

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:

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

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

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

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

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

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

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

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

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

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

47 § 3. This act shall take effect immediately.