HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 1543 Broadband Infrastructure
SPONSOR(S): Commerce Committee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Commerce Committee		Keating	Hamon

SUMMARY ANALYSIS

In 2021, the Legislature took steps to improve broadband Internet access in unserved areas of the state. Among other things, the Legislature:

- Created the Broadband Opportunity Program (grant program) to be administered by the Office of Broadband (Office) within the Department of Economic Opportunity (DEO). Subject to appropriation, the program would award grants to applicants, regardless of technology, who seek to expand access to broadband service in unserved areas of the state. This grant program has not yet received funding.
- Provided for a promotional rate of $1 per wireline attachment per pole, per year for any new pole attachment necessary to make broadband service available to an unserved or underserved end user within a municipal electric utility service territory.
- Appropriated $1.5 million to DEO to develop geographic information system maps of broadband service availability, including transmission speeds. These maps continue to be developed and updated.

The Office is currently developing a strategic plan for increasing the availability and use of broadband service in the state. Florida law requires this plan to be completed by June 30, 2022.

The bill authorizes the Office to reimburse eligible applicants for certain pole replacement costs incurred in the installation or deployment of infrastructure to support the provision of broadband Internet service to customers in an unserved area. The bill identifies the types of costs eligible, and establishes conditions, for reimbursement. Any entity eligible to apply for funding under the grant program created in 2021 is eligible to apply for reimbursement. However, an entity may not receive reimbursement funds if it has been awarded or has applied for funds under the grant program to deploy broadband Internet service to the same area.

The bill requires that applications for reimbursement of pole replacement costs must provide information sufficient to establish the actual amount of the costs incurred and eligible for reimbursement and such other information as required by the Office. Applications must be submitted in a form specified by the Office.

The bill requires the Office, beginning January 1, 2023, and each year thereafter, to publish on its website and provide to the Governor, the President of the Senate, and the Speaker of the House of Representatives, a list of all reimbursement applications received during the previous fiscal year and other specified information, including reimbursements amounts awarded.

The bill requires DEO to adopt implementing rules, which may specify maximum annual reimbursement amounts per applicant and maximum reimbursement amounts per eligible pole replacement

The bill takes effect on July 1, 2022.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Broadband Internet Deployment

Fixed and mobile broadband Internet services provide access to numerous employment, education, entertainment, and health care opportunities.[1] Communities that lack broadband access can have difficulty attracting new capital investment. While Florida's urban areas are served at a fixed broadband coverage rate of 98 percent, its rural areas are served at a rate of 78.6 percent.[2] This disparity is caused primarily by high per-unit construction costs required to build broadband infrastructure across larger swaths of rural geographic areas.[3]

The recent COVID-19 pandemic has enhanced the need for broadband Internet access in everyday life. Studies indicate that broadband Internet access matters for jobs, income, business relocation, civic engagement, and health.[4] In addressing broadband Internet access issues, states have established broadband offices and created special funding programs to offer financial incentives for broadband in lower density areas.[5] Additionally, as schools go online, data indicates that low income households disproportionally lack access to broadband Internet service, which puts their children at risk of falling behind.[6]

Federal Broadband Initiatives

FCC Rural Digital Opportunity Fund

In January 2020, the Federal Communications Commission (FCC) established the Rural Digital Opportunity Fund (Fund) to fund the deployment of broadband networks in rural America over the next decade. The program will consist of two phases. Using data from the FCC's previous mapping efforts, the first phase began in 2020 and made available up to $16 billion to target census blocks that are wholly unserved with fixed broadband speeds of at least 25 megabits per second (Mbps) downstream and 3 Mbps upstream (25/3 Mbps).[7] The winning bidders from the first round under Phase I were announced in December 2020, with entities that bid to provide service in Florida receiving over $190 million over the next 10 years.[8]

Phase II of the Fund will target underserved localities, as identified by the FCC's Digital Opportunity Data Collection Program.[9] Using this more precise data, the second phase of FCC grants will make

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[1] U.S. Federal Communications Commission (FCC), *2018 Broadband Deployment Report*, at 1 (Feb. 2, 2018), *available at* https://docs.fcc.gov/public/attachments/FCC-18-10A1.pdf (last visited Feb. 1, 2022).

