

# SENATE AMENDMENT NO. \_\_\_\_\_

Offered by \_\_\_\_\_ Of \_\_\_\_\_

Amend SS/SCS/HCS/House Bill No. 1456, Page 1, Section Title, Line 6

2 by striking the word "emergency"; and

3 Further amend said bill, page 43, section 190.475, line 21,  
4 by inserting after all of said line the following:

5 "620.2450. 1. A grant program is hereby established under  
6 sections 620.2450 to 620.2458 to award grants to applicants who  
7 seek to expand access to broadband internet service in unserved  
8 and underserved areas of the state. The department of economic  
9 development shall administer and act as the fiscal agent for the  
10 grant program and shall be responsible for receiving and  
11 reviewing grant applications and awarding grants under sections  
12 620.2450 to 620.2458. Funding for the grant program established  
13 under this section shall be subject to appropriation by the  
14 general assembly.

15 2. As used in sections 620.2450 to 620.2458, the following  
16 terms shall mean:

17 (1) "Underserved area", a project area without access to  
18 wireline or fixed wireless broadband internet service of speeds  
19 of at least twenty-five megabits per second download and three  
20 megabits per second upload;

21 (2) "Unserved area", a project area without access to

1 wireline or fixed wireless broadband internet service of speeds  
2 of at least ten megabits per second download and one megabit per  
3 second upload.

4 620.2451. Grants awarded under sections 620.2450 to  
5 620.2458 shall fund the acquisition and installation of retail  
6 broadband internet service at speeds of at least twenty-five  
7 megabits per second download and three megabits per second  
8 upload, but that is scalable to higher speeds.

9 620.2452. Applicants eligible for grants awarded shall  
10 include:

11 (1) Corporations, or their affiliates, registered in this  
12 state;

13 (2) Incorporated businesses or partnerships;

14 (3) Limited liability companies registered in this state;

15 (4) Nonprofit organizations registered in this state;

16 (5) Political subdivisions; and

17 (6) Rural electric cooperatives organized under chapter 394  
18 and their broadband affiliates.

19 620.2453. An eligible applicant shall submit an application  
20 to the department of economic development on a form prescribed by  
21 the department. An application for a grant under sections  
22 620.2450 to 620.2458 shall include the following information:

23 (1) A description of the project area;

24 (2) A description of the kind and amount of broadband  
25 internet infrastructure that is proposed to be deployed;

26 (3) Evidence demonstrating the unserved or underserved  
27 nature of the project area;

28 (4) The number of households that would have new access to  
29 broadband internet service, or whose broadband internet service

1 would be upgraded, as a result of the grant;

2 (5) A list of significant community institutions that would  
3 benefit from the proposed grant;

4 (6) The total cost of the proposal and the timeframe in  
5 which it will be completed;

6 (7) A list identifying sources of funding or in-kind  
7 contributions, including government funding, that would  
8 supplement any awarded grant; and

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

11 620.2454. 1. At least thirty days prior to the first day  
12 applications may be submitted each fiscal year, the department of  
13 economic development shall publish on its website the specific  
14 criteria and any quantitative weighting scheme or scoring system  
15 the department will use to evaluate or rank applications and  
16 award grants under section 620.2455. Such criteria and  
17 quantitative scoring system shall include the criteria set forth  
18 in section 620.2455.

19 2. Within three business days of the close of the grant  
20 application process, the department of economic development shall  
21 publish on its website the proposed unserved and underserved  
22 areas, and the proposed broadband internet speeds for each  
23 application submitted. Upon request, the department shall  
24 provide a copy of any application to an interested party.

25 3. A broadband internet service provider that provides  
26 existing service in or adjacent to the proposed project area may  
27 submit to the department of economic development, within forty-  
28 five days of publication of the information under subsection 2 of  
29 this section, a written challenge to an application. Such

1 challenge shall contain information demonstrating that:

2 (1) The provider currently provides broadband internet  
3 service to retail customers within the proposed unserved or  
4 underserved area;

5 (2) The provider has begun construction to provide  
6 broadband internet service to retail customers within the  
7 proposed unserved or underserved area; or

8 (3) The provider commits to providing broadband internet  
9 service to retail customers within the proposed unserved or  
10 underserved areas within the timeframe proposed by the applicant.

11 4. Within three business days of the submission of a  
12 written challenge, the department of economic development shall  
13 notify the applicant of such challenge.

14 5. The department of economic development shall evaluate  
15 each challenge submitted under this section. If the department  
16 determines that the provider currently provides, has begun  
17 construction to provide, or commits to provide broadband internet  
18 service at speeds of at least twenty-five megabits per second  
19 download and three megabits per second upload, but scalable to  
20 higher speeds, in the proposed project area, the department shall  
21 not fund the challenged project.

22 6. If the department of economic development denies funding  
23 to an applicant as a result of a broadband internet service  
24 provider challenge under this section and such broadband internet  
25 service provider does not fulfill its commitment to provide  
26 broadband internet service in the unserved or underserved area,  
27 the department of economic development shall not consider another  
28 challenge from such broadband internet service provider for the  
29 next two grant cycles, unless the department determines the

1 failure to fulfill the commitment was due to circumstances beyond  
2 the broadband internet service provider's control.

3 620.2455. 1. The department of economic development shall  
4 give first priority to grant applications that serve unserved  
5 areas.

6 2. The department of economic development shall give  
7 secondary priority to grant applications that demonstrate the  
8 ability to receive matching funds that serve unserved areas,  
9 whether such matching funds are government funds or other funds.

