Adopted COMMITTEE AMENDMENT NO 1 PROPOSED TO

House Bill No. 1029

BY: Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

23 <u>SECTION 1.</u> This act shall be known and may be cited as the 24 "Mississippi Broadband Expansion Act."

25 **SECTION 2.** As used in this act:

(a) "Applicant" means an eligible broadband service
provider that has authorization to do business in this state and
has demonstrated that it has the technical, financial and
managerial resources and experience to provide broadband services
in the state to retail end users.

31 (b) "Broadband service" means a mass-market retail
32 service by wire, cable, fiber, or radio provided to customers in

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the State of Mississippi that provides the capability to transmit data to, and receive data from, all or substantially all Internet endpoints, at speeds of at least one hundred (100) megabits per second downstream and twenty (20) megabits per second upstream, and including but not limited to, any capabilities that are incidental to and enable the operation of communications service, but excluding dial-up Internet access service.

40 (c) "Commission" means the Mississippi Broadband
41 Expansion Commission created in Section 3 of this act.

42 (d) "Deployed" means, with respect to availability of 43 broadband service at a location, when the person or entity has 44 access regardless of whether a person or entity subscribes to the 45 broadband service at the location.

46 "Eligible broadband service provider" means any (e) company, firm, corporation, limited liability company, partnership 47 48 or association (i) that has been providing broadband service to at 49 least one hundred (100) residences and businesses in Mississippi for at least three (3) consecutive years; (ii) is an electric 50 51 power association's broadband affiliate operating pursuant to 52 Section 77-17-1 et seq.;, or (iii) that has demonstrated 53 financial, technical, and operational capability in building and 54 operating a broadband network.

55 (f) "Eligible project" means a discrete and specific 56 project located in an unserved or underserved area of the state 57 seeking to provide broadband services to residences, businesses,

58 and community institutions not currently available for service in 59 accordance with the applicable federal guidelines.

60 (g) "Shapefile" means a digital storage format 61 containing geospatial or location-based data and attribute 62 information regarding the availability of broadband Internet 63 access service, and that can be viewed, edited, and mapped in 64 geographic information system software.

65 **SECTION 3.** (1) There is created a Mississippi Broadband 66 Expansion Commission for the purpose of making final determinations and awards from applications for projects to 67 68 provide broadband service in unserved or underserved areas using 69 the Mississippi Broadband Expansion Fund created pursuant to this 70 The commission shall be composed of the following seven (7) act. 71 members:

(a) Three (3) members to be appointed by the Governor,
with the advice and consent of the Senate; and

74 (b) Four (4) members to be appointed by the Lieutenant75 Governor, with the advice and consent of the Senate.

The Governor shall appoint one (1) member who is a resident from each of the three (3) Supreme Court districts. The Lieutenant Governor shall appoint one (1) member who is a resident from each of the four (4) congressional districts. Two (2) of the members to be appointed by the Lieutenant Governor shall be appointed only after consideration of recommendations for those appointments made

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82 by the Speaker of the House of Representatives to the Lieutenant 83 Governor.

84 Of the initial appointees, the members' terms shall be staggered as follows: one (1) term appointed by the Governor to 85 86 expire on December 31, 2023; one (1) term appointed by the 87 Governor to expire on December 31, 2024; one (1) term to be appointed by the Governor to expire on December 31, 2025; two (2) 88 89 terms to be appointed by the Lieutenant Governor to expire on 90 December 31, 2024; and two (2) terms to be appointed by the 91 Lieutenant Governor to expire on December 31, 2025. After the expiration of the initial terms, members of the board shall serve 92 93 terms of five (5) years. No member shall serve more than two (2) 94 consecutive terms. Members may be removed by the appointing 95 public official. Upon the initial appointment of a majority of the commissioners, the Lieutenant Governor shall call the first 96 97 meeting of the commission within thirty (30) calendar days, at 98 which time the commission shall elect a chairman, a vice chairman 99 and any other officers determined to be necessary, and shall adopt 100 rules for transacting business and keeping records. The commission shall meet at such times as the chairman shall 101 102 determine, and shall also meet upon call of three (3) or more of 103 the commissioners. The commission shall annually elect a chairman 104 from among its members. The commission shall keep accurate and 105 complete records of all its meetings.