[2] FCC, *2021 Broadband Deployment Report* at 63 (Jan. 19, 2021), *available at* https://docs.fcc.gov/public/attachments/FCC-21-18A1.pdf (last visited Feb. 1, 2022). For purposes of this data, 'fixed broadband services' are measured at 25 megabits per second downstream and 3 megabits per second upstream.

[3] American Broadband Initiative, *Milestones Report*, at 11 (Feb. 13, 2019), *available at* https://www.ntia.doc.gov/files/ntia/publications/american_broadband_initiative_milestones_report.pdf (last visited Feb. 1, 2022).

[4] *COVID-19 lockdowns expose the digital have-nots in rural areas – here's which policies can get them connected* (Sep. 2, 2020), https://theconversation.com/covid-19-lockdowns-expose-the-digital-have-nots-in-rural-areas-heres-which-policies-can-get-them-connected-144324 (last visited Feb. 1, 2022).

[5] *Id.*

[6] New American Economy Research Fund, *Back to School: A Look at the Internet Access Gap.* (Aug. 6, 2020), https://research.newamericaneconomy.org/report/internet-access-covid-19/ (last visited Feb. 1, 2022).

[7] FCC, *FCC Launches $20 Billion Rural Digital Opportunity Fund*, https://www.fcc.gov/document/fcc-launches-20-billion-rural-digital-opportunity-fund-0 (last visited Feb. 1, 2022).

[8] FCC, *Auction 904 Winning Bidders*, https://www.fcc.gov/document/auction-904-winning-bidders (last visited Feb. 1, 2022).

[9] *See*, FCC, *FCC Launches $20 Billion Rural Digital Opportunity Fund*, *supra* note 7 at 3. In August 2019, the FCC adopted the Digital Opportunity Data Collection Program, which modernized the collection of broadband deployment data by creating granular coverage maps, as opposed to census tract maps, and by implementing a process to accept public data to confirm the maps' accuracy.

available at least $4.4 billion to target geographic areas where some locations lack access to 25/3 Mbps broadband.[10] Grants from both phases of the Fund are provided directly to service providers.

Department of Commerce Coronavirus Capital Projects Fund

The 2021 American Rescue Plan[11] allocated $10 billion to eligible governments to carry out capital projects to meet critical needs, with an emphasis on broadband infrastructure.[12] Each state is eligible for a fixed amount of $100 million plus an additional allocation based on the state's population, the proportion of its population that lives in rural areas, and the proportion of individuals who receive a household income below 150 percent of the poverty line.[13]

Eligible states must have applied by December 27, 2021, and submit a grant plan by September 24, 2022.[14] Capital Projects Fund recipients may pass the funds on to subrecipients, such as other levels of government, non-profits, or private entities. Florida's allocation of these funds is $366 million,[15] for which Florida's Department of Economic Opportunity (DEO) timely applied.

Presumptively eligible projects under the program include the construction and deployment of broadband infrastructure that is designed to deliver service that reliably meets or exceeds symmetrical speeds of 100 Mbps, or if impracticable, speeds of 100 Mbps downstream and 20 Mbps upstream.[16] Projects that may be eligible on a case-by-case review include investments in capital assets, such as buildings, towers, digital devices and equipment, fiber-optic lines, and broadband networks.[17]

USDA Programs

The U.S. Department of Agriculture (USDA) has several rural utilities programs to provide a variety of loans and grants to build and expand broadband networks.[18] The ReConnect Program offers federal loans, grants, and loan/grant combinations to facilitate broadband deployment to rural areas without access to sufficient broadband service. Eligible entities include cooperatives and nonprofits, for-profit companies, and state and local governments and their agencies and political subdivisions. Applicants for a grant or a loan/grant combination under the ReConnect Program must submit a scoring sheet by which USDA may analyze nine separate evaluation criteria to score the application. One of the evaluation criteria is whether the proposed project is in a state with a broadband plan that has been updated within the previous 5 years.[19]

Additional Federal Broadband Funding and Initiatives

In March 2020, Congress ratified the FCC's Data Collection Program with passage of the Broadband Data Act, which requires the FCC to establish a semiannual collection of geographically granular broadband coverage data to use to create coverage maps. Congress allocated $65 million to the FCC to achieve this mapping project in December 2020.

[10] *Id*. at 4.

[11] Pub. L. 117-2 (117th Congress) (H.R. 1319).

[12] U.S. Dep't. of Treasury, *Capital Projects Fund*, https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund (last visited Feb. 1, 2022).

