

As Introduced

**131st General Assembly
Regular Session
2015-2016**

S. B. No. 376

Senator Gentile

Cosponsors: Senators Schiavoni, Cafaro

A BILL

To enact sections 122.97, 122.971, 122.972, 1
122.973, 122.974, 122.975, 122.976, 122.977, and 2
122.978 of the Revised Code to create the Ohio 3
Broadband Development Grant Program and to make 4
an appropriation. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 122.97, 122.971, 122.972, 6
122.973, 122.974, 122.975, 122.976, 122.977, and 122.978 of the 7
Revised Code be enacted to read as follows: 8

Sec. 122.97. As used in sections 122.97 to 122.977 of the 9
Revised Code: 10

(A) "Last-mile infrastructure" means broadband 11
infrastructure that connects the broadband service provider's 12
network to the end user customer's on-premise telecommunications 13
equipment. 14

(B) "Middle-mile infrastructure" means broadband 15
infrastructure that connects a broadband service provider's core 16
network infrastructure to last-mile infrastructure. 17

(C) "Political subdivision" has the same meaning as in section 122.9511 of the Revised Code. 18
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(D) "Unserved area" means an area that is not offered broadband service, as that service is defined by the most recent broadband progress report issued by the federal communications commission. Verification of whether broadband is offered in a particular area shall be through the national broadband map, maintained by the national telecommunications and information administration. 20
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Sec. 122.971. The director of development services shall establish the Ohio broadband development grant program to provide funds to extend broadband service to unserved areas of the state. The program shall incorporate the state's policy to provide incentives for competing providers of telecommunications service to provide advanced, high-quality telecommunications service to citizens throughout the state, as set forth in division (A)(2) of section 4927.02 of the Revised Code. 27
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Sec. 122.972. Recipients of a grant under the Ohio broadband development grant program shall use the funds for the construction of broadband infrastructure to serve unserved areas. Construction shall include the acquisition and installation of middle-mile and last-mile infrastructure. Construction may also include any of the following: project planning, obtaining construction permits, construction of facilities, purchasing equipment, and installation and testing of the broadband service. 35
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Sec. 122.973. The following may apply for a grant under the Ohio broadband development grant program: 44
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(A) Private businesses; 46

<u>(B) Political subdivisions;</u>	47
<u>(C) Nonprofit entities organized to provide telecommunications services;</u>	48 49
<u>(D) Co-ops organized to provide phone and internet services.</u>	50 51
<u>Sec. 122.974. An applicant for a grant under this section shall provide the following information on an application prescribed by the director of development services:</u>	52 53 54
<u>(A) The location of the project;</u>	55
<u>(B) The kind and amount of broadband infrastructure to be purchased for the project;</u>	56 57
<u>(C) Evidence regarding the unserved nature of the community in which the project is to be located;</u>	58 59
<u>(D) The number of households that will have access to broadband service as a result of the project, or whose broadband service will be upgraded as a result of the project;</u>	60 61 62
<u>(E) Significant community institutions that will benefit from the project;</u>	63 64
<u>(F) Evidence of community support for the project;</u>	65
<u>(G) The total cost of the project;</u>	66
<u>(H) Sources of funding or in-kind contributions for the project that will supplement any grant award;</u>	67 68
<u>(I) Any additional information requested by the director.</u>	69
<u>Sec. 122.975. (A) The director of development services shall evaluate applications and award grants under the Ohio broadband development grant program. The director may give</u>	70 71 72

