HLS 21RS-878 REENGROSSED

2021 Regular Session

HOUSE BILL NO. 648

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BY REPRESENTATIVE DESHOTEL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TELECOMMUNICATIONS: Establishes a grant program to be administered by the office of broadband development and connectivity in the division of administration

1 AN ACT

To amend and reenact R.S. 44.4.1(B)(25) and to enact Part VI-C of Chapter 39 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 51:2370.1 through 2370.19, relative to grants for broadband expansion; to provide for the establishment of the grant program; to define terms; to provide requirements for area protection; to provide a procedure for application; to allow for public comment; to allow for protest; to allow for judicial review of a protest decision; to provide for consultation; to provide conditions for the scoring process; to require fund matching; to provide requirements for compliance; to mandate forfeiture of funds for failure to perform; to provide for the receipt and disbursement of federal grant funds; to require reports; to allow for an administration fee; to require the legislative auditor to review the program and make recommendations to the office before implementation; to provide for reimbursement; to provide for minority-owned businesses; to provide for promulgation of rules; to provide relative to the application of the Public Records Law to certain records related to the grant program; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Part VI-C of Chapter 39 of Title 51 of the Louisiana Revised Statutes of 1950, comprised of R.S. 51:2370.1 through 2370.19, is hereby enacted to read as follows:

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	PART VI-C. GRANTING UNSERVED MUNICIPALITIES BROADBAND
2	<u>OPPORTUNITIES</u>
3	§2370.1. Establishment
4	There is hereby created a grant program to be known as the "Granting
5	Unserved Municipalities Broadband Opportunities" program hereinafter referred to
6	as the "GUMBO" program.
7	§2370.2. Definitions
8	As used in this Part, the following terms have the meaning ascribed to them:
9	(1) "Agriculture" means the commercial planting, growing, harvesting,
10	production, storage, processing, marketing, distribution, or export of any agricultural
11	product, including but not limited to farm products, livestock and livestock products,
12	poultry and poultry products, milk and dairy products, fruit and other horticultural
13	products, and seafood and aquacultural products.
14	(2) "Broadband service" means deployed internet access service with
15	transmission speeds of at least twenty-five megabits per second (Mbps) download
16	and at least three megabit per second upload.
17	(3) "Cooperative" means a corporation organized under Part I of Chapter 2
18	of Title 12 of the Louisiana Revised Statutes of 1950 or a corporation who becomes
19	subject to the those provisions pursuant to R.S. 12:401 et seq.
20	(4) "Director" means the executive director of the office of broadband
21	development and connectivity within the division of administration.
22	(5) "Economically distressed parish" means an unserved area which is in need
23	of expansion of business and industry and the creation of jobs, giving consideration
24	to unemployment, per capita income, and the number of residents receiving public
25	assistance within that unserved area.
26	(6) "Eligible grant recipient" means a private provider of broadband services,
27	including cooperatively organized entities, or any partnerships formed between
28	cooperatively organized entities, private providers, or any combination thereof.
29	(7) "Eligible parishes" means any parish with unserved structures.

1	(8) "Eligible project" means a discrete and specific project located in an
2	unserved area of an eligible parish seeking to provide broadband service to homes,
3	businesses, and community anchor points not currently served. Eligible projects do
4	not include middle mile, backhaul, and other similar projects not directed at
5	broadband service to end users. If a contiguous project area crosses from one
6	eligible parish into one or more eligible adjacent parishes, for the purposes of this
7	Part, the project shall be deemed to be located in the parish where the greatest
8	number of unserved households are proposed to be served.
9	(9) "Household" means any individual or group of individuals who are living
10	together at the same address as one economic unit. A household may include related
11	and unrelated persons. An "economic unit" consists of all adult individuals
12	contributing to and sharing in the income and expenses of a household. An adult is
13	any person eighteen years or older. If an adult has no or minimal income, and lives
14	with someone who provides financial support to him, both people shall be considered
15	part of the same household. Children under the age of eighteen living with their
16	parents or guardians are considered to be part of the same household as their parents
17	or guardians.
18	(10) "Infrastructure" means existing facilities, equipment, materials, and
19	structures that an internet service provider has installed either for its core business
20	or public enterprise purposes. Examples include, but are not limited to, copper wire,
21	coaxial cable, optical cable, loose tube cable, communication huts, conduits, vaults,
22	patch panels, mounting hardware, poles, generators, battery and cabinet, network
23	nodes, network routers, network switches, microwave relay, microwave receivers,
24	site routers, outdoor cabinets, towers, easements, rights-of-way, and buildings or
25	structures owned by the entity that are made available for location or collocation
26	purposes.
27	(11) "Infrastructure costs" means costs directly related to the construction
28	of broadband infrastructure for the extension of broadband service for an eligible
29	project, including installation, acquiring or updating easements, backhaul

