

HCS HB 1162 -- RURAL BROADBAND ACCESS FUNDING

SPONSOR: Riggs

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Utilities by a vote of 13 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 8 to 0.

This bill requires the Department of Economic Development to maintain a record of all federal grants awarded to entities for the purposes of providing, maintaining, and expanding rural broadband in the state of Missouri. In cases in which funds have been retained, withheld or not distributed due to failure to meet performance standards or other criteria, the department must seek to have the funds awarded to another eligible, qualified Missouri broadband provider.

PROPONENTS: Supporters say that the bill would keep grant funds in Missouri instead of returning the funds to the federal government to reallocate. This would ensure that funds remain in the state to bring broadband to the rural areas.

Testifying for the bill were Representative Riggs; Association of Missouri Electric Cooperatives; and the Missouri Association of Municipal Utilities.

OPPONENTS: Those who oppose the bill say that the language in the bill is overly broad and would apply to multiple grants. Also, most grant contracts include claw back or other provisions to return funds to the granting agency.

Testifying against the bill was the Missouri Telecommunications Industry Association.

OTHERS: Others testifying on the bill say that there are several federal and local government agencies that fund rural broadband efforts and this bill applies to all of those agencies.

Testifying on the bill was Tim Arbiter, Missouri Department of Economic Development.