

8 SYNOPSIS: This bill would create the Alabama Broadband
9 Accessibility Act to encourage private investment
10 in broadband infrastructure through business
11 entities in unserved areas. This bill would
12 establish the Alabama Broadband Accessibility Fund
13 for the receipt of designated revenues to be
14 utilized for deployment and adoption of broadband
15 internet services in unserved areas. This bill
16 would provide that the Alabama Department of
17 Economic and Community Affairs would develop plans
18 and promulgate rules for the administration of this
19 program.
20

21 A BILL
22 TO BE ENTITLED
23 AN ACT
24

25 Relating to grants given to deploy and encourage the
26 adoption of broadband internet services; to direct the Alabama
27 Department of Economic and Community Affairs to develop rules

1 to administer the program; to establish the Alabama Broadband
2 Accessibility Fund; to provide the fund to receive
3 appropriations from the legislature, or from the receipt of
4 gifts, grants, or federal funds to be expended for the purpose
5 of the program; to provide for the criteria under which grants
6 are to be given; and to require an annual report on the
7 progress of the program.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9 Section 1. This act shall be known and may be cited
10 as the "Alabama Broadband Accessibility Act."

11 Section 2. The Legislature finds that the
12 availability of high-speed broadband services, with the
13 preference of speeds of 25 megabits per second of download
14 speed and three megabits per second of upload speed or
15 greater, in unserved rural Alabama is important for economic
16 development, education, health care, and emergency services in
17 Alabama, and that grants and other incentives set forth in
18 this act will further those objectives by encouraging new
19 investment in broadband infrastructure.

20 Section 3. For the purposes of this act, the
21 following words have the following meanings:

22 (1) ADECA. The Alabama Department of Economic and
23 Community Affairs.

24 (2) MINIMUM SERVICE THRESHOLD. A connection to the
25 Internet that provides capacity for transmission at an average
26 speed per customer of at least 10 megabits (10 Mbps) per

1 second downstream and at least one megabits (1 Mbps) per
2 second upstream.

3 (3) RURAL AREA. Any area within this state not
4 included within the boundaries of any incorporated city or
5 town having a population in excess of 25,000 inhabitants,
6 according to the last federal census.

7 (4) UNSERVED AREA. Any rural area in which there is
8 not at least one provider of terrestrial broadband service
9 that is either: (1) offering a connection to the Internet
10 meeting the minimum service threshold; or (2) is required,
11 under the terms of the Federal Universal Service Fund or other
12 federal or state grant, to provide a connection to the
13 internet at speeds meeting the minimum service threshold
14 within five years of the effective date of this act.

15 Section 4. (a) The Director of the ADECA is
16 authorized to establish and administer the broadband
17 accessibility grant program for the purpose of promoting the
18 deployment and adoption of broadband internet access services
19 to unserved areas. Within 90 days of the effective date of
20 this act, the director shall promulgate rules and policies to
21 administer the program and begin to accept applications for
22 grants, and shall promulgate such rules and regulations as may
23 be necessary to meet the future needs of the grant program.

24 (b) The program shall be administered pursuant to
25 policies developed by ADECA in compliance with this act. The
26 policies shall provide for the awarding of grants to
27 non-government entities that are cooperatives, corporations,

1 limited liability companies, partnerships or other private
2 business entities that provide broadband services. Nothing in
3 this chapter shall expand the authority under state law of any
4 entity to provide broadband service.

5 (c) There is hereby created the Alabama Broadband
6 Accessibility Fund in the State Treasury. The fund is subject
7 to appropriations by the legislature and gifts, grants, and
8 other donations received by ADECA for the broadband
9 accessibility grant program or fund. ADECA may not spend
10 appropriations for the program for purposes other than those
11 listed in this section. Any monies appropriated to ADECA for
12 broadband grants that are unspent at the end of a fiscal year
13 shall be carried over for use by the program in the next
14 fiscal year. ADECA shall develop rules ensuring that expenses
15 incurred to administer the program must not exceed three
16 percent (3%) of the total amount appropriated for the program
17 in any fiscal year. Moneys in the fund shall be invested by
18 the State Treasurer for the sole benefit of the fund.