1	infrastructure, and testing costs. The term does not include overhead or
2	administrative costs.
3	(12) "Office" means the office of broadband development and connectivity
4	within the division of administration.
5	(13) "Prospective broadband recipient" means a household, home, business,
6	community anchor point, agricultural operation, or agricultural processing facility
7	that is currently unserved and is identified in an application submitted in accordance
8	with this Part.
9	(14) "Shapefile" means a file format for storing, depicting, and analyzing
10	geospatial data depicting broadband coverage, comprised of several component files,
11	such as a Main file (.shp), an Index file, (.sbx) and a dBASE table (.dbf).
12	(15) "Unserved" means, notwithstanding any other provision of law, any
13	federal funding awarded to or allocated by the state for broadband deployment shall
14	not be used, directly or indirectly, to deploy broadband infrastructure to provide
15	broadband internet service in any area of the state where broadband internet service
16	of at least twenty-five Mbps unload and three Mbps download is available from at
17	least one Internet service provider.
18	(16) "Unserved area" means a designated geographic area that is presently
19	without access to broadband service, as defined in this Section, offered by a wireline
20	or fixed wireless provider. Areas included in an application where a private provider
21	has been designated to receive funds through other state or federally funded
22	programs designed specifically for broadband deployment shall be considered served
23	if such funding is intended to result in the initiation of activity related to construction
24	of broadband infrastructure in such area within twenty-four months of the expiration
25	of the thirty-day period related to such application established pursuant to R.S.
26	57:2370.5(C).

1	§2370.3. Ineligibility due to funds; submission of census block, shape file area, and
2	address data; time limitations
3	A. A private provider receiving Universal Service, Connect America Phase
4	II, Rural Digital Opportunity Fund, or non-federal funds to deploy broadband service
5	may qualify the area for protection by submitting, within sixty days of the close of
6	the application period, a listing of the census blocks, shapefile areas, individual
7	addresses, or portions thereof, comprising the federally-funded project areas meeting
8	this requirement and nothing more to the office.
9	B. In future program years, the deadline for submitting the census blocks,
10	shapefile areas, individual addresses, or portions thereof shall be established by the
11	office, but shall not be less than sixty days prior to the beginning date of the
12	application period. This will enable the office to update maps and advise applicants
13	as to the unserved areas of the state that are eligible for consideration in that program
14	year.
15	C. The office shall only utilize the data to update maps of census blocks,
16	shapefile areas, individual addresses, or portions thereof and to reflect the census
17	blocks, shapefile areas, individual addresses, or portions thereof as being served.
18	D. In no instance shall an applicant be required to provide any data beyond
19	that which it is required to provide to the Federal Communications Commission
20	pursuant to The Broadband Deployment Accuracy and Technological Availability
21	Act pursuant to 47 U.S.C. §641 et seq.
22	E. Failure on the part of a provider to submit the listing of census blocks,
23	shapefile areas, individual addresses, or portions thereof by the deadline shall result
24	in those areas being ineligible for inclusion under the GUMBO program during the
25	upcoming program year. A private provider that has facilities in the area or that
26	intends to deploy broadband service within twenty-four months shall be able to
27	challenge ineligibility.
28	F. The office shall use the provided census blocks, shapefile areas, individual
29	addresses, or portions thereof only for mapping of unserved areas.

