



February 16, 2021

HOUSE BILL No. 1449

DIGEST OF HB 1449 (Updated February 15, 2021 2:21 pm - DI 101)

Citations Affected: IC 4-4; noncode.

Synopsis: Broadband development. Amends the statute governing the awarding of grants from the rural broadband fund (fund) as follows: (1) Provides that an "eligible broadband project" for purposes of the statute includes a project for the deployment of broadband infrastructure: (A) to buildings used by public school corporations primarily for educating students; (B) to rural health clinics; (C) to ensure that resident Indiana students less than 23 years of age have access points providing a connection to eligible broadband service; and (D) in rural areas in Indiana. (Current law provides that an "eligible broadband project" means only a project for the deployment of broadband infrastructure for the provision of eligible broadband service in rural areas in Indiana.) (2) Provides that with respect to an eligible broadband project involving the deployment of broadband infrastructure to public school corporation buildings or rural health clinics, "eligible broadband service" means a connection to the Internet that provides an actual speed of at least the higher of: (A) 1,000 megabits per second downstream; or (B) the most recent minimum standard for broadband speed adopted by the Federal Communications Commission (FCC) (versus a terrestrial connection to the Internet that provides an actual speed of at least 25 megabits per second downstream and at least three megabits per second upstream, under current law with respect to projects involving the deployment of broadband infrastructure to rural areas). (3) Provides that with respect to an eligible broadband project to provide to resident Indiana students less than 23 years of age access
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Effective: Upon passage; July 1, 2021.

Soliday

January 14, 2021, read first time and referred to Committee on Utilities, Energy and Telecommunications.
February 16, 2021, amended, reported — Do Pass.

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points for connections to eligible broadband service, or for a project to provide eligible broadband service to rural areas, "eligible broadband service" means a connection to the Internet that provides an actual speed of at least the higher of: (A) 50 megabits per second downstream and at least five megabits per second upstream; or (B) the most recent minimum standard for broadband speed adopted by the FCC. (4) Specifies the following priorities for the awarding of grants from the fund after June 30, 2021: (A) First, for extending eligible broadband service to public school corporation buildings with respect to which the only available Internet connections are at actual speeds of less than 1,000 megabits per second downstream. (B) Second, for extending eligible broadband service to rural health clinics with respect to which the only available Internet connections are at actual speeds of less than 1,000 megabits per second downstream. (C) Third, for extending eligible broadband service so as to ensure that every resident Indiana student less than 23 years of age has at the student's residence an access point providing a connection to eligible broadband service. (D) Fourth, extending eligible broadband service to rural areas in which the only available connections to the Internet are at actual speeds of less than 50 megabits per second downstream. (5) Provides that a grant may not be awarded from the fund for any proposed broadband project with respect to which the applicant does not commit to providing at least 50% of the cost to deploy the proposed broadband infrastructure. (6) Specifies that a grant may not be awarded from the fund: (A) for any project to extend the deployment of eligible broadband service to one or more service addresses for which funding has been allocated from or awarded by the federal government to extend broadband service to those same addresses; or (B) if the awarding of the grant would jeopardize funding that has been awarded by the federal government under certain programs for purposes of expanding broadband service in Indiana. (7) Provides that the system of priorities used by the office of community and rural affairs (office) for awarding grants from the fund must give preference to projects that require a lower contribution from the fund per passing, as determined by a specified calculation. (8) Provides that the procedures established by the office for the awarding of grants from the fund must require the office to: (A) include, in publishing grant applications to the office's Internet web site, specific addresses for which state funds would be used to provide eligible broadband service; and (B) consider, in making a determination as to whether to award a grant to an applicant, all comments or objections received during the statutory 30 day comment period, including any new grant application that: (i) is submitted by another eligible broadband service provider; and (ii) indicates that such other provider would be willing to provide eligible broadband service to the same addresses at a lower cost to the state. (9) Requires the office to establish a program to expand broadband Internet connectivity by: (A) entering into agreements with eligible broadband service providers under which such providers agree to accept vouchers distributed by the office as a form of payment for eligible broadband service; and (B) distributing vouchers to: (i) school buildings; (ii) rural health clinics; and (iii) resident Indiana students less than 23 years of age; to be used as a form of payment for eligible broadband service with respect to which connections first become available after December 31, 2020. Provides that the program expires on July 1, 2025. (10) Requires the office to establish and publish on the office's Internet web site: (A) specific, measurable goals; and (B) metrics to be used in assessing the progress made toward accomplishing those goals; for the disbursement of state broadband grant funds. (11) Requires the office to report annually to the interim study committee on energy, utilities, and telecommunications (rather than to the general assembly, under current law) concerning the awarding of state broadband grants. (12) Requires the state board of accounts to conduct an annual audit (rather than an

