2021 Regular Session

HOUSE BILL NO. 648

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
2	To amend and reenact R.S. 44.4.1(B)(25) and to enact Part VI-C of Chapter 39 of Title 51
3	of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 51:2370.1
4	through 2370.18, relative to grants for broadband expansion; to provide for the
5	establishment of the grant program; to define terms; to provide requirements for area
6	protection; to provide a procedure for application; to allow for public comment; to
7	allow for protest; to allow for judicial review of a protest decision; to provide for
8	consultation; to provide conditions for the scoring process; to require fund matching;
9	to provide requirements for compliance; to mandate forfeiture of funds for failure to
10	perform; to provide for the receipt and disbursement of federal grant funds; to
11	require reports; to allow for an administration fee; to require the legislative auditor
12	to review the program and make recommendations to the office before
13	implementation; to provide for reimbursement; to provide for promulgation of rules;
14	to provide relative to the application of the Public Records Law to certain records
15	related to the grant program; and to provide for related matters.
16	Be it enacted by the Legislature of Louisiana:
17	Section 1. Part VI-C of Chapter 39 of Title 51 of the Louisiana Revised Statutes of
18	1950, comprised of R.S. 51:2370.1 through 2370.18, is hereby enacted to read as follows:

1	PART VI-C. GRANTING UNSERVED MUNICIPALITIES BROADBAND
2	<u>OPPORTUNITIES</u>
3	<u>§2370.1. Establishment</u>
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 that 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	(7) "Eligible parishes" means any parish with unserved structures.
28	(8) "Eligible project" means a discrete and specific project located in an
29	unserved area of an eligible parish seeking to provide broadband service to homes,

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

28 (11) "Infrastructure costs" means costs directly related to the construction 29 of broadband infrastructure for the extension of broadband service for an eligible

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

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	protest 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.

1	G. Upon expiration of the twenty-four month reservation period described
2	in Subsection E of this Section, a private provider that has received a reservation of
3	census blocks, shapefile areas, individual addresses, or portions thereof shall submit
4	written documentation by April thirtieth of the year following the program year that
5	the initiation of activity related to broadband infrastructure will or has begun in the
6	census blocks, shapefile areas, individual addresses, or portions thereof, that have
7	been deemed ineligible by the office due to the existence of a federally-funded
8	project area.
9	§2370.4. Applications; burden of proof; public comment; protest
10	A. Applications for grants will be submitted at times designated by the
11	director and will include, at a minimum, the following information:
12	(1) An attestation to the office that the proposed project area is eligible.
13	(2) The identity of the applicant and its qualifications and experience with
14	deployment of broadband.
15	(3) The estimated total cost and duration of the project.
16	(4) The amount to be funded by the applicant.
17	(5) An illustration or description of the area to be served, identifying the
18	number of residential and commercial locations that will have access to broadband
19	as a result of the project, including any available addresses, or other identifying
20	information satisfactory to the office, for the foregoing. In the event that the office
21	is unable to identify the proposed project area with specificity, the office may require
22	the applicant to submit additional information. If construction of the proposed
23	project would result in the provision of broadband service to areas that are not
24	eligible for funding, those ineligible areas should be identified in the application
25	along with the eligible areas.
26	(6) An assessment of the current level of broadband access in the proposed
27	deployment area.
28	(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	<u>caps.</u>
4	(9) Any other information or supplementary documentation requested by the
5	office.
6	(10) A plan to encourage users to connect that incorporates, at a minimum,
7	multimedia advertising and marketing programs.
8	(11) For the proposed area to be served, the infrastructure cost per location
9	for the project.
10	(12) Evidence of support for the project from citizens, local government,
11	businesses, and institutions in the community.
12	(13) The proposed advertised speed to be marketed to end users, and the
13	projected cost to the consumer to utilize the service at the projected speed.
14	(14) An explanation of the scalability of the broadband infrastructure to be
15	deployed for higher broadband speeds in the future.
16	B. A provider submitting an application pursuant to this Section shall bear
17	the burden of proof that the proposed area to be served can, in fact, be served using
18	the proposed technology. The burden of proof may be satisfied by the submission
19	of data, maps, and any other information to the office, demonstrating that the area
20	and number of prospective broadband recipients proposed to be served can be
21	provided the minimum upload and download speeds indicated in the application.
22	$\underline{C.(1)}$ Applications shall be made publicly available, subject to the
23	confidentiality protections in Paragraph (2) of Subsection B of this Section, by
24	posting on the website of the office or the website of the division of administration
25	for a period of at least sixty days prior to award. During the sixty-day period, any
26	interested party may submit comments to the director concerning any pending
27	application. Any aggrieved person may submit a protest of any application or award
28	in accordance with R.S. 51:2370.5. Protests shall be submitted in writing,
29	accompanied by all relevant supporting documentation, and shall be considered by