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Members of the commission shall be reimbursed for expenses in the manner and amount specified in Section 25-3-41, and shall be entitled to receive additional per diem compensation of Seven Hundred Fifty Dollars (\$750.00) per meeting.

110 Members of the commission shall not have any direct or 111 indirect interest in an undertaking that puts their personal 112 interest in conflict with that of the commission and shall be governed by the provisions of Section 109 of the Mississippi 113 114 Constitution and Section 25-4-105. In addition, members of the commission shall not receive anything of value from, or on behalf 115 116 of, any person holding or applying for broadband expansion funds 117 under this act.

118 (2) Appointments to the commission shall be made within119 fifteen (15) days of the effective date of this act.

120 (3) A majority of the members of the commission shall 121 constitute a quorum. In the adoption of rules, resolutions and 122 reports, and in the election of a chairman, vice chairman and any 123 other officers determined to be necessary, an affirmative vote of 124 a majority of the members present shall be required.

125 <u>SECTION 4.</u> (1) The Public Utilities Staff shall serve as 126 the state broadband office to review applications and make 127 recommendations to the commission for projects to provide 128 broadband access in unserved or underserved areas using the 129 Mississippi Broadband Expansion Fund created pursuant to this act.

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130 The commission shall approve final determinations and awards after 131 consideration by the commission.

132 (2) It shall be the duty and responsibility of the Public133 Utilities Staff, in conjunction with the commission, to:

(a) Coordinate all broadband expansion efforts on
behalf of the state to ensure an effective and efficient use of
broadband grant funds;

137 (b) Develop the plan and application for federal grant
138 programs and for sub-grantees to receive funds from said federal
139 grants;

140 (c) Develop rules and procedures, if necessary and in 141 accordance with the Administrative Procedures Act, to implement a 142 competitive statewide broadband grant program;

Coordinate all information provided by broadband 143 (d) 144 service providers, including all broadband mapping efforts for the 145 state. All information provided by a broadband service provider 146 pursuant to this act shall be presumed to be confidential, proprietary, and subject to exemption from disclosure under state 147 148 and federal law and shall not be subject to disclosure except in 149 the form of a map where information that could be used to 150 determine provider-specific information about the network of the 151 broadband service providers is not disclosed. Such 152 provider-specific information shall not be released to any person 153 without written permission of the submitting broadband service provider. In no instance shall a broadband service provider be 154

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155 required to provide any data beyond that which it is required to 156 provide to the Federal Communications Commission pursuant to 47 157 USC Section 641 et seq.; and

(e) Apply for and receive federal grants or funds,
working in conjunction with the Governor when necessary,
including, but not limited to, Coronavirus Capital Projects Fund
established by Section 604 of the Social Security Act, as added by
Section 9901 of the American Rescue Plan Act of 2021, and the
Broadband Equity, Access and Deployment Program established by the
Infrastructure Investment and Jobs Act.

(3) To effectuate the purposes of this act, any department, division, board, bureau, committee, institution or agency of the state, or any political subdivision thereof, shall, at the request of the Executive Director of the Public Utilities Staff, provide the assistance, information and data needed to enable the commission to carry out its duties.

171 There is created within the State Treasury the (4)"Mississippi Broadband Expansion Fund" for the purposes of the 172 173 expansion of broadband in unserved and underserved areas. The 174 fund shall consist of all monies designated, accepted or 175 appropriated by the State of Mississippi for broadband deployment; 176 all monies received from the federal government awarded to or 177 allocated by the state for broadband deployment; and donations, 178 gifts and monies received from any other source, including transfers from other funds or accounts. Disbursements from the 179

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180 fund shall be made by the Public Utilities Staff in accordance 181 with the provisions of this act with approval of the commission. 182 All unexpended and unencumbered monies in the fund at the end of 183 the fiscal year shall remain in the fund. Monies in the fund 184 shall be invested by the State Treasurer in the same manner as 185 monies in the State General Fund and interest earned on the 186 investment of these monies shall be credited to the fund.

