

\_\_\_\_\_ 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.

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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.

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SYNOPSIS

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**Government-owned broadband networks**

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**R.C. 122.4090, 122.4091, 122.4093, 122.4095, 122.4097,**

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**122.4098,**

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

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

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

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

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

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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.