

SENATE, No. 3730

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MARCH 20, 2023

Sponsored by:

Senator DOUGLAS J. STEINHARDT

District 23 (Hunterdon, Somerset and Warren)

Senator TROY SINGLETON

District 7 (Burlington)

SYNOPSIS

Establishes Rural Broadband Infrastructure Grant Program in EDA; appropriates \$2.5 million in federal funds.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/30/2023)

1 AN ACT establishing the Rural Broadband Infrastructure Grant
2 Program, supplementing P.L.1974, c.80 (C.34:1B-1 et seq.), and
3 making an appropriation.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 “Authority” means the New Jersey Economic Development
11 Authority, established by section 4 of P.L.1974, c.80 (C.34:1B-4).

12 “Board” means the Board of Public Utilities.

13 “Broadband telecommunications infrastructure” means the same
14 as the term is defined in section 1 of P.L.2007, c.191 (C.40:9D-1).

15 “Broadband telecommunications service” means the same as the
16 term is defined in section 1 of P.L.2007, c.191 (C.40:9D-1).

17 “Fund” means the “Rural Broadband Infrastructure Grant Fund,”
18 established pursuant to section 3 of P.L. , c. (C.) (pending
19 before the Legislature as this bill).

20 “Grant program” means the “Rural Broadband Infrastructure
21 Grant Program,” established pursuant to section 2 of P.L. ,
22 c. (C.) (pending before the Legislature as this bill).

23 “Qualified applicant” means a corporation, limited liability
24 company, partnership, business entity, non-profit organization,
25 political subdivision, or any other entity in the State that is
26 authorized to construct or repair broadband telecommunications
27 infrastructure or provide broadband telecommunications service
28 within the State.

29 “Unserved area” means an area in which customers are without
30 broadband service at speeds of at least 25 megabits per second
31 download and 3 megabits per second upload.
32

33 2. a. The authority, in consultation with the board, shall
34 establish and administer the “Rural Broadband Infrastructure Grant
35 Program” for the purpose of providing grants to qualified applicants
36 for the expansion and improvement of broadband
37 telecommunications infrastructure and the provision of broadband
38 telecommunications service in rural areas of the State.

39 b. To qualify for the grant program, a qualified applicant shall
40 demonstrate to the authority that the qualified applicant:

41 (1) is authorized to construct or repair broadband
42 telecommunications infrastructure or provide broadband
43 telecommunications service within the State;

44 (2) intends to use the grant for a project that will support the
45 expansion and improvement of broadband telecommunications
46 infrastructure or the provision of broadband telecommunications
47 service in rural areas of the State; and

1 (3) meets any other eligibility requirements that the authority
2 may deem appropriate.

3 c. A qualified applicant that seeks assistance under the grant
4 program shall submit an application to the authority in a form and
5 manner prescribed by the authority. In addition to any other
6 information that the authority may deem appropriate, the
7 application shall require the qualified applicant to submit
8 information:

9 (1) demonstrating that the qualified applicant meets the
10 eligibility requirements set forth in subsection b. of this section;

11 (2) demonstrating existing broadband service levels within any
12 rural areas in the State that would be addressed by the proposed
13 project, and identifying any unserved areas within those rural areas;
14 and

15 (3) outlining the anticipated use of the grant.

16 d. The authority may approve applications for the grant
17 program on a rolling basis, subject to the availability of funds in the
18 “Rural Broadband Infrastructure Grant Fund.” The authority shall
19 prioritize applications that address unserved areas.

20 e. Upon approval of an application, the authority shall provide
21 a grant, in the amount determined by the authority, to the qualified
22 applicant to support the costs of undertaking any project that
23 improves broadband telecommunications infrastructure or expands
24 the provision of broadband telecommunications service in rural
25 areas of the State.

26 f. (1) The authority shall award a grant to a qualified
27 applicant in an amount not to exceed \$75,000 per project, provided
28 the qualified applicant shall contribute private capital, in an amount
29 not less than 25 percent of value of the grant, to finance the
30 proposed project. To the extent permitted under federal law, a
31 qualified applicant may use any monies received from the federal
32 “American Rescue Plan Act of 2021,” Pub.L.117-2, to support the
33 required contribution of private capital.

34 (2) The grants shall be utilized for the acquisition, construction,
35 equipment, and site-preparation costs associated with the
36 deployment of broadband telecommunications infrastructure in rural
37 areas of the State or any other purpose related to the provision of
38 broadband telecommunications service in rural areas of the State.

39 g. The authority shall prepare and submit a report on the “Rural
40 Broadband Infrastructure Grant Program” to the Governor, and
41 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the
42 Legislature, and make the report available on the authority’s
43 Internet website, no later 12 months after the first qualified
44 applicant is approved. The report shall include the number of
45 qualified applicants that applied for the grant program, the number
46 and names of the qualified applicants approved for the grant
47 program, the total number of grants distributed, the amount received

1 per qualified applicant, and any other information the authority
2 determines necessary to evaluate the progress of the grant program.