187 <u>SECTION 5.</u> In making recommendations, determinations and 188 awards, the Public Utilities Staff and commission shall consider 189 the following:

(a) Funds for the grant program shall only be used by
applicants for projects that exclusively extend broadband service
into unserved or underserved areas in this state; and

(b) Funds from federal broadband grant programs shall be spent in accordance with federal laws, rules, regulations and guidance, and federal laws, rules, regulations and guidance shall supersede in any instance where this act conflicts.

197 <u>SECTION 6.</u> The criteria for determining the awarding of198 funds shall include the following:

(a) The applicant's experience and financial
 wherewithal to deploy, operate and manage the proposed project and
 broadband service offerings, including evidence of the applicant's
 successful operations of broadband services to retail end users;

203 (b) The readiness to build, operate and maintain the 204 project;

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205 (c) Projects that will deploy broadband service to the 206 most unserved or underserved areas;

207 (d) The scalability of the proposed project network to208 support the deployment of higher broadband speeds over time;

(e) The likelihood that the unserved or underserved area will not be served with broadband service without such state or federal grant funding;

(f) The applicant's ability to demonstrate the community's support for the project and a collaborated plan to leverage broadband services for community needs and economic development, such as rural development, education, tourism, new investment, or business attraction or retention;

(g) A preference for those applications seeking to
deploy and provide broadband services to areas in which there is
currently no fixed terrestrial Internet access service available;

(h) No discrimination or preference to applications on the basis of the type of technology proposed by any applicant to be used to provide broadband services so long as the technology proposed meets the federal guidelines;

(i) The size and scope of the unserved or underservedarea to be deployed; and

(j) The broadband service speed thresholds proposed in
the application and the scalability of the broadband service
network infrastructure proposed to be deployed to provide
broadband service to households and businesses.

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230 <u>SECTION 7.</u> In accordance with federal laws, rules, 231 regulations and guidance, the Public Utilities Staff shall 232 establish and publish on its website its criteria for 233 competitively scoring applications.

234 <u>SECTION 8.</u> (1) An applicant for funding under this act 235 shall provide the following information at a minimum on the 236 application:

(a) The location of the project by use of a shapefile;
(b) The type and amount of broadband infrastructure to
be deployed for the project, including the amount the applicant
intends to invest in the project from private funds;

(c) Evidence regarding the unserved or underservednature of the community in which the project is to be located;

(d) The number of households that will have access to broadband service as a result of the project, or whose Internet access service will be upgraded to broadband service as a result of the project;

(e) The significant community institutions that willbenefit from the proposed project;

(f) Evidence of community support for the project with a narrative on the impact that the investment will have on community and economic development efforts in the area;

(g) The total cost of the project and a detailed budget and schedule for the project, including the submission of a business plan that provides for the use of funds provided under

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255 this act. Funds shall not be used to support the operational 256 expenses of the network or to subsidize any other service provided 257 by the applicant; and

(h) The broadband service provider's experience andfinancial capabilities.

260 (2)After scoring and considering all applications, the 261 commission shall make its preliminary determinations. Within 262 thirty (30) days after the preliminary determinations have been 263 made, the Public Utilities Staff shall publish on its website the 264 applications, the proposed geographic broadband service area 265 illustrated by a shapefile, and the proposed broadband service 266 speeds for each application that receives a preliminary 267 determination.

268 Within thirty (30) days from the date the preliminary (3) 269 determinations are published on the Public Utility Staff's 270 website, the staff shall accept comments or objections concerning 271 each application and investigate each of them as appropriate. The 272 commission shall consider all comments and objections received and 273 the investigative findings in determining whether an applicant is 274 eligible for a final determination and award.

