

Agency of Commerce and Community Development

National Life Building – Davis Building, 6th Floor One National Life Drive Montpelier, VT 05620-0501

accd.vermont.gov

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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 Supplemental Grants for

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COVID-19 Response Emergency Broadband Deployment Construction

Date: November 9, 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 – \$1,120,000 reversion and reallocation pursuant to Section B.1108 of Act 154 as supplemental grants to CUDs. Act 154 increased the CARES Act appropriation for the CUD Community Resiliency planning grant program in Section 14(a) of Act 137 by \$1,500,000 from \$800,000 to \$2,300,000. The Department seeks to revert \$1,120,000 of this funding to the Commissioner of Finance & Management for reallocation as authorized by Section B.1108 of Act 154 to fund supplemental grants to the CUDs to construct emergency broadband infrastructure.

Response to the Pandemic: The purpose of this reversion and reallocation is to increase emergency broadband connectivity so that Vermonters have internet access to send and receive communications about the pandemic, work, participate in remote learning, and access telehealth. All expenditures will be directly related to the CUDs' response to the COVID-19 pandemic, either covering unexpected expenses that resulted from the pandemic or providing additional connectivity that facilitates internet access for Vermonters before 12/30/20 for purposes of telehealth, remote learning, and remote work.

Proposed Use of Reallocation: Through work completed pursuant to the resiliency planning program established under Section 14(a) of Act 137, several CUDs have identified a need for supplemental funding for emergency broadband infrastructure deployment projects that can be completed by 12/30/20. If these CUDs received supplemental grants of \$1,120,000, they could facilitate emergency broadband service during the pandemic to additional qualifying addresses in their communities.

Confirmation Proposal Complies with CARES ACT CRF Guidelines: As evidenced by the connectivity infrastructure construction programs authorized and established pursuant to Section 13 of Act 137, the activities to be funded by these supplemental grants have been vetted by both legislative counsel and the Administration's CRF contractor, and have been deemed to comply with CRF guidance.