[13] U.S. Dep't. of Treasury, *Coronavirus Capital Projects Fund: Allocations Methodology for States, Territories, and Freely Associated States* (Aug. 2021), https://home.treasury.gov/system/files/136/Allocations-Methodology-States-Territories-Freely-Associated-States.pdf (last visited Feb. 1, 2022).

[14] *Id*. *See also*, U.S. Dep't. of Treasury, *Guidance for the Coronavirus Capital Projects Fund for States, Territories, and Freely Associated States*, 1, 14 (Sept. 2021), https://home.treasury.gov/system/files/136/Capital-Projects-Fund-Guidance-States-Territories-and-Freely-Associated-States.pdf (last visited Feb. 1, 2022).

[15] U.S. Dep't. of Treasury, *Coronavirus Capital Projects Fund: Allocations for States, District of Columbia, and Puerto Rico*, https://home.treasury.gov/system/files/136/Allocations-States.pdf (last visited Feb. 1, 2022).

[16] U.S. Dep't. of Treasury, *Guidance for the Coronavirus Capital Projects Fund for States, Territories, and Freely Associated States, supra* note 14 at 3.

[17] *Id*. at 7.

[18] USDA, *Telecom Programs, available at* https://www.rd.usda.gov/programs-services/all-programs/telecom-programs (last visited Feb. 1, 2022).

[19] *See* USDA, *ReConnect Loan and Grant Program, available at* https://www.usda.gov/reconnect#anchor1 (last visited Feb. 1, 2022).

Multiple federal assets have been made available to assist with the expansion of broadband, for example:[20]

- The U.S. Department of Housing and Urban Development[21] offers block grants that can support broadband infrastructure;
- The Department of the Interior launched a mapping tool to allow service providers to locate federal property available for infrastructure development;[22] and
- The National Telecommunications and Information Administration (NTIA) within the U.S. Department of Commerce is working to improve coordination between federal programs that fund broadband and statewide efforts.[23]

The Consolidated Appropriations Act passed by Congress in December 2020[24] included the following funding to expand broadband Internet access for students, families, and unemployed workers:[25]

- $300 million for areas lacking broadband, especially rural areas;[26]
- $250 million for the FCC's telehealth program;[27]
- $285 million to fund a pilot program to assist with broadband issues at historically Black colleges and universities;[28] and
- $1 billion in grants for tribal broadband programs.[29]

The American Rescue Plan, signed into law on March 11, 2021, includes multiple appropriations that can be used for broadband infrastructure, including $10 billion for the Coronavirus Capital Projects Fund (discussed above) to provide grants to states for the costs of capital projects, like broadband infrastructure, and $130.2 billion for Community Development Block Grants that can be used for community development projects, including broadband infrastructure.[30]

Additionally, the Infrastructure Investment and Jobs Act,[31] signed into law on November 15, 2021, contains $64 billion in funding for broadband expansion and access. The law:[32]

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[20] *See generally*, National Telecommunications and Information Administration (NTIA), American Broadband Initiative, *Progress Report* (June 2020), *available at* https://www.ntia.doc.gov/files/ntia/publications/abi_progress_report_june2020.pdf (last Jan. 21, 2022).

[21] U.S. Department of Housing and Urban Development, *State CDBG Program Broadband Infrastructure FAQs* (Jan. 7, 2016), *available at* https://files.hudexchange.info/resources/documents/State-CDBG-Program-Broadband-Infrastructure-FAQs.pdf (last visited Feb. 1, 2022).

[22] U.S. Department of Interior, *Supporting Broadband Tower Facilities in Rural America on Federal Properties Managed at Interior*, *available at* https://www.doi.gov/broadband (last visited Feb. 1, 2022).

[23] Broadband USA, *State Broadband Leaders Network* (Dec. 19, 2018), *available at* https://broadbandusa.ntia.doc.gov/ntia-resources/state-broadband-leaders-network-sbln (last visited Feb. 1, 2022).

[24] Consolidated Appropriations Act of 2020, H.R. 1865, 116th Cong. (2020).

[25] NCSL, *COVID-19 Economic Relief Bill: Broadband*, (Jan. 4, 2021) https://www.ncsl.org/ncsl-in-dc/publications-and-resources/covid-19-economic-relief-bill-stimulus.aspx#:~:text=Erlinda%20Doherty-,Overview,agency%20operations%20through%20September%202021. (last visited Feb. 1, 2022).