(4) The commission shall not make a final determination and award to an applicant if verifiable information is made available that shows the proposed project includes an area where broadband services currently are deployed, or where construction of a network to deploy broadband service is underway, and the

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280 construction is scheduled to be completed within one (1) year 281 after the date of the application.

(5) An applicant's or challenging party's trade secrets, financial information and proprietary information submitted under this act as part of an application or challenge are exempt from disclosure under the Mississippi Public Records Act, Section 25-61-1 et seq.

287 <u>SECTION 9.</u> (1) The Public Utilities Staff may expend funds 288 from the Mississippi Broadband Expansion Fund in accordance with 289 this act and shall notify the Lieutenant Governor, the Speaker of 290 the House of Representatives, and the Legislative Budget Office of 291 such expenditures prior to their distribution.

292 (2)The Public Utilities Staff may employ the services of 293 such persons as the executive director considers necessary for the 294 purposes of consultation or investigation and fix the salaries of 295 or contract for the services of such legal, professional, 296 technical and operational personnel and consultants, subject to 297 applicable provisions of the State Personnel Board. Additional 298 legal assistance may be retained in accordance with this 299 subsection (2) only with the approval of the Attorney General. 300 (3) The staff shall provide to the Legislature an annual 301 detailed report on the status and details of all projects 302 considered and approved under this act no later than December 15 303 of each year.

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304 SECTION 10. Section 31-3-1, Mississippi Code of 1972, is 305 amended as follows:

306 31-3-1. The following words, as used in this chapter, shall 307 have the meanings specified below:

308 "Board": The State Board of Contractors created under this 309 chapter.

310 "Contractor": Any person contracting or undertaking as prime 311 contractor, subcontractor or sub-subcontractor of any tier to do 312 any erection, building, construction, reconstruction, demolition, 313 repair, maintenance or related work on any public or private 314 project; however, "contractor" shall not include any owner of a 315 dwelling or other structure to be constructed, altered, repaired 316 or improved and not for sale, lease, public use or assembly, or 317 any person duly permitted by the Mississippi State Oil and Gas Board, pursuant to Section 53-3-11, Mississippi Code of 1972, to 318 conduct operations within the state, and acting pursuant to said 319 320 permit. It is further provided that nothing herein shall apply 321 to:

(a) Any contract or undertaking on a public or private
project by a prime contractor, subcontractor or sub-subcontractor
of any tier involving erection, building, construction,
reconstruction, repair, maintenance or related work where such
contract, subcontract or undertaking is less than Fifty Thousand
Dollars (\$50,000.00);

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328 (b) Highway construction, highway bridges, overpasses 329 and any other project incidental to the construction of highways 330 which are designated as federal aid projects and in which federal 331 funds are involved;

332 (c) A residential project to be occupied by fifty (50)333 or fewer families and not more than three (3) stories in height;

334 (d) A residential subdivision where the contractor is335 developing either single-family or multifamily lots;

(e) A new commercial construction project not exceeding seventy-five hundred (7500) square feet and not more than two (2) stories in height undertaken by an individual or entity licensed under the provisions of Section 73-59-1 et seq.;

340 (f) Erection of a microwave tower built for the purpose 341 of telecommunication transmissions;

(g) Any contract or undertaking on a public project by a prime contractor, subcontractor or sub-subcontractor of any tier involving the construction, reconstruction, repair or maintenance of fire protection systems where such contract, subcontract or undertaking is less than Five Thousand Dollars (\$5,000.00);

(h) Any contract or undertaking on a private project by a prime contractor, subcontractor or sub-subcontractor of any tier involving the construction, reconstruction, repair or maintenance of fire protection systems where such contract, subcontract or undertaking is less than Ten Thousand Dollars (\$10,000.00);

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(i) Any contract or undertaking on a private or public project by a prime contractor, subcontractor or sub-subcontractor of any tier involving the construction, reconstruction, repair or maintenance of technically specialized installations if performed by a Mississippi contractor who has been in the business of installing fire protection sprinkler systems on or before July 1, 2000; * * *