3
4 3. a. The authority shall establish and maintain a non-lapsing
5 revolving fund, known as the “Rural Broadband Infrastructure
6 Grant Fund,” which shall serve as the repository of all monies used
7 to support the grant program.

8 b. All grants provided under section 2 of P.L. , c. (C.)
9 (pending before the Legislature as this bill) shall be issued from
10 monies held in the fund.

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12 4. Notwithstanding any provision of the “Administrative
13 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) or any other
14 law to the contrary, the authority may adopt, immediately upon
15 filing with the Office of Administrative Law and no later than the
16 90th day after the effective date of this act, such rules and
17 regulations as the authority deems necessary to implement the
18 provisions of this act, which regulations shall be effective for a
19 period not to exceed 12 months. The regulations shall, at a
20 minimum, set forth the requirements for application submissions,
21 the criteria for application selections, and the permitted uses of
22 grant proceeds. The regulations shall thereafter be amended,
23 adopted, or readopted by the authority in accordance with the
24 provisions of the “Administrative Procedure Act,” P.L.1968, c.410
25 (C.52:14B-1 et seq.).

26
27 5. Subject to the availability of federal funds provided or made
28 accessible to the State for the expansion and improvement of
29 broadband telecommunications infrastructure or the provision of
30 broadband telecommunications service pursuant to the federal
31 “Infrastructure Investment and Jobs Act,” Pub.L.117–58,
32 \$2,500,000 from such federal funds shall be appropriated to the
33 New Jersey Economic Development Authority for deposit into the
34 “Rural Broadband Infrastructure Grant Fund,” established pursuant
35 to section 3 of P.L. , c. (C.) (pending before the Legislature
36 as this bill).

37
38 6. This act shall take effect immediately.

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41 STATEMENT

42
43 This bill establishes the “Rural Broadband Infrastructure Grant
44 Program” (grant program) within the New Jersey Economic
45 Development Authority (authority) for the purpose of providing
46 grants to qualified applicants for the expansion and improvement of
47 broadband telecommunications infrastructure and the provision of
48 broadband telecommunications service in rural areas of the State.

1 The bill requires the authority, in conjunction with the Board of
2 Public Utilities (board) to establish and administer the grant
3 program. In order to qualify for the grant program, a qualified
4 applicant is required to submit certain information to the authority
5 and demonstrate to the authority that certain criteria is met.

6 As defined by the bill, “qualified applicant” means a corporation,
7 limited liability company, partnership, business entity, non-profit
8 organization, political subdivision, or any other entity in the State
9 that is authorized to construct or repair broadband
10 telecommunications infrastructure or provide broadband
11 telecommunications service within the State.

12 Under the grant program, the authority may approve applications
13 for the grant program on a rolling basis, subject to the availability
14 of funds. However, the authority would be required to prioritize
15 applications that address unserved areas. As defined by the bill,
16 “unserved area” means an area in which customers are without
17 broadband service at speeds of at least 25 megabits per second
18 download and 3 megabits per second upload. Upon approval of an
19 application, the authority would provide a grant, in the amount
20 determined by the authority, to the qualified applicant to support the
21 expansion and improvement of broadband telecommunications
22 infrastructure and the provision of broadband telecommunications
23 service in rural areas of the State.

24 The grants provided under the grant program would be made to a
25 qualified applicant in an amount not to exceed \$75,000 per project,
26 provided the qualified applicant would be required to contribute
27 private capital, in an amount not less than 25 percent of the value of
28 the grant, to finance the proposed project. To the extent permitted
29 under federal law, a qualified applicant may use any monies
30 received from the federal “American Rescue Plan Act of 2021,” to
31 support the required contribution of private capital. Specifically,
32 the bill requires these grants to be utilized for the acquisition,
33 construction, equipment, and site-preparation costs associated with
34 the deployment of broadband telecommunications infrastructure, as
35 well as any other purpose related to the provision of broadband
36 telecommunications service in rural areas of the State.

37 The bill requires the authority to prepare and submit a report on
38 the “Rural Broadband Infrastructure Grant Program” to the
39 Governor and the Legislature within 12 months of the approval of
40 the program’s first qualified applicant and to make the report
41 available on the authority’s Internet website. The report would be
42 required to include the number of qualified applicants that applied
43 for the grant program, the number and names of the qualified
44 applicants approved for the grant program, the total number of
45 grants distributed, the amount received per qualified applicant, and
46 any other information the authority determines necessary to
47 evaluate the progress of the grant program.

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1 The bill also requires the authority to establish and maintain a
2 non-lapsing revolving fund, which would be known as the “Rural
3 Broadband Infrastructure Grant Fund.” The revolving fund would
4 serve as the repository of all monies used to support the grant
5 program.
6 Finally, the bill appropriates \$2.5 million in federal funds to the
7 authority for deposit into the “Rural Broadband Infrastructure Grant
8 Fund.” Specifically, this appropriation would be supported by
9 certain federal monies provided to the State pursuant to the federal
10 “Infrastructure Investment and Jobs Act.”