



March 26, 2021

ENGROSSED HOUSE BILL No. 1449

DIGEST OF HB 1449 (Updated March 24, 2021 1:12 pm - DI 142)

Citations Affected: IC 4-4; noncode.

Synopsis: Broadband development. Amends the statute governing the awarding of grants from the rural broadband fund as follows: (1) Provides that an "eligible broadband project" for purposes of the statute includes a project for the deployment of terrestrial broadband infrastructure: (A) to buildings used by public school corporations primarily for educating students; (B) to rural health clinics; (C) to ensure that eligible students (defined as Indiana residents who are less than 23 years of age and who are enrolled in a K-12 school in Indiana)
(Continued next page)

Effective: Upon passage; July 1, 2021.

Soliday

(SENATE SPONSORS — KOCH, MESSMER, ZAY, HOUCHIN)

January 14, 2021, read first time and referred to Committee on Utilities, Energy and Telecommunications.

February 16, 2021, amended, reported — Do Pass.

February 18, 2021, read second time, ordered engrossed. Engrossed.

February 22, 2021, read third time, passed. Yeas 92, nays 2.

SENATE ACTION

March 2, 2021, read first time and referred to Committee on Utilities.

March 15, 2021, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

March 25, 2021, amended, reported favorably — Do Pass.

EH 1449—LS 7057/DI 119



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) Specifies that terrestrial broadband infrastructure includes infrastructure used for a fixed wireless Internet connection but does not include infrastructure used for a satellite Internet connection. (3) 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: (A) 1,000 megabits per second downstream for a project involving the deployment of broadband infrastructure to public school corporation buildings or rural health clinics; or (B) 50 megabits per second downstream and at least five megabits per second upstream for a project to provide to eligible students access points for connections to eligible broadband service, or for a project to provide eligible broadband service to rural areas. (4) Specifies the following priorities for the awarding of grants from the rural broadband 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 eligible student 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 25 megabits per second downstream. (5) Provides that a state agency may fund an eligible broadband project that is designated as a lower priority under the funding priorities set forth in the statute if no competitive applications for eligible broadband projects designated as a higher priority are submitted in a particular round of grant funding. (6) Specifies that a grant may not be awarded from the rural broadband fund: (A) for any project to extend the deployment of eligible broadband service to one or more service addresses for which funding from the federal government has been used or will be disbursed to extend broadband service at actual speeds of at least 25 megabits per second downstream 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 rural broadband 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 rural broadband 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 comment period, including any new grant application that: (i) is submitted within the statutory comment period 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 broadband service

(Continued next page)



providers under which such providers agree to accept subsidy payments distributed by the office as a form of payment for eligible broadband service; and (B) distributing subsidy payments to participating providers to be used as a form of payment for eligible broadband service provided before July 1, 2025, to certain persons and entities, prioritized as follows: (i) School buildings. (ii) Rural health clinics. (iii) Eligible students. Provides that money in the rural broadband fund may be used to provide financial assistance under the new program. (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 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 the public broadband portal must solicit information as to whether one or more eligible students reside at an address that is reported by an individual through the portal. Provides that the office may contract or consult with one or more third parties in the creation or administration of the portal. Provides that a broadband Internet provider may: (1) register with the connectivity program; (2) receive, at least every three months, 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. Provides that if the office does not receive notice from any providers that minimum broadband Internet is available at an address reported through the public 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 awarded to a registered provider under the program may not exceed a per-passing amount that exceeds the state's cost per passing for all grants awarded from the rural broadband fund for rural broadband grants as of the last day of the immediately preceding state fiscal year, as calculated by the office of community and rural affairs. 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.



March 26, 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.

ENGROSSED 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 UPON PASSAGE]: Sec. 2. **(a)** As used in this chapter, "eligible
4 broadband project" means a project for the deployment of **terrestrial**
5 **broadband infrastructure** for the provision of eligible broadband
6 service, 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 eligible students have access points**
13 **providing a connection to eligible broadband service, as**
14 **described in section 9(b)(3) of this chapter; or**
15 **(4) in rural areas in Indiana, as described in section 9(b)(4) of**
16 **this chapter.**
17 **(b) For purposes of this section, terrestrial broadband**

EH 1449—LS 7057/DI 119



1 **infrastructure includes infrastructure used for a fixed wireless**
 2 **connection to the Internet but does not include infrastructure used**
 3 **for a satellite connection to the Internet.**

