

2024 Regular Session

HOUSE BILL NO. 700

BY REPRESENTATIVES DESHOTEL, BRYANT, CARRIER, FISHER, HEBERT,  
TRAVIS JOHNSON, KNOX, LACOMBE, LAFLEUR, LARVADAIN,  
MARCELLE, MENA, OWEN, SELDERS, ST. BLANC, TAYLOR, AND  
THOMPSON

1 AN ACT

2 To amend and reenact R.S. 51:1363.1(E) and 2370.32 and to enact R.S. 51:1363.1(F),  
3 2370.17, 2370.18, 2370.33(E), 2370.34, and 2370.35, Subpart C of Part VI-C of  
4 Chapter 39 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised  
5 of R.S. 51:2370.41, and Subpart D of Part VI-C of Chapter 39 of Title 51 of the  
6 Louisiana Revised Statutes of 1950, to be comprised of R.S. 51:2370.51, relative to  
7 broadband; to provide for a grant program by the office of broadband to prevent  
8 utility damage; to provide for a public records exemption; to provide for liability; to  
9 provide for obligations; to provide for reporting requirements; to provide for  
10 coordination with parishes and municipalities; to allow a local government to  
11 establish a fee; to provide for reimbursement for grantees; to provide for failure to  
12 perform protocols; to provide for the "Granting Unserved Municipalities Broadband  
13 Opportunities 3.0" program; to provide for the "Granting Unserved Municipalities  
14 Broadband Opportunities 4.0" program; and to provide for related matters.

15 Be it enacted by the Legislature of Louisiana:

16 Section 1. R.S. 51:1363.1(E) and 2370.32 are hereby amended and reenacted and  
17 R.S. 51:1363.1(F), 2370.17, 2370.18, 2370.33(E), 2370.34, and 2370.35, Subpart C of Part  
18 VI-C of Chapter 39 of Title 51 of the Louisiana Revised Statutes of 1950, comprised of R.S.  
19 51:2370.41, and Subpart D of Part VI-C of Chapter 39 of Title 51 of the Louisiana Revised

1 Statutes of 1950, comprised of R.S. 51:2370.51, are hereby enacted to read as follows:

2 §1363.1. Mapping areas for broadband service

3 \* \* \*

4 E.(1) The office may create a grant program and promulgate rules to prevent  
5 damage to existing utilities and ensure proper documentation of utilities associated  
6 with the grant program. After review by the House Committee on Commerce and  
7 the Senate Committee on Commerce, Consumer Protection and International Affairs,  
8 the Joint Legislative Committee on the Budget shall review and approve the rules  
9 and regulations before implementation.

10 (2) Data collected or provided in accordance with this Subsection on  
11 infrastructure owned, operated, leased, or otherwise used by an internet service  
12 provider or telecommunications provider, or its affiliates or subsidiaries, shall be  
13 confidential and exempt from the Public Records Law, R.S. 44:4.1 et seq., and  
14 exempt from disclosure under any other provision of law.

15 (3) No GUMBO 2.0 applicant or grantee shall be liable for damages or  
16 required to pay any penalty to any person or governmental entity for an act or  
17 omission of a local government, utility system, or the office related to or arising from  
18 the collection of data pursuant to this Subsection.

19 (4) Nothing in this Subsection shall be construed to relieve any person or  
20 operator of a public or private underground facility or utility of its obligations under  
21 the Louisiana Underground Utilities and Facilities Damage Prevention Law, R.S.  
22 40:1749.11 et seq.

23 F. The office shall not hire more than one additional full-time employee to  
24 carry out the provisions of the Section.

25 \* \* \*

26 §2370.17. Reporting requirements

27 A. Beginning August 1, 2024, any GUMBO 1.0 grantee shall report all  
28 instances of known damage to existing underground utilities that occur during the  
29 construction or installation of broadband infrastructure funded by GUMBO 1.0.

1                 B. Reports shall be submitted to the office in a monthly report, once  
 2                 construction has begun.

3                 C. The report shall include all of the following:

4                     (1) The date and location of the incident.

5                     (2) A description of the damage caused.

6                     (3) Steps taken to address the damage.