G. Upon expiration of the twenty-four month reservation period described
in Subsection E of this Section, a private provider that has received a reservation of
census blocks, shapefile areas, individual addresses, or portions thereof shall submi
written documentation by April thirtieth of the year following the program year tha
the initiation of activity related to broadband infrastructure will or has begun in the
census blocks, shapefile areas, individual addresses, or portions thereof, that have
been deemed ineligible by the office due to the existence of a federally-funded
project area.
§2370.4. Applications; burden of proof; public comment; protest
A. Applications for grants will be submitted at times designated by the
director and will include, at a minimum, the following information:
(1) An attestation to the office that the proposed project area is eligible.
(2) The identity of the applicant and its qualifications and experience with
deployment of broadband.
(3) The estimated total cost and duration of the project.
(4) The amount to be funded by the applicant.
(5) An illustration or description of the area to be served, identifying the
number of homes, businesses, community anchor points, agricultural operations, o
agricultural processing facilities that will have access to broadband as a result of the
project, including any available addresses, or other identifying information
satisfactory to the office, for the foregoing. In the event that the office is unable to
identify the proposed project area with specificity, the Office may require the
applicant to submit additional information. If construction of the proposed project
would result in the provision of broadband service to areas that are not eligible for
funding, those ineligible areas should be identified in the application along with the
eligible areas.
(6) An assessment of the current level of broadband access in the proposed
deployment area.
(7) The proposed estimated construction time line.

1	(8) A description of the services to be provided, including the proposed
2	upstream and downstream broadband speeds to be delivered and any applicable data.
3	(9) Any other information or supplementary documentation requested by the
4	office.
5	(10) A plan to encourage users to connect that incorporates, at a minimum,
6	multimedia advertising and marketing programs.
7	(11) For the proposed area to be served, the infrastructure cost per household
8	for the project.
9	(12) Evidence of support for the project from citizens, local government,
10	businesses, and institutions in the community.
11	(13) The proposed advertised speed to be marketed to end users, and the
12	projected cost to the consumer to utilize the service at the projected speed.
13	(14) An explanation of the scalability of the broadband infrastructure to be
14	deployed for higher broadband speeds in the future.
15	B. A provider submitting an application pursuant to this Section shall bear
16	the burden of proof that the proposed area to be served can, in fact, be served using
17	the proposed technology. The burden of proof may be satisfied by the submission
18	of data, maps, and any other information to the office, demonstrating that the area
19	and number of prospective broadband recipients proposed to be served can be
20	provided the minimum upload and download speeds indicated in the application.
21	C.(1) Applications shall be made publicly available, subject to the
22	confidentiality protections in Paragraph (2) of Subsection B of this Section, by
23	posting on the website of the office or the website of the Division of Administration
24	for a period of at least sixty days prior to award. During the sixty-day period, any
25	interested party may submit comments to the director concerning any pending
26	application. A provider of broadband services may submit a protest of any
27	application on the grounds the proposed project covers an area that is not an eligible
28	area under this Part. Protests shall be submitted in writing, accompanied by all
29	relevant supporting documentation, and shall be considered by the office in

connection with the review of the application. Upon submission of evidence to the
office that the proposed project area includes prospective broadband recipients that
are served, the office may work with an applicant to amend an application to reduce
the number of unserved prospective broadband recipients in the project area to reflect
an accurate level of current broadband service. The office may revise application
scores in accordance with amended applications. For applications with filed protests
the director shall issue a written decision to the protesting party at least fifteen days
prior to the approval of that application. Following a protest that is granted for a
portion of the application, the office may release to an applicant the locations of
areas declared ineligible. Any provider submitting a protest shall verify that the
information in the protest is accurate and that the protest is submitted in good faith
The office may deny any protest or application that contains inaccurate information
(2) As a means of resolving a protest, the office may utilize speed tests that
conform to the methodology employed in the Federal Communication
Commission's "Measuring Broadband America" report to determine if the protested
area or individual households or businesses currently have access to broadband
service as defined in this Part. The office shall publish the speed test methodolog
it uses to assess speed levels pursuant to this. All decisions regarding the speed tes
to be utilized and the manner by which the speed tests are applied shall be made by
the director or his designee.
(3) The office shall treat any information submitted with a protest that is no
publicly available as confidential and subject to the trade secrets protections of state
law upon a challenging provider's request for confidential treatment.
§2370.5. Judicial review
A. The director or his designee shall have authority, prior to the
commencement of an action in court concerning a protest arising under this Part, to
settle and resolve the protest of an aggrieved person concerning a grant application
This authority shall be exercised in accordance with regulations.