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

9 **(1) one thousand (1,000) megabits per second downstream**
 10 **with respect to grants awarded under section 9(b)(1) or**
 11 **9(b)(2) of this chapter; or**

12 **(2) fifty (50) megabits per second downstream and at least ~~three~~**
 13 **(~~3~~) five (5) megabits per second upstream with respect to grants**
 14 **awarded under section 9(b)(3) or 9(b)(4) of this chapter;**

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

16 SECTION 3. IC 4-4-38.5-4.5 IS ADDED TO THE INDIANA
 17 CODE AS A NEW SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2021]: Sec. 4.5. As used in this chapter,
 19 "eligible student" means a student who is:

20 **(1) a resident of Indiana;**

21 **(2) less than twenty-three (23) years of age; and**

22 **(3) enrolled in a school in Indiana providing any combination**
 23 **of kindergarten through grade 12 instruction.**

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

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

30 **(A) school city;**

31 **(B) school town;**

32 **(C) metropolitan school district;**

33 **(D) consolidated school corporation;**

34 **(E) county school corporation;**

35 **(F) community school corporation; and**

36 **(G) united school corporation.**

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

38 SECTION 5. IC 4-4-38.5-7.1 IS ADDED TO THE INDIANA
 39 CODE AS A NEW SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE UPON PASSAGE]: Sec. 7.1. (a) As used in this
 41 chapter, "rural health clinic" means a building that is:

42 **(1) located in a rural area;**



- 1 **(2) owned or operated by a health care entity (as defined in**
 2 **IC 25-26-14-6); and**
 3 **(3) used primarily to provide diagnostic, medical, surgical,**
 4 **dental, or rehabilitative care.**
 5 **(b) The term does not include a pharmacy or wholesale drug**
 6 **distributor.**
 7 SECTION 6. IC 4-4-38.5-9, AS ADDED BY P.L.189-2019,
 8 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 UPON PASSAGE]: Sec. 9. (a) The office shall establish procedures for
 10 the awarding of grants from the fund after July 31, 2019, by state
 11 agencies to eligible broadband service providers for eligible broadband
 12 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 eligible student has at the student's primary**
 32 **Indiana residence an access point that provides a connection**
 33 **to the Internet at actual speeds of at least the speed set forth**
 34 **in section 3(2) of this chapter.**
 35 ~~(2) Second;~~ (4) **Fourth, extending the deployment of eligible**
 36 **broadband service (as defined in section 3(2) of this chapter) to**
 37 **rural areas in which the only available connections to the Internet**
 38 **are at actual speeds of**
 39 (A) ~~not less than ten (10) megabits; and~~
 40 ~~(B) not more less than twenty-five (25) megabits~~
 41 per second downstream.
 42 ~~(3) (5) Projects: for areas~~



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

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

5 (C) described in subdivision (4) shall not be funded before
6 projects described in subdivision (1), (2), or (3).

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

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

20 (d) The procedures established under this section may not permit the
21 office to award a grant from the fund:

22 (1) for any project in a rural area for to extend the deployment
23 of eligible broadband service to one (1) or more service
24 addresses with respect to which funding has been allocated from
25 the federal government has been used or will be disbursed to
26 extend broadband service at actual speeds of at least
27 twenty-five (25) megabits per second downstream to those
28 same addresses; or

29 (2) if the awarding of the grant would jeopardize funding that
30 has been awarded by the federal government for purposes of
31 expanding broadband service in Indiana, including funding
32 from the:

33 (A) Connect America Fund;

34 (B) Rural Digital Opportunity Fund;

35 (C) Broadband Technology Opportunities Program; or

36 (D) State Broadband Initiative;

37 or from any other similar federal funding program. the express purpose
38 of which is to provide broadband service to rural or unserved areas.

39 (e) The procedures established under this section must establish a
40 system of priorities for awarding grants under this chapter, weighted as
41 determined by the office in guidelines adopted under section 10 of this
42 chapter, that gives preference to eligible broadband projects that meet



1 the following criteria:

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

4 (2) Projects for which the applicant commits to providing more
5 than fifty percent (50%) of the cost to deploy the proposed
6 broadband infrastructure. ~~When multiple applicants apply for a
7 grant to provide eligible broadband service to the same rural area,
8 the office may establish a preference for approving applications
9 with a greater funding contribution by the applicant.~~

10 **(3) Projects that require a lower contribution from the fund
11 per passing, as determined by calculating:**