7                 D. Failure to report such incidents may result in the suspension of GUMBO  
 8                 1.0 funding.

9                 §2370.18. Coordination with parishes and municipalities

10                 Beginning August 1, 2024, broadband providers receiving funding through  
 11                 the GUMBO 1.0 program shall provide a thirty-day advanced written notice prior to  
 12                 the commencement of GUMBO 1.0 construction activities to the relevant parish or  
 13                 municipality. Nothing in this Section relieves the GUMBO 1.0 grantee of its  
 14                 obligations to comply with local regulations and ordinances.

15                                     \*         \*         \*

16                 §2370.32. Reimbursement for grantees

17                     ~~Reimbursements of eligible costs shall be made by percentage of total project~~  
 18                     ~~costs expended: ten percent, thirty-five percent, sixty percent, eighty-five percent,~~  
 19                     ~~and the final fifteen percent payment shall not be paid without an approved~~  
 20                     ~~completion report. Invoice for final payment shall be submitted within ninety days~~  
 21                     ~~of a completion date. All invoices are subject to audit for three years from the~~  
 22                     ~~completion date.~~

23                     A. GUMBO 2.0 awards shall be made on a fixed-amount subaward basis,  
 24                     consistent with NTIA's Tailoring the Application of the Uniform Guidance Policy  
 25                     Notice, and an initial ten percent disbursement shall be made available immediately  
 26                     upon entering into a subgrantee agreement.

27                     B. Except as provided in Subsection C of this Section, the next ten percent  
 28                     of the subgrant award shall be provided based on provider certification and the  
 29                     office's verification that ten percent of the eligible locations have been reached. The  
 30                     remaining disbursements shall be given at the thresholds of completion of thirty-five

1           percent, sixty percent, eighty-five percent, and one hundred percent. The final  
 2           disbursement for one hundred percent completion shall be given only after  
 3           verification of one hundred percent deployment to eligible locations, within the  
 4           mandatory forty-eight months maximum deadline, which may be extended up to a  
 5           year by the office or another shorter timeline certified by the applicant. The office  
 6           shall disburse funds only for completed deployments that comply with the terms  
 7           included in the successful application and shall withhold funds for failure to do so.

8           C. Notwithstanding any other provision of law to the contrary, the office  
 9           may disburse on any basis that may be necessary to effectuate option 2.4, Subgrantee  
 10          Option for Alternative Initial LOC or Performance Bond Percentage made available  
 11          in the BEAD Letter of Credit Waiver issued by NTIA on November 1, 2023, and the  
 12          office may give full effect to that option as a means of enabling a subgrantee to  
 13          satisfy the GUMBO 2.0 letter of credit requirement.

14          §2370.33. Failure to perform

15    \*       \*       \*

16           E.(1) Any GUMBO 2.0 subgrantee also subject to deployment obligations  
 17           elsewhere in this state, including from programs such as the Rural Digital  
 18           Opportunity Fund, the Enhanced Alternative Connect America Model, the Rural  
 19           Development Broadband ReConnect Program, or any other similar program included  
 20           in the BEAD deduplication process, shall make an enforceable commitment as part  
 21           of its GUMBO 2.0 subgrant agreement not to default or otherwise fail to fulfill any  
 22           such deployment obligation in this state. The penalty for breach of this commitment  
 23           shall be, as reimbursement for funding that could have been awarded but for other  
 24           federal program funding, payment to the state in the amount equal to the total  
 25           investment cost of all defaulted locations, as measured by the Eligible Entity tool  
 26           provided to the state by NTIA.

27           (2)(a) For the purposes of Paragraph (1) of this Subsection, the office shall  
 28           determine if a broadband provider has defaulted or otherwise failed to fulfill a  
 29           deployment obligation.

