

## 1 HOUSE BILL NO. 422

2 INTRODUCED BY K. KORTUM

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING MUNICIPALITIES TO OWN AND OPERATE  
5 MUNICIPAL BROADBAND SYSTEMS UNDER CERTAIN CIRCUMSTANCES; ALLOWING A POLITICAL  
6 SUBDIVISION TO INVEST IN BROADBAND INFRASTRUCTURE; AMENDING SECTION SECTIONS 2-17-  
7 603 AND 30-14-1702, MCA; REPEALING SECTIONS 2-17-601, 2-17-602, 2-17-603, AND 2-17-604, MCA;  
8 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."  
9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
11

12 SECTION 1. SECTION 2-17-603, MCA, IS AMENDED TO READ:

13 **"2-17-603. Government competition with private internet services providers prohibited --**  
14 **exceptions.** (1) Except as provided in subsection (2)(a) or (2)(b), an agency or political subdivision of the state  
15 may not directly or through another agency or political subdivision be an internet services provider.

16 (2) (a) An agency or political subdivision may act as an internet services provider if:

17 (i) no private internet services provider is available within the jurisdiction served by the agency or  
18 political subdivision; or

19 (ii) the agency or political subdivision provided services prior to July 1, 2001.

20 (b) An agency or political subdivision may act as an internet services provider when providing  
21 advanced services that are not otherwise available from a private internet services provider within the  
22 jurisdiction served by the agency or political subdivision.

23 (c) If a private internet services provider elects to provide internet services in a jurisdiction where an  
24 agency or political subdivision is providing internet services, the private internet services provider shall inform  
25 the agency or the political subdivision in writing at least 30 days in advance of offering internet services.

26 (3) Upon receiving notice pursuant to subsection (2)(c), the agency or political subdivision shall notify  
27 its subscribers within 30 days of the intent of the private internet services provider to begin providing internet  
28 services and may choose to discontinue providing internet services within 180 days of the notice.

- 1 (4) Nothing in this section may be construed to prohibit an agency or political subdivision from:
- 2 (a) offering electronic government services to the general public; ~~or~~
- 3 (b) acquiring access to the internet from a private internet services provider in order to offer electronic
- 4 government services to the general public; or
- 5 (c) investing in infrastructure to improve, construct, extend, expand, or maintain internet service as
- 6 determined appropriate by the political subdivision. Investment in infrastructure allowed in this subsection (4)(c)
- 7 may be:
- 8 (i) in cooperation with a private internet service provider; or
- 9 (ii) provided through an agreement or contract with a private internet service provider."

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11 **Section 2.** Section 30-14-1702, MCA, is amended to read:

12 **"30-14-1702. Definitions.** As used in 30-14-1701 through 30-14-1705, 30-14-1712, and 30-14-1713,

13 unless the context requires otherwise, the following definitions apply:

14 (1) (a) "Business" means a sole proprietorship, partnership, corporation, association, or other group,

15 however organized and whether or not organized to operate at a profit, including a financial institution

16 organized, chartered, or holding a license or authorization certificate under the law of this state, any other state,

17 the United States, or any other country or the parent or the subsidiary of a financial institution. The term

18 includes an entity that destroys records. The term also includes industries regulated by the public service

19 commission or under Title 30, chapter 10.

20 (b) The term does not include industries regulated under Title 33.

21 (2) "Customer" means an individual who provides personal information to a business for the purpose

22 of purchasing or leasing a product or obtaining a service from the business.

23 (3) "Electronic mail message" means a message sent to a unique destination, commonly expressed

24 as a string of characters, consisting of a unique user name or electronic mailbox and a reference to an internet

25 domain, whether or not displayed, to which an electronic message can be sent or delivered.

26 (4) "Individual" means a natural person.

27 (5) "Internet" has the meaning provided in 2-17-551.

28 (6) "Internet services provider" means a person or an entity that provides a service, available to the

1 public, that enables the person's or entity's customers to access the internet, purchase internet server or file-  
 2 hosting services, collocate internet equipment, or use data transmission over the internet for a fee has the  
 3 meaning provided in 2-17-602.

4 (7) "Personal information" means an individual's name, signature, address, or telephone number, in  
 5 combination with one or more additional pieces of information about the individual, consisting of the individual's  
 6 passport number, driver's license or state identification number, insurance policy number, bank account  
 7 number, credit card number, debit card number, passwords or personal identification numbers required to  
 8 obtain access to the individual's finances, or any other financial information as provided by rule. A social  
 9 security number, in and of itself, constitutes personal information.

10 (8) (a) "Records" means any material, regardless of the physical form, on which personal information  
 11 is recorded.

12 (b) The term does not include publicly available directories containing personal information that an  
 13 individual has voluntarily consented to have publicly disseminated or listed, such as name, address, or  
 14 telephone number.

15 (9) "Website" means an electronic location that has a single uniform resource locator or other single  
 16 location with respect to the internet."  
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18 **NEW SECTION. Section 3. Repealer.** The following sections of the Montana Code Annotated are  
 19 repealed:

20 2-17-601. Statement of purpose -- policy.

21 ~~2-17-602. Definitions.~~

22 ~~2-17-603. Government competition with private internet services providers prohibited -- exceptions.~~

23 2-17-604. Alternatives to public internet services providers.  
 24

25 **NEW SECTION. Section 4. Effective date.** [This act] is effective on passage and approval.

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