## As Amended by House Committee

Session of 2020

## HOUSE BILL No. 2618

By Committee on Energy, Utilities and Telecommunications

2-11

AN ACT concerning broadband deployment; relating to the department of commerce, office of broadband deployment; establishing the state broadband deployment grant program.

WHEREAS, The state of Kansas recognizes that promoting access to broadband services throughout the state not only provides reliable internet access, but also acts as a tool for promoting economic development, rural revitalization, public safety, educational opportunities, healthcare and agriculture.

WHEREAS, The state of Kansas has a goal to ensure that every Kansan and every appropriate location in Kansas has access to high speed broadband services.

WHEREAS, Increased deployment of broadband services and infrastructure will improve the long-term quality of life for all Kansans and will ensure that Kansas continues to compete locally and globally.

Now, therefore:

Be it enacted by the Legislature of the State of Kansas:

- Section 1. (a) There is hereby established the state broadband deployment grant program to be administered by the office of broadband development of the department of commerce. The purpose of the state broadband deployment grant program is to establish a competitive grant program to award grants to applicants that seek to expand access to broadband internet service in the state. Funding for the state broadband deployment grant program shall be subject to appropriation acts.
- (b) (1) The office of broadband development of the department of commerce shall serve as the central:
- (A) Office to lead a statewide effort to expand broadband coverage and capacity within the state<sub>z</sub>; and
- (B) point of contact for cities, counties and federal programs regarding broadband deployment in the state.
  - (2) The office of broadband development shall work with:
- (A) Cities and counties to promote the state broadband deployment grant program and shall serve as the central point of contact for cities and counties regarding such program; and

- (B) any federal agencies or broadband programs to coordinate information, grant programs and facilitate broadband deployment in the state.
- (c) Applicants shall submit an application for grant funding to the office of broadband development in the form and manner established by the office of broadband development. An application for a grant shall include, but not be limited to, the following information:
  - (1) A description of the project area;
- (2) a description of the broadband internet infrastructure that is proposed to be deployed;
- (3) the number of locations that would obtain access to broadband internet service or have broadband internet service upgraded; and
- (4) the total cost of the project and the time frame in which such proposed project will be completed.
- (d) (1) In each fiscal year, at least 30 days prior to the first day that applications may be submitted, the office of broadband development shall publish on the department of commerce's website the specific criteria and the quantitative weighting scheme or scoring system the office will use to evaluate or rank applications and award grants pursuant to this section.
- (2) Within 15 business days of the close of the grant application process, the office of broadband development shall publish on the department of commerce's website the proposed areas and the proposed broadband internet speeds for each application submitted. The office shall provide a copy of any application to an interested party upon request.
- (3) Within 45 days of publication of the information under paragraph (2), a broadband internet service provider that provides existing service in or adjacent to the proposed project area may submit a written challenge to an application to the office of broadband development. Such challenge shall contain information demonstrating that the provider:
- (A) Currently provides broadband internet service to retail customers within the proposed area;
- (B) has begun construction to provide broadband internet service to customers within the proposed area; or
- (C) has committed to providing broadband internet service to retail customers within the proposed area within the timeframe proposed by the applicant.
- (4) Within three business days of the submission of a written challenge, the office of broadband development shall notify the applicant of such challenge.
- (5) The office of broadband development shall evaluate each challenge submitted under this subsection. If the office determines that the provider:
  - (A) Currently provides; or has begun construction to provide or

 broadband internet service in the proposed project area, the office shall deny a grant for the challenged project; or

- **(B)** commits to provide broadband internet service in the proposed project area, the office may deny a grant for the challenged project.
- (6) If the office of broadband development denies a grant to an applicant as a result of a broadband internet service provider challenge under this subsection and such provider does not fulfill its commitment made pursuant to paragraph (3), the office shall not consider another challenge from such provider for the next two grant cycles, unless the office determines the failure to fulfill the commitment was due to circumstances beyond the provider's control.
- (e) The office of broadband development shall use a weighing scheme or scoring system including, at a minimum, the following elements to rank applications:
- (1) Financial, technical and legal capability of the applicant to deploy and operate broadband internet service;
- (2) the number of locations served in the most cost-efficient manner possible considering the project area density;
  - (3) available minimum broadband speeds;
- (4) ability of the infrastructure to be scalable to higher broadband internet speeds;
- (5) commitment of the applicant to fund at least 50% of the project from sources other than funds provided by grants pursuant to this section;
- (6) the length of time the provider has been operating, the length of time the provider has been operating broadband internet services and where the provider has been operating;
- (7) the offering of new or substantially upgraded broadband internet service that is important to communities;
- (8) the offering of service to economically distressed areas of the state, as measured by indices of unemployment, poverty or population loss that are significantly greater than the statewide average;
- (9) the ability to provide technical support and training to residents, businesses and institutions in the community of the proposed project to utilize broadband internet service;
- (10) plans to actively promote the adoption of the newly available broadband internet service in the community;
- (11) support for the proposed project from citizens, businesses and institutions in the community;
- (12) the provider's cooperation with cities or counties in the proposed deployment area; and
  - (13) the likelihood of cities or counties within the proposed deployment area to provide access to the public right-of-way pursuant to the exercise of home rule authority by such city or county to regulate the

public right-of-way.

(f) (1) No grant

- (f) (1) No grant provided pursuant to this section shall fund more than 50% of the total cost of a project.
- (2) The office of broadband development shall endeavor to award grants to qualified applicants in all regions of the state.
- (g) As a condition of an award of a grant, the office of broadband development shall require a provider to meet reasonable deployment deadlines and other benchmark measures throughout the deployment process. If such provider fails to meet the deployment deadlines and other benchmark measures established for such deployment, the office shall not consider another application for grant funding from such provider for the next two grant cycles.
- (h) The department of commerce in consultation with the office of broadband development shall promulgate any necessary rules and regulations to administer the provisions of this section.
- (i) On or before June 30 of each year, the department of commerce shall publish on its website and provide to the legislature a report with information pertaining to applications, challenges and any other pertinent project or application activity.
  - (j) The provisions of this section shall expire on July 1, 2025.
- Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.