1	B. If the protest is not resolved by mutual agreement, the director or his
2	designee shall, within fourteen days, issue a decision in writing. The decision shall:
3	(1) State the reasons for the action taken.
4	(2) Inform the protestant of its right to administrative and judicial review as
5	provided in this Part.
6	C. A copy of the decision required by Subsection B of this Section shall be
7	mailed or otherwise furnished immediately to the protestant and any other party
8	intervening.
9	D. A decision required by Subsection B of this Section shall be final and
10	conclusive unless one of the following applies:
11	(1) The decision is fraudulent.
12	(2) The person adversely affected by the decision has timely appealed to the
13	commissioner of administration in accordance with Subsection E of this Section.
14	E. The aggrieved person shall file an appeal with the commissioner of
15	administration within seven days of receipt of a decision issued pursuant to
16	Subsection B of this Section. The commissioner of administration shall have the
17	authority to review and determine any appeal by an aggrieved person from a
18	determination by the director or his designee.
19	F. On any appeal filed pursuant to Subsection E of this Section, the
20	commissioner shall decide within fourteen days whether the decision concerning a
21	grant application was in accordance with this state's constitution, statutes, and
22	regulations, and the terms and conditions of the application. Any prior
23	determinations by the director or his designee shall not be final or conclusive.
24	G. A copy of the decision issued pursuant to Subsection F of this Section
25	shall be mailed or otherwise furnished immediately to the protestant and any other
26	party intervening.
27	H. A decision issued pursuant to Subsection F of this Section shall be final
28	and conclusive unless one of the following applies:
29	(1) The decision is fraudulent.

1	(2) The person adversely affected by the decision has appealed to the court
2	as provided for in Subsection E of this Section.
3	I. The aggrieved person shall file an appeal in the Nineteenth Judicial
4	District Court within seven days of receipt of a decision issued pursuant to
5	Subsection C of this Section. The Nineteenth Judicial District Court shall have
6	exclusive venue over an action between the state and an applicant, prospective or
7	actual, to determine whether an award of a grant is in accordance with this state's
8	constitution, statutes, and regulations. Such actions shall extend to all kinds of
9	actions, whether for monetary damages or for declaratory, injunctive, or other
10	equitable relief.
11	J. Any party aggrieved by a final judgment or interlocutory order or ruling
12	of the Nineteenth Judicial District Court may appeal or seek review thereof, as the
13	case may be, to the Louisiana Court of Appeal, First Circuit or the Supreme Court
14	of Louisiana, as otherwise permitted in civil cases by law and the constitution of this
15	state.
16	§2370.6. Consultation
17	A. The office may consult with the Louisiana Department of Economic
18	Development to determine if a broadband project proposed under this Part will
19	benefit a potential economic development project relevant to the proposed area
20	outlined in the broadband project.
21	B. Pursuant to R.S. 51:2370.14, the office shall consult with the legislative
22	auditor prior to implementation of the GUMBO program.
23	§2370.7. Scoring
24	A. Applications shall be scored based upon a system that awards a single
25	point for criteria considered to be the minimum level for the provision of broadband
26	service with additional points awarded to criteria that exceed minimum levels. The
27	office shall develop a scoring system in accordance with the following:
28	(1) The office shall give additional points based upon the experience,
29	technical ability, and financial wherewithal of the applicant in successfully deploying

awarding points.

