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Substitute Bill Comparative Synopsis

Sub. H.B. 13

133rd General Assembly

House Finance Committee

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This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (As Introduced)	Latest Version (I_133_0236-3)
Residential Broadband Expansion Grant Program definitions	
“Broadband service”/“tier one broadband service” and “tier two broadband service”	
Defines “broadband service” as high-speed internet access service capable of providing a minimum download speed of 10 megabits per second and a minimum upload speed of 1 megabit per second (R.C. 122.09(C)).	Defines two tiers of broadband service as retail wireline or wireless broadband service capable of delivering internet access at speeds of (1) at least 10 but less than 25 megabits per second downstream and at least 1 but less than 3 megabits per second upstream for “tier one broadband service” (tier one service) and (2) at least 25 megabits per second downstream and at least 3 megabits per second upstream for “tier two broadband service” (tier two service) (R.C. 188.01(J) and (K)).

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“Eligible area”/“unserved area”	
Defines “eligible area” as a residential area within the boundaries of a municipal corporation or township that is without access to broadband service (R.C. 122.09(D)).	Defines “unserved area” as an area without access to tier one service or tier two service, excluding an area where construction of a network to provide tier one service or tier two service is in progress and is scheduled to be completed within a two-year period (R.C. 188.01(M)).
“Eligible project”	
No provision.	Defines “eligible project” as a project to provide tier two service access to residences in an unserved area or tier one area of a municipal corporation or township that is eligible for funding under the bill (R.C. 188.01(D)).
“Last mile”	
Defines “last mile” as the last portion of a physical broadband network that connects an <i>eligible area</i> to the broader network used to <i>provide broadband service</i> , including other network infrastructure needed within the eligible area to provide broadband service <i>to end users in the eligible area</i> (R.C. 122.09(E)).	Specifies that the “last mile” means the last portion of a physical broadband network that connects an <i>eligible project</i> to the broader network used to provide tier two service to which all of the following apply: <ul style="list-style-type: none"> ▪ It includes other network infrastructure in the last portion that is needed to provide <i>tier two service to residences as part of an eligible project</i>, but that does not include any portion of the network that is outside of the last portion; ▪ It is not required to be, or limited to, a specific distance measurement of one mile or any other specific distance. (R.C. 188.01(E).)
“Project sponsor”	
Defines “project sponsor” as a municipal corporation or township that is applying for, or participating in, the residential broadband expansion	No provision.

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(RBE) Program under the bill in order to provide broadband service to an eligible area (<i>R.C. 122.09 (F)</i>).	
“Tier one area”	
No provision.	Defines “tier one area” as an area with access to tier one service but not tier two service and includes an area where construction of a tier one service network is in progress and is scheduled to be completed in two years. “Tier one area” excludes an area where construction of a tier two service network is in progress and is scheduled to be completed in two years. (<i>R.C. 188.01(L)</i> .)
Residential Broadband Expansion Grant Program	
Creation of broadband expansion program	
Requires the Director of Development Services (DSA Director) to establish a RBE program to provide funds to assist with residential broadband service expansion in eligible areas (<i>R.C. 122.091</i>).	Creates the Ohio Residential Broadband Expansion Grant Program (grant program) within the Department of Commerce (Department) (<i>R.C. 188.01(F) and 188.03</i>).
Grants	
Specifies that, subject to the availability of funds, the Development Services Agency (DSA) must provide grants to project sponsors that apply for grants to meet the project’s broadband funding gap (<i>R.C. 122.091</i>).	Requires the Department to receive and review applications for program grants and send completed applications to the Broadband Expansion Program Authority (Authority) for final review and award of “program grant” money awarded under the grant program (<i>R.C. 188.03</i>).
Requirement for project to proceed	
Requires that for a project to proceed the broadband funding gap for each project must be funded (<i>R.C. 122.096(A)</i>).	Specifies that an eligible project may not proceed unless the Authority awards a program grant (<i>R.C. 188.60(A)</i>).

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Broadband funding gap structure	
Requires one-third of the broadband funding gap to be funded with grants awarded by DSA and the remaining two-thirds to be funded with funds from a project sponsor and possibly the county in which the project is located in a proportion agreed to by the project sponsor and county (<i>R.C. 122.096(A)(1) and (2)(a)</i>).	No provision.
Requirement to install last mile broadband infrastructure	
No provision.	Requires a broadband provider to construct and install last mile broadband infrastructure to the eligible project, after receiving a program grant award (<i>R.C. 188.60 (B)</i>).
Project sponsor process	
Before a project sponsor submits an application to DSA for funding, requires the sponsor to (1) identify an eligible area within municipal corporation or township boundaries, (2) develop competitively neutral technical project requirements, including that the project be capable of providing broadband service within two years after DSA approval, (3) determine the availability of sufficient project funds from the project sponsor and county, and (4) conduct a competitive sealed proposal process to select a broadband provider (<i>R.C. 122.097</i>).	No provision.
Competitive selection process	
Funding awarded after RFP process	
Establishes a selection process which permits a project sponsor to award program funding to broadband providers after issuing a request for proposals (RFP) under a competitive sealed proposal process (<i>R.C. 122.098 and 122.099</i>).	No provision.

