### SECOND REGULAR SESSION

# **HOUSE BILL NO. 1872**

## 99TH GENERAL ASSEMBLY

#### INTRODUCED BY REPRESENTATIVE JOHNSON.

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D. ADAM CRUMBLISS, Chief Clerk

## **AN ACT**

To amend chapter 620, RSMo, by adding thereto one new section relating to the Missouri rural broadband development fund.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be known as section 620.2610, to read as follows:

620.2610. 1. There is hereby created in the state treasury the "Missouri Rural Broadband Development Fund", which shall consist of appropriated moneys, gifts, contributions, grants, or bequests made to the fund. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys in the fund shall be used solely for the administration of this section.

- 2. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.
- 3. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.
- 4. The Missouri rural broadband development fund shall be used by the department of economic development with the primary goal of developing broadband internet access in rural areas of the state. For the purposes of this section, "rural areas" shall mean any county except a county of the first classification with a charter form of government or a city not within a county. The department of economic development shall

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establish a committee consisting of no fewer than three but no more than five persons for the purpose of reviewing grant applications. Such committee shall have the power to disperse broadband infrastructure development grants. The department shall establish rules of procedure for the committee.

- 5. Applications for broadband infrastructure development grants shall be submitted for a rural regional development group only by a regional planning commission created under chapter 251 or other legally created regional planning commission. A regional planning commission may submit applications on behalf of more than one rural regional development group; except that, a regional planning commission shall not submit an application on behalf of a group that the regional planning commission does not recognize as the economic development authority for the county that the authority represents.
- 6. A rural regional development group shall not qualify for a broadband infrastructure development grant if:
- (1) The group's region includes a county outside the state of Missouri or portion of another state; or
- (2) The group maintains an operating budget greater than two hundred fifty thousand dollars.
- 7. The regional planning commission may charge an application fee for the grants developed under this section. The regional planning commission shall be allowed to claim reimbursement from the grant recipients for actual costs of administering the grants.
- 8. A single grant shall not exceed one hundred fifty thousand dollars. Each of the nineteen regions of the state represented by a regional planning commission created under chapter 251 or other legally created regional planning commission shall not receive more than two grants per region annually.
- 9. Grants provided under this section shall be distributed based on a rural regional development group's years in operation. The eligible amount shall be:
- (1) For a group in operation two years or more, on a matching basis of three dollars of state funds for every one dollar of funds provided or raised by the rural regional development group, including the value of in-kind services, supplies, or equipment; and
- (2) For groups in operation less than two years, on a matching basis of one dollar of state funds for every one dollar of funds provided or raised by the rural regional development group, including the value of in-kind services, supplies, or equipment.
- 10. The grant recipient shall annually report the allocation of the grants and the purposes for which the funding was used to the governor; the director of the department of economic development; the senate committee on commerce, consumer protection, energy

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 and the environment; the house committee on economic development; the house committee on utilities; and any successor committees thereto.

11. The department of economic development may promulgate rules and regulations for the administration of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2018, shall be invalid and void.

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