and providing broadband service, as well as the proposed amount of matching fu	<u>nds</u>
committed by the applicant relative to the minimum required amount of twe	nty
percent. For the purposes of scoring under this Section, a parish that provide	es a
portion of the match required by this Part, or that has entered into an agreement v	<u>vith</u>
the applicant to make available its infrastructure that has been installed for	the
parish's enterprise, nonconsumer broadband purposes, or any other prope	rty,
buildings, or structures owned by the parish, for a proposed project under this l	<u>Part</u>
shall be considered a partnership. A parish may provide a portion of the ma	<u>itch</u>
required, pursuant to this Part. Projects involving partnerships shall be gi	<u>ven</u>
additional points in their application score.	
(2) The office shall give additional points to projects based upon	the
estimated number of unserved households within the eligible economically distres	sed
parish, as determined by the most recent data published by the Fed	<u>eral</u>
Communications Commission or any other information available to the office.	
(3) The office shall give additional points to projects that will prove	<u>ride</u>
broadband service based upon the percentage of the total unserved households with	<u>thin</u>
the eligible economically distressed parish that the project will serve. The num	<u>ıber</u>
of unserved households shall be determined using the most recent data published	<u>l by</u>
the Federal Communications Commission or any other information available to	the
office.	
(4) The office shall give additional points to projects that will prove	<u>ride</u>
broadband service to unserved businesses located within the eligible economic	ally
distressed parish, as determined by the most recent data published by the Federal	<u>eral</u>
Communications Commission or any other information available to the office.	
(5) The office shall award additional points based upon the applicant's abi	lity
to leverage its own or nearby or adjacent broadband service infrastructure in	the
proposed project area, and shall consider the ultimate price to the consume	r in

2	broadband provider evaluating a grant proposal.
3	§2370.8. Fund matching
4	A. Grant recipients are required to provide matching funds in accordance
5	with rules promulgated by the office. A grant recipient shall contribute from its own
6	funds a minimum of twenty percent of the total estimated cost of the project.
7	B. A municipality shall contribute from its own funds a minimum of ten
8	percent of the total estimated cost of the project in cash or in kind.
9	§2370.9. Compliance during the agreement
10	The office shall require that grant recipients offer the proposed advertised
11	minimum download and minimum upload speeds of twenty-five Mbit/s downstream
12	and three Mbit/s upstream and the projected connection speed and cost to consumers,
13	identified in the project application, for the duration of the five year service
14	agreement. In calculating cost, the recipient may adjust annually, consistent with the
15	annual percentage increase in the Consumer Price Index in the preceding year. At
16	least annually, a grant recipient shall provide to the office evidence consistent with
17	Federal Communications Commission attestation that the grant recipient is making
18	available the proposed advertised speed, or a faster speed, as contained in the grant
19	agreement. For the duration of the agreement, grant recipients shall disclose any
20	changes to data caps.
21	§2370.10. Failure to perform
22	A. A grant recipient shall forfeit the amount of the grant received if it fails
23	to perform, in material respect, the obligations established in the agreement. Grant
24	recipients that fail to provide the minimum advertised connection speed and cost at
25	the advertised consumer cost for which a reduction in matching funds was applied
26	shall forfeit that amount. A grant recipient that forfeits amounts disbursed under this
27	Part is liable for up to the amount disbursed plus interest. The number of subscribers
28	that subscribe to broadband services offered by the provider in the project area shall

(6) The office shall not consider the format of mapping data provided by a

1	not be a measure of performance under the agreement for the purposes of this
2	Subsection.
3	B. A grant recipient shall not be required to forfeit the amount of the grant
4	received if it fails to perform due to a natural disaster, an act of God, force majeure,
5	a catastrophe, pandemic, or such other occurrence over which the grant recipient has
6	no control.
7	§2370.11. Receipt and disbursement of federal grant funds
8	The office shall be the designated agency for receipt and disbursement of
9	state and federal funds intended for the state for broadband expansion or allocated
10	by the state for broadband expansion and shall seek available federal grant funds for
11	that purpose. All federal grant funds received for the purpose of broadband
12	expansion shall be disbursed in accordance with this Part.
13	§2370.12. Reporting requirements
14	A. Grant recipients shall submit to the office an annual report for each
15	funded project for the duration of the agreement. The report shall include a summary
16	of the items contained in the grant agreement and shall also include all of the
17	following:
18	(1) The number of residential and commercial locations that have broadband
19	access as a result of the project.
20	(2) The percentage of end users in the project area who have access to
21	broadband service and the percentage of those with access who actually subscribe
22	to the broadband service.
23	(3) The average monthly subscription rate for residential and commercial
24	broadband service in the project area.
25	B. The office shall submit an annual report to the House Committee on
26	Commerce, Senate Committee on Commerce, Consumer Protection, and
27	International Affairs, and the Joint Legislative Committee on Technology and
28	Cybersecurity on or before September thirtieth. The report shall contain all of the
29	following:

1	(1) The number of grant projects applied for and the number of grant
2	agreements entered into.
3	(2) A time line for each grant agreement and the number of households,
4	businesses, agriculture operations, and community anchor points expected to benefit
5	from each agreement.
6	(3) The amount of matching funds required for each agreement and the total
7	amount of investment.
8	(4) A summary of areas receiving grants that are now being provided
9	broadband service and the advertised broadband speeds and corresponding costs for
10	those areas.
1	(5) Any breaches of agreements, grant fund forfeitures, or subsequent
12	reductions or refunds of matching funds.
13	(6) Any recommendations for the GUMBO program, including better
14	sources and methods for improving outcomes and accountability.
15	§2370.13. Administration fee
16	The office may use up to one percent of the appropriated funds to administer
17	the GUMBO program.
18	§2370.14. Legislative auditor
19	A. Prior to the implementation of the GUMBO program, the office shall
20	consult with the legislative auditor to develop a detailed plan which provides the
21	following:
22	(1) The application process.
23	(2) The information provided for in the application.
24	(3) The scoring process to be implemented.
25	(4) The standard that will be applied in selecting grant recipients.
26	(5) The procedure for awarding and administering a grant.
27	(6) The procedure for monitoring compliance.
28	(7) The procedure for non compliance.
29	(8) The procedure for terminating a grant.

1	(9) Any procedures necessary for enforcement.
2	(10) Any other information the auditor deems necessary.
3	B. Only after the auditor has reviewed the plan developed pursuant to
4	Subsection A of this Section and made recommendations, shall the office determine
5	the plan that shall be used and initiate the administration of the GUMBO program.
6	<u>§2370.15. Rules</u>
7	A. The office shall promulgate rules necessary to carry out the provisions of
8	this Part in accordance with the provisions of the Administrative Procedure Act.
9	B. In awarding grants or administering the program, the office shall not
10	include consideration of any new or additional regulatory obligations beyond those
11	required under applicable law, including but not limited to open access network
12	requirements or any rate, service, or other obligations beyond the speed requirements
13	set forth in R.S. 51:2370.2(2). The award of grants or the administration of the
14	program shall not impose requirements or consider factors that would constrain an
15	awardee from offering or providing broadband service in the same manner as such
16	service is offered without funding support by the provider in other areas of the state.
17	§2370.16. Prohibitions on municipalities
18	No municipality shall operate as an internet service provider or participate
19	in any revenue sharing under the provisions of this Part.
20	§2370.17. Reimbursement for grantees
21	Initial funding of ten percent shall be distributed to a grantee once the grantee
22	has demonstrated that ten percent of the project has been completed. Thereafter,
23	payments shall be distributed as follows: thirty-five percent completion, sixty percent
24	completion, eighty-five percent completion, and the final fifteen percent payment
25	will not be paid without an approved completion report. Invoice for final payment
26	shall be submitted within ninety days of completion date. All invoices are subject
27	to audit for three years from the completion date.

1	§2370.18. Minority-owned business
2	A. There shall be a set aside of the funds under this Part for awarding to
3	minority-owned eligible grant recipient businesses an amount not less than twenty-
4	five percent of the value of the total fund.
5	B. The office shall give additional points to projects that engage in minority-
6	owned businesses for the procurement of goods and services including construction
7	for the project; if the minority-owned businesses are majority owned and operated
8	by Louisiana residents.
9	§2370.19. Records; limitations
10	Notwithstanding any provision of this Part to the contrary, all records related
11	to the GUMBO program shall be public records as provided by the Public Records
12	Law, except the following:
13	(1) A provider's trade secret and proprietary information, including coverage
14	data, maps, and shapefiles.
15	(2) Information regarding unserved coverage areas not yet awarded or
16	announced.
17	(3) Applications pending evaluation.
18	Section 2. R.S. 44:4.1(B)(25) is hereby amended and reenacted to read as follows:
19	§4.1. Exceptions
20	* * *
21	B. The legislature further recognizes that there exist exceptions, exemptions,
22	and limitations to the laws pertaining to public records throughout the revised
23	statutes and codes of this state. Therefore, the following exceptions, exemptions, and
24	limitations are hereby continued in effect by incorporation into this Chapter by
25	citation:
26	* * *
27	(25) R.S. 39: 294, 1435 and 2370.19
28	* * *