1	the office in connection with the review of the application. Upon submission of
2	evidence to the office that the proposed project area includes prospective broadband
3	recipients that are served, the office may work with an applicant to amend an
4	application to reduce the number of unserved prospective broadband recipients in the
5	project area to reflect an accurate level of current broadband service. The office may
6	revise application scores in accordance with amended applications. The office shall
7	not grant funds to an applicant who submits an application that does not comply with
8	program requirements. For applications with filed protests, the director shall issue
9	a written decision to the protesting party at least fifteen days prior to the approval of
10	that application. Following a protest that is granted for a portion of the application,
11	the office may release to an applicant the locations or areas declared ineligible. Any
12	provider submitting a protest shall verify that the information in the protest is
13	accurate and that the protest is submitted in good faith. The office may deny any
14	protest or application that contains inaccurate information.
15	(2) As a means of resolving a protest, the office may utilize speed tests that
16	conform to the methodology employed in the Federal Communications
17	Commission's "Measuring Broadband America" report to determine if the protested
18	area or individual households or businesses currently have access to broadband
19	service as defined in this Part. All decisions regarding the speed test to be utilized
20	and the manner by which the speed tests are applied shall be made by the director or
21	his designee.
22	(3) The office shall treat any information submitted with a protest that is not
23	publicly available as confidential and subject to the trade secrets protections of state
24	law upon a challenging provider's request for confidential treatment.
25	§2370.5. Administrative and judicial review
26	A. The director or his designee shall have authority, prior to the
27	commencement of an action in court concerning a protest arising under this Part, to
28	settle and resolve the protest of an aggrieved person concerning a grant application.
29	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 fifteen 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 I 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 F 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	<u>§2370.7. Scoring</u>
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

1	and providing broadband service, as well as the proposed amount of matching funds
2	committed by the applicant relative to the minimum required amount of twenty
3	percent. For the purposes of scoring under this Section, a parish that provides a
4	portion of the match required by this Part, or that has entered into an agreement with
5	the applicant to make available its infrastructure that has been installed for the
6	parish's enterprise, nonconsumer broadband purposes, or any other property,
7	buildings, or structures owned by the parish, for a proposed project under this Part
8	shall be considered a partnership. A parish may provide a portion of the match
9	required pursuant to this Part.
10	(2) The office shall give additional points to projects based upon the
11	estimated number of unserved households within the eligible economically distressed
12	parish, as determined by the most recent data published by the Federal
13	Communications Commission or any other information available to the office.
14	(3) The office shall give additional points to projects that will provide
15	broadband service based upon the percentage of the total unserved households within
16	the eligible economically distressed parish that the project will serve. The number
17	of unserved households shall be determined using the most recent data published by
18	the Federal Communications Commission or any other information available to the
19	office.
20	(4) The office shall give additional points to projects that will provide
21	broadband service to unserved businesses located within the eligible economically
22	distressed parish, as determined by the most recent data published by the Federal
23	Communications Commission or any other information available to the office.
24	(5) The office shall give additional points based upon the applicant's ability (5)
25	to leverage its own or nearby or adjacent broadband service infrastructure in the
26	proposed project area, and shall consider the ultimate price to the consumer in
27	awarding points.
28	(6) The office shall give additional points to projects receiving cash funds
29	provided by the parish, municipality, or school board.

1	(7) The office shall not consider the format of mapping data provided by a
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 parish, municipality, or school board may contribute to the project in
8	<u>cash.</u>
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 Mbps downstream
12	and three Mbps upstream, and priced to consumers at no more than the cost rate
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	<u>§2370.10. Failure to perform</u>
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 rate shall forfeit any matching funds, up to the entire amount received
26	through the GUMBO program. The office shall use its discretion to determine the
27	amount forfeited. A grant recipient that forfeits amounts disbursed under this Part
28	is liable for up to the amount disbursed plus interest. The number of subscribers that
29	subscribe to broadband services offered by the provider in the project area shall not

1	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 gran	
4	received if it fails to perform due to a natural disaster, an act of God, force majeure	
5	a catastrophe, pandemic, supply chain disruption, or such other occurrence over	
6	which the grant recipient has no control.	
7	C. Except as provided for in Subsection B of this Section, if a grant recipient	
8	fails to perform and fails to return the full forfeited amount required pursuant to this	
9	Section, the ownership and use of the broadband infrastructure funded by th	
10	GUMBO program shall revert to the office.	
11	§2370.11. Receipt and disbursement of federal grant funds	
12	The office shall be the designated agency for receipt and disbursement of	
13	state and federal funds intended for the state for broadband expansion or allocated	
14	by the state for broadband expansion and shall seek available federal grant funds for	
15	that purpose. All federal grant funds received for the purpose of broadband	
16	expansion shall be disbursed in accordance with this Part.	
17	§2370.12. Reporting requirements	
18	A. Grant recipients shall submit to the office an annual report for each	
19	funded project for the duration of the agreement. The report shall include a summary	
20	of the items contained in the grant agreement and shall also include all of the	
21	following:	
22	(1) The number of residential and commercial locations that have broadband	
23	access as a result of the project.	
24	(2) The percentage of end users in the project area who have access to	
25	broadband service and the percentage of those with access who actually subscribe	
26	to the broadband service.	
27	(3) The average monthly subscription rate for residential and commercial	
28	broadband service in the project area.	