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Digest Continued

audit every three years, under current law) of the awarding of state broadband grants. Establishes the Indiana broadband connectivity program (connectivity program), under which the office must establish a public broadband portal through which an individual may report that minimum broadband Internet (defined as a connection to the Internet at an actual speed of at least 25 megabits per second downstream and at least three megabits per second upstream) is unavailable at the individual's residential or business address. Provides that a broadband Internet provider may: (1) register with the connectivity program; (2) receive twice yearly listings of addresses submitted to the office as addresses at which minimum broadband Internet is unavailable; (3) report to the office any address included in a listing received by the provider at which the provider's minimum broadband Internet service is already available; and (4) bid for an award of a grant for purposes of extending connectivity to broadband Internet service (defined as a connection to the Internet at an actual speed of at least 50 megabits per second downstream and at least five megabits per second upstream) to an address at which minimum broadband Internet is unavailable. Requires the office to provide minimum broadband Internet connectivity information to an individual whose address: (1) is included in a listing of addresses submitted through the public broadband portal as an address at which minimum broadband Internet is unavailable; and (2) is reported by a broadband Internet provider as an address at which the provider already provides minimum broadband Internet. Provides that if the office does not receive notice from any providers that minimum broadband Internet is available at an address reported through the broadband portal, the office shall transmit to each registered provider a bid notification for provision of broadband Internet service at the address. Specifies requirements for a provider's submission of a bid under the program. Provides that in evaluating the bids received, the office shall select the provider whose bid presents the lowest cost to the state for extension of the provider's broadband Internet infrastructure to the address. Provides that the amount of a grant under the program may not exceed \$25,000 per line extension, regardless of the number of addresses served by the line extension. Requires the office to enter into an agreement with a provider that is awarded a grant under the program. Requires the office to provide to the general assembly an annual report containing specified data regarding the connectivity program.



February 16, 2021

First Regular Session of the 122nd General Assembly (2021)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1449

A BILL FOR AN ACT to amend the Indiana Code concerning utilities.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-4-38.5-2, AS ADDED BY P.L.189-2019,
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]: Sec. 2. As used in this chapter, "eligible broadband
4 project" means a project for the deployment of broadband
5 infrastructure for the provision of eligible broadband service,
6 regardless of the delivery technology:
7 (1) to buildings used by public school corporations primarily
8 for educating students, as described in section 9(b)(1) of this
9 chapter;
10 (2) to rural health clinics, as described in section 9(b)(2) of
11 this chapter;
12 (3) to ensure that students who are:
13 (A) residents of Indiana; and
14 (B) less than twenty-three (23) years of age;
15 have access points providing a connection to eligible
16 broadband service, as described in section 9(b)(3) of this
17 chapter; or

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1 **(4) in rural areas in Indiana, as described in section 9(b)(4) of**
 2 **this chapter.**

3 SECTION 2. IC 4-4-38.5-3, AS ADDED BY P.L.189-2019,
 4 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2021]: Sec. 3. As used in this chapter, "eligible broadband
 6 service" means a ~~terrestrial~~ connection to the Internet that provides an
 7 actual speed of at least: ~~twenty-five (25)~~

8 **(1) the higher of:**
 9 **(A) one thousand (1,000) megabits per second downstream;**
 10 **or**
 11 **(B) the most recent minimum standard for broadband**
 12 **speed adopted by the Federal Communications**
 13 **Commission;**

14 **with respect to grants awarded under section 9(b)(1) or**
 15 **9(b)(2) of this chapter; or**

16 **(2) the higher of:**
 17 **(A) fifty (50) megabits per second downstream and at least**
 18 **three (3) five (5) megabits per second upstream; or**
 19 **(B) the most recent minimum standard for broadband**
 20 **speed adopted by the Federal Communications**
 21 **Commission;**

22 **with respect to grants awarded under section 9(b)(3) or**
 23 **9(b)(4) of this chapter;**

24 regardless of the technology or medium used to provide the connection.