19 (d) Individual grants awarded by ADECA under this
20 section may only be awarded for projects in unserved areas,
21 and may not exceed the lesser of: (1) twenty percent of the
22 project costs or (2) Seven hundred fifty thousand dollars
23 (\$750,000) for projects that will result in transmitting
24 broadband signals at speeds of at least 10 megabits per second
25 of download speed and one megabit per second of upload speed;
26 or one million four hundred thousand dollars (\$1,400,000) for
27 projects that will result in transmitting broadband signals at

1 speeds of at least 25 megabits per second of download speed
2 and three megabits per second of upload speed. Grants may be
3 given to any qualified entity pursuant to subsection (b) that
4 meets the service criteria for expenditures after the
5 effective date of this chapter. ADECA shall ensure that not
6 less than 40% of funds appropriated for grants be utilized in
7 unincorporated areas of the state. Subject to such
8 limitations, grants shall be awarded pursuant to the service
9 criteria developed by ADECA, with priority given to projects
10 that:

11 (1) Seek to leverage grant funds through private
12 investment and extension of existing infrastructure;

13 (2) Serve locations with demonstrated community
14 support, including, but not limited to, documented support
15 from local government;

16 (3) Demonstrate the operator's technical and
17 managerial capabilities to complete the project within two
18 years of the grant;

19 (4) Demonstrate the applicants' necessary financial
20 resources;

21 (5) Are most cost effective and technically
22 efficient in that they propose to serve the highest number of
23 unserved homes, businesses and community anchor points for the
24 least cost and best level of service, emphasizing projects
25 including the highest broadband speeds;

1 (6) Provide material broadband enhancement to
2 hospitals located in rural areas as defined in Section
3 22-21-20, Code of Alabama 1975.

4 (7) Support local libraries in this state for the
5 purpose of assisting the libraries in offering digital
6 literacy training pursuant to state library and archive
7 guidelines.

8 (e) The first annual commencement date to submit
9 grant applications shall be within sixty days of the effective
10 date of this act, and shall be March 1 in each subsequent
11 year. ADECA shall accept applications within a 150-day grant
12 window after the annual commencement date. Applications for
13 eligible projects will be evaluated according to a scoring
14 system developed by ADECA that incorporates the priorities
15 listed in this section, with grant awards published within
16 ninety days after expiration of the filing window. Grant
17 applications shall be published by ADECA on the internet at
18 the end of the filing window, and existing service providers
19 shall have thirty days from the date of publication to file
20 objections to the eligibility of a proposed project. ADECA
21 shall address any objections within thirty days of submission
22 and shall make any appropriate changes to grant awards based
23 on a finding of ineligibility resulting from such protest.
24 Subject to such protest procedure, grants issued by ADECA
25 shall be conditioned upon compliance with the terms of the
26 grant but shall not otherwise be revocable. Providers' grants
27 shall be paid within 30 days upon ADECA receiving written

1 certification of the completion of the project and evidence of
2 compliance with the terms of the grant as prescribed by ADECA.

3 (f) Grants shall be conditioned on project
4 completion within two years of awarding of the grant.

5 (g) Notwithstanding any other provision of this
6 Section 4, eligible projects shall include projects that have
7 received funds through other federal or state funded grant
8 programs designed specifically to encourage broadband
9 deployment in an area without broadband access in an amount
10 not exceeding fifty percent of the total project cost,
11 provided, however, that any award of state funds may only be
12 utilized to fund project components that extend beyond the
13 specifications supported by the federal or state funding, said
14 eligible components being extension of service to unserved
15 rural areas not otherwise served by the federally or state
16 supported project and at speeds not less than 25 megabits per
17 second of download speed and three megabits per second of
18 upload speed. Grants issued under this subsection (g) shall
19 not exceed 40% of total grant funding, with such grants not
20 exceeding 20% of total project costs.

21 Section 5. (a) There is created the Alabama Rural
22 Broadband Oversight Committee. The oversight committee shall
23 consist of the Chair of the House Ways and Means Education
24 Committee or designee, the Chair of the Senate Finance and
25 Taxation Education Committee or designee, two members
26 appointed by the Speaker of the House of Representatives, two
27 members appointed by the President Pro Tempore of the Senate,

1 and the Director of ADECA or his or her designee. The
2 oversight committee shall be charged with providing general
3 oversight of the implementation of the and recommending
4 further statutory changes to promote rural broadband
5 development.

6 (b) The committee shall reflect the racial, gender,
7 geographic, urban/rural, and economic diversity of the state.

8 (c) For any year in which grants are distributed
9 under the program, ADECA shall produce a quarterly report on
10 the status of grants under the program to the Oversight
11 Committee, including progress toward increased access to and
12 adoption of broadband services. The report shall also be
13 published on ADECA's website. Within 12 months of the
14 effective date of this act, ADECA shall produce a report on
15 the availability of broadband within the state.

16 Section 6. If any provision of this act or its
17 application to any person or circumstance is held invalid, the
18 invalidity does not affect other provisions or applications of
19 this act which can be given effect without the invalid
20 provision or application, and to this end the provisions of
21 this are severable.

22 Section 7. This act shall become effective
23 immediately following its passage and approval by the
24 Governor, or its otherwise becoming a law.