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

14 **(B) the total number of unserved homes and unserved
15 businesses at which eligible broadband service will be
16 made available by completion of the eligible broadband
17 project.**

18 ~~(3) (4) Projects that involve an agreement between the applicant
19 and one (1) or more other parties that would permit the applicant
20 to use existing facilities or infrastructure owned or controlled by
21 an unrelated third party to enable the applicant to offer eligible
22 broadband service to buildings or locations in a rural area.
23 described in subsection (b).~~

24 (f) The procedures established under this section must prohibit a
25 state agency, in awarding any grant from the fund, from discriminating
26 between different types of technology used to provide eligible
27 broadband service in connection with proposed eligible broadband
28 projects.

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



1 (1) is submitted by another eligible broadband service
2 provider; and

3 (2) indicates that such other eligible broadband service
4 provider would be willing to provide eligible broadband
5 service to the same addresses included in the posted
6 application at a lower cost to the state.

7 Any new grant application submitted by another eligible
8 broadband service provider under subdivisions (1) and (2) in
9 response to a grant application published on the office's Internet
10 web site must be submitted to the office within the time frame
11 established by the office under this subsection for the submission
12 of comments and objections with respect to the published grant
13 application. The office shall publish any new grant applications
14 submitted under subdivisions (1) and (2) on the office's Internet
15 web site and shall notify the original grant applicant of the
16 publication. However, the submission of one (1) or more new grant
17 applications under subdivisions (1) and (2) does not trigger a new
18 comment period under this subsection with respect to those new
19 applications. Any amended grant application by the original
20 applicant in response to any new grant application under
21 subdivisions (1) and (2) must be submitted within a time frame that
22 is established by the office and that commences with the
23 publication of the new application on the office's Internet web site.
24 The office is not required to allow the submission of new
25 applications in response to any amended application by the original
26 broadband service provider.

27 SECTION 7. IC 4-4-38.5-10, AS ADDED BY P.L.189-2019,
28 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 UPON PASSAGE]: Sec. 10. (a) The office shall adopt guidelines to
30 implement this chapter, including guidelines governing the following:

31 (1) The form and content of requests to provide eligible
32 broadband service to a rural area: **in connection with an eligible
33 broadband project.**

34 (2) The form and content of applications for grants under this
35 chapter.

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

38 (4) Standards for determining whether a broadband service
39 provider has demonstrated:

40 (A) financial;

41 (B) technical; and

42 (C) operational;



1 capability in building and operating a broadband network, as
 2 necessary to qualify as an eligible broadband service provider for
 3 purposes of this chapter.

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

7 (6) Standards for determining the types and categories of
 8 expenses that are:

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

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

11 (7) Standards for assigning weight to the funding priorities set
 12 forth in section 9(e) of this chapter.

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

16 SECTION 8. IC 4-4-38.5-10.5 IS ADDED TO THE INDIANA
 17 CODE AS A NEW SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE UPON PASSAGE]: **Sec. 10.5. (a) The office shall**
 19 **establish a program to expand the availability of broadband**
 20 **Internet connectivity throughout Indiana by:**

21 **(1) entering into agreements with broadband service**
 22 **providers under which broadband service providers agree to**
 23 **accept subsidy payments distributed by the office as a form of**
 24 **payment for the provision of eligible broadband service; and**
 25 **(2) distributing subsidy payments to broadband service**
 26 **providers with whom the office enters into agreements under**
 27 **subdivision (1), to be used as a form of payment for eligible**
 28 **broadband service provided before July 1, 2025, to the**
 29 **following, as prioritized in this subdivision:**

30 **(A) First, to public school corporations to pay for eligible**
 31 **broadband service (as defined in section 3(1) of this**
 32 **chapter) to any building:**

33 **(i) that is used primarily for educating students; and**

34 **(ii) with respect to which a connection to eligible**
 35 **broadband service (as defined in section 3(1) of this**
 36 **chapter) first becomes available at the building after**
 37 **December 31, 2020.**

38 **(B) Second, to rural health clinics to pay for eligible**
 39 **broadband service (as defined in section 3(1) of this**
 40 **chapter) for which a connection to the eligible broadband**
 41 **service (as defined in section 3(1) of this chapter) first**
 42 **becomes available at a building described in section 7.1 of**



1 this chapter after December 31, 2020.

2 (C) Third, to eligible students to pay for eligible broadband
3 service (as defined in section 3(2) of this chapter) for which
4 a connection to the eligible broadband service (as defined
5 in section 3(2) of this chapter) first becomes available at
6 the primary residences of those students after December
7 31, 2020.