1           **(b) The office shall not approve any default that covers more than five**  
2           **percent of the unserved or underserved locations subject to the deployment**  
3           **obligation.**

4           **§2370.34. Reporting requirements**

5           **A. Any GUMBO 2.0 grantee shall report all instances of known damage to**  
6           **existing underground utilities that occur during the construction or installation of**  
7           **broadband infrastructure funded by GUMBO 2.0.**

8           **B. Reports shall be submitted to the office in a monthly report, once**  
9           **construction has begun.**

10          **C. The report shall include all of the following:**

11           **(1) The date and location of the incident.**

12           **(2) A description of the damage caused.**

13           **(3) Steps taken to address the damage.**

14          **D. Failure to report such incidents may result in the suspension of GUMBO**  
15          **2.0 funding.**

16          **§2370.35. Coordination with parishes and municipalities**

17          **A. Broadband providers receiving funding through the GUMBO 2.0 program**  
18          **shall provide a thirty-day advanced written notice prior to the commencement of**  
19          **GUMBO 2.0 construction activities to the relevant parish or municipality. Nothing**  
20          **in this Section relieves the GUMBO 2.0 grantee of its obligations to comply with**  
21          **local regulations and ordinances.**

22          **B. The relevant local governmental subdivision may do either of the**  
23          **following:**

24           **(1) Require a one-time GUMBO 2.0 grant assessment for construction and**  
25           **installation of GUMBO 2.0 grant-funded broadband facilities and may charge a**  
26           **corresponding one-time GUMBO 2.0 grant assessment fee not to exceed one**  
27           **thousand dollars.**

28           **(2) Require a permit for construction and installation of GUMBO 2.0 grant-**  
29           **funded broadband facilities, and may charge a corresponding one-time permit fee not**  
30           **to exceed one thousand dollars.**

1                   C. The office shall not award GUMBO 2.0 funding to an eligible applicant's  
 2                   project covering any areas in which the city or parish with authority over the public  
 3                   right of way imposes any form of franchise fee on broadband services, or which  
 4                   violates Subsection B of this Section.

5                   SUBPART C. GRANTING UNSERVED MUNICIPALITIES BROADBAND

6                                   OPPORTUNITIES 3.0

7                   §2370.41. GUMBO 3.0

8                   In the event there are remaining GUMBO 2.0 funds after the obligation of  
 9                   infrastructure funds, the office shall run a grant program, nondeployment, that will  
 10                   allow eligible parties including but not limited to state agencies, nonprofits,  
 11                   for-profits, academic institutions, and planning commissions to utilize these funds  
 12                   to help address challenges in economic development, workforce development,  
 13                   healthcare, cybersecurity, agriculture, and other sectors and industries of importance  
 14                   to the state of Louisiana, as determined by approval of Volume 2 of Initial Proposal  
 15                   from the office and the Infrastructure Investment and Jobs Act, or IJJA, the  
 16                   Broadband Equity, Access, and Deployment, or BEAD, Program, and the Notice of  
 17                   Funding Opportunity, or NOFO, with an obligation deadline of these funds to be  
 18                   completed no later than December 12, 2024. This program will be designated as  
 19                   "Granting Unserved Municipalities Broadband Opportunities 3.0" and the office  
 20                   shall have the authority to create appropriate rules and scoring criteria.

21                   SUBPART D. GRANTING UNSERVED MUNICIPALITIES BROADBAND

22                                   OPPORTUNITIES 4.0

23                   §2370.51. GUMBO 4.0

24                   The office shall have the authority to develop the rules, scoring criteria, and  
 25                   eligibility in the execution of the State's First Digital Opportunity Plan, pending  
 26                   approval from the National Telecommunications and Information Administration,  
 27                   a Sub-Agency of the United States Department of Commerce. Eligible parties shall  
 28                   include but not be limited to state agencies, nonprofits, for-profits, academic  
 29                   institutions, and planning commissions. This program will be designated as  
 30                   "Granting Unserved Municipalities Broadband Opportunities 4.0".

1           Section 2. The funds for GUMBO 2.0 outlined in Subsection E of R.S. 51:2370.33  
2 as enacted by Section 1 of this Act are to be obligated by and spent within the maximum  
3 timelines allowed by NTIA.

4           Section 3. The funds for GUMBO 3.0 outlined in R.S. 51:2370.41 as enacted by  
5 Section 1 of this Act are to be obligated by December 12, 2024 and to be spent by December  
6 31, 2028.

7           Section 4. The funds for GUMBO 4.0 outlined in R.S. 51:2370.51 as enacted by  
8 Section 1 of this Act are to be spent by March 1, 2029.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_