Broadband and the effort to eliminate the digital divide continues to be a legislative priority for state and federal policymakers. The digital divide is the gap between those who have access to high-speed internet and devices and those who do not. In the 2021 legislative session, 47 states, the District of Columbia and Puerto Rico have introduced more than 650 bills addressing broadband issues. Of those bills, at least 175 focus on funding. Nearly 50 funding bills have been enacted to date. For example:

California **AB 128**

- Provides $439 million one-time funding to support library infrastructure grants for maintenance, capital projects, broadband technology and for purchasing of devices. The budget also includes $6 million one-time funds to support the Library Broadband Connectivity Initiative, which provides grants to connect rural and under-sourced public libraries to upgrade equipment to support high-speed connectivity. The bill also provides $35 million one-time funding to support local library projects to expand broadband access and upgrade equipment to access high-speed connectivity in isolated and under-served communities through a collaborative partnership with libraries, local education agencies and telehealth providers.

Nebraska **LB 388**

- Adopts the Nebraska Broadband Bridge Act and creates a fund.

New Hampshire **SB 85**

- Establishes the broadband matching grant initiative and fund in the office of strategic initiatives. The bill also includes contingent provisions to establish the initiative within the department of energy.

Louisiana **HB 648**

- Establishes a grant program known as the Granting Unserved Municipalities Broadband Opportunities program, referred to as the GUMBO program, to be administered by the office of broadband development and connectivity in the division of administration.

New Mexico **HB 10**

- Enacts the Connect New Mexico Act; creates the Connect New Mexico Council; establishes duties; establishes the Connect New Mexico Council as a co-coordinator of state broadband programs with the department of information technology or a state broadband planning entity established by other law; establishes the Connect New Mexico Fund; provides for grants; requires reports; raises the levels of disbursement for broadband from the state rural universal service fund.

Texas **HB 1505**

- Among other provisions, the bill establishes the Texas Broadband Pole Replacement Program to speed the deployment of broadband services to individuals in rural areas by reimbursing a portion of eligible pole replacement costs incurred by pole owners or providers of qualifying broadband services.
In March, President Joe Biden signed the $1.9 trillion American Rescue Plan Act (ARPA), the latest federal stimulus bill to aid public health and economic recovery from the COVID-19 pandemic, supplementing state general fund appropriations. The act included $350 billion in emergency funding for state, local and territorial and tribal governments, known as the Coronavirus State and Local Fiscal Recovery Funds. States may use the funds to make investments to expand access to broadband internet, including creating dedicated broadband funds and grant programs. ARPA follows the Coronavirus Aid, Relief and Economic Security (CARES) Act, enacted in 2020, in which Congress included $150 billion in direct assistance for state governments, local and tribal governments. Known as the Coronavirus Relief Funds (CRF), each state received a minimum allocation of $1.25 billion and local governments with a population of at least 500,000 were eligible for direct payments. Under the CARES Act, states and other government recipients were authorized to use their CRF to expand broadband capacity for distance learning and telework if they were necessary for the public health emergency.

In its rulemaking to implement the Coronavirus State and Local Fiscal Recovery Funds, the U.S. Treasury Department provides that the state broadband investments must be made in areas that are currently unserved or underserved, defined as lacking a wireline connection that reliably delivers minimum speeds of 25 megabits per second (Mbps) download and three Mbps upload. States are also encouraged to prioritize projects that achieve last-mile connections to households and businesses. When deciding on how to use the ARPA funds, the U.S. Treasury urges that states should build broadband infrastructure with modern technologies in mind, specifically those projects that deliver services offering reliable 100 Mbps download and 100 Mbps upload speeds, unless impracticable due to topography, geography or financial cost and states are encouraged to pursue fiber optic investments.

As of July, nine states—California, Colorado, Hawaii, Indiana, Kentucky, Maryland, Montana, Vermont and Washington—have allocated ARPA funds for broadband through legislation. Here are examples of how states are utilizing their portion of the Coronavirus State and Local Fiscal Recovery Funds for broadband purposes:

**California AB 164**

- Provides for the allocation of $4.4 billion out of a three-year total of $6 billion in funding to increase broadband accessibility and affordability (CSFRF and General Fund).

**California SB 156**

- Implements the broadband provisions contained in the 2021 Budget Act package, including AB 164. Creates a structure and framework for the construction of a $3.25 billion state-owned open-access middle mile broadband infrastructure through a third-party administrator overseen by the Department of Technology. Amends the existing Broadband Infrastructure Grant Account program to allocate funds for last mile expenditures, including $1.072 billion ($522 million CSFRF and $550 million from the Coronavirus Capital Projects Fund).
Colorado HB 1289

- Creates the Digital Inclusion Grant Program to be administered by the Colorado Broadband Office. During the 2020-21 state fiscal year, the broadband office shall award: (i) grants totaling up to $20 million to one or more Indian tribes or nations for the purpose of deploying additional infrastructure on tribal lands and providing devices to Indian tribes or nations; and (ii) grants totaling up to $15 million to one or more providers of telehealth services. Requires the Colorado Broadband Office to submit a written report to the governor and the general assembly’s joint budget committee and joint technology committee regarding the broadband office’s implementation of the grant program.

Colorado SB 60

- Implements an income-eligible household reimbursement program for telehealth services to provide financial assistance for income-eligible households to access broadband service as part of the Digital Inclusion Grant Program.

Hawaii HB 1191

- Allocates $5 million to establish the broadband infrastructure grant program within the department of business, economic development, and tourism to award grants to applicants to extend deployment of infrastructure used to provide broadband service to unserved and underserved areas of the state. To be eligible for a grant, an applicant shall: (1) Commit to paying a minimum of 60% of the total project costs out of the applicant’s own funds; and (2) Be a non-governmental entity with demonstrated experience in providing broadband service, broadband infrastructure, or other communication services to residential customers within the state.

Maryland HB 588

- Allocates $300 million of federal stimulus funds for broadband initiatives, including the deployment of infrastructure and subsidized devices and services for low-income households to be managed by the Office of Statewide Broadband created in SB 66.

Montana HB 632, American Rescue Plan Appropriations

- Provides $275 million for communications projects related to broadband, cell towers or public safety. Requires local governments to provide matching funds.

Montana SB 297

- Implements the communications projects in the American Rescue Plan Appropriations Act. Establishes the Montana Broadband Infrastructure Accounts, establishes the Montana Broadband Deployment Program and provides a proposal process.
Vermont **HB 315**

- Provides $1.8 million for a broadband infrastructure program to assist communications union districts with preconstruction costs and general support services, $1.6 million for the COVID-Response Line Extension Customer Assistance Program and $1.6 million to extend the COVID-19 Temporary Broadband Lifeline Program.

For additional information regarding the ways states are utilizing the Coronavirus State and Local Fiscal Recovery Funds, please review the NCSL database, [ARPA State Fiscal Recovery Fund Allocations](https://www.ncsl.org/research/coronavirus-response/arpa-state-fiscal-recovery-fund-allocations.aspx).

**NCSL Contact:**

[Heather Morton](mailto:Heather.Morton@ncsl.org), (303) 856-1475