8 (b) A subsidy payment distributed by the office under the
9 program established under this section may be used to pay one (1)
10 or more of the following expenses:

11 (1) Fees charged by a broadband service provider for
12 installation, activation, equipment purchases, or other one (1)
13 time expenses of providing eligible broadband service to a
14 recipient described in subsection (a)(2).

15 (2) Monthly subscription fees charged by a broadband service
16 provider for the provision of eligible broadband service to a
17 recipient described in subsection (a)(2), including modem and
18 router charges.

19 (c) The office shall adopt and publish on the office's Internet
20 web site guidelines to implement the program, including guidelines
21 governing the following:

22 (1) Standards for determining eligibility to receive one (1) or
23 more subsidy payments under the program.

24 (2) Standards for determining the number and dollar amounts
25 of subsidy payments to be distributed under the program,
26 including standards for determining whether an applicant for
27 assistance is eligible for a single payment or for a recurring
28 payment of financial assistance.

29 (3) Standards for broadband service providers to participate
30 in the program.

31 (4) Standards for determining:

32 (A) the total amount of financial assistance to be
33 distributed in subsidy payments under the program for
34 each state fiscal year the program is operational; and

35 (B) sources of funding for that financial assistance.

36 (5) Any other standards the office determines are necessary
37 to implement and administer the program.

38 (d) The office may not distribute a payment subsidy under the
39 program for the benefit of any person or entity described in
40 subsection (a)(2) unless the person or entity has first exhausted any
41 available federal subsidies for broadband service for which the
42 person or entity is eligible, as determined by the office.



1 **(e) The program established under this section may not provide**
 2 **subsidy payments or other financial assistance for expenses**
 3 **described in subsection (b) that are incurred after June 30, 2025.**

4 **(f) This section expires July 1, 2025.**

5 SECTION 9. IC 4-4-38.5-11, AS ADDED BY P.L.189-2019,
 6 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]: Sec. 11. (a) The rural broadband fund is
 8 established for the purpose of:

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

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

11 ~~(2)~~ **(B)** IC 4-4-38 before August 1, 2019;

12 **(2) providing financial assistance under the program**
 13 **established by the office under section 10.5 of this chapter for**
 14 **expenses described in section 10.5(b) of this chapter incurred**
 15 **before July 1, 2025;**

16 **(3) providing funding for the creation and annual**
 17 **maintenance of the public broadband portal created and**
 18 **administered by the office under IC 4-4-41-9; and**

19 **(4) awarding grants under the Indiana broadband**
 20 **connectivity program under IC 4-4-41.**

21 (b) The office shall administer the fund.

22 (c) The fund consists of:

23 (1) money appropriated by the general assembly;

24 (2) money received by the office from federal grants or programs
 25 for broadband infrastructure; and

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

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

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

34 SECTION 10. IC 4-4-38.5-13, AS ADDED BY P.L.189-2019,
 35 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 13. **(a) The office shall establish and**
 37 **publish on the office's Internet web site:**

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

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

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

42 ~~(a)~~ **(b)** Beginning in 2020, not later than August 1 of each year, the



1 office shall submit to the ~~general assembly~~ **interim study committee**
 2 **on energy, utilities, and telecommunications established by**
 3 **IC 2-5-1.3-4(8)** a report on the awarding of grants under this chapter
 4 during the most recent state fiscal year, including the following:

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

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

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

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

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

14 (6) The number of:

15 (A) **school corporation buildings described in section**
 16 **9(b)(1) of this chapter;**

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

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

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

23 to which broadband infrastructure has been deployed with the use
 24 of grant funds under this chapter, including address-level
 25 information for newly connected locations.