1	B. The office shall submit an annual report to the House Committee on	
2	Commerce, Senate Committee on Commerce, Consumer Protection, and	
3	International Affairs, and the Joint Legislative Committee on Technology and	
4	Cybersecurity on or before September thirtieth of each calendar year. The report	
5	shall contain all of the following:	
6	(1) The number of grant projects applied for and the number of grant	
7	agreements entered into.	
8	(2) A time line for each grant agreement and the number of households,	
9	businesses, agriculture operations, and community anchor points expected to benefit	
10	from each agreement.	
11	(3) The amount of matching funds required for each agreement and the total	
12	amount of investment.	
13	(4) A summary of areas receiving grants that are now being provided	
14	broadband service and the advertised broadband speeds and corresponding costs for	
15	those areas.	
16	(5) Any breaches of agreements, grant fund forfeitures, or subsequent	
17	reductions or refunds of matching funds.	
18	(6) Any recommendations for the GUMBO program, including better	
19	sources and methods for improving outcomes and accountability.	
20	§2370.13. Administration fee	
21	The office may use up to one percent of the appropriated funds to administer	
22	the GUMBO program.	

1	§2370.14. Legislative auditor
2	A. Prior to the implementation of the GUMBO program, the office shall
3	consult with the legislative auditor to develop a detailed plan that provides the
4	following:
5	(1) The application process.
6	(2) The information provided for in the application.
7	(3) The scoring process to be implemented.
8	(4) The standard that will be applied in selecting grant recipients.
9	(5) The procedure for awarding and administering a grant.
10	(6) The procedure for monitoring compliance.
11	(7) The procedure for noncompliance.
12	(8) The procedure for terminating a grant.
13	(9) Any procedures necessary for enforcement.
14	(10) Any other information the auditor deems necessary.
15	B. Only after the auditor has reviewed the plan developed pursuant to
16	Subsection A of this Section and made recommendations, shall the office determine
17	the plan that shall be used and initiate the administration of the GUMBO program.
18	<u>§2370.15. Rules</u>
19	A. The office shall promulgate rules necessary to carry out the provisions of
20	this Part in accordance with the provisions of the Administrative Procedure Act.
21	B. In awarding grants or administering the program, the office shall not
22	include consideration of any new or additional regulatory obligations beyond those
23	required under applicable law, including but not limited to open access network
24	requirements or any rate, service, or other obligations beyond the speed requirements
25	set forth in R.S. 51:2370.2(2). The award of grants or the administration of the
26	program shall not impose requirements or consider factors that would constrain an
27	awardee from offering or providing broadband service in the same manner as such
28	service is offered without funding support by the provider in other areas of the state.

1	C. Grants solicited and awarded pursuant to the GUMBO program shall not			
2	be subject to the provisions of the Louisiana Procurement Code, R.S. 39:1551 et seq.			
3	or the Public Bid Law, R.S. 38:2181 et seq. The office shall devise and implement			
4	alternate procurement methods to identify and award on the basis of best value,			
5	soliciting applications and scoring product features, cost, and technical factors in			
6	accordance with this Part.			
7	§2370.16. Prohibitions on municipalities			
8	No municipality shall operate as an internet service provider or participate			
9	in any revenue sharing under the provisions of this Part.			
10	§2370.17. Reimbursement for grantees			
11	Initial funding of ten percent shall be distributed to a grantee once the grantee			
12	has demonstrated that ten percent of the project has been completed. Thereafter,			
13	payments shall be distributed as follows: thirty-five percent completion, sixty percent			
14	completion, eighty-five percent completion, and the final fifteen percent payment			
15	will not be paid without an approved completion report. Invoice for final payment			
16	shall be submitted within ninety days of completion date. All invoices are subject			
17	to audit for three years from the completion date.			
18	§2370.18. Records; limitations			
19	Notwithstanding any provision of this Part to the contrary, all records related			
20	to the GUMBO program shall be public records as provided by the Public Records			
21	Law, except the following:			
22	(1) A provider's trade secret and proprietary information, including coverage			
23	data, maps, and shapefiles.			
24	(2) Information regarding unserved coverage areas not yet awarded or			
25	announced.			
26	(3) Applications pending evaluation.			
27	Section 2. R.S. 44:4.1(B)(25) is hereby amended and reenacted to read as follows:			
28	§4.1. Exceptions			
29	* * *			