25 SECTION 3. IC 4-4-38.5-6.2 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2021]: **Sec. 6.2. As used in this chapter,**
 28 **"public school corporation" means either of the following:**

29 **(1) A local public school corporation established under**
 30 **Indiana law, including a:**

31 **(A) school city;**
 32 **(B) school town;**
 33 **(C) metropolitan school district;**
 34 **(D) consolidated school corporation;**
 35 **(E) county school corporation;**
 36 **(F) community school corporation; and**
 37 **(G) united school corporation.**

38 **(2) A charter school (as defined in IC 20-24-1-4).**

39 SECTION 4. IC 4-4-38.5-7.1 IS ADDED TO THE INDIANA
 40 CODE AS A NEW SECTION TO READ AS FOLLOWS
 41 [EFFECTIVE JULY 1, 2021]: **Sec. 7.1. (a) As used in this chapter,**
 42 **"rural health clinic" means a building that is:**



- 1 **(1) located in a rural area;**
 2 **(2) owned or operated by a health care entity (as defined in**
 3 **IC 25-26-14-6); and**
 4 **(3) used primarily to provide diagnostic, medical, surgical,**
 5 **dental, or rehabilitative care.**

6 **(b) The term does not include a pharmacy or wholesale drug**
 7 **distributor.**

8 SECTION 5. IC 4-4-38.5-9, AS ADDED BY P.L.189-2019,
 9 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2021]: Sec. 9. (a) The office shall establish procedures for the
 11 awarding of grants from the fund after July 31, 2019, by state agencies
 12 to eligible broadband service providers for eligible broadband projects.

13 (b) The procedures established under this section must establish the
 14 following priorities for the awarding of grants under this chapter:

- 15 (1) First, extending the deployment of eligible broadband service
 16 **(as defined in section 3(1) of this chapter) to areas in which:**
 17 **any building:**

18 (A) ~~Internet connections are unavailable; or that is used by a~~
 19 **public school corporation primarily for educating**
 20 **students; and**

21 (B) **with respect to which** the only available connections to
 22 the Internet are at actual speeds of less than ~~ten (10) one~~
 23 **thousand (1,000) megabits per second downstream.**

- 24 (2) **Second, extending the deployment of eligible broadband**
 25 **service (as defined in section 3(1) of this chapter) to any rural**
 26 **health clinic with respect to which the only available**
 27 **connections to the Internet are at actual speeds of less than**
 28 **one thousand (1,000) megabits per second downstream.**

- 29 (3) **Third, extending the deployment of eligible broadband**
 30 **service (as defined in section 3(2) of this chapter) so as to**
 31 **ensure that every student who:**

32 (A) **is an Indiana resident; and**

33 (B) **is less than twenty-three (23) years of age;**

34 **has at the student's primary Indiana residence an access point**
 35 **that provides a connection to the Internet at actual speeds of**
 36 **at least the speed set forth in section 3(2) of this chapter.**

- 37 ~~(2) Second;~~ (4) **Fourth, extending the deployment of eligible**
 38 **broadband service (as defined in section 3(2) of this chapter) to**
 39 **rural areas in which the only available connections to the Internet**
 40 **are at actual speeds of**

41 (A) ~~not less than ten (10) megabits; and~~

42 ~~(B) not more less than twenty-five (25) megabits~~



1 per second downstream.

2 ~~(3)~~ **(5) Projects: for areas**

3 **(A) described in subdivision (2) shall not be funded before**
4 **projects described in subdivision (1);**

5 **(B) described in subdivision (3) shall not be funded before**
6 **projects described in subdivision (1) or (2); and**

7 **(C) described in subdivision (4) shall not be funded before**
8 **projects described in subdivision (1), (2), or (3).**

9 **However, a state agency may fund an eligible broadband**
10 **project that is designated as a lower priority under this**
11 **subsection if no applications for eligible broadband projects**
12 **designated as a higher priority under this subsection are**
13 **submitted with respect to any particular round of grant**
14 **funding under this chapter.**

15 **(c) Except for a project described in subsection (b)(1) or (b)(2),**
16 **the procedures established under this section may not permit the**
17 **awarding of a grant from the fund for any proposed broadband project**
18 **in an area in which eligible broadband service to deploy broadband**
19 **infrastructure to a specific address for which a connection to the**
20 **Internet that provides an actual speed of at least twenty-five (25)**
21 **megabits per second downstream is available.**

22 **(d) The procedures established under this section may not**
23 **permit the awarding of a grant from the fund for any proposed**
24 **broadband project with respect to which the applicant does not**
25 **commit to providing at least fifty percent (50%) of the cost to**
26 **deploy the proposed broadband infrastructure.**