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

28 (A) **to school corporation buildings, as described in section**
 29 **9(b)(1) of this chapter;**

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

32 (C) **so as to ensure that eligible students have access points**
 33 **providing a connection to eligible broadband service, as**
 34 **described in section 9(b)(3) of this chapter; and**

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

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

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



1 (1) IC 4-4-38; and
 2 (2) this chapter;
 3 as appropriate, during the most recent ~~three (3)~~ state fiscal ~~years~~ **year**.
 4 A report of an audit conducted under this subsection shall be submitted
 5 to the ~~general assembly~~ **interim study committee on energy, utilities,**
 6 **and telecommunications established by IC 2-5-1.3-4(8)** in an
 7 electronic format under IC 5-14-6 not later than ~~December 31~~
 8 **September 1** of the calendar year that includes the end of the ~~third~~
 9 state fiscal year covered by the audit.
 10 SECTION 11. IC 4-4-41 IS ADDED TO THE INDIANA CODE AS
 11 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
 12 PASSAGE]:
 13 **Chapter 41. Indiana Broadband Connectivity Program**
 14 **Sec. 1. As used in this chapter, "broadband Internet" means a**
 15 **connection to the Internet that provides an actual speed of at least**
 16 **fifty (50) megabits per second downstream and at least five (5)**
 17 **megabits per second upstream, regardless of the technology or**
 18 **medium used to provide the connection.**
 19 **Sec. 2. As used in this chapter, "fund" refers to the rural**
 20 **broadband fund established by IC 4-4-38.5-11.**
 21 **Sec. 3. As used in this chapter, "minimum broadband Internet"**
 22 **means a connection to the Internet that provides an actual speed of**
 23 **at least twenty-five (25) megabits per second downstream and at**
 24 **least three (3) megabits per second upstream, regardless of the**
 25 **technology or medium used to provide the connection.**
 26 **Sec. 4. As used in this chapter, "office" refers to the office of**
 27 **community and rural affairs established by IC 4-4-9.7-4.**
 28 **Sec. 5. As used in this chapter, "program" refers to the Indiana**
 29 **broadband connectivity program established by section 7 of this**
 30 **chapter.**
 31 **Sec. 6. As used in this chapter, "registered provider" means a**
 32 **company, firm, corporation, partnership, or association that**
 33 **provides broadband Internet service in Indiana and that has**
 34 **registered with the program under section 8 of this chapter.**
 35 **Sec. 7. (a) The Indiana broadband connectivity program is**
 36 **established for the purpose of expanding the availability of**
 37 **broadband Internet connectivity throughout Indiana by:**
 38 **(1) connecting Indiana residents and businesses that lack**
 39 **access to broadband Internet service with providers of**
 40 **broadband Internet service through the public broadband**
 41 **portal created under section 8 of this chapter; and**
 42 **(2) providing funding under section 9 of this chapter to assist**



1 broadband Internet providers in meeting the expense of
 2 extending broadband Internet service to addresses at which
 3 minimum broadband Internet service is unavailable.

4 (b) The office shall administer the program.

5 Sec. 8. (a) The office shall contact broadband Internet providers
 6 to solicit the providers' registration with the program. The office
 7 shall not:

8 (1) require a provider to provide any proprietary business
 9 information to the office for purposes of participating in the
 10 program; or

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

12 (b) The office shall create and administer a public broadband
 13 portal:

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

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

20 The public broadband portal created and administered by the
 21 office under this section must solicit information as to whether one
 22 (1) or more eligible students reside at an address that is reported
 23 by an individual under subdivision (2). The office may contract or
 24 consult with one (1) or more third parties in the creation or
 25 administration of the public broadband portal required by this
 26 section.

27 (c) At least every three (3) months, the office shall:

28 (1) post addresses, including ZIP codes and any reported
 29 information as to whether an eligible student resides at an
 30 address, submitted under subsection (b)(2) to an Internet web
 31 site that is accessible only to registered providers; and

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

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

40 (e) If the office does not receive notice under subsection (d)
 41 regarding an address within ten (10) business days after posting
 42 the address under subsection (c), the office shall, not later than



1 twenty (20) business days after the expiration of the ten (10)
 2 business day period described in subsection (d), transmit to each
 3 registered provider a bid notification for provision of broadband
 4 Internet service at the address.

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

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

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

21 (h) As used in this section, "eligible student" means a student
 22 who is:

- 23 (1) a resident of Indiana;
 24 (2) less than twenty-three (23) years of age; and
 25 (3) enrolled in a school in Indiana providing any combination
 26 of kindergarten through grade 12 instruction.

27 **Sec. 9. (a) The office shall:**

- 28 (1) award a grant from the fund to a provider selected by the
 29 office under section 8(g) of this chapter to extend broadband
 30 Internet service to an address; and
 31 (2) enter into an agreement with the provider under which:
 32 (A) the provider agrees to extend broadband Internet
 33 service to the address; and
 34 (B) the office agrees to distribute the amount of the grant
 35 to the provider upon the provider's satisfactory completion
 36 of extension of broadband Internet service to the address
 37 and the provider's submission of:
 38 (i) an invoice for the provider's expenses in extending
 39 broadband Internet service to the address; and
 40 (ii) a statement that broadband Internet service is now
 41 available at the address.

