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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 3002

02/22/2018 Authored by Garofalo
The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to broadband; modifying eligibility for the border-to-border broadband
1.3 grant program; amending Minnesota Statutes 2016, sections 116J.39, subdivision
1.4 4; 116J.394; 116J.395, subdivisions 1, 5, 6.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2016, section 116J.39, subdivision 4, is amended to read:

1.7 Subd. 4. **Duties.** (a) The office ~~shall have~~ has the power and duty to:

1.8 (1) serve as the central broadband planning body for the state of Minnesota;

1.9 (2) coordinate with state, regional, local, and private entities to develop, to the maximum
1.10 extent practicable, a uniform statewide broadband access and usage policy;

1.11 (3) develop, recommend, and implement a statewide plan to encourage cost-effective
1.12 broadband access, and to make recommendations for increased usage, particularly in rural
1.13 and other underserved areas;

1.14 (4) coordinate efforts, in consultation and cooperation with the commissioner of
1.15 commerce, local units of government, and private entities, to meet the state's broadband
1.16 goals in section 237.012;

1.17 (5) develop, coordinate, and implement the state's broadband infrastructure development
1.18 program under section 116J.391;

1.19 (6) provide consultation services to local units of government or other project sponsors
1.20 in connection with the planning, acquisition, improvement, construction, or development
1.21 of any broadband deployment project;

2.1 (7) encourage public-private partnerships to increase deployment and adoption of
2.2 broadband services and applications, including recommending funding options and possible
2.3 incentives to encourage investment in broadband expansion;

2.4 (8) monitor the broadband development efforts of other states and nations in areas such
2.5 as business, education, public safety, and health;

2.6 (9) consult with the commissioner of commerce to monitor broadband-related activities
2.7 at the federal level, including regulatory and policy changes and the potential impact on
2.8 broadband deployment and sustainability in the state;

2.9 (10) serve as an information clearinghouse for federal programs providing financial
2.10 assistance to institutions located in rural areas seeking to obtain access to high-speed
2.11 broadband service, and use this information as an outreach tool to make institutions located
2.12 in rural areas that are ~~unserved or~~ underserved with respect to broadband service aware of
2.13 the existence of federal assistance;

2.14 (11) provide logistical and administrative support for the Governor's Broadband Task
2.15 Force;

2.16 (12) provide an annual report, as required by subdivision 5;

2.17 (13) coordinate an ongoing collaborative effort of stakeholders to evaluate and address
2.18 security, vulnerability, and redundancy issues in order to ensure the reliability of broadband
2.19 networks; and

2.20 (14) perform any other activities consistent with the office's purpose.

2.21 (b) In carrying out its duties under this subdivision, the Office of Broadband Development
2.22 shall have no authority to regulate or compel action on the part of any provider of broadband
2.23 service.

2.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.25 Sec. 2. Minnesota Statutes 2016, section 116J.394, is amended to read:

2.26 **116J.394 DEFINITIONS.**

2.27 (a) For the purposes of sections 116J.394 to 116J.398, the following terms have the
2.28 meanings given them.

2.29 (b) "Broadband" or "broadband service" has the meaning given in section 116J.39,
2.30 subdivision 1, paragraph (b).

3.1 (c) "Broadband infrastructure" means networks of deployed telecommunications
 3.2 equipment and technologies necessary to provide high-speed Internet access and other
 3.3 advanced telecommunications services for end users.

3.4 (d) "Commissioner" means the commissioner of employment and economic development.

3.5 (e) "Last-mile infrastructure" means broadband infrastructure that serves as the final leg
 3.6 connecting the broadband service provider's network to the end-use customer's on-premises
 3.7 telecommunications equipment.

3.8 (f) "Middle-mile infrastructure" means broadband infrastructure that links a broadband
 3.9 service provider's core network infrastructure to last-mile infrastructure.

3.10 (g) "Political subdivision" means any county, city, town, school district, special district
 3.11 or other political subdivision, or public corporation.