- 1 Section 3. This Act shall become effective upon signature by the governor or, if not
- 2 signed by the governor, upon expiration of the time for bills to become law without signature
- 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
- 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
- 5 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 648 Reengrossed

2021 Regular Session

Deshotel

Abstract: Creates a grant program to allow municipalities to expand broadband.

<u>Proposed law</u> establishes the "Granting Unserved Municipalities Broadband Opportunities" (GUMBO) program.

<u>Proposed law</u> provides that the office of broadband development and connectivity within the division of administration (office) shall administer the GUMBO program.

<u>Proposed law</u> defines "agriculture", "broadband service", "cooperative", "director", "economically distressed parish", "eligible parishes", "eligible project", "eligible grant recipient", "household", "infrastructure", "infrastructure costs", "office", "prospective broadband recipient", "shapefile", and "unserved".

<u>Proposed law</u> allows a private provider receiving certain types of funds to deploy broadband access to qualify the area for protection by submitting a report of census blocks, shapefile areas, addresses, and portions thereof comprising the funded area. The report is to be submitted within 60 days of the close of the application period.

<u>Proposed law</u> allows the office to set a different deadline for submission of the report in future program years.

<u>Proposed law</u> limits the office on how it uses the information submitted pursuant to <u>proposed law</u> and limits the information that the office can require an applicant to submit.

<u>Proposed law</u> provides that a provider who fails to submit the report before the deadline shall be ineligible for participation in the GUMBO program, but allows for the provider to contest the exclusion in certain situations.

<u>Proposed law</u> provides a listing of 14 items, required to be addressed in the application, and delegates the office with the responsibility of creating the application.

<u>Proposed law</u> provides that the burden of proof is on the applicant and describes sufficient evidence.

<u>Proposed law</u> requires the office to treat information submitted with a protest that is not publicly available as confidential and subject to trade secrets protections of state law if requested.

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<u>Proposed law</u> requires applications to be made public, and allows a 30-day period for interested parties to submit public comment and protest where applicable. <u>Proposed law</u> provides the procedure to be followed in case of a protest, including the burden of proof and the evidentiary requirements.

<u>Proposed law</u> allows for amendments to an application and provides a procedure for amending.

<u>Proposed law</u> allows the office to deny an application or protest that contains inaccurate information.

<u>Proposed law</u> allows the office to utilize speed tests to settle protests and provides the necessary requirements for implementation.

<u>Proposed law</u> provides a procedure for judicial review including the steps necessary for a mutual agreement, a settlement by the director, a report from the director, an appeal with the commissioner of administration, an appeal to the 19th Judicial District Court, a review from the 1st Circuit Court of Appeal, and a review by the Louisiana Supreme Court, and civil proceedings.

<u>Proposed law</u> allows the office to consult with the La. Dept. of Economic Development regarding the GUMBO program.

Proposed law requires the office to consult with the legislative auditor.

<u>Proposed law</u> requires the office to create a procedure for point scoring of applications and determining which applicants receive grants, and additionally provides that the office shall award points based upon experience, technical ability, financial wherewithal, fund matching, access to infrastructure, the estimated number of unserved households that will be affected, the percentage of unserved homes in the parish to be served, the number of unserved businesses to be affected, and the estimated price to the consumer.

<u>Proposed law</u> requires fund matching and provides details for how the funds can be acquired.

<u>Proposed law</u> requires grant recipients to offer the speed and cost, as indicated in the application, for five years.

Proposed law requires an applicant to provide evidence of compliance annually.