27 ~~(d)~~ **(e) The procedures established under this section may not permit**
28 **the office to award a grant from the fund:**

29 **(1) for any project in a rural area for to extend the deployment**
30 **of eligible broadband service to one (1) or more service**
31 **addresses with respect to which funding has been allocated from**
32 **or awarded by the federal government to extend broadband**
33 **service to those same addresses; or**

34 **(2) if the awarding of the grant would jeopardize funding that**
35 **has been awarded by the federal government for purposes of**
36 **expanding broadband service in Indiana, including funding**
37 **from the:**

38 **(A) Connect America Fund;**

39 **(B) Rural Digital Opportunity Fund;**

40 **(C) Broadband Technology Opportunities Program; or**

41 **(D) State Broadband Initiative;**

42 **or from any other similar federal funding program. the express purpose**



1 of which is to provide broadband service to rural or unserved areas.

2 (e) (f) The procedures established under this section must establish
3 a system of priorities for awarding grants under this chapter, weighted
4 as determined by the office in guidelines adopted under section 10 of
5 this chapter, that gives preference to eligible broadband projects that
6 meet the following criteria:

7 (1) Projects that will provide eligible broadband service to
8 unincorporated areas in Indiana.

9 (2) Projects for which the applicant commits to providing more
10 than fifty percent (50%) of the cost to deploy the proposed
11 broadband infrastructure. When multiple applicants apply for a
12 grant to provide eligible broadband service to the same rural area,
13 the office may establish a preference for approving applications
14 with a greater funding contribution by the applicant. **that require**
15 **a lower contribution from the fund per passing, as determined**
16 **by calculating:**

17 (A) **the amount of the grant to be awarded under this**
18 **chapter; divided by**

19 (B) **the total number of unserved homes and unserved**
20 **businesses at which eligible broadband service will be**
21 **made available by completion of the eligible broadband**
22 **project.**

23 (3) Projects that involve an agreement between the applicant and
24 one (1) or more other parties that would permit the applicant to
25 use existing facilities or infrastructure ~~owned or controlled by an~~
26 ~~unrelated third party~~ to enable the applicant to offer eligible
27 broadband service to **buildings or** locations in a rural area.
28 **described in subsection (b).**

29 (f) (g) The procedures established under this section must prohibit
30 a state agency, in awarding any grant from the fund, from
31 discriminating between different types of technology used to provide
32 eligible broadband service in connection with proposed eligible
33 broadband projects.

34 (g) (h) The procedures established under this section must, subject
35 to section 14 of this chapter, require the office to publish on the office's
36 Internet web site all grant applications, **including the specific**
37 **addresses for which state funds would be used to provide eligible**
38 **broadband service**, received by the office under this chapter. For each
39 grant application received, the office shall establish a period of at least
40 thirty (30) days from the date the application is published on the
41 office's Internet web site under this subsection, during which time the
42 office will accept comments or objections concerning the application.



1 The office shall consider, **in making a determination as to whether**
 2 **to award a grant to an applicant under this chapter**, all comments
 3 or objections received under this subsection, ~~in making a determination~~
 4 ~~as to whether to award a grant to an applicant under this chapter.~~
 5 **including any new grant application that:**

6 (1) **is submitted by another eligible broadband service**
 7 **provider; and**

8 (2) **indicates that such other eligible broadband service**
 9 **provider would be willing to provide eligible broadband**
 10 **service to the same addresses included in the posted**
 11 **application at a lower cost to the state.**

12 SECTION 6. IC 4-4-38.5-10, AS ADDED BY P.L.189-2019,
 13 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2021]: Sec. 10. (a) The office shall adopt guidelines to
 15 implement this chapter, including guidelines governing the following:

16 (1) The form and content of requests to provide eligible
 17 broadband service ~~to a rural area:~~ **in connection with an eligible**
 18 **broadband project.**

19 (2) The form and content of applications for grants under this
 20 chapter.

21 (3) A competitive bidding process or a process for requests for
 22 proposals for eligible broadband projects.

23 (4) Standards for determining whether a broadband service
 24 provider has demonstrated:

25 (A) financial;

26 (B) technical; and

27 (C) operational;

28 capability in building and operating a broadband network, as
 29 necessary to qualify as an eligible broadband service provider for
 30 purposes of this chapter.

31 (5) Standards establishing population parameters or another
 32 appropriate metric for defining a community that qualifies as a
 33 small municipality for purposes of section 7(2) of this chapter.

