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January 26, 2024

The Honorable Ken Weyler, Chairman  
 Fiscal Committee of the General Court and

His Excellency, Governor Christopher T. Sununu  
 and the Honorable Council  
 State House  
 Concord, New Hampshire 03301

**REQUESTED ACTION**

Pursuant to RSA 14:30-a VI, authorize the Department of Business and Economic Affairs (BEA) to accept and expend \$5,337,621 in American Rescue Plan Act Coronavirus Capital Project Funds for the purpose of improving the State of New Hampshire's broadband infrastructure, effective upon Fiscal Committee and Governor and Council approval through June 30, 2025. **100% Federal Funds**

Funds will be budgeted in the following account:

03-022-022-221510-24410000 - BROADBAND CONNECTIVITY FD ARP

Class	Description	FY24 Current Adjusted Authorized	Requested Action	Revised FY24 Adjusted Authorized
000 - 400338-16	FEDERAL FUNDS	\$ 89,553,450	\$ 5,337,621	\$ 94,891,071
	<b>Total Revenue</b>	\$ 89,553,450	\$ 5,337,621	\$ 94,891,071
020 - 500200	CURRENT EXPENSES	\$ 5,314	\$ 6,000	\$ 11,314
022 - 500248	RENTS-LEASES OTHER THAN STATE	\$ 10,443	\$ 14,000	\$ 24,443
027 - 582703	TRANSFERS TO DoIT	\$ 5,072	\$ -	\$ 5,072
030 - 500301	EQUIPMENT NEW REPLACEMENT	\$ 6,324	\$ -	\$ 6,324
037 - 500172	TECHNOLOGY-HARDWARE	\$ 4,800	\$ -	\$ 4,800
038 - 500177	TECHNOLOGY-SOFTWARE	\$ 1,748	\$ 3,300	\$ 5,048

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039 - 500188	TELECOMMUNICATIONS	\$ 1,945	\$ 1,500	\$ 3,445
040 - 500800	INDIRECT COSTS	\$ 52,364	\$ 47,596	\$ 99,960
041 - 500801	AUDIT FUND SET ASIDE	\$ 96,866	\$ 2,291	\$ 99,157
042 - 500620	ADDITIONAL FRINGE BENEFITS	\$ 23,535	\$ 11,040	\$ 34,575
059 - 500117	TEMP FULL TIME	\$ 141,910	\$ 300,000	\$ 441,910
060 - 500601	BENEFITS	\$ 103,192	\$ 140,000	\$ 243,192
070 - 500704	IN STATE TRAVEL REIMBURSEMENT	\$ 1,828	\$ 12,000	\$ 13,828
072 - 509073	GRANTS FEDERAL	\$ 88,482,500	\$ 187,649	\$ 88,670,149
080 - 500717	OUT OF STATE TRAVEL REIMB	\$ 1,562	\$ 10,000	\$ 11,562
102 - 500731	CONTRACTS FOR PROGRAM SERVICE	\$ 614,047	\$ 4,602,245	\$ 5,216,292
	<b>Total Expenditures</b>	<b>\$ 89,553,450</b>	<b>\$ 5,337,621</b>	<b>\$ 94,891,071</b>

#### EXPLANATION

State of New Hampshire was allocated \$122 million through the American Rescue Plan Act, Coronavirus Capital Projects Fund (CPF), through the United States Treasury, for the purposes of funding broadband infrastructure projects that deliver reliable internet service that meets or exceeds specific upload and download speeds.

Aside from related administrative costs, the State authorized all of these funds for "last mile" broadband infrastructure projects that provide access to highspeed broadband of at least 100 Mbps download and 20 Mbps upload speed, with the expectation of achieving 100 Mbps symmetrical, to unserved and underserved households across New Hampshire, where feasible.

To date, the State has obligated nearly all of its CPF allocation, with BEA having sought authorization for and approval of two rounds of the Broadband Connect Program, which resulted in authorized awards to the New Hampshire Electric Co-op and Consolidated Communications, as well as facilitation of the Broadband Matching Grant Initiative (BMGI) grant program, broadband mapping across the state conducted by the University of New Hampshire, State administrative costs, and engagement of a consulting firm to support administration, oversight, and compliance of use of CPF funds. Funds were authorized by the Fiscal

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Committee on July 22, 2022 (FIS 22-247) and Governor and Council July 27, 2022 (#55) and December 2, 2022 (FIS 22-404) and Governor and Council (#38A).

BEA now seeks to accept and expend the remaining \$5,337,621 of its CPF allocations for the purposes of continuing to fund already executed and authorized contracts and awards, such as the contracts for broadband mapping and consulting services, as well as ongoing administrative costs and potential future awards. For example, for the contracts with UNH for broadband mapping and Guidehouse for consulting services, BEA only initially requested funding for certain fiscal years, as opposed to the full duration of those executed agreements. As previously noted, these requested funds are from within the State's existing CPF allocation.