Proposed law requires an applicant to notify the office of any change in data caps.

<u>Proposed law</u> provides that a grant recipient who fails to perform is required to forfeit all matching funds and pay interest. The number of subscribers is not to be considered in a determination of failure to perform.

Proposed law makes an exception for certain occurrences.

<u>Proposed law</u> designates the office as the agency for receipt and distribution of state and federal grant funds.

<u>Proposed law</u> requires grant recipients to provide an annual report to the office and provides the information to be included in the report.

<u>Proposed law</u> requires the office to submit a report to various House and Senate committees and provides the information to be included in the report.

Proposed law allows the office an administrative fee of 1% of the federal funds.

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<u>Proposed law</u> requires the legislative auditor to review the plan submitted by the office and make recommendations before the office can begin administering the GUMBO program.

<u>Proposed law</u> outlines the information the office is to include in the plan.

Proposed law requires the office to promulgate rules to carry out proposed law.

<u>Proposed law</u> prohibits the office from considering any new or additional regulations in awarding grants or administering the program.

<u>Proposed law</u> prohibits a municipality from operating as an internet service provider or participating in revenue sharing.

Proposed law provides for reimbursement for grantees.

<u>Proposed law</u> provides for at least 25% of the funds to be provided to minority-owned grantees.

<u>Proposed law</u> requires the office to award additional points to projects that engage in certain minority-owned business activities.

<u>Proposed law</u> specifies that notwithstanding any provision of <u>proposed law</u> to the contrary, all records related to the GUMBO program shall be public records as provided by the Public Records Law, except (a) a provider's trade secret and proprietary information, including coverage data, maps, and shapefiles; (b) information regarding unserved coverage areas not yet awarded or announced; and (c) applications pending evaluation

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 44:4.1(B)(25); Adds R.S. 51:2370.1-2370.19)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Commerce</u> to the <u>original</u> bill:

- 1. Revise the definition of "household".
- 2. Specify that for the purposes of the definition of "infrastructure" an entity refers to an internet service provider.
- 3. Remove the definition and other references to "partnership".
- 4. Add definitions for "shapefile" and "economically distressed parishes".
- 5. Remove provision relative to the GUMBO fund.
- 6. Add language to require submission of shapefile areas in addition to census blocks and addresses.
- 7. Provide that for purposes of the application, the cost and construction time line disclosures are to be the estimated cost and construction time line.
- 8. Remove a requirement that the applicant provide justification that the proposed data caps are in the public interest and consistent with industry standards.
- 9. Remove the requirement that the submitted plan incorporate community education forums.

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- 10. Remove the condition that certain information be considered satisfactory.
- 11. Place confidentiality requirements on the office.
- 12. Change the period the application shall be public <u>from</u> thirty days <u>to</u> sixty days.
- 13. Change the speed tests conditions.
- 14. Provide a procedure for judicial review.
- 15. Make changes to the scoring systems.
- 16. Require fund matching from municipalities.
- 17. Add requirements of disclosure and compliance with projected connection speed and cost.
- 18. Add an exemption for forfeiture of funds for certain occurrences.
- 19. Add a requirement that the report indicate both residential and commercial locations that have gained broadband access from the GUMBO program.
- 20. Prohibit the office from making certain considerations in awarding grants.
- 21. Prohibit any municipality from being an internet service provider or participating in profit sharing.
- 22. Move provisions relative to reimbursement for grantees.
- 23. Add provisions relative to minority-owned business.
- 24. Change the requirements of the legislative auditor's involvement with the GUMBO program.
- 25. Make technical changes.
- The Committee Amendments Proposed by <u>House Committee on House and Governmental Affairs</u> to the <u>engrossed</u> bill:
- 1. Remove provision regarding the office treating non-publicly available information with an application as confidential.
- 2. Remove provision specifying that information released to an applicant regarding locations or areas that are ineligible as confidential and not a public record.
- 3. Specify that all records related to the GUMBO program are public records as provided by the Public Records Law, except a provider's trade secret and proprietary information; information regarding unserved coverage areas not yet awarded or announced; and applications pending evaluation and recognize the limitation in the Public Records Law.