10 3. The department shall give third priority to grant  
11 applications that serve underserved areas.

12 4. The department of economic development shall use a  
13 quantitative weighing scheme or scoring system including, at a  
14 minimum, the following elements to rank the applications:

15 (1) Financial, technical, and legal capability of the  
16 applicant to deploy and operate broadband internet service;

17 (2) The number of locations served in the most cost-  
18 efficient manner possible considering the project area density;

19 (3) Available minimum broadband speeds;

20 (4) Ability of the infrastructure to be scalable to higher  
21 broadband internet speeds;

22 (5) Commitment of the applicant to fund at least fifty  
23 percent of the project from private sources;

24 (6) Length of time the provider has been operating  
25 broadband internet services in the state;

26 (7) The offering of new or substantially upgraded broadband  
27 internet service to important community institutions including,  
28 but not limited to, libraries, educational institutions, public  
29 safety facilities, and health care facilities;

1           (8) The offering of service to economically distressed  
2 areas of the state, as measured by indices of unemployment,  
3 poverty, or population loss that are significantly greater than  
4 the statewide average;

5           (9) The ability to provide technical support and training  
6 to residents, businesses, and institutions in the community of  
7 the proposed project to utilize broadband internet service;

8           (10) Plans to actively promote the adoption of the newly  
9 available broadband internet service in the community; and

10           (11) Strong support for the proposed project from citizens,  
11 businesses, and institutions in the community.

12           620.2456. 1. The department of economic development shall  
13 not award any grant to an otherwise eligible grant applicant  
14 where funding from the Connect America Fund has been awarded,  
15 where high cost support from the federal Universal Service Fund  
16 has been received by rate of return carriers, or where any other  
17 federal funding has been awarded which did not require any  
18 matching fund component, for any portion of the proposed project  
19 area, nor shall any grant money be used to serve any retail end  
20 user that already has access to wireline or fixed wireless  
21 broadband internet service of speeds of at least twenty-five  
22 megabits per second download and three megabits per second  
23 upload.

24           2. No grant awarded under sections 620.2450 to 620.2458,  
25 when combined with any federal, state, or local funds, shall fund  
26 more than fifty percent of the total cost of a project.

27           3. No single project shall be awarded grants under sections  
28 620.2450 to 620.2458 whose cumulative total exceeds five million  
29 dollars.

1           4. The department of economic development shall endeavor to  
2 award grants under sections 620.2450 to 620.2458 to qualified  
3 applicants in all regions of the state.

4           5. An award granted under sections 620.2450 to 620.2458  
5 shall not:

6           (1) Require an open access network;

7           (2) Impose rates, terms, and conditions that differ from  
8 what a provider offers in other areas of its service area;

9           (3) Impose any rate, service, or any other type of  
10 regulation beyond speed requirements set forth in section  
11 620.2451; or

12           (4) Impose an unreasonable time constraint on the time to  
13 build the service.

14           620.2457. By June thirtieth of each year, the department of  
15 economic development shall publish on its website and provide to  
16 the general assembly:

17           (1) A list of all applications for grants under sections  
18 620.2450 to 620.2458 received during the previous year and, for  
19 each application:

20           (a) The results of any quantitative weighting scheme or  
21 scoring system the department of economic development used to  
22 award grants or rank the applications;

23           (b) The grant amount requested;

24           (c) The grant amount awarded, if any;

25           (2) All written challenges.

26           620.2458. The department of economic development shall  
27 develop administrative rules governing the eligibility,  
28 application and grant award process, and to implement the  
29 provisions of sections 620.2450 to 620.2458. Any rule or portion

1 of a rule, as that term is defined in section 536.010, that is  
2 created under the authority delegated in this section shall  
3 become effective only if it complies with and is subject to all  
4 of the provisions of chapter 536 and, if applicable, section  
5 536.028. This section and chapter 536 are nonseverable, and if  
6 any of the powers vested with the general assembly pursuant to  
7 chapter 536 to review, to delay the effective date, or to  
8 disapprove and annul a rule are subsequently held  
9 unconstitutional, then the grant of rulemaking authority and any  
10 rule proposed or adopted after August 28, 2018, shall be invalid  
11 and void."; and

12 Further amend said bill, page 57, section 190.440, line 50  
13 of said page, by inserting immediately after said line the  
14 following:

15 "Section B. Pursuant to section 23.253 of the Missouri  
16 sunset act:

17 (1) The provisions of the new program authorized under  
18 sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454,  
19 620.2455, 620.2456, 620.2457, and 620.2458 shall sunset  
20 automatically three years after the effective date of sections  
21 620.2450, 620.2451, 620.2452, 620.2453, 620.2454, 620.2455,  
22 620.2456, 620.2457, and 620.2458 unless reauthorized by an act of  
23 the general assembly; and

24 (2) If such program is reauthorized, the program authorized  
25 under sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454,  
26 620.2455, 620.2456, 620.2457, and 620.2458 shall sunset  
27 automatically six years after the effective date of the  
28 reauthorization of sections 620.2450, 620.2451, 620.2452,  
29 620.2453, 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458;

1 and

2 (3) Sections 620.2450, 620.2451, 620.2452, 620.2453,  
3 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458 shall  
4 terminate on September first of the calendar year immediately  
5 following the calendar year in which the program authorized under  
6 sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454,  
7 620.2455, 620.2456, 620.2457, and 620.2458 is sunset."; and

8 Further amend the title and enacting clause accordingly.

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