# STATE OF NEW YORK

7229

2025-2026 Regular Sessions

# IN ASSEMBLY

March 21, 2025

Introduced by M. of A. BICHOTTE HERMELYN -- read once and referred to the Committee on Ways and Means

AN ACT to amend the state finance law, in relation to establishing a revolving fund for the establishment of municipal internet service providers; and making an appropriation therefor

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The state finance law is amended by adding a new section 99-m to read as follows:

§ 99-m. Municipal internet service provider revolving loan fund. 1. There is hereby established in the joint custody of the comptroller and the public service commission a fund to be known as the "municipal internet service provider revolving loan fund". Such fund shall consist of moneys made available pursuant to appropriation and any other sources in order to provide support for municipalities attempting to create their own internet service provider.

2. The account shall consist of all moneys appropriated for its purpose, all moneys transferred to such account pursuant to law, and all moneys required by this section or any other law to be paid into or credited to this account, including all moneys received by the account or donated to it, payments of principal and interest on loans made from the account, and any interest earnings which may accrue from the investment or reinvestment of moneys from the account.

3. Moneys of the account, when allocated, shall be available to the public service commission to make loans as provided in this section. Up to five percent of the moneys of the account or two hundred fifty thousand dollars, whichever is less, may be used to pay the expenses, including personal service and maintenance and operation, in connection with the administration of such loans.

4. (a) The public service commission may make, upon application duly made, up to the amounts available by appropriation, loans for any and

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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all costs associated with the creation of a municipally owned broadband internet service provider.

(b) The public service commission shall have the power to make such rules and regulations as may be necessary and proper to effectuate the purposes of this section.

5. (a) Application for loans may be made by a town, village, city or county provided that the application is otherwise consistent with its respective powers. Applications may also be submitted jointly by multiple applicants provided that the application is otherwise consistent with each applicant's respective powers.

(b) Every application shall be in a form acceptable to the public service commission. Every application shall accurately reflect the conditions which give rise to the proposed expenditure and accurately reflect the ability of the applicant to make such an expenditure without the proceeds of a loan under this section.

(c) (i) The public service commission shall give preference to those applications which demonstrate the greatest need, joint applications, and to those applications the proceeds of which will be applied toward attaining compliance with federal and state laws and may disapprove any application which contains no adequate demonstration of need or which would result in inequitable or inefficient use of the moneys in the account.

(ii) In making determinations on loan applications, the public service commission shall assure that loan fund moneys are equitably distributed among all geographical areas of the state.

(d) The public service commission shall, to the maximum extent feasible, and consistent with the other provisions of this section, seek to provide that loans authorized by this section reflect an appropriate geographic distribution, are distributed equitably and encourage regional cooperation.

§ 2. The sum of two hundred fifty million dollars ($250,000,000), or so much thereof as may be necessary, is hereby appropriated from any moneys in the state treasury in the general fund to the credit of the state purposes account for the initial capital of the municipal internet service provider revolving loan fund in carrying out the provisions of this act. Such sum shall be payable on the audit and warrant of the state comptroller on vouchers certified or approved in the manner provided by law. No expenditure shall be made from this appropriation until a certificate of approval of availability shall have been issued by the director of the budget and filed with the state comptroller and a copy filed with the chair of the senate finance committee and the chair of the assembly ways and means committee. Such certificate may be amended from time to time by the director of the budget and a copy of each such amendment shall be filed with the state comptroller, the chair of the senate finance committee and the chair of the assembly ways and means committee.

§ 3. This act shall take effect immediately.