

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 3086

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 11, 2021

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 3086.

As amended and reported, this bill establishes in the New Jersey Economic Development Authority (EDA) a “Broadband Assistance Office” (broadband office). The broadband office is to be responsible for formulating and executing a comprehensive Statewide policy that fosters the provision of wired broadband service by government or private entities developing a broadband project, or both, if these entities develop a broadband project under a public-private partnership (P3) agreement, and for the development, promotion, coordination, oversight, and approval of a broadband project developed pursuant to the bill. The broadband office, in cooperation with the New Jersey Board of Public Utilities (BPU), is to establish guidelines for the broadband office’s approval, designation, operation, and reporting of a proposed broadband project, including any proposed broadband project developed under a P3 agreement, in a manner determined by the broadband office. The broadband office, in cooperation with the BPU, is to oversee, coordinate, and provide assistance to a broadband project approved by the broadband office. The broadband office is to consult and coordinate with representatives of other State departments, agencies, boards, and authorities, including the BPU and the Office of Information Technology (OIT), as these entities deem necessary and appropriate to accomplish the goals of the bill.

To accomplish the broadband office’s duties and responsibilities, it is to be responsible for certain obligations enumerated in the bill concerning the facilitation of the establishment of broadband projects. In evaluating a proposed broadband project, the broadband office is to consider certain criteria provided in the bill.

The bill establishes in the EDA a separate non-lapsing fund to be known as the “State Broadband Fund” (broadband fund) for use by the broadband office to adequately and properly perform the duties and responsibilities in carrying out the requirements of the bill. The EDA, in consultation with the BPU, is to determine the level of funding and the appropriate administration of the broadband fund. With financial assistance from the BPU and any available funding from federal, State and private entity sources, the EDA is to provide sufficient funding to

the broadband office to enable the broadband office to provide funding for underserved communities to pay for broadband service and for the installation or expanded use of broadband infrastructure for communities that lack broadband access, specifically the portion of a communications infrastructure network that physically reaches the residents' or small business's premises within those communities. The bill allows the EDA, in consultation with the BPU, to seek and accept gifts, donations, grants, or loans from public or private sources, including, but not limited to, any funding provided by the Federal Communications Commission or any funding from a non-profit foundation, specifically for the provision of broadband infrastructure or broadband service, except that the EDA and BPU are not to accept a gift, donation, grant, or loan that is subject to conditions that are inconsistent with any other law of this State.

The bill requires the EDA, in consultation with the BPU, to annually prepare a report to the Governor and the Legislature concerning the number, nature, structure, and scope of each broadband project developed, and whether the broadband project is developed under a P3 agreement. The report is to include certain information provided in the bill. The report is to address any issues related to the implementation the bill, including staffing and resource requirements of the broadband office. The report is to set forth recommendations regarding how the processes and methods adopted to foster the development of broadband projects and any related P3 agreements under the bill may be improved, expanded, or made more efficient.

The committee amended the bill to expand the bill's definition of "broadband internet service infrastructure" to include point-to-point communication connections, to establish the broadband office within the EDA instead of within the BPU, to expand the list of the broadband office's duties and responsibilities, update the findings and declarations section, and to include several defined terms along with edits to grammar and citations.

As amended and reported, Senate Bill No. 3086 is identical to Assembly Bill No. 4808 (1R), which was also amended and reported by the committee on this date.