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Agreements	
Project sponsor agreements with broadband providers	
Permits a project sponsor to enter into an agreement with the selected broadband provider that specifies, among other requirements, that the provider must construct and install last mile broadband infrastructure to the specified eligible area (<i>R.C. 122.0911</i>).	No provision.
Agreement stipulations	
Specifies that the agreement is subject to the approval of the project sponsor's legislative authority and contingent upon the distribution of approved broadband funding gap funds (<i>R.C. 122.0912 (A) and (B)</i>).	No provision.
Prohibition against agreements including regulatory action	
Prohibits an agreement from regulating the rates, terms, and conditions of broadband service, requiring a pricing commitment, or requiring open access to the network (<i>R.C. 122.0912(C)</i>).	No provision.
Project plan	
Project plan requirements	
After terms of an agreement are established, requires a project sponsor to develop a project plan that includes a description of the eligible area, the amount of the broadband funding gap, and copies of the agreement with the broadband provider, the program application, and the written proposal requesting county funds (<i>R.C. 122.0913</i>).	No provision.

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Review of agreement and project plan	
Requires the project sponsor’s legislative authority to review the project agreement and plan, approve or reject them within 90 days, and upon approving them, adopt an ordinance or resolution authorizing the project sponsor to enter into the agreement and to submit an application to DSA and a fund request to the appropriate county (<i>R.C. 122.0914</i>).	No provision.
Request for county funding	
Request for county funding share	
Upon approval of the legislative authority, requires the project sponsor to submit a request for county funds that is equal to the county’s share of the project’s broadband funding gap to the board of county commissioners of the county in which the project is located (<i>R.C. 122.0915</i>).	No provision.
County action on funding request	
Requires the board of county commissioners to approve or reject the request for funds within 90 days of receiving the request and, if approving the request, to do so by adopting a resolution or a memorandum of understanding that authorizes the distribution of the funds to the project sponsor (<i>R.C. 122.0916</i>).	No provision.
Challenges to RFPs/Provider selection	
Challenge to RFP	
Allows a broadband provider to challenge the RFP for a project in writing within five days of the RFP notice and requires the challenge to	No provision.

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demonstrate that the RFP will not provide broadband service or serve an eligible area and specifies action the project sponsor’s legislative authority may take after its review (<i>R.C. 122.0917 and 122.0918</i>).	
Challenge of selection of broadband provider	
Allows a broadband provider to challenge the selection of a provider for a project in writing before the end of the legislative authority’s 90-day project approval period and requires the challenge to demonstrate that it will not provide the broadband service described in the proposal or serve an eligible area and specifies action the project sponsor’s legislative authority may take in response (<i>R.C. 122.0920 and 122.0921</i>).	No provision.
Infrastructure ownership	
Infrastructure ownership rights	
Specifies that a broadband provider selected to provide last mile service under an RBE Program is the sole owner of the infrastructure installed under the program and is solely responsible for ongoing maintenance and upgrades to the infrastructure (<i>R.C. 122.0923</i>).	Specifies that nothing in the bill (1) entitles the state, Department, Authority, or any other governmental entity to any ownership or other rights to broadband infrastructure constructed by a broadband provider pursuant to a program grant awarded to an eligible project or (2) prevents an assignment, sale, change in ownership, or other similar transaction associated with broadband infrastructure constructed by a broadband provider pursuant to a program grant awarded to an eligible project. Also provides that no assignment, sale, change in ownership, or other similar transaction relieves the successor of any obligation under the bill. (<i>R.C. 188.63</i> .)

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Broadband Expansion Program Authority (Authority)	
Creation	
No provision.	Creates the Authority within the Department and specifies that it is not subject to the sunset review law (<i>R.C. 188.05 (A) and (G)</i>).
Authority membership	
No provision.	<p>Specifies that Authority membership includes:</p> <ul style="list-style-type: none"> ▪ The Director of Commerce and the Chief Investment Officer of JobsOhio or their designees, the designation of which are in writing; ▪ Three appointed members that serve four-year terms with the Speaker of the House, the Senate President, and the Governor each making one appointment. <p><i>(R.C. 188.05(A)(1) and (3) and (B).)</i></p>
Appointed member qualifications and compensation	
No provision.	<p>Specifies that the following applies to appointed members:</p> <ul style="list-style-type: none"> ▪ Each must have expertise in broadband infrastructure and technology and may not be affiliated with or employed by the broadband industry or be in a position to benefit from a program grant; ▪ Unless also serving as a state administrative department head, each receives a monthly stipend that will qualify the member for one year of retirement credit with the Ohio Public Employees Retirement System (OPERS) for each year of the member's term, but the service credit may not be considered for determining health care coverage if offered by the OPERS board;