[26] *See generally*, NTIA, *Overview of Consolidated Appropriations Act, 2021: Broadband Infrastructure Deployment Grants*, *available at* https://broadbandusa.ntia.doc.gov/ntia-common-content/overview-consolidated-appropriations-act-2021 (last visited Feb. 1, 2022). These grants will be available to support infrastructure for the deployment of fixed broadband service in a census block with at least one household or business that does not have access to internet at 25/3Mbps or higher.

[27] FCC, *COVID-19 Telehealth Program* (Feb. 9, 2021), *available at* https://www.fcc.gov/covid-19-telehealth-program (last visited Feb. 1, 2022).

[28] *See generally*, NTIA, *Minority Broadband Initiative*, *available at* https://www.ntia.doc.gov/category/minority-broadband-initiative (last visited Feb. 1, 2022).

[29] *See generally*, NTIA, *NTIA Announces Tribal Consultations on New Program to Increase Broadband Access Across Indian Country* (Feb. 5, 2021), *available at* https://www.ntia.gov/blog/2021/ntia-announces-tribal-consultations-new-program-increase-broadband-access-across-indian (last visited Feb. 1, 2022).

[30] Pub. L. No. 112-2, ss. 603 and 604 (117th Congress) (H.R. 1319). U.S. Treasury, *FACT SHEET: The American Rescue Plan Will Deliver Immediate Economic Relief to Families*, https://home.treasury.gov/news/press-releases/jy0069 (last visited Feb. 1, 2022).

[31] Pub. L. No. 117-58 (117th Congress) (H.R. 3684). See also, Congressional Research Service, *The Infrastructure Investment and Jobs Act (P.L. 117-58): Summary of the Broadband Provisions in Division F* (Nov. 16, 2021), https://crsreports.congress.gov/product/pdf/R/R46967 (last visited Feb. 1, 2022).

[32] NTIA, *Infrastructure Investment and Jobs Act Overview*, https://www.ntia.doc.gov/category/grants (last visited Feb. 1, 2022).

- Establishes the Broadband Equity, Access, and Development Program to be administered by the NTIA to states through matching grants;
- Allocates $2.75 billion to the Digital Equity Act Competitive Grant Programs administered by the Department of Commerce;
- Invests $2 billion in the Tribal Broadband Connectivity Program; and
- Funds the Middle Mile Grants program, administered by the NTIA, with $1 billion, especially to support construction, improvement, or acquisition of broadband infrastructure.

Florida Broadband Initiatives

Florida's Office of Broadband

In 2020, the Legislature designated the Department of Economic Opportunity as the lead state agency to facilitate the expansion of broadband Internet service in the state.[33] The Florida Office of Broadband (Office) was created within DEO's Division of Community Development for purposes of developing, marketing, and promoting broadband Internet service in the state.[34]

The Office must:[35]

- Create a strategic plan[36] for increasing the availability and use of broadband Internet service in the state, which must identify federal funding sources for the expansion of broadband and include a process to review and verify public input regarding transmission speeds and availability of broadband Internet service throughout the state;
- Build local technology planning teams representing, among others, libraries, schools, colleges and universities, local health care providers, private businesses, community organizations, economic development organizations, local governments, tourism, parks and recreation, and agriculture to identify needs and resources to reduce barriers to the deployment of broadband Internet services;
- Encourage the use of broadband Internet service, especially in rural, unserved, and underserved[37] areas of the state through grant programs; and
- Monitor, participate in, and provide input in proceedings of the FCC and other federal agencies related to the geographic availability and deployment of broadband Internet service as necessary to ensure that Florida's rural, unserved, and underserved areas are best positioned to benefit from federal and state broadband deployment programs; and
- Administer Florida's Broadband Opportunity Program.[38]

DEO may apply for and accept federal grant funds, enter into necessary or useful contracts, and establish any committee or workgroup to administer the program to further the above goals.[39]

In 2021, the Legislature appropriated $1.5 million to DEO to develop geographic information system maps of broadband Internet service availability, including transmission speeds, consistent with the FCC's data collection program standards.[40] DEO must collaborate with broadband service providers, state agencies, local government entities, private businesses, educational institutions, and community organizations to develop these maps.[41] Through its website, DEO allows for public input concerning the speed, connectivity, and access to broadband Internet service in areas throughout the state to help

