

SENATE BILL No. 617

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-4.

Synopsis: Broadband access grants. Provides that the office of community and rural affairs (office) may award a grant from the rural economic development fund to an Internet service provider (ISP) that provides Internet service with a transmission speed of: (1) not less than three megabits per second upstream; and (2) not less than 25 megabits per second downstream; in an unserved area. Provides that the amount of the grant is equal to \$750 for each customer in an unserved area who subscribes to the ISP's broadband Internet service for one year under subscription terms established by the office, subject to reporting and verification rules developed by the office and approved by the state director of broadband opportunities.

Effective: July 1, 2019.

Buchanan

January 15, 2019, read first time and referred to Committee on Utilities.



First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 617

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

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

- 1 SECTION 1. IC 4-4-9.7-9, AS AMENDED BY P.L.177-2018,
- 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2019]: Sec. 9. (a) The rural economic development fund is
- 4 established for the purpose of enhancing and developing rural
- 5 communities. The fund shall be administered by the office.
- 6 (b) The expenses of administering the fund shall be paid from the
- 7 money in the fund.
- 8 (c) Notwithstanding IC 5-13, the treasurer of state shall invest the
- 9 money in the fund not currently needed to meet the obligations of the
- 10 fund under IC 5-10.3-5. The treasurer of state may contract with
- 11 investment management professionals, investment advisers, and legal
- 12 counsel to assist in the management of the fund and may pay the state
- 13 expenses incurred under those contracts.
- 14 (d) Money in the fund at the end of a state fiscal year does not revert
- 15 to the state general fund.
- 16 (e) Money in the fund may be used for the following purposes:
- 17 (1) To create, assess, and assist a pilot project to enhance the



- 1 economic and community development in a rural area.
 2 (2) To establish a local revolving loan fund for:
 3 (A) an industrial;
 4 (B) a commercial;
 5 (C) an agricultural; or
 6 (D) a tourist;
 7 venture.
 8 (3) To provide a loan for an economic development project in a
 9 rural area.
 10 (4) To provide technical assistance to a rural organization.
 11 (5) To assist in the development and creation of a rural
 12 cooperative.
 13 (6) To address rural workforce development challenges.
 14 (7) To assist in addressing telecommunications needs in a rural
 15 area, including the awarding of grants under IC 4-4-38 **and**
 16 **IC 4-4-39.**
 17 (8) To provide funding for rural economic development projects
 18 concerning the following issues:
 19 (A) Infrastructure, including water, wastewater, and storm
 20 water infrastructure needs.
 21 (B) Housing.
 22 (C) Health care.
 23 (D) Local planning.
 24 (E) Land use.
 25 (F) Other rural economic development issues, as determined
 26 by the office.
 27 (9) To provide funding for the establishment of new regional rural
 28 development groups and the operation of existing regional rural
 29 development groups.
 30 (f) Expenditures from the fund are subject to appropriation by the
 31 general assembly and approval by the office.
 32 SECTION 2. IC 4-4-39 IS ADDED TO THE INDIANA CODE AS
 33 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 34 1, 2019]:
 35 **Chapter 39. Broadband Service Grant Program**
 36 **Sec. 1. As used in this chapter, "broadband Internet service"**
 37 **means a connection to the Internet that provides end users with a**
 38 **transmission speed of:**
 39 **(1) not less than three (3) megabits per second upstream; and**
 40 **(2) not less than twenty-five (25) megabits per second**
 41 **downstream.**
 42 **Sec. 2. As used in this chapter, "eligible ISP" means an Internet**



1 service provider that provides broadband Internet service.

2 Sec. 3. As used in this chapter, "office" refers to the office of
3 community and rural affairs established by IC 4-4-9.7-4.

4 Sec. 4. As used in this chapter, "unserved area" has the meaning
5 set forth in IC 4-4-38-6.

6 Sec. 5. (a) The office shall establish a program to award grants
7 from the rural economic development fund established by
8 IC 4-4-9.7-9 to eligible ISPs for the purpose of promoting access to
9 broadband Internet service in unserved areas.

10 (b) Subject to rules adopted under subsection (d), the office shall
11 award a grant described in subsection (a) to an eligible ISP in the
12 amount of seven hundred fifty dollars (\$750) for each customer in
13 an unserved area who subscribes to the ISP's broadband Internet
14 service for one (1) year under subscription terms established by the
15 office.

16 (c) A grant awarded under this chapter may be used by an
17 eligible ISP for:

- 18 (1) equipment costs;
- 19 (2) installation costs; and
- 20 (3) monthly Internet service subscription charges.

21 (d) The office shall develop, subject to the approval of the state
22 director of broadband opportunities, and adopt rules under
23 IC 4-22-2 regarding:

- 24 (1) required terms under which an eligible ISP must offer
25 broadband Internet service to subscribers in an unserved area
26 for purposes of eligibility for a grant under this chapter; and
- 27 (2) reporting and verification requirements for use in
28 determining the number of customers for which an eligible
29 ISP qualifies for a grant under this chapter.