42 (b) The amount of a grant under this section may not exceed the



1 following:

2 (1) A per-line extension amount that exceeds twenty-five
3 thousand dollars (\$25,000), regardless of the number of
4 addresses served by the line extension.

5 (2) A per-passing amount that exceeds the state's cost per
6 passing for all grants awarded from the fund under
7 IC 4-4-38.5 as of the last day of the immediately preceding
8 state fiscal year, as calculated by the office.

9 **Sec. 10. (a)** Not later than November 1 of each year, the office
10 shall:

11 (1) issue to the executive director of the legislative services
12 agency, for distribution to the members of the general
13 assembly convening in November of that year; and

14 (2) post to the office's Internet web site;

15 a report regarding the program.

16 (b) The report under subsection (a) must include the following
17 information with regard to the immediately preceding calendar
18 year:

19 (1) The number of addresses submitted under section 8(b)(2)
20 of this chapter:

21 (A) in total; and

22 (B) categorized by the Indiana legislative district in which
23 the address is located.

24 (2) The number of grants, and the amount of the grants,
25 awarded under this chapter:

26 (A) in total; and

27 (B) categorized by the Indiana legislative district in which
28 the grant was used to extend broadband Internet service.

29 (c) The report issued under subsection (a)(1) must be in an
30 electronic format under IC 5-14-6.

31 **Sec. 11.** The office shall adopt rules under IC 4-22-2 necessary
32 for the administration of this chapter. In adopting the rules
33 required by this section, the office may adopt emergency rules in
34 the manner provided by IC 4-22-2-37.1. Notwithstanding
35 IC 4-22-2-37.1(g), an emergency rule adopted by the office under
36 this section and in the manner provided by IC 4-22-2-37.1 expires
37 on the date on which a rule that supersedes the emergency rule is
38 adopted by the office under IC 4-22-2-24 through IC 4-22-2-36.

39 **SECTION 12. [EFFECTIVE UPON PASSAGE]** (a) The definitions
40 in IC 4-4-38.5, as amended by this act, apply throughout this
41 SECTION.

42 (b) IC 4-4-38.5-9, as amended by this act, applies to the



1 **awarding of grants from the rural broadband fund after June 30,**
2 **2021, by state agencies to eligible broadband service providers for**
3 **eligible broadband projects.**
4 **(c) Not later than July 1, 2021, the office shall amend the**
5 **guidelines adopted by the office under IC 4-4-38.5-10, as amended**
6 **by this act, to the extent necessary to reflect the changes to the**
7 **priorities set forth in IC 4-4-38.5-9(b) and IC 4-4-38.5-9(e), both as**
8 **amended by this act, for the awarding of grants under IC 4-4-38.5**
9 **by state agencies to eligible broadband service providers for**
10 **eligible broadband projects.**
11 **(d) This SECTION expires January 1, 2022.**
12 **SECTION 13. 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.

COMMITTEE REPORT

Madam President: The Senate Committee on Utilities, to which was referred House Bill No. 1449, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Replace the effective dates in SECTIONS 1 through 10 with "[EFFECTIVE UPON PASSAGE]".

Page 1, line 3, after "2." insert "**(a)**".

Page 1, line 4, after "of" insert "**terrestrial**".

Page 1, line 12, delete "students who are:" and insert "**eligible students**".

Page 1, delete lines 13 through 14.

Page 1, run in lines 12 through 15.

Page 2, between lines 2 and 3, begin a new paragraph and insert:

"(b) For purposes of this section, terrestrial broadband infrastructure includes infrastructure used for a fixed wireless connection to the Internet but does not include infrastructure used for a satellite connection to the Internet."

Page 2, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 3. IC 4-4-38.5-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 4.5. As used in this chapter,**



"eligible student" means a student who is:

- (1) a resident of Indiana;**
- (2) less than twenty-three (23) years of age; and**
- (3) enrolled in a school in Indiana providing any combination of kindergarten through grade 12 instruction."**

Page 3, line 31, delete "student who:" and insert "**eligible student**".

Page 3, delete lines 32 through 33.

Page 3, run in lines 31 through 34.

Page 4, line 11, after "no" insert "**competitive**".

Page 4, delete lines 22 through 26.