[33] Ch. 2002-26, Laws of Fla.
[34] *Id*.
[35] S. 288.9961(4), F.S.
[36] The strategic plan must be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives by June 30, 2022, and updated biennially thereafter. S. 288.9961(4)(a), F.S.
[37] Section 288.9961(2)(f), F.S., defines the term "underserved" to mean a geographic area of this state in which there is no provider of broadband Internet service that offers a connection to the Internet with a capacity for transmission at a consistent speed of at least 10 Mbps downstream and at least 1 Mbps upstream.
[38] The Broadband Opportunity Program is established in s. 288.9962, F.S., to award grants to those who seek to expand broadband Internet service to unserved areas of Florida.
[39] S. 288.9961(5), F.S.
[40] Ch. 2021-24, Laws of Fla.
[41] *Id*.

identify unserved and underserved areas. DEO's mapping efforts are not complete and will continue to be updated as more data is added.[42]

Broadband Opportunity Program

In 2021, the Legislature created the Broadband Opportunity Program[43] (grant program) to award grants to applicants who seek to expand access to broadband Internet service[44] in unserved[45] areas of the state, regardless of the technology to be used. Grant funds may not be used to provide broadband Internet service to a geographic area where broadband Internet is already deployed by at least one provider. Applicants eligible for grant awards include corporations, limited liability companies, general partnerships, limited partnerships, political subdivisions, and Indian tribes.

In evaluating grant applications and awarding grants, the Office must prioritize applications that:

- Offer broadband Internet service to important community institutions, including, but not limited to, libraries, educational institutions, public safety facilities, and healthcare facilities;
- Facilitate the use of telemedicine and electronic health records;
- Serve economically distressed areas of the state, as measured by indices of unemployment, poverty, or population loss that are significantly greater than the statewide average;
- Provide for scalability to transmission speeds of at least 100 megabits per second download and 10 megabits per second upload;
- Include a component to actively promote the adoption of the newly available broadband Internet services in the community;
- Provide evidence of strong support for the project from citizens, government, businesses, and institutions in the community;
- Provide access to broadband Internet service to the greatest number of unserved households and businesses;
- Leverage greater amounts of funding for the project from private sources; or
- Demonstrate consistency with the Office's strategic plan.[46]

The Office must endeavor to award grants to qualified applicants in all regions of the state. The Office may not award any grant to an otherwise eligible grant applicant to provide broadband Internet service in a project area for which any other federal funding has been awarded. A grant, when combined with any state or local funds, may not fund more than 50 percent of the total cost of a project, and a single project may not be awarded a grant in excess of $5 million.

The Office has not yet received funding for the grant program.

Promotional Pole Attachment Rates

The term "pole attachment" refers to the process by which communications companies can collocate communications infrastructure on existing electric utility poles. Utility poles are divided into various "spaces" for specific uses, and different vertical portions of the pole serve different functions.[47] Utility poles often accommodate equipment used to provide a variety of services, including electric power, telephone, cable, wireline broadband, and wireless, which benefits the public by minimizing "unnecessary and costly duplication of plant for all pole users."[48]

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[42] DEO, *Office of Broadband,* https://floridajobs.org/community-planning-and-development/broadband/office-of-broadband (last visited Feb. 1, 2022).
[43] Section 288.9962, F.S.
[44] Section 288.9961(2)(a), F.S., defines the term "broadband Internet service" to mean any service that provides access to the Internet with a capacity for transmission at a consistent speed of at least 25 megabits per second download and 3 megabits per second upload.
[45] Section 288.9961(2)(g), F.S., defines the term "unserved" to mean a geographic area of the state without access to broadband Internet service.
[46] The Office is in the process of developing a strategic plan for submission by June 30, 2022, as required by section 288.9961(4)(a), F.S.
[47] *See* Florida Public Service Commission, What's on a Utility Pole? http://www.psc.state.fl.us/ConsumerAssistance/UtilityPole (last visited Feb. 1, 2022).
[48] S. REP. NO. 95-580, at 13 (1977), *as reprinted in* 1978 U.S.C.C.A.N. 109, 121.