34 (6) Standards for determining the types and categories of
 35 expenses that are:

36 (A) directly related to an eligible broadband project; and

37 (B) eligible to receive funding under this chapter.

38 (7) Standards for assigning weight to the funding priorities set
 39 forth in section ~~9(e)~~ **9(f)** of this chapter.

40 (b) In adopting the guidelines described in subsection (a) or in
 41 otherwise administering this chapter, the office may collaborate with
 42 other state agencies or with political subdivisions of the state.



1 SECTION 7. IC 4-4-38.5-10.5 IS ADDED TO THE INDIANA
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2021]: **Sec. 10.5. (a) The office shall establish**
4 **a program to expand the availability of broadband Internet**
5 **connectivity throughout Indiana by:**

6 (1) entering into agreements with eligible broadband service
7 providers under which eligible broadband service providers
8 agree to accept vouchers distributed by the office as a form of
9 payment for the provision of eligible broadband service; and
10 (2) distributing vouchers to the following, as prioritized in this
11 subdivision, to be used as a form of payment for eligible
12 broadband service provided before July 1, 2025:

13 (A) First, to public school corporations to pay for eligible
14 broadband service (as defined in section 3(1) of this
15 chapter) to any building:

- 16 (i) that is used primarily for educating students; and
17 (ii) with respect to which a connection to eligible
18 broadband service (as defined in section 3(1) of this
19 chapter) first becomes available at the building after
20 December 31, 2020.

21 (B) Second, to rural health clinics to pay for eligible
22 broadband service (as defined in section 3(1) of this
23 chapter) for which a connection to the eligible broadband
24 service (as defined in section 3(1) of this chapter) first
25 becomes available at a building described in section 7.1 of
26 this chapter after December 31, 2020.

27 (C) Third, to students who are:

- 28 (i) Indiana residents; and
29 (ii) less than twenty-three (23) years of age;

30 to pay for eligible broadband service (as defined in section
31 3(2) of this chapter) for which a connection to the eligible
32 broadband service (as defined in section 3(2) of this
33 chapter) first becomes available at the primary residences
34 of those students after December 31, 2020.

35 (b) A voucher distributed by the office under the program
36 established under this section may be used by a recipient described
37 in subsection (a)(2) to pay one (1) or more of the following
38 expenses:

39 (1) Fees charged by an eligible broadband service provider for
40 installation, activation, equipment purchases, or other one (1)
41 time expenses of providing eligible broadband service to a
42 recipient described in subsection (a)(2).



1 **(2) Monthly subscription fees charged by an eligible**
 2 **broadband service provider for the provision of eligible**
 3 **broadband service to a recipient described in subsection**
 4 **(a)(2), including modem and router charges.**

5 **(c) The office shall adopt and publish on the office's Internet**
 6 **web site guidelines to implement the program, including guidelines**
 7 **governing the following:**

8 **(1) Standards for determining eligibility to receive one (1) or**
 9 **more vouchers under the program.**

10 **(2) Standards for determining the number and dollar amounts**
 11 **of vouchers to be distributed under the program, including**
 12 **standards for determining whether an applicant for assistance**
 13 **is eligible for a single payment or for a recurring payment of**
 14 **financial assistance.**

15 **(3) Standards for eligible broadband service providers to**
 16 **participate in the program.**

17 **(4) Standards for determining:**

18 **(A) the total amount of financial assistance to be**
 19 **distributed in vouchers under the program for each state**
 20 **fiscal year the program is operational; and**

21 **(B) sources of funding for that financial assistance.**

22 **(5) Any other standards the office determines are necessary**
 23 **to implement and administer the program.**

24 **(d) The program established under this section may not provide**
 25 **vouchers or other financial assistance for expenses described in**
 26 **subsection (b) that are incurred after June 30, 2025.**

27 **(e) This section expires July 1, 2025.**

28 SECTION 8. IC 4-4-38.5-11, AS ADDED BY P.L.189-2019,
 29 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2021]: Sec. 11. (a) The rural broadband fund is established for
 31 the purpose of:

32 **(1) awarding grants under:**

33 **(1) (A) this chapter after July 31, 2019; and**

34 **(2) (B) IC 4-4-38 before August 1, 2019; and**

35 **(2) providing financial assistance for expenses described in**
 36 **section 10.5(b) of this chapter incurred before July 1, 2025,**
 37 **under the program established under section 10.5 of this**
 38 **chapter.**

39 **(b) The office shall administer the fund.**

40 **(c) The fund consists of:**

41 **(1) money appropriated by the general assembly;**

42 **(2) money received by the office from federal grants or programs**



1 for broadband infrastructure; and

2 (3) donations, gifts, and money received from any other source,
3 including transfers from other funds or accounts.

