

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 382  
Economic Matters

(Delegate Fair, *et al.*)

Finance

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Commercial Law - Broadband Access - Low-Income Consumer Programs  
(Maryland Broadband Opportunity and Fairness Act)

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This bill requires each broadband provider serving 10,000 or more customers to report specified information regarding the availability of a low-income consumer program to the Office of Statewide Broadband (OSB) within the Department of Housing and Community Development (DHCD) by November 15, 2027, and annually thereafter. The bill also expands OSB’s duties to account for the bill's requirements.

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**Fiscal Summary**

**State Effect:** DHCD can handle the bill’s requirements with existing resources. Revenues are not affected.

**Local Effect:** The bill is not anticipated to materially affect local government operations or finances.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:**

*Definitions*

“Broadband service” means a mass-market retail service that provides the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of communications services provided by specified telecommunications services. “Broadband service” does not include dial-up service.

“Provider” means a person that provides broadband service to 10,000 or more customers.

### *Filing Requirements*

By November 15, 2027, and annually thereafter, a provider in the State must file with OSB a report including (1) the availability of a low-income consumer program; (2) the number of consumers enrolled in the program; (3) the eligibility criteria for consumers to qualify for the program; (4) the procedures used to verify the eligibility of customers applying for the program; (5) the advertising and marketing efforts undertaken to advertise and promote the availability of the program, including samples of advertising and marketing materials; (6) all broadband service plans offered by the provider, including pricing and broadband speeds; and (7) any other information OSB considers necessary or appropriate.

### *Office of Statewide Broadband Duties*

By December 1, 2027, and annually thereafter, OSB must (1) determine whether the programs are sufficient to meet the needs of low-income consumers in the State, and (2) include in its annual report any recommendations for changes to the eligibility requirements related to low-income consumer programs in the State.

### **Current Law:**

#### *Office of Statewide Broadband*

Chapter 74 of 2021 established OSB within DHCD as the successor to the Office of Rural Broadband and charged OSB with expanded responsibilities relating to planning, data collection, outreach, and intergovernmental coordination. Notably, the Act required OSB to prepare a statewide plan ensuring universal, affordable, reliable broadband Internet connectivity exceeding specified federal standards by December 31, 2026. OSB must annually report to the Governor and the General Assembly on the progress of the State’s efforts to develop and implement the statewide plan, among other things.

Chapter 74 also established (1) the Digital Inclusion Fund, to provide a competitive grant program to support capacity building for local governments and nonprofit organizations seeking to further access to high-speed Internet and implement programs to expand digital literacy and (2) the Digital Connectivity Fund, to assist in the establishment and expansion of affordable broadband communication services in disconnected areas and communities in the State. In addition, the Act transferred the existing Rural Broadband Assistance Fund from the Department of Commerce to OSB. The purpose of the Rural Broadband Assistance Fund is to assist in the establishment of broadband communication services in rural and underserved areas of the State.

## *Federal Broadband, Equity, Access, and Deployment Program*

The federal Infrastructure Investment and Jobs Act of 2021 includes more than \$60 billion in funding nationally for broadband programs. The largest program is the Broadband Equity, Access, and Deployment (BEAD) Program, which provides \$42.5 billion nationally for grants to states, allocated by a formula based on the proportion of unserved locations in each state as well as unserved locations in high-cost areas. In June 2023, the National Telecommunications and Information Administration announced that Maryland's BEAD allocation will total \$267.7 million in addition to \$5.0 million that DHCD already received as a planning grant. More information can be found on the DHCD [website](#).

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** SB 571 (Senator Ellis) - Finance.

**Information Source(s):** Office of the Attorney General (Consumer Protection Division); Department of Housing and Community Development; Department of Legislative Services

**Fiscal Note History:** First Reader - February 10, 2026  
jg/mcr Third Reader - March 23, 2026  
Revised - Amendment(s) - March 23, 2026

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