effective June 30, 2025,  
12 and the remainder of this section becomes effective July 1, 2025.

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2025-DIT-H3(S40.2)

Department of Information Technology  
House Appropriations, Information Technology

***CHANGES TO THE BROADBAND POLE REPLACEMENT PROGRAM***

**SECTION 40.2.(a)** Section 38.10 of S.L. 2021-180, as amended by Section 16.4 of S.L. 2022-6, reads as rewritten:

**"BROADBAND ACCELERATION**

...

**"SECTION 38.10.(b)** The Broadband Pole Replacement Program (hereinafter "Program") is hereby established for the purpose of speeding and facilitating the deployment of broadband service to individuals, businesses, agricultural operations, and community access points in unserved areas by reimbursing a portion of eligible pole replacement costs incurred by communications service providers. A communications service provider who pays or incurs the costs of removing and replacing an existing ~~pole-pole~~, or placing facilities underground to better protect the critical infrastructure from natural disasters, in connection with a qualified project may apply to the Department for reimbursement in an amount equal to fifty percent (50%) of eligible pole replacement costs paid or incurred by the applicant or ten thousand dollars (\$10,000), whichever is less, for each pole ~~replaced-replaced~~ or, in the case of placing facilities underground, fifty percent (50%) of such costs.

...

**"SECTION 38.10.(g)** A pole owner shall promptly review a request for access, perform surveys, provide estimates and final invoices, and complete, or require the completion by other attaching entities of, any make-ready work necessary for purposes of offering broadband service in an unserved area. A pole owner shall provide a good-faith estimate for any make-ready costs to the communications service provider within 60 days after receipt of a complete application for access. If requested by the communications service provider, the pole owner shall provide accompanying documentation indicating the basis of all estimated fees or other charges, including, but not limited to, administrative costs, that form the basis of its estimate. A good-faith estimate shall remain valid for 14 days. To accept a good-faith estimate, a communications service provider must provide the pole owner with written acceptance and payment of the good-faith estimate. Make-ready work shall be conditioned upon payment of the good-faith estimate and shall be completed within a reasonable time frame mutually agreed to by the communications service provider and the pole owner. A pole owner may treat multiple requests from a single communications service provider as one application for access when the requests are filed within 90 days of one another. A pole owner may deviate from the time limits specified in this subsection during performance of make-ready work for good and sufficient cause that renders it infeasible to complete make-ready work within the time limits specified in this subsection. Any deviation from the time limits specified in this subsection shall extend for a period no longer than necessary. A communications service provider shall promptly be notified, in writing, of the reason for a deviation and the new completion date estimate. A communications service provider shall provide notice, in writing, to the pole owner no later than 14 days after attaching equipment to a pole in an unserved area. This subsection shall not apply to poles owned by a utility.

1       **"SECTION 38.10.(h)** A party subject to a dispute arising under subsection (g) of this section  
2 may invoke the dispute procedures authorized in G.S. 62-350 in the same manner as a party  
3 seeking resolution of a dispute under G.S. 62-350(c), and the Utilities Commission shall issue a  
4 final order resolving the dispute within 120 days of the date the proceedings were initiated;  
5 provided, however, the Commission may extend the time for issuance of a final order for good  
6 cause and with the agreement of all parties. In such a dispute, the Commission shall apply the  
7 provisions of this section notwithstanding any contrary provisions of any existing agreement.  
8 This subsection shall not apply to poles owned by a utility.

9       **"SECTION 38.10.(i)** No later than 60 days after the date funds are appropriated to the  
10 Program special fund, and on a quarterly basis thereafter, the Department shall maintain and  
11 publish on its website all of the following:

- 12           (1) The number of applications for reimbursement received, processed, and  
13               rejected, including the reasons applications were rejected.
- 14           (2) The amount of each reimbursement, the total number of reimbursements, and  
15               the status of any pending reimbursements.
- 16           (3) The estimated remaining balance in the Program special fund.