Page 4, line 27, reset in roman "(d)".

Page 4, line 27, delete "(e)".

Page 5, line 2, reset in roman "(e)".

Page 5, line 2, delete "(f)".

Page 5, line 9, reset in roman "for which the applicant commits to providing more".

Page 5, reset in roman line 10.

Page 5, line 11, reset in roman "broadband infrastructure".

Page 5, line 14, delete "that require".

Page 5, line 15, delete "a" and insert "**(3) Projects that require a**".

Page 5, line 23, strike "(3)" and insert "**(4)**".

Page 5, line 29, reset in roman "(f)".

Page 5, line 29, delete "(g)".

Page 5, line 34, reset in roman "(g)".

Page 5, line 34, delete "(h)".

Page 6, between lines 11 and 12, begin a new line blocked left and insert:

"Any new grant application submitted by another eligible broadband service provider under subdivisions (1) and (2) in response to a grant application published on the office's Internet web site must be submitted to the office within the time frame established by the office under this subsection for the submission of comments and objections with respect to the published grant application. The office shall publish any new grant applications submitted under subdivisions (1) and (2) on the office's Internet web site and shall notify the original grant applicant of the publication. However, the submission of one (1) or more new grant applications under subdivisions (1) and (2) does not trigger a new comment period under this subsection with respect to those new applications. Any amended grant application by the original applicant in response to any new grant application under subdivisions (1) and (2) must be submitted within a time frame that



is established by the office and that commences with the publication of the new application on the office's Internet web site. The office is not required to allow the submission of new applications in response to any amended application by the original broadband service provider."

Page 6, line 39, reset in roman "9(e)".

Page 6, line 39, delete "9(f)".

Page 7, line 6, delete "eligible".

Page 7, line 7, delete "eligible".

Page 7, line 8, delete "vouchers" and insert "**subsidy payments**".

Page 7, line 10, delete "vouchers to the following, as prioritized in this" and insert "**subsidy payments to broadband service providers with whom the office enters into agreements under subdivision (1), to be used as a form of payment for eligible broadband service provided before July 1, 2025, to the following, as prioritized in this subdivision:**".

Page 7, delete lines 11 through 12.

Page 7, line 27, delete "students who are:" and insert "**eligible students**".

Page 7, delete lines 28 through 29.

Page 7, run in lines 27 through 30.

Page 7, line 35, delete "voucher" and insert "**subsidy payment**".

Page 7, line 36, delete "by a recipient described".

Page 7, line 37, delete "in subsection (a)(2)".

Page 7, line 39, delete "an eligible" and insert "**a**".

Page 8, line 1, delete "an eligible" and insert "**a**".

Page 8, line 9, delete "vouchers" and insert "**subsidy payments**".

Page 8, line 11, delete "vouchers" and insert "**subsidy payments**".

Page 8, line 15, delete "eligible".

Page 8, line 19, delete "vouchers" and insert "**subsidy payments**".

Page 8, between lines 23 and 24, begin a new paragraph and insert:

"(d) The office may not distribute a payment subsidy under the program for the benefit of any person or entity described in subsection (a)(2) unless the person or entity has first exhausted any available federal subsidies for broadband service for which the person or entity is eligible, as determined by the office."

Page 8, line 24, delete "(d)" and insert "(e)".

Page 8, line 25, delete "vouchers" and insert "**subsidy payments**".

Page 8, line 27, delete "(e)" and insert "(f)".

Page 8, line 34, delete "and".

Page 8, line 35, after "assistance" insert "**under the program established by the office under section 10.5 of this chapter**".



Page 8, line 36, delete "2025," and insert **"2025; and (3) providing funding for the creation and annual maintenance of the public broadband portal created and administered by the office under IC 4-4-41-9."**

Page 8, delete lines 37 through 38.

Page 10, line 8, delete "resident Indiana students less than" and insert **"eligible students"**.

Page 10, line 9, delete "twenty-three (23) years of age".

Page 11, line 14, after "expanding" insert **"the"**.

Page 11, line 36, delete "and".

Page 11, between lines 36 and 37, begin a new line block indented and insert:

"(3) money transferred from the rural broadband fund under IC 4-4-38.5-11(a)(3); and".

Page 11, line 37, delete "(3)" and insert **"(4)"**.

Page 11, between lines 38 and 39, begin a new line blocked left and insert:

"Money transferred to the fund under subdivision (3) may be used only to fund the creation and annual maintenance of the public broadband portal created and administered by the office under section 9 of this chapter, as set forth in IC 4-4-38.5-11(a)(3)."

