

STATE OF NEW YORK

10476

IN ASSEMBLY

May 29, 2024

Introduced by COMMITTEE ON RULES -- (at request of 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:

1 Section 1. The state finance law is amended by adding a new section
2 99-m to read as follows:

3 § 99-m. Municipal internet service provider revolving loan fund. 1.
4 There is hereby established in the joint custody of the comptroller and
5 the public service commission a fund to be known as the "municipal
6 internet service provider revolving loan fund". Such fund shall consist
7 of moneys made available pursuant to appropriation and any other sources
8 in order to provide support for municipalities attempting to create
9 their own internet service provider.

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

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

23 4. (a) The public service commission may make, upon application duly
24 made, up to the amounts available by appropriation, loans for any and
25 all costs associated with the creation of a municipally owned broadband
26 internet service provider.

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

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

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

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

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

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

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

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

45 § 3. This act shall take effect immediately.