(j) Any contractor undertaking to build, construct, reconstruct, repair, demolish, perform maintenance on, or other related work, whether on the surface or subsurface, on oil or gas wells, pipelines, processing plants, or treatment facilities or other structures of facilities. Nothing herein shall be construed to limit the application or effect of Section 31-5-41 * * *; or

365 <u>(k) Any contract or undertaking by a subcontractor or</u> 366 <u>sub-subcontractor of any tier involving the construction and other</u> 367 <u>related work required by a licensed prime contractor in the</u> 368 buildout and expansion of broadband infrastructure.

369 "Certificate of responsibility": A certificate numbered and 370 held by a contractor issued by the board under the provisions of 371 this chapter after payment of the special privilege license tax 372 therefor levied under this chapter.

373 "Person": Any person, firm, corporation, joint venture or374 partnership, association or other type of business entity.

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375 "Private project": Any project for erection, building, 376 construction, reconstruction, repair, maintenance or related work 377 which is not funded in whole or in part with public funds.

378 "Public agency": Any board, commission, council or agency of 379 the State of Mississippi or any district, county or municipality 380 thereof, including school, hospital, airport and all other types 381 of governing agencies created by or operating under the laws of 382 this state.

383 "Public funds": Monies of public agencies, whether obtained 384 from taxation, donation or otherwise; or monies being expended by 385 public agencies for the purposes for which such public agencies 386 exist.

387 "Public project": Any project for erection, building, 388 construction, reconstruction, repair, maintenance or related work 389 which is funded in whole or in part with public funds.

390 SECTION 11. This act shall take effect and be in force from 391 and after its passage.

Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

1 AN ACT TO CREATE THE MISSISSIPPI BROADBAND EXPANSION ACT; TO 2 DEFINE TERMS USED IN THE ACT; TO CREATE THE MISSISSIPPI BROADBAND 3 EXPANSION COMMISSION; TO DESIGNATE THE PUBLIC UTILITIES STAFF AS 4 THE STATE BROADBAND OFFICE TO REVIEW APPLICATIONS FOR FUNDING 5 BROADBAND INFRASTRUCTURE PROJECTS USING FEDERAL AND STATE FUNDS; 6 TO PROVIDE THAT THE PUBLIC UTILITIES STAFF SHALL CONSIDER CERTAIN 7 FACTORS IN MAKING ITS PRELIMINARY RECOMMENDATIONS; TO REQUIRE THE 8 PUBLIC UTILITIES STAFF TO ESTABLISH AND PUBLISH ON ITS WEBSITE ITS 9 CRITERIA FOR COMPETITIVELY SCORING APPLICATIONS; TO REQUIRE AN 10 APPLICANT TO PROVIDE CERTAIN INFORMATION AT A MINIMUM ON THE

11 APPLICATION; TO REQUIRE THE COMMISSION TO MAKE PRELIMINARY 12 DETERMINATIONS, FINAL DETERMINATIONS AND AWARDS AFTER 13 RECOMMENDATIONS AND INVESTIGATIONS BY THE PUBLIC UTILITIES STAFF; 14 TO REQUIRE THE PUBLIC UTILITIES STAFF TO ACCEPT COMMENTS AND OBJECTIONS CONCERNING EACH PRELIMINARY DETERMINATION AND 15 16 INVESTIGATE THEM AS APPROPRIATE; TO AMEND SECTION 31-3-1, 17 MISSISSIPPI CODE OF 1972, TO EXEMPT FROM LICENSING REQUIREMENTS 18 UNDER THE STATE BOARD OF CONTRACTORS CERTAIN UNDERTAKINGS BY A 19 SUBCONTRACTOR OR SUB-SUBCONTRACTOR INVOLVING THE CONSTRUCTION IN 20 THE BUILDOUT AND EXPANSION OF BROADBAND INFRASTRUCTURE; AND FOR 21 RELATED PURPOSES.