Funds are budgeted in the expense classes listed as follows:

Class 020 – Current Expenses -Leases - office supplies, paper and printer toner for staff.

Class 022 – Additional Rents -Leases - office space for previously approved positions.

Class 038 - Additional Technology- Software - standard software required for previously approved positions.

Class 039 – Additional Telecommunications – phones and phone lines for previously approved positions.

Class 040 - Indirect Costs - BEA will withdraw funds at the rate of 10% of modified total direct costs; this rate is the approved de minimus rate elected to be used pursuant to 2 CFR 200.414(f) and reported to the Federal Government as the rate to be used for federal grants. All agencies receiving outside funding from any source are required by RSA 21-I:75 to recover a proportional share of the outside funding source to alleviate agency indirect costs.

Class 041 - Audit Fund Set-Aside to comply with RSA 124:16 which requires all agencies which receive federal funds set aside a percentage (0.1%) of federal revenue amount received to pay for financial and compliance audits.

Class 042 – Additional Fringe Benefits – post retirement expenses for staff

Class 059 – Additional Temp Full Time salaries for the following staff: 9T3102 (19-3050 REGIONAL PLANNERS-5) Administrator II and 9T3103 Business Administrator II (13-2030 BUDGET ANALYSTS-3), positions previously approved by the Fiscal Committee (FIS 21-136 on June 8, 2021) and the Governor and Executive Council (#89 on June 16, 2021) through the end of FY2024.

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Class 060 – Additional Benefits - benefits for the two previously approved positions.

Class 070 – Additional In State Travel Reimbursement – mileage incurred for work related activities with regards to inspections, meetings with stakeholders and other in state travel requirements.

Class 072 - Additional Contracts - Contractor for Mapping Services

Class 080 – Additional Out of State Travel Reimbursement – For anticipated Federal meetings.

Class 102- Contracts for Program Services – for the purposes of continuing to fund already executed and authorized contracts and awards

If Federal Funds become no longer available. General Funds will not be requested to support this program.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Taylor Caswell', with a stylized initial 'T' and 'C'.

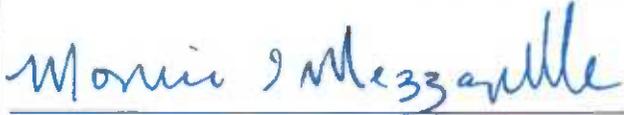
Taylor Caswell  
Commissioner

**Fiscal Situation**  
**FY 2024**  
**03-22-22-221510-24410000, BROADBAND-Capital Projects Fund (CPF)**

Total Federal Authorization		\$ 122,066,151
Less Expenditures thru 6/30/23		\$ 27,175,080
Remaining Authorization to Budget		<u>\$ 94,891,071</u>
Less Current FY24 Budget Authorization		\$ 89,553,450
Total Available for Budgeting		<u>\$ 5,337,621</u>
Available to Budget at a Later Date		\$ -
<b>REQUESTED ACTION</b>		<u><b>\$ 5,337,621</b></u>

Grant Award Number	Award Amount	Expenses to 6/30/23	Balance
CPFFN0143	\$ 122,066,151	\$ 27,175,080	\$ 94,891,071

CORONAVIRUS CAPITAL PROJECTS FUND  
NOTICE OF AWARD  
Signature Page

	
<p>U.S. Department of the Treasury Authorized Representative: Jacob Leibenluft</p> <p>Title: Chief Recovery Officer, Office of Recovery Programs Date signed (Federal Award Date): 2/3/2022</p>	<p>Recipient Authorized Representative: MONICA MEZZAPELLE</p> <p>Title: STATE TREASURER, STATE OF NEW HAMPSHIRE</p> <p>Date signed: 01/27/2022</p>
<p>Treasury Contact Information:</p> <p>U.S. Department of the Treasury – CPF Program 844-529-9527 CapitalProjectsFund@treasury.gov</p>	<p>Recipient Contact Information:</p> <p>RACHEL MILLER CHIEF DEPUTY STATE TREASURER rachel.miller@treasury.nh.gov</p>
	[Signature block for State or Eligible Territory] <sup>1</sup>
Period of Performance Start Date: 2/3/2022	
Period of Performance End Date: December 31, 2026	
Total Amount of the Federal Award: \$122,066,151.00	
Amount of Federal Funds Obligated: \$122,066,151.00	

<sup>1</sup> In the case in which the Recipient is a quasi-governmental entity authorized by state law to receive funds on behalf of the state, an authorized representative of the state or eligible territory will also be required to sign the notice of award, agreeing to comply with and be bound by Section 32 (Liability) of the Award Terms and Conditions.