When a new attacher, such as a broadband Internet service provider, seeks access to a pole, it is necessary to evaluate whether adding the attachment will be safe and whether there is room for it. In many cases, existing attachments must be moved to make room for the new attachment. In some cases, it is necessary to install a larger pole to accommodate a new attachment.[49]

Except for certain small cell wireless facilities, attachments of cable and telecommunications carrier facilities to utility poles owned by a municipal electric utility are not regulated at the state or federal level.

In 2021, the Legislature provided for a promotional rate of $1 per wireline attachment per pole, per year for any new attachment necessary to make broadband Internet service available to an unserved or underserved end user within a municipal electric utility service territory. This rate began July 1, 2021, and ends July 1, 2024.[50]

Under this promotional program, if a municipal electric utility is required to replace a utility pole due to a broadband provider's attachment, the municipal electric utility may require the broadband provider to reimburse all reasonable costs attributable to the new attachment, minus the salvage value of the pole. A utility cannot require pole replacement to accommodate the broadband provider's pole attachment unless it is necessary to comply with applicable engineering and safety standards. Additionally, if the pole replacement is necessary to correct an existing violation, to bring the pole into compliance with changes in applicable standards, or because the pole is at the end of its useful life, the replacement cost may not be passed on to the broadband provider.[51]

Effect of Proposed Changes

The bill authorizes the Office to reimburse eligible applicants for certain pole replacement costs incurred in the installation or deployment of infrastructure to support the provision of broadband Internet service to customers in an unserved area. The same entities eligible to apply for funding under the grant program are eligible to apply for reimbursement of pole replacement costs.

The bill provides that, for purposes of reimbursement under the bill, pole replacement costs are the actual costs incurred by an eligible applicant:

- To remove and dispose of one or more existing poles that are owned by an electric utility as defined in s. 366.02(2), a communications services provider as defined in s. 366.02(5), a cable television operator, or a local exchange carrier and that are used in whole or in part to distribute electricity or provide wireline communications service;
- To purchase and install one or more replacement poles; and
- To transfer to such replacement pole or poles any facilities previously attached to the pole or poles that were removed and replaced.

The bill provides that these pole replacement costs are eligible for reimbursement if the costs are actually incurred by an eligible applicant to install or deploy infrastructure to support the provision of broadband Internet service to customers in an unserved area and:

- Federal or state funds have not been awarded to a broadband Internet service provider to install or deploy infrastructure to support the provision of broadband Internet service to customers in the same area; and
- The applicant has not applied for any other federal or state funds to install or deploy infrastructure to support the provision of broadband Internet service to customers in the same area.

[49] FCC-CIRC1808-03 at 4-5.
[50] S. 288.9963, F.S.
[51] *Id.*

Under these provisions of the bill, an entity may not receive reimbursement funds if it has been awarded or has applied for funds under the grant program to deploy broadband Internet service to the same area.

The bill requires that applications for reimbursement of pole replacement costs must provide information sufficient to establish the actual amount of the costs incurred and eligible for reimbursement and such other information as required by the Office. Applications must be submitted in a form specified by the Office.

The bill requires the Office, by January 1, 2023, and each year thereafter, to publish on its website and provide to the Governor, the President of the Senate, and the Speaker of the House of Representatives, a list of all reimbursement applications received during the previous fiscal year. For each application, the Office must provide:

- The reimbursement amounts requested;
- The reimbursement amounts awarded, if any; and
- To the extent available, the number of end-use locations, by customer class, to which broadband Internet service has been made available through pole replacements for which reimbursement was provided.

The bill requires DEO to adopt implementing rules, which may specify maximum annual reimbursement amounts per applicant and maximum reimbursement amounts per eligible pole replacement.

B. SECTION DIRECTORY:

Section 1 Amends s. 288.9961, F.S., relating to promotion of broadband adoption and the Florida Office of Broadband.

Section 2 Creates s. 288.9964, F.S., relating to reimbursement of certain pole replacement costs.

Section 3 Provides a contingent effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   None.

2. Expenditures:

   The bill authorizes reimbursement of certain pole replacement costs, based on the availability of funds.

   DEO will incur expenses to conduct rulemaking as required by the bill.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   None,

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Reimbursement of eligible pole replacement costs, if funded, will lower the costs for broadband service providers to extend broadband service to unserved areas in the state. This may encourage the extension of service to such areas, providing greater access to broadband service in those areas.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill requires DEO to adopt rules to implement the provisions of the bill.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES