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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**2021 Assembly Bill 371**

**Assembly Substitute Amendment  
1 and Assembly Amendment 1 to  
Assembly Substitute Amendment  
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### 2021 ASSEMBLY BILL 371

2021 Assembly Bill 371 makes various changes to the broadband expansion grant program administered by the Public Service Commission (PSC). Among its changes, the bill modifies the areas of the state eligible for broadband expansion grants. While the current program provides grants to construct broadband infrastructure in “underserved” areas of the state (defined as areas served by fewer than two broadband service providers),<sup>1</sup> the bill instead directs the PSC to award grants for broadband infrastructure in “unserved” areas. Under the bill, an “unserved area” is defined as an area that is not served by an Internet service provider (ISP) that provides fixed wireless or wired service, with download speeds of 100 Mbps and upload speeds of 20 Mbps (“100/20” service).

The bill also modifies the criteria that the PSC must consider and prioritize when evaluating grant applications. Among these changes, the bill prohibits the PSC from awarding grants that do not include matching funds of least 40 percent of the total project cost. The bill also establishes a procedure by which an ISP in or near a proposed project area may challenge the awarding of a grant.

Finally, the bill provides a mechanism by which the PSC must collect broadband speed and availability data from ISP grant recipients. The commission may use this data to develop and maintain maps regarding broadband availability. Similarly, the bill directs the PSC to provide technical assistance and educational tools for broadband expansion grant project development.

### ASSEMBLY SUBSTITUTE AMENDMENT 1

Assembly Substitute Amendment 1 largely mirrors the bill as introduced, with three changes:

- While the bill establishes a matching requirement of at least 40 percent of total project cost, the substitute amendment provides a matching requirement of at least 30 percent of the project cost in each year for the first three years, and at least 40 percent of the project cost in each subsequent year.
- Under the bill, the PSC may not award grants to projects that are not capable of offering 100/20 service. The substitute amendment creates an exemption to this requirement, allowing grants to be provided for projects that offer 25/3 service, provided that those projects demonstrate that they will be capable of providing 100/20 service by January 1, 2025.

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<sup>1</sup> While “broadband service” is not defined in statute, the PSC has interpreted the term to mean service with a speed of 25 Megabits per second (Mbps) for download transmission and 3 Mbps for upload transmission. This “25/3” standard mirrors the benchmark established by the Federal Communications Commission.

- Under the bill, an ISP that challenges the award of a broadband expansion grant must commit to providing sufficient broadband service in the proposed project area no later than 24 months after the date that grants are made for a given grant cycle. The substitute amendment increases the period for an ISP to fulfill a commitment to provide service to 36 months.

## **ASSEMBLY AMENDMENT 1 TO ASSEMBLY SUBSTITUTE AMENDMENT 1**

Assembly Amendment 1 to Assembly Substitute Amendment 1 creates an additional exemption to the requirement that projects must be capable of offering 100/20 service. Specifically, the amendment to the substitute amendment allows the PSC to award grants of less than \$100,000 to fixed wireless service providers for projects capable of offering 25/3 service (regardless of whether such projects will later be capable of offering 100/20 service).

## **BILL HISTORY**

Representative Summerfield offered Assembly Substitute Amendment 1 on June 4, 2021. Representative Petersen later offered Assembly Amendment 1 to Assembly Substitute Amendment 1 on June 15, 2021. On June 16, 2021, the Assembly Committee on Energy and Utilities recommended adoption of the amendment to the substitute amendment and the substitute amendment, as amended, on votes of Ayes, 10; Noes, 5. The committee then voted to recommend passage of the bill, as amended, on a vote of Ayes, 10; Noes, 5.

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