

_____ moved to amend as follows:

1 In line 133 of the title, after "117.55," insert "122.4090,
2 122.4091, 122.4093, 122.4095, 122.4097, 122.4098,"

3 In line 310, after "117.55," insert "122.4090, 122.4091,
4 122.4093, 122.4095, 122.4097, 122.4098,"

5 After line 4776, insert:

6 **"Sec. 122.4090.** As used in sections 122.4090 to 122.4098 of
7 the Revised Code:

8 "Broadband service" has the same meaning as "tier two
9 broadband service" as defined in section 122.40 of the Revised
10 Code.

11 "Government-owned network" means a network owned or
12 controlled by, or operated in partnership with, any political
13 subdivision of the state that is constructed, operated, or used
14 for the provision of broadband service on a wholesale or retail
15 basis.

16 "Political subdivision" has the same meaning as in section
17 125.04 of the Revised Code.

18 "Tier one broadband service" and "tier two broadband
19 service" have the same meanings as in section 122.40 of the
20 Revised Code.

21 "Unserved area" has the same meaning as in section 122.40
22 of the Revised Code, but is limited to an unserved area located
23 within the geographic boundaries of a political subdivision that
24 has established a government-owned network.

25 **Sec. 122.4091.** (A) A political subdivision that has
26 established a government-owned network may provide broadband
27 service within an unserved area in accordance with sections
28 122.4091 to 122.4098 of the Revised Code.

29 (B) No political subdivision that has established a
30 government-owned network shall provide broadband service in any
31 part of the state outside of an unserved area of that political
32 subdivision.

33 **Sec. 122.4093.** Prior to establishing a government-owned
34 network, a political subdivision shall do the following:

35 (A) Provide, in a newspaper of general circulation in the
36 political subdivision at least once a week for two consecutive
37 weeks, a formal public notice of its intent to provide broadband
38 service in an unserved area;

39 (B) Obtain the same approvals and authorizations for the
40 construction and deployment of broadband facilities in the
41 public rights-of-way that are required for broadband service
42 networks operated by private entities.

43 **Sec. 122.4095.** A political subdivision that has established
44 a government-owned network may provide broadband service only to
45 subscribers residing within unserved areas of the network.

46 **Sec. 122.4097.** (A) Before proceeding with the construction
47 or deployment of broadband facilities or the operation of
48 broadband service, a political subdivision that establishes a
49 government-owned network under sections 122.4090 to 122.4098 of
50 the Revised Code shall do the following:

51 (1) Establish adequate measures to protect the residents of
52 the political subdivision from increases in any taxes or fees
53 imposed by the political subdivision to offset losses in case of
54 poor network performance of, or insufficient demand for, the
55 network's broadband service;

56 (2) Prepare a formal business plan that includes, at a
57 minimum, the following:

58 (a) A cost-benefit analysis for the network;
59 (b) Financially sound projections for the construction and
60 operating costs for the network, and the number of broadband
61 subscribers that will use the network;

62 (c) Criteria measuring the continued viability and
63 sustainability of the network;

64 (d) Deployment deadlines and performance metrics
65 established for the network.

66 (3) Provide information demonstrating that the proposed
67 operation of the network and provision of broadband service do
68 not adversely affect the political subdivision's credit rating;

69 (4) Provide information demonstrating that the proposed
70 operation of the network and provision of broadband service in
71 partnership with a private entity will not adversely affect the
72 finances of the political subdivision, if the private entity
73 breaches the partnership contract with the political subdivision
74 or fails to meet capital or operating cost obligations;

75 (5) Conduct annual independent audits of the network's
76 operation and the broadband service provided and provide a
77 mechanism for making the audit results available for review by
78 the public;

79 (6) Establish a mechanism to equitably refund any profits
80 to taxpayers of the political subdivision, if the provision of
81 broadband service through the operation of the network generates
82 a net profit.

83 (B) The political subdivision shall submit, to the
84 legislative authority of the political subdivision, the business
85 plan and the information required under divisions (A) (2) to (4)
86 of this section.

87 **Sec. 122.4098.** (A) (1) A political subdivision shall fund a
88 government-owned network solely with capital funds allocated

89 specifically for the construction, deployment, purchase, lease,
90 or operation of broadband facilities in the network.

91 (2) The funds shall be allocated pursuant to a formal
92 resolution adopted by the legislative authority of the political
93 subdivision.

94 (3) Capital budget funds shall not be allocated unless the
95 legislative authority has reviewed the business plan and
96 information provided pursuant to division (B) of section
97 122.4097 of the Revised Code and approved the business plan.

98 (B) A political subdivision shall not use revenues obtained
99 from, or public monies allocated for, its provision of other
100 residential or business services, including such services as
101 electric, water, gas, street-lighting, pole attachment, and
102 similar services, to fund or subsidize the construction,
103 deployment, purchase, lease, or operation of broadband
104 facilities or the provision of broadband service to subscribers.

105 (C) A political subdivision shall not aggregate federal
106 funds received at different times to fund or subsidize the
107 construction, deployment, purchase, lease, or operation of
108 broadband facilities, or the provision of broadband service to
109 subscribers."

110 The motion was _____ agreed to.

111

SYNOPSIS

112

Government-owned broadband networks

113 **R.C. 122.4090, 122.4091, 122.4093, 122.4095, 122.4097,**
114 **122.4098,**

115 Permits political subdivisions to establish a government-
116 owned network for the provision of broadband service on a
117 wholesale or retail basis only in unserved areas within the
118 political subdivision, but not to any part of the state outside
119 of that unserved area.

120 Defines "unserved areas" as areas within the geographic
121 boundaries of the political subdivision with a network that are
122 without access to "tier one broadband service" (broadband
123 service capable of speeds of at least 10 but less than 25 Mbps
124 downstream and at least 1 but less than 3 Mbps upstream) or
125 "tier two broadband service" (broadband service capable of
126 speeds of at least 25 Mbps downstream and at least 3 Mbps
127 upstream).

128 Requires a political subdivision with a network to (1)
129 provide notice in a newspaper of its intent to provide broadband
130 service in an unserved area and (2) obtain the same approvals
131 and authorizations that private entities must obtain to
132 construct and deploy broadband facilities in public rights of
133 way.

134 Requires the political subdivision to perform certain other
135 tasks such as (1) preparing a formal business plan for the
136 network, (2) establishing measures to protect residents from any
137 increase in taxes or fees to offset any losses if the network
138 performance is poor or demand for the service is insufficient,
139 (3) providing information demonstrating that the network and
140 provision of broadband service does not adversely affect the
141 political subdivision's credit rating, and (4) establishing a
142 mechanism to refund any profits to taxpayers if the provision of
143 broadband service through the operation of the network generates
144 a net profit.

145 Requires the network to be funded by capital funds
146 allocated by the legislative authority of the political
147 subdivision in a resolution adopted by the legislative authority
148 after it approves the business plan submitted by the political
149 subdivision.

150 Prohibits the political subdivision with a network from
151 aggregating federal funds received at different times or using
152 revenues and other public monies allocated for other residential
153 or business services to fund or subsidize the construction,
154 deployment, purchase, lease, or operation of broadband
155 facilities, or the provision of broadband service to
156 subscribers.