<u>priority to applications that do the following:</u>	73
<u>(1) Offer new or substantially upgraded broadband service</u>	74
<u>to important community institutions, including libraries,</u>	75
<u>educational institutions, public safety facilities, and</u>	76
<u>healthcare facilities;</u>	77
<u>(2) Facilitate the use of telemedicine and electronic</u>	78
<u>health records;</u>	79
<u>(3) Serve economically distressed areas of the state, as</u>	80
<u>measured by indices of unemployment, poverty, or population loss</u>	81
<u>that are significantly greater than the statewide average;</u>	82
<u>(4) Provide technical support and train residents,</u>	83
<u>businesses, and institutions in the community served by the</u>	84
<u>project to utilize broadband service;</u>	85
<u>(5) Include a plan to promote the newly available</u>	86
<u>broadband services in the community;</u>	87
<u>(6) Provide evidence of strong support for the project</u>	88
<u>from citizens, government, businesses, and institutions in the</u>	89
<u>community;</u>	90
<u>(7) Provide access to broadband service to a greater</u>	91
<u>number of unserved households and businesses;</u>	92
<u>(8) Leverage greater amounts of funding for the project</u>	93
<u>from public and private sources;</u>	94
<u>(9) Provide for the implementation of open access networks</u>	95
<u>that offer wholesale access to network infrastructure or</u>	96
<u>services.</u>	97
<u>(B) The director shall endeavor to award grants under this</u>	98
<u>section to qualified applicants in all regions of the state.</u>	99

<u>Sec. 122.976. Grant amounts awarded under section 122.975</u>	100
<u>of the Revised Code shall not exceed the lesser of:</u>	101
<u>(A) Fifty per cent of the total project cost; or</u>	102
<u>(B) Five million dollars.</u>	103
<u>Sec. 122.977. There is hereby created in the state</u>	104
<u>treasury the Ohio broadband development grant fund. The fund</u>	105
<u>shall be used to fund projects from qualified applicants that</u>	106
<u>promote the expansion of access to broadband service in unserved</u>	107
<u>areas of the state. The fund shall consist of moneys</u>	108
<u>appropriated to it by the general assembly and any grants,</u>	109
<u>gifts, or donations. Investment earnings of the fund shall be</u>	110
<u>credited to the fund.</u>	111
<u>Sec. 122.978. The director of development services shall</u>	112
<u>adopt rules under Chapter 119. of the Revised Code necessary to</u>	113
<u>implement sections 122.97 to 122.978 of the Revised Code.</u>	114
Section 2. All items in this section are hereby	115
appropriated as designated out of any moneys in the state	116
treasury to the credit of the designated fund. For all	117
appropriations made in this act, those in the first column are	118
for fiscal year 2016 and those in the second column are for	119
fiscal year 2017. The appropriations made in this act are in	120
addition to any other appropriations made for the FY 2016-FY	121
2017 biennium.	122
DEV DEVELOPMENT SERVICES AGENCY	123
Dedicated Purpose Fund Group	124
5GT0 195550 Broadband Development Grants \$0 \$100,000,000	125
TOTAL DPF Dedicated Purpose Fund Group \$0 \$100,000,000	126

TOTAL ALL BUDGET FUND GROUPS	\$0	\$100,000,000	127
BROADBAND DEVELOPMENT GRANTS			128
The foregoing appropriation item 195550, Broadband			129
Development Grants, shall be used to award grants under the Ohio			130
Broadband Development Grant Program as described in sections			131
122.97 to 122.978 of the Revised Code.			132
Of the foregoing appropriation item 195550, Broadband			133
Development Grants, \$1,000,000 may be used for administrative			134
costs, including, but not limited to, broadband mapping,			135
community engagement, and facilitated local technology planning			136
to provide evidence of support for projects, such as research on			137
the unserved area affecting a community, community support, and			138
economic impact of a project.			139
On November 1, 2016, or as soon as possible thereafter,			140
the Director of Budget and Management shall transfer			141
\$100,000,000 cash from the GRF to the Ohio Broadband Development			142
Grant Fund (Fund 5GT0) as established in section 122.977 of the			143
Revised Code.			144
Section 3. Within the limits set forth in this act, the			145
Director of Budget and Management shall establish accounts			146
indicating the source and amount of funds for each appropriation			147
made in this act and shall determine the form and manner in			148
which appropriation accounts shall be maintained. Expenditures			149
from appropriations contained in this act shall be accounted for			150
as though made in Am. Sub. H.B. 64 of the 131st General			151
Assembly.			152
The appropriations made in this act are subject to all			153
provisions of Am. Sub. H.B. 64 of the 131st General Assembly			154
that are generally applicable to such appropriations.			155