17       **"SECTION 38.10.(j)** The following definitions apply in this section:

- 18       ...
- 19           (4) Eligible pole replacement cost. – The actual and reasonable costs paid or  
20               incurred by a party after June 1, 2021, to (i) remove and replace a pole,  
21               including the amount of any expenditures to remove and dispose of the  
22               existing pole, purchase and install a replacement pole, and transfer any  
23               existing facilities to the new ~~pole-pole~~ or (ii) place facilities, including lines,  
24               conduit, and related equipment, underground to better protect the critical  
25               infrastructure from natural disaster. The term includes costs paid or incurred  
26               by the party responsible for the costs of a pole replacement to reimburse the  
27               party that performs the pole replacement. The term does not include costs that  
28               the party incurs initially that have been reimbursed to the party by another  
29               party ultimately responsible for the costs.
  - 30           (5) Pole. – Any pole used, wholly or partly, for any wire communications or  
31               electric distribution, irrespective of who owns or operates the ~~pole-pole,~~  
32               including poles owned by a utility.
  - 33           (6) Pole owner. – A city or cooperatively organized entity that owns utility poles.
  - 34           (7) Qualified project. – A project undertaken by a communications service  
35               provider ~~that is not affiliated with a pole owner~~ seeking to provide or, due to  
36               natural disaster or other force majeure event, restore, temporarily or  
37               permanently, qualifying internet access service on a retail basis to one or more  
38               households, businesses, agricultural operations, or community access points  
39               in an unserved or underserved area. The project may be affiliated with a  
40               cooperatively organized entity that owns utility poles but shall not be affiliated  
41               with a city that owns utility poles. A pole owner whose affiliate seeks  
42               reimbursement for a qualified project shall not pass through the costs for  
43               which reimbursement is sought to unaffiliated communications service  
44               providers and shall schedule and perform all work in a nondiscriminatory  
45               fashion.
  - 46       ...
  - 47           (9) Unserved area. – An area in which, according to the most recent map of fixed  
48               broadband internet access service made available by the Federal  
49               Communications Commission, fixed, terrestrial broadband service at speeds  
50               of at least 25 megabits per second download and at least 3 megabits per second  
51               upload is unavailable at the time the communications service provider

1 requests access. An unserved area also includes an area that was previously  
2 served but has become unserved due to damage or destruction by a natural  
3 disaster. A pole or underground installation shall be presumed to be located in  
4 an unserved area if the pole is located in an area that is the subject of a federal  
5 or State grant to deploy broadband service, the conditions of which limit the  
6 availability of a grant to unserved areas or, in the case of a damaged or  
7 destroyed facility, was in such an area when the facility was originally  
8 constructed.

9 (10) Utility. – As defined by 47 U.S.C. § 224.

10 ...."

11 **SECTION 40.2.(b)** This section is effective when it becomes law. Funds  
12 encumbered for expenses incurred as of June 1, 2021, prior to the effective date of this section  
13 shall remain eligible for reimbursement.

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Session 2025

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SPECIAL PROVISION



2025-DIT-H4-P

Department of Information Technology  
House Appropriations, Information Technology

Requested by

***DATA ANALYTICS POSITIONS REPORT***

**SECTION #.** On or before March 1, 2026, the Department of Information Technology shall submit a report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on the five analytics and data interpretation positions provided in S.L. 2021-180, including how the positions have assisted in the building of capacity across State government and management of resources more effectively, and a list of projects initiated or completed for each affected State agency.

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2025-DIT-H7-P

Department of Information Technology  
House Appropriations, Information Technology

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***DIT RATE INCREASES/INTERNAL SERVICE FUND***

**SECTION #.** For any increases to rates charged to State agencies during the 2025-2027 fiscal biennium, the Department of Information Technology shall give agencies a credit from funds available in the Internal Service Fund (Code 74660) in an amount equal to the estimated amount of increase relative to the rates assessed during the 2024-2025 fiscal year.



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2025-DIT-H8-P

Department of Information Technology  
House Appropriations, Information Technology

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***FUNDS FOR REGIONAL BROADBAND REPAIRS AND REDUNDANCY***

**SECTION #.(a)** Notwithstanding any provision of G.S. 143B-1373 or any other provision of law to the contrary, from funds available in the Growing Rural Economies with Access to Technology fund, established in G.S. 143B-1373(b), the Department of Information Technology shall provide thirteen million nine hundred nineteen thousand three hundred thirty dollars (\$13,919,330) in the form of a grant to MCNC, a nonprofit organization, for projects to repair and establish regional redundancy to fiber networks impacted in the western part of the State in the Pisgah and Nantahala National Forests that have an estimated completion later than December 31, 2026.

**SECTION #.(b)** From funds available in the Broadband Make Ready Accelerator appropriation in S.L. 2021-180, the Department of Information Technology shall provide twenty-nine million four hundred ninety-two thousand two hundred eighty-eight dollars (\$29,492,288) in the form of a grant to MCNC, a nonprofit organization, for the projects to rebuild and reinforce fiber networks impacted in the western part of the State and that are likely to be completed before December 31, 2026.