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To: Vermont Joint Fiscal Committee
From: June E. Tierney, Commissioner, Vermont Department of Public Service
Re: CRF request to adjust per Communications Union District (CUD) Cap for the COVID-Response
Connected Community Resilience Program
Date: November 4, 2020

In accordance with Act 154 (Section B.1108), the Department of Public Service ("Department") requests the following adjustment in CRF rules.

Request for Adjustment – Increase Grant Cap from \$400,000 to \$560,000

Act 154 increased the CARES Act appropriation for the CUD planning grant program in Section 14(a) of Act 137 from \$800,000 to \$2,300,000 and increased the original \$100,000 individual CUD grant cap to \$400,000. The Department requests an increase in this cap to \$560,000 per Communications Union District on an "as needed" basis.

Response to the Pandemic: The purpose of the COVID-Response Connected Community Resilience Program to fund recovery planning efforts of communications union districts, particularly concerning accelerating their deployment schedules. All costs must be directly related to the Communication Union Districts' response to the COVID-19 pandemic either covering unexpected expenses that resulted from the pandemic or providing additional connectivity and/or increasing access to telehealth, remote learning, and remote work

Proposed Use of Reallocation: Two Communications Union Districts have applied for funding for broadband infrastructure projects connecting additional underserved priority addresses in Moretown, Roxbury, Northfield, and Concord. If the \$400,000 cap were raised to\$560,000, these CUDs could expand their projects to serve additional qualifying addresses in their communities. The Department is not requesting an increase in the total funding for this program. Rather, the Department seeks only the flexibility to move some of the already allocated \$2,300,000 funding around to CUDs that are able to make use of more than the \$400,000 presently authorized for each CUD, recognizing there are other Cuds that are likely not able to make full use of their authorized \$400,000 grant allowance.

Confirmation Proposal Complies with CARES ACT CRF Guidelines: As an established program, the TBLS Program has been vetted by both legislative counsel and the Administration's CRF contractor, and has been deemed to comply with CRF guidance

