

One Hundred Seventh Legislature - First Session - 2021

Introducer's Statement of Intent

LB456

Chairperson: Senator Curt Friesen

Committee: Transportation and Telecommunications

Date of Hearing: February 08, 2021

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 456 creates the Nebraska Enhancing Broadband Act within the Department of Economic Development. The Act provides \$10 million in grants and loans annually to increase access to high speed broadband across the state.

Eligible areas to receive the grants and loans are prioritized into three categories; (1) unserved areas that have not been targeted for a project, (2) unserved areas that are receiving federal support for construction that will not be completed within 24 months, and (3) underserved areas that have developed a broadband and digital inclusion plan.

The Act offers a challenge process if a provider has begun construction in the proposed project area at speeds equal to or greater than 100/20 Mbps, or the provider commits to complete construction in the proposed area at speeds equal to or greater than 100/20 Mbps no later than 18 months after the grant or loan awards are made.

Recipients of the grant must provide broadband speeds of 100 Mbps/100 Mbps or greater, matching funds equal to at least 50% of the development costs for grants, matching funds equal to at least 25% of development costs for loans, and complete the project within 18 months. The Department may permit one extension of up to six months upon request and for good cause. If the project is not completed within the time frame, a percentage of the grant must be repaid for each month the project is extended.

After completion of a project, recipients will be required to conduct a speed test as determined by the Department of Economic Development, which may request assistance from the Public Service Commission in verifying the results. If the broadband network does not provide scalable speeds of 100/100 Mbps, the recipient must pay back the grant or loan. The return of grant or loan money is enforced by the Attorney General, and any grant or loan recipient may be audited by the Auditor of Public accounts to ensure the grant or loan is being spent in accordance with the Act.

The Act also creates the Nebraska Enhancing Broadband Fund, which shall consist of money appropriated by the Legislature and federal funds received for broadband enhancement purposes.

Principal Introducer: _____

Senator Curt Friesen