



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-4875/1
KP:skw

2019 SENATE BILL 838

February 20, 2020 - Introduced by Senators SMITH, RINGHAND, HANSEN, ERPENBACH, JOHNSON and MILLER, cosponsored by Representatives VRUWINK, MILROY, DOYLE, ANDERSON, CONSIDINE, EMERSON, HEBL, KOLSTE, OHNSTAD, POPE, SARGENT, SINICKI, SPREITZER, STUBBS and SUBECK. Referred to Committee on Utilities and Housing.

1 **AN ACT** *to amend* 196.504 (2) (a); and *to create* 20.155 (3) (g), 196.504 (1) (aa),
2 196.504 (2g) and 196.504 (2r) of the statutes; **relating to:** requirements for
3 broadband expansion grants and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill makes changes to the broadband expansion grant program administered by the Public Service Commission. Under current law, the PSC makes grants to eligible applicants for constructing broadband infrastructure in underserved areas. The bill defines “broadband infrastructure,” which is not defined under current law, as infrastructure that provides broadband service at the following speeds, whichever is faster: 1) a minimum download speed of 25 megabits per second and a minimum upload speed of 3 megabits per second or 2) minimum download and upload speeds designated by the Federal Communications Commission under federal law. Under the bill, infrastructure is eligible for a broadband expansion grant only if it satisfies the foregoing definition. The bill requires an applicant for a grant to specify the broadband infrastructure the applicant intends to construct with a grant and also requires a grant recipient to reimburse the PSC for the grant if 1) the person fails to complete construction of the infrastructure or 2) the infrastructure that is constructed fails to provide the foregoing minimum download or upload speeds. Any reimbursed amounts are used to make additional grants.

In addition, the bill requires grant recipients to submit reports to the PSC on the progress of broadband infrastructure construction, the number of broadband service connections provided by that infrastructure, and the average download and

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upload speeds for those service connections. Finally, beginning on January 1, 2021, the bill requires the Legislative Audit Bureau to conduct biennial performance audits of the broadband expansion grant program.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.155 (3) (g) of the statutes is created to read:

2 20.155 (3) (g) *Broadband expansion grants; program revenue funding.* All
3 moneys received as broadband grant reimbursements under s. 196.504 (2g) (c) for
4 making broadband expansion grants under s. 196.504.

5 **SECTION 2.** 196.504 (1) (aa) of the statutes is created to read:

6 196.504 (1) (aa) “Broadband infrastructure” means infrastructure for the
7 provision of broadband service at the following speeds, whichever is faster:

8 1. A minimum download speed of 25 megabits per second and a minimum
9 upload speed of 3 megabits per second.

10 2. The minimum upload and download speeds for advanced
11 telecommunications capability as designated by the federal communications
12 commission in its inquiries regarding advanced telecommunications capability
13 under 47 USC 1302 (b).

14 **SECTION 3.** 196.504 (2) (a) of the statutes is amended to read:

15 196.504 (2) (a) To make broadband expansion grants to eligible applicants for
16 the purpose of constructing broadband infrastructure in underserved areas
17 designated under par. (d). An eligible applicant shall specify in its application for a
18 grant the broadband infrastructure the applicant intends to construct with the

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1 grant. Grants awarded under this section shall be paid from the appropriations
2 under s. 20.155 (3) (g), (r) and (rm).

3 **SECTION 4.** 196.504 (2g) of the statutes is created to read:

4 196.504 **(2g)** (a) The commission shall require persons who receive grants
5 under sub. (2) (a) to submit reports to the commission on the progress of construction
6 activities for infrastructure specified in grant applications, the number of broadband
7 service connections provided by that infrastructure after construction is completed,
8 and the average download and upload speeds for those service connections.

9 (b) A person who receives a grant under sub. (2) (a) shall reimburse the
10 commission an amount equal to the grant if any of the following applies:

11 1. The person fails to complete construction of broadband infrastructure that
12 is specified in the person's application under sub. (2) (a).

13 2. The infrastructure constructed with the grant fails to provide broadband
14 service at speeds specified in sub. (1) (aa).

15 (c) The commission shall promulgate rules for submitting reports under par.
16 (a) and making reimbursements under par. (b). If a person fails to make a
17 reimbursement as required under the rules, the person is not eligible for any other
18 grant under sub. (2) (a).

19 **SECTION 5.** 196.504 (2r) of the statutes is created to read:

20 196.504 **(2r)** Biennially, beginning on January 1, 2021, the legislative audit
21 bureau shall conduct a performance evaluation audit of the broadband expansion
22 grant program under sub. (2).

23

(END)