4 (d) The treasurer of state shall invest the money in the fund not
5 currently needed to meet the obligations of the fund in the same
6 manner as other public funds may be invested.

7 (e) Money in the fund at the end of a state fiscal year does not revert
8 to the state general fund but remains in the fund to be used exclusively
9 for the purposes of this chapter and IC 4-4-38.

10 SECTION 9. IC 4-4-38.5-13, AS ADDED BY P.L.189-2019,
11 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2021]: Sec. 13. **(a) The office shall establish and publish on
13 the office's Internet web site:**

14 **(1) specific, measurable goals; and**

15 **(2) metrics to be used in assessing the progress made toward
16 accomplishing those goals;**

17 **for the disbursement of state broadband grant funds.**

18 ~~(a)~~ **(b)** Beginning in 2020, not later than August 1 of each year, the
19 office shall submit to the ~~general assembly~~ **interim study committee**
20 **on energy, utilities, and telecommunications established by**
21 **IC 2-5-1.3-4(8)** a report on the awarding of grants under this chapter
22 during the most recent state fiscal year, including the following:

23 (1) The number, amounts, and recipients of grants awarded under
24 this chapter, along with the state agency awarding each grant.

25 (2) The status of any funded eligible broadband projects.

26 (3) Expenses incurred and funds spent by the office in
27 administering this chapter.

28 (4) A list of the entities, if any, that the office collaborated with in
29 administering this chapter.

30 (5) An accounting of money in the fund, including funds awarded
31 as grants under this chapter.

32 (6) The number of:

33 **(A) school corporation buildings described in section**
34 **9(b)(1) of this chapter;**

35 **(B) rural health clinics described in section 9(b)(2) of this**
36 **chapter;**

37 **(C) access points described in section 9(b)(3) of this**
38 **chapter; and**

39 **(D) locations in rural areas described in section 9(b)(4) of**
40 **this chapter;**

41 to which broadband infrastructure has been deployed with the use
42 of grant funds under this chapter, including address-level



1 information for newly connected locations.

2 (7) The overall progress of the deployment of broadband
3 infrastructure for the provision of eligible broadband service:

4 **(A) to school corporation buildings, as described in section**
5 **9(b)(1) of this chapter;**

6 **(B) to rural health clinics, as described in section 9(b)(2) of**
7 **this chapter;**

8 **(C) so as to ensure that resident Indiana students less than**
9 **twenty-three (23) years of age have access points providing**
10 **a connection to eligible broadband service, as described in**
11 **section 9(b)(3) of this chapter; and**

12 **(D) in rural areas in Indiana, as described in section 9(b)(4)**
13 **of this chapter.**

14 A report to the ~~general assembly~~ **interim study committee on energy,**
15 **utilities, and telecommunications** under this subsection must be in an
16 electronic format under IC 5-14-6.

17 ~~(b)~~ **(c)** Every ~~three (3) years,~~ **year,** beginning in 2021, the state
18 board of accounts shall conduct an audit of the awarding of grants
19 under:

20 (1) IC 4-4-38; and

21 (2) this chapter;

22 as appropriate, during the most recent ~~three (3) state fiscal years.~~ **year.**
23 A report of an audit conducted under this subsection shall be submitted
24 to the ~~general assembly~~ **interim study committee on energy, utilities,**
25 **and telecommunications established by IC 2-5-1.3-4(8)** in an
26 electronic format under IC 5-14-6 not later than ~~December 31~~
27 **September 1** of the calendar year that includes the end of the ~~third~~
28 state fiscal year covered by the audit.

29 SECTION 10. IC 4-4-41 IS ADDED TO THE INDIANA CODE AS
30 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
31 1, 2021]:

32 **Chapter 41. Indiana Broadband Connectivity Program**

33 **Sec. 1. As used in this chapter, "broadband Internet" means a**
34 **connection to the Internet that provides an actual speed of at least**
35 **fifty (50) megabits per second downstream and at least five (5)**
36 **megabits per second upstream, regardless of the technology or**
37 **medium used to provide the connection.**

38 **Sec. 2. As used in this chapter, "fund" refers to the Indiana**
39 **broadband connectivity fund established by section 8 of this**
40 **chapter.**

41 **Sec. 3. As used in this chapter, "minimum broadband Internet"**
42 **means a connection to the Internet that provides an actual speed of**



1 at least twenty-five (25) megabits per second downstream and at
 2 least three (3) megabits per second upstream, regardless of the
 3 technology or medium used to provide the connection.

4 Sec. 4. As used in this chapter, "office" refers to the office of
 5 community and rural affairs established by IC 4-4-9.7-4.

6 Sec. 5. As used in this chapter, "program" refers to the Indiana
 7 broadband connectivity program established by section 7 of this
 8 chapter.

9 Sec. 6. As used in this chapter, "registered provider" means a
 10 company, firm, corporation, partnership, or association that
 11 provides broadband Internet service in Indiana and that has
 12 registered with the program under section 9 of this chapter.

13 Sec. 7. (a) The Indiana broadband connectivity program is
 14 established for the purpose of expanding availability of broadband
 15 Internet connectivity throughout Indiana by:

16 (1) connecting Indiana residents and businesses that lack
 17 access to broadband Internet service with providers of
 18 broadband Internet service through the public broadband
 19 portal created under section 9 of this chapter; and

20 (2) providing funding under section 10 of this chapter to assist
 21 broadband Internet providers in meeting the expense of
 22 extending broadband Internet service to addresses at which
 23 minimum broadband Internet service is unavailable.

24 (b) The office shall administer the program.

25 Sec. 8. (a) The Indiana broadband connectivity fund is
 26 established for the purpose of:

27 (1) creating and administering the public broadband portal
 28 under section 9 of this chapter; and

29 (2) providing grants under section 10 of this chapter.

30 The office shall administer the fund.

31 (b) The fund consists of:

32 (1) money appropriated by the general assembly;

33 (2) money received by the office from federal grants or
 34 programs for the extension of existing broadband
 35 infrastructure to areas in which broadband Internet
 36 connectivity is unavailable; and

37 (3) donations, gifts, and money received from any other
 38 source, including transfers from other funds or accounts.

39 (c) The treasurer of state shall invest the money in the fund not
 40 currently needed to meet the obligations of the fund in the same
 41 manner as other public funds may be invested.

42 (d) Money in the fund at the end of a state fiscal year does not



1 revert to the state general fund.

2 **Sec. 9. (a) The office shall contact broadband Internet providers**
3 **to solicit the providers' registration with the program. The office**
4 **shall not:**

5 (1) require a provider to provide any proprietary business
6 information to the office for purposes of participating in the
7 program; or

8 (2) require a provider to participate in the program.

9 (b) The office shall create and administer a public broadband
10 portal:

11 (1) that is accessible to individuals through the office's
12 Internet web site and through a mailing address designated by
13 the office for the purpose of public access to the portal; and

14 (2) through which an individual may submit the individual's
15 residential or business address to report that minimum
16 broadband Internet connectivity is unavailable at the address.

17 (c) Twice each year, the office shall:

18 (1) post addresses, including zip codes, submitted under
19 subsection (b)(2) to an Internet web site that is accessible only
20 to registered providers; and

21 (2) not less than twenty-four (24) hours after the addresses are
22 posted, send notice of the posting to registered providers by
23 electronic mail.

24 (d) Not later than ten (10) business days after a registered
25 provider receives notice of a posting of addresses under subsection
26 (c), the registered provider may provide notice to the office of any
27 posted address at which the registered provider's minimum
28 broadband Internet service is available.

29 (e) If the office receives notice under subsection (d) that the
30 minimum broadband Internet service of one (1) or more registered
31 providers is available at an address submitted by an individual
32 through the public broadband portal, the office shall, not later than
33 twenty (20) business days after receiving the notice, provide to the
34 individual the name and contact information of each registered
35 provider whose minimum broadband Internet service is available
36 at the address. The office may provide notice to an individual
37 under this subsection by:

38 (1) electronic mail, if the individual provided an electronic
39 mail address at the time the individual submitted the address
40 through the portal; or

41 (2) mail sent to the submitted address, if the individual did not
42 provide an electronic mail address.



1 (f) If the office does not receive notice under subsection (d)
 2 regarding an address within ten (10) business days after posting
 3 the address under subsection (c), the office shall, not later than
 4 twenty (20) business days after the expiration of the ten (10)
 5 business day period described in subsection (d), transmit to each
 6 registered provider a bid notification for provision of broadband
 7 Internet service at the address.

8 (g) A registered provider that receives a bid notification for an
 9 address under subsection (f) and wishes to submit a bid for
 10 provision of broadband Internet service to the address must, not
 11 later than sixty (60) days after receiving the bid notification, send
 12 to the office a bid that includes:

- 13 (1) a proposal for making a line extension from the provider's
 14 existing broadband Internet infrastructure to the address;
- 15 (2) an estimate of the state's share of the cost for the line
 16 extension; and
- 17 (3) a statement of the amount of the cost of the line extension
 18 that the provider agrees to bear.

19 (h) The office shall, not later than thirty (30) business days after
 20 the close of the sixty (60) day bidding period for an address under
 21 subsection (g), evaluate the bids received and select the provider
 22 whose bid presents the lowest cost to the state for extension of the
 23 provider's broadband Internet infrastructure to the address.

24 **Sec. 10. (a) The office shall:**

- 25 (1) award a grant from the fund to a provider selected by the
 26 office under section 9(h) of this chapter to extend broadband
 27 Internet service to an address; and
- 28 (2) enter into an agreement with the provider under which:
 29 (A) the provider agrees to extend broadband Internet
 30 service to the address; and
 31 (B) the office agrees to distribute the amount of the grant
 32 to the provider upon the provider's satisfactory completion
 33 of extension of broadband Internet service to the address
 34 and the provider's submission of:
 35 (i) an invoice for the provider's expenses in extending
 36 broadband Internet service to the address; and
 37 (ii) a statement that broadband Internet service is now
 38 available to the address.

39 (b) The amount of a grant under this section may not exceed
 40 twenty-five thousand dollars (\$25,000) per line extension,
 41 regardless of the number of addresses served by the line extension.

42 **Sec. 11. (a) Not later than November 1 of each year, the office**



- 1 shall:
- 2 (1) issue to the executive director of the legislative services
- 3 agency, for distribution to the members of the general
- 4 assembly convening in November of that year; and
- 5 (2) post to the office's Internet web site;
- 6 a report regarding the program.
- 7 (b) The report under subsection (a) must include the following
- 8 information with regard to the immediately preceding calendar
- 9 year:
- 10 (1) The number of addresses submitted under section 9(b)(2)
- 11 of this chapter:
- 12 (A) in total; and
- 13 (B) categorized by the Indiana legislative district in which
- 14 the address is located.
- 15 (2) The number of grants, and the amount of the grants,
- 16 awarded under this chapter:
- 17 (A) in total; and
- 18 (B) categorized by the Indiana legislative district in which
- 19 the grant was used to extend broadband Internet service.
- 20 (c) The report issued under subsection (a)(1) must be in an
- 21 electronic format under IC 5-14-6.
- 22 Sec. 12. The office shall adopt rules under IC 4-22-2 necessary
- 23 for the administration of this chapter. In adopting the rules
- 24 required by this section, the office may adopt emergency rules in
- 25 the manner provided by IC 4-22-2-37.1. Notwithstanding
- 26 IC 4-22-2-37.1(g), an emergency rule adopted by the office under
- 27 this section and in the manner provided by IC 4-22-2-37.1 expires
- 28 on the date on which a rule that supersedes the emergency rule is
- 29 adopted by the office under IC 4-22-2-24 through IC 4-22-2-36.
- 30 SECTION 11. [EFFECTIVE UPON PASSAGE] (a) The definitions
- 31 in IC 4-4-38.5, as amended by this act, apply throughout this
- 32 SECTION.
- 33 (b) IC 4-4-38.5-9, as amended by this act, applies to the
- 34 awarding of grants from the rural broadband fund after June 30,
- 35 2021, by state agencies to eligible broadband service providers for
- 36 eligible broadband projects.
- 37 (c) Not later than June 1, 2021, the office shall amend the
- 38 guidelines adopted by the office under IC 4-4-38.5-10, as amended
- 39 by this act, to the extent necessary to reflect the changes to the
- 40 priorities set forth in IC 4-4-38.5-9(b) and IC 4-4-38.5-9(f), both as
- 41 amended by this act, for the awarding of grants under IC 4-4-38.5
- 42 by state agencies to eligible broadband service providers for



- 1 **eligible broadband projects.**
- 2 **(d) This SECTION expires January 1, 2022.**
- 3 **SECTION 12. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Utilities, Energy and Telecommunications, to which was referred House Bill 1449, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1449 as introduced.)

SOLIDAY

Committee Vote: yeas 11, nays 1.