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

1	B. The legislature further recognizes that there exist exceptions, exemptions,
2	and limitations to the laws pertaining to public records throughout the revised
3	statutes and codes of this state. Therefore, the following exceptions, exemptions, and
4	limitations are hereby continued in effect by incorporation into this Chapter by
5	citation:
6	* * *
7	(25) R.S. 39: 294, 1435 <u>, 2370.19</u>
8	* * *
9	Section 3. This Act shall become effective upon signature by the governor or, if not
10	signed by the governor, upon expiration of the time for bills to become law without signature
11	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
12	vetoed by the governor and subsequently approved by the legislature, this Act shall become
13	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 Re-Reengrossed	2021 Regular Session	Deshotel
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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</u> <u>law</u> and limits the information that the office can require an applicant to submit.

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

<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 protest 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.

<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> prohibits the office from granting funds to an applicant that does not comply with program requirements.

<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> requires the office to treat any information submitted with a protest that is not publicly available as confidential and subject to trade secrets protections provided in <u>present</u> <u>law</u>.

<u>Proposed law</u> provides a procedure for administrative and 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.

<u>Proposed law</u> 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 by the applicant, 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, fund matching on the part of the parish, municipality, or school board, and the estimated price to the consumer.

<u>Proposed law</u> requires fund matching by grant recipients and provides details how the funds can be acquired and in what amount.

<u>Proposed law</u> allows a parish, municipality, or school board to contribute to the project in cash.

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> requires grant recipients to offer the rate of speed and cost, as indicated in the application, for five years.

<u>Proposed law</u> requires a grant recipient to forfeit the amount of the grant received, if it fails to perform, in a material respect, the terms of the agreement.

<u>Proposed law</u> provides that a grant recipient who fails to provide the minimum advertised connection speed and cost to consumers are required to forfeit any matching funds, up to the amount of the grant received. The office is required, under <u>proposed law</u>, to use its discretion to determine the amount forfeited, in these circumstances.

<u>Proposed law</u> provides that a grant recipient who forfeits amounts disbursed under <u>proposed</u> <u>law</u> is liable for up to the amount disbursed plus interest.

<u>Proposed law</u> provides that the number of subscribers is not to be considered in a determination of failure to perform.

<u>Proposed law</u> makes an exception to the forfeiture requirement for certain occurrences.

<u>Proposed law</u> provides that if the grant recipient fails to perform and fails to return the required funds, the ownership and use of the broadband infrastructure reverts to the office.

<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.

<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> is exempt from the provisions of the Louisiana Procurement Code and Public Bid Law. The office is responsible for implementing alternate methods for carrying out proposed law.

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<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. 51:2370.1-2370.18)

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.
- 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 to 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</u> <u>Governmental Affairs to the engrossed bill:</u>
- 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.

The House Floor Amendments to the reengrossed bill:

- 1. Narrow the definition of "eligible grant recipient" to include only a private provider.
- 2. Expand the definition of "eligible project" to include households, educational facilities, and healthcare facilities not currently served.
- 3. Allow middle-mile, backhaul, and other similar projects to be considered eligible projects in certain circumstances.
- 4. Expand the definition of "prospective broadband recipient" to include educational and healthcare facilities.
- 5. Change the manner in which an applicant shall provide information regarding the locations that will have access to broadband as a result of the project.
- 6. Expand the parameters by which a person may protest certain actions by the office.
- 7. Prohibit the office from granting funds to an applicant who does not comply with program requirements.
- 8. Change the time limit to file an appeal with the commissioner of administration <u>from</u> within 7 days of receipt of a decision <u>to</u> 15 days of receipt of a decision.

- 9. Remove a provision requiring additional points to be given for partnerships.
- 10. Add a provision requiring the office to give additional points to projects receiving funds from a parish, municipality, or school board.
- 11. Remove the requirement that a municipality contribute funds to the project, and instead allows a parish, municipality, or school board to contribute to the project in cash.
- 12. Provide that if a recipient fails to provide service at the minimum advertised speed and cost, the recipient shall forfeit an amount, as determined by the office, up to the entire amount received through the GUMBO program.
- 13. Provide that a grant recipient shall not be required to forfeit funds, if the failure was due to a supply chain disruption.
- 14. Revert ownership of the broadband infrastructure to the office, if the recipient fails to perform and fails to return the requisite funds.
- 15. Exempt the GUMBO program from the Louisiana Procurement Code and Public Bid Law.
- 16. Require the office to devise and implement alternative methods for procurement and the bidding process.
- 17. Remove provisions regarding minority-owned businesses.
- 18. Make technical changes.