

SECOND REGULAR SESSION

HOUSE BILL NO. 2256

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE JOHNSON.

5814H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 620, RSMo, by adding thereto nine new sections relating to broadband internet service.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 620, RSMo, is amended by adding thereto nine new sections, to be
2 known as sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454, 620.2455, 620.2456,
3 620.2457, and 620.2458, to read as follows:

**620.2450. A grant program is hereby established under sections 620.2450 to
2 620.2458 to award grants to applicants who seek to expand access to broadband internet
3 service in unserved or under-served areas of the state, which shall be administered by the
4 department of economic development.**

**620.2451. Grants may be awarded under sections 620.2450 to 620.2458 to fund the
2 acquisition and installation of middle-mile and last-mile infrastructure that supports
3 broadband internet service scalable to speeds of at least one hundred megabits per second
4 download and one hundred megabits per second upload.**

620.2452. Applicants eligible for grants awarded shall include:

- 2 **(1) Corporations registered in this state;**
- 3 **(2) Incorporated businesses or partnerships;**
- 4 **(3) Limited liability corporations registered in this state;**
- 5 **(4) Nonprofit organizations registered in this state;**
- 6 **(5) Missouri cooperative associations; and**
- 7 **(6) Political subdivisions.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

2 **620.2453. 1. (1) An eligible applicant shall submit an application to the department**
3 **of economic development on a form prescribed by the department.**

4 **(2) The department of economic development shall act as fiscal agent for the grant**
5 **program and shall be responsible for receiving and reviewing grant applications and**
6 **awarding grants under this section.**

7 **(3) The department of economic development shall develop administrative**
8 **procedures governing the application and grant award process and to implement the**
9 **provisions of sections 620.2450 to 620.2458. Any rule or portion of a rule, as that term is**
10 **defined in section 536.010, that is created under the authority delegated in this section shall**
11 **become effective only if it complies with and is subject to all of the provisions of chapter**
12 **536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and**
13 **if any of the powers vested with the general assembly pursuant to chapter 536 to review,**
14 **to delay the effective date, or to disapprove and annul a rule are subsequently held**
15 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**
16 **after August 28, 2018, shall be invalid and void.**

17 **2. At least thirty days prior to the first day applications may be submitted each**
18 **fiscal year, the department of economic development shall publish on its website the**
19 **specific criteria and any quantitative weighting scheme or scoring system the department**
20 **will use to evaluate or rank applications and award grants under section 620.2456.**

21 **620.2454. An applicant for a grant under sections 620.2450 to 620.2458 shall**
22 **include the following information:**

23 **(1) The location of the proposed project;**

24 **(2) A description of the kind and amount of broadband internet infrastructure to**
25 **the proposed project would implement;**

26 **(3) Evidence demonstrating the unserved or under-served nature of the community**
27 **where the proposed project would be located;**

28 **(4) The number of households that would have new access to broadband internet**
29 **service, or whose broadband internet service would be upgraded, as a result of the project;**

30 **(5) A list of significant community institutions that would benefit from the**
31 **proposed project;**

32 **(6) Evidence demonstrating community support for the proposed project;**

33 **(7) The total cost of the proposed project;**

34 **(8) A list identifying sources of funding or in-kind contributions for the project that**
35 **would supplement any awarded grant;**

36 **(9) A written statement from each broadband internet service provider with service**
37 **in the proposed project area describing the provider's plan to upgrade broadband internet**

18 service in the project area within the time frame of the proposed project. If a broadband
19 internet service provider is unwilling to provide such a statement, the applicant may
20 substitute proof of the applicant's efforts to secure such a statement; and

21 (10) Any other information required by the department of economic development.

620.2455. 1. Within three business days of the close of the grant application
2 process, the department of economic development shall publish on its website the proposed
3 geographic areas and proposed broadband internet speeds for each application submitted.

4 2. A broadband internet service provider that provides existing service in or
5 adjacent to the proposed project area may submit, within thirty days of publication of the
6 information under subsection 1 of this section, to the department of economic development
7 a written challenge to an application. Such challenge shall contain information
8 demonstrating that:

9 (1) The provider currently provides or has begun construction to provide
10 broadband internet service within the proposed project area at speeds equal to or greater
11 than the proposed project; or

12 (2) The provider commits to complete construction of broadband internet
13 infrastructure and provide broadband internet service in the proposed project area at
14 speeds equal to or greater than the proposed project within eighteen months of the date the
15 challenge is submitted to the department.

16 3. The department of economic development shall evaluate each challenge
17 submitted under this section. If the department determines that the provider's
18 commitment to provide broadband internet service at speeds equal to or greater than the
19 proposed project in the proposed project area is credible, the department shall not fund
20 the challenged project.

21 4. If the department of economic development denies funding to an applicant as a
22 result of a broadband internet service provider challenge under this section and such
23 broadband internet service provider does not fulfill its commitment to provide broadband
24 internet service in the project area, the department of economic development shall not
25 consider another challenge from such broadband internet service provider for the next two
26 grant cycles, unless the department determines the failure to fulfill the commitment was
27 due to circumstances beyond the broadband internet service provider's control.

620.2456. 1. The department of economic development shall give priority to
2 applications with proposed projects in areas identified by the department as unserved.

3 2. The department of economic development may give priority to applications:

4 (1) With proposed projects in areas identified by the department as under-served;

5 **(2) That offer new or substantially upgraded broadband internet service to**
6 **important community institutions including, but not limited to, libraries, educational**
7 **institutions, public safety facilities, and healthcare facilities;**

8 **(3) That would facilitate the use of telemedicine and electronic health records;**

9 **(4) That serve economically distressed areas of the state, as measured by indices of**
10 **unemployment, poverty, or population loss that are significantly greater than the statewide**
11 **average;**

12 **(5) That provide technical support and training to residents, businesses, and**
13 **institutions in the community of the proposed project to utilize broadband internet service;**

14 **(6) That include plans to actively promote the adoption of the newly available**
15 **broadband internet services in the community;**

16 **(7) That demonstrate strong support for the proposed project from citizens,**
17 **businesses, and institutions in the community;**

18 **(8) That would provide broadband internet service to a greater number of unserved**
19 **or under-served households and businesses; or**

20 **(9) That leverage greater amounts of funding for the project from other sources,**
21 **private or public.**

22 **3. The department of economic development shall endeavor to award grants under**
23 **this section to qualified applicants in all regions of the state.**

620.2457. 1. No grant awarded under this section may fund more than fifty percent
2 **of the total cost of a project.**

3 **2. Grants awarded to a single project under this section shall not exceed five million**
4 **dollars.**

620.2458. By June thirtieth of each year, the department of economic development
2 **shall publish on its website and provide to the general assembly a list of all applications for**
3 **grants under this section received during the previous year and, for each application:**

4 **(1) The results of any quantitative weighting scheme or scoring system the**
5 **department of economic development used to award grants or rank the applications;**

6 **(2) The grant amount requested; and**

7 **(3) The grant amount awarded, if any.**

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