3.12 (h) "Underserved areas" means areas of Minnesota in which households or businesses
 3.13 lack access to ~~wire-line~~ broadband service at speeds of at least 100 megabits per second
 3.14 download and at least 20 megabits per second upload.

3.15 ~~(i) "Unserved areas" means areas of Minnesota in which households or businesses lack
 3.16 access to wire-line broadband service, as defined in section 116J.39.~~

3.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.18 Sec. 3. Minnesota Statutes 2016, section 116J.395, subdivision 1, is amended to read:

3.19 Subdivision 1. **Establishment.** A grant program is established under the Department of
 3.20 Employment and Economic Development to award grants to eligible applicants in order to
 3.21 promote the expansion of access to broadband service in ~~unserved~~ or underserved areas of
 3.22 the state.

3.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.24 Sec. 4. Minnesota Statutes 2016, section 116J.395, subdivision 5, is amended to read:

3.25 Subd. 5. **Application contents.** An applicant for a grant under this section shall provide
 3.26 the following information on the application:

3.27 (1) the location of the project;

3.28 (2) the kind and amount of broadband infrastructure to be purchased for the project;

3.29 (3) evidence regarding the ~~unserved~~ or underserved nature of the community in which
 3.30 the project is to be located;

4.1 (4) the number of households passed that will have access to broadband service as a
4.2 result of the project, or whose broadband service will be upgraded as a result of the project;

4.3 (5) significant community institutions that will benefit from the proposed project;

4.4 (6) evidence of community support for the project;

4.5 (7) the total cost of the project;

4.6 (8) sources of funding or in-kind contributions for the project that will supplement any
4.7 grant award;

4.8 (9) evidence that no later than six weeks before submission of the application the applicant
4.9 contacted, in writing, all entities providing broadband service in the proposed project area
4.10 to ask for each broadband service provider's plan to upgrade broadband service in the project
4.11 area to speeds that meet or exceed the state's broadband speed goals in section 237.012,
4.12 subdivision 1, within the time frame specified in the proposed grant activities;

4.13 (10) the broadband service providers' written responses to the inquiry made under clause
4.14 (9); and

4.15 (11) any additional information requested by the commissioner.

4.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.17 Sec. 5. Minnesota Statutes 2016, section 116J.395, subdivision 6, is amended to read:

4.18 Subd. 6. **Awarding grants.** ~~(a) In evaluating applications and awarding grants, the~~
4.19 ~~commissioner shall give priority to applications that are constructed in areas identified by~~
4.20 ~~the director of the Office of Broadband Development as unserved.~~

4.21 ~~(b)~~ (a) In evaluating applications and awarding grants, the commissioner may give
4.22 priority to applications that:

4.23 (1) are constructed in areas identified by the director of the Office of Broadband
4.24 Development as underserved;

4.25 (2) offer new or substantially upgraded broadband service to important community
4.26 institutions including, but not limited to, libraries, educational institutions, public safety
4.27 facilities, and healthcare facilities;

4.28 (3) facilitate the use of telemedicine and electronic health records;

4.29 (4) serve economically distressed areas of the state, as measured by indices of
4.30 unemployment, poverty, or population loss that are significantly greater than the statewide
4.31 average;

5.1 (5) provide technical support and train residents, businesses, and institutions in the
5.2 community served by the project to utilize broadband service;

5.3 (6) include a component to actively promote the adoption of the newly available
5.4 broadband services in the community;

5.5 (7) provide evidence of strong support for the project from citizens, government,
5.6 businesses, and institutions in the community;

5.7 (8) provide access to broadband service to a greater number of ~~unserved or~~ underserved
5.8 households and businesses; or

5.9 (9) leverage greater amounts of funding for the project from other private and public
5.10 sources.

5.11 ~~(e)~~ (b) The commissioner shall endeavor to award grants under this section to qualified
5.12 applicants in all regions of the state.

5.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.