Page 12, between lines 16 and 17, begin a new line blocked left and insert:

"The public broadband portal created and administered by the office under this section must solicit information as to whether one (1) or more eligible students reside at an address that is reported by an individual under subdivision (2). The office may contract or consult with one (1) or more third parties in the creation or administration of the public broadband portal required by this section."

Page 12, line 17, delete "Twice each year," and insert **"At least every three (3) months,"**.

Page 12, line 18, delete "zip codes," and insert **"ZIP codes and any reported information as to whether an eligible student resides at an address,"**.

Page 12, delete lines 29 through 42.

Page 13, line 1, delete "(f)" and insert **"(e)"**.

Page 13, line 8, delete "(g)" and insert **"(f)"**.

Page 13, line 9, delete "(f)" and insert **"(e)"**.

Page 13, line 19, delete "(h)" and insert **"(g)"**.

Page 13, line 21, delete "(g)," and insert **"(f),"**.

Page 13, between lines 23 and 24, begin a new paragraph and insert:



"(h) As used in this section, "eligible student" means a student who is:

- (1) a resident of Indiana;
- (2) less than twenty-three (23) years of age; and
- (3) enrolled in a school in Indiana providing any combination of kindergarten through grade 12 instruction."

Page 13, line 26, delete "9(h)" and insert "9(g)".

Page 13, line 38, delete "to" and insert "at".

Page 13, line 39, after "exceed" insert "the following:

- (1) A per-line extension amount that exceeds twenty-five thousand dollars (\$25,000), regardless of the number of addresses served by the line extension.
- (2) A per-passing amount that exceeds the state's cost per passing for all grants awarded from the fund as of the last day of the immediately preceding state fiscal year, as calculated by the office."

Page 13, delete lines 40 through 41.

Page 14, line 37, delete "June 1," and insert "July 1,".

Page 14, line 40, delete "IC 4-4-38.5-9(f)," and insert "IC 4-4-38.5-9(e),".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to HB 1449 as printed February 16, 2021.)

KOCH, Chairperson

Committee Vote: Yeas 9, Nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred House Bill No. 1449, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 9, delete "the higher of:" and insert "**one thousand (1,000) megabits per second downstream with respect to grants awarded under section 9(b)(1) or 9(b)(2) of this chapter; or**".

Page 2, delete lines 10 through 16.

Page 2, line 17, delete "the higher of:".

EH 1449—LS 7057/DI 119



Page 2, line 18, delete "(A)".

Page 2, run in lines 17 through 18.

Page 2, line 19, delete "upstream; or" and insert "upstream **with respect to grants awarded under section 9(b)(3) or 9(b)(4) of this chapter;**".

Page 2, delete lines 20 through 24.

Page 4, line 34, strike "has been allocated".

Page 4, line 35, delete "or awarded by".

Page 4, line 35, after "government" insert "**has been used or will be disbursed**".

Page 4, line 36, after "service" insert "**at actual speeds of at least twenty-five (25) megabits per second downstream**".

Page 9, line 23, delete "and".

Page 9, line 26, delete "IC 4-4-41-9." and insert "**IC 4-4-41-9; and**".

Page 9, between lines 26 and 27, begin a new line block indented and insert:

"(4) awarding grants under the Indiana broadband connectivity program under IC 4-4-41."

Page 11, line 25, delete "Indiana" and insert "**rural broadband fund established by IC 4-4-38.5-11**".

Page 11, delete lines 26 through 27.

Page 11, line 41, delete "9" and insert "**8**".

Page 12, line 6, delete "9" and insert "**8**".

Page 12, line 7, delete "10" and insert "**9**".

Page 12, delete lines 12 through 36.

Page 12, line 37, delete "9." and insert "**8**".

Page 14, line 17, delete "10." and insert "**9**".

Page 14, line 19, delete "9(g)" and insert "**8(g)**".

Page 14, line 38, after "fund" insert "**under IC 4-4-38.5**".

Page 14, line 41, delete "11." and insert "**10**".

Page 15, line 9, delete "9(b)(2)" and insert "**8(b)(2)**".

Page 15, line 21, delete "12." and insert "**11**".

and when so amended that said bill do pass.

(Reference is to EHB 1449 as printed March 16, 2021.)

MISHLER, Chairperson

Committee Vote: Yeas 13, Nays 0.