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	<ul style="list-style-type: none"> ▪ Each receives reimbursement for actual and necessary expenses, which are to be considered as applicable, administrative costs of the grant program. <i>(R.C. 188.05(A)(2) and (D).)</i>
Authority administrative duties	
No provision.	Establishes Authority administrative procedures for filling vacancies and conducting meetings, including conducting meetings electronically <i>(R.C. 188.05 (C), (E), and (F) and 188.06).</i>
Other Authority duties	
Hearings to perform certain duties	
No provision.	<p>Requires the Authority to conduct hearings to do several tasks, including, for example, the following:</p> <ul style="list-style-type: none"> ▪ Continually examine, and propose updates to, any broadband plan provided by law enacted by the General Assembly or Executive Order issued by the Governor; ▪ Monitor the grant program, by tracking the details for annual applications to the program and annual program grants; ▪ Identify any best practices for, and impediments to, the continued expansion of tier two broadband infrastructure and technology in Ohio; ▪ Identify, examine, and report on any federal or state government grant or loan program that would promote the deployment of tier two broadband infrastructure and technology in Ohio;

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	<ul style="list-style-type: none"> Track the availability, location, rates and speeds, and adoption of programs that offer tier one service and tier two service in an affordable manner to low-income consumers in Ohio. <i>(R.C. 188.08 and 188.09.)</i>
Application process	
Who may apply	
Permits a project sponsor to apply for funds under the RBE program to provide broadband service to eligible areas within the municipal corporation or township <i>(R.C. 122.092)</i> .	Permits a broadband provider to apply for a program grant that may be awarded only for eligible projects <i>(R.C. 188.13 and 188.15)</i> .
Statement of compliance	
No provision.	Requires the application form to include a statement informing the applicant that failure to comply with the program or to meet the required tier two service proposed in the application may require the refund of all or a portion of the program grant awarded for the project <i>(R.C. 188.19(A)(2))</i> .
How to submit an application	
No provision.	Permits applications to be submitted in person or by certified mail or email, or uploaded to a designated Department's website for applications <i>(R.C. 188.19(A)(3))</i> .
Application requirements	
Requires applications to include the following seven items: <ul style="list-style-type: none"> Location and description of the project; 	Requires applications to include a much larger list of items than in the As Introduced version (19) including, for example, the following: <ul style="list-style-type: none"> The location and description of the project that includes (1) the residential addresses in the unserved or tier one areas

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<ul style="list-style-type: none"> ▪ The project sponsor’s determination that the location is an eligible area; ▪ The amount of the broadband funding gap and the state fund amounts requested; ▪ A copy of an ordinance or resolution by the legislative authority of the project sponsor; ▪ If county funds are used the meet the county portion of the broadband funding gap, a copy of the resolution or memorandum of understanding adopted by the board of county commissioners of the county where the project is located; ▪ A copy of the broadband provider’s commitment with the project sponsor to construct the broadband infrastructure in the eligible area of the project in exchange for payment of the total amount of the broadband funding gap upon project completion; ▪ Any other information the DSA Director prescribes in rules. <i>(R.C. 122.095.)</i> 	<p>where tier two service will be available following completion of the project, (2) a notarized letter of intent that the broadband provider will provide access to tier two service to all of the residential addresses listed in the project, and (3) a notarized letter of intent by the broadband provider that none of the funds provided by the program grant will be used to extend or deploy facilities to any residences other than those in the unserved or tier one areas that are part of the project;</p> <ul style="list-style-type: none"> ▪ The amount of the broadband funding gap and the state fund amounts requested; ▪ The amount of any financial or in-kind contributions to be used towards the broadband funding gap and identification of the contribution sources and such contributions received or approved for the overall eligible project cost, but not applied to the broadband funding gap; ▪ The megabit-per-second broadband download and upload speeds planned for the project; ▪ A projected construction timetable, including the anticipated date of the provision of tier two service access within the project; ▪ A notification from the broadband provider informing the Department of any information contained in the application, or within related documents submitted with it, that the provider considers proprietary or a trade secret; ▪ A brief description of any arrangements, including that the broadband provider that submitted the application has entered into, or plans to enter into, with another broadband provider, an electric cooperative, or an electric distribution utility, to enable the offering of tier two service under the project; ▪ Other relevant information the Department prescribes in rules. <i>(R.C. 188.20.)</i>

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Application ineligibility	
No provision.	Provides that an application is ineligible for a program grant if it (1) proposes to provide tier two service to areas where that service is presently available or (2) in the proposed area of service, construction of a tier two service network is in progress and (a) is being constructed, without program funding, by the broadband provider that submitted the application or (b) is scheduled to be completed by another broadband provider no later than two years after the date of a challenge to all or part of the application (<i>R.C. 188.16</i>).
Application acceptance period	
Requires the DSA Director to accept applications from project sponsors each fiscal year, review each application in the order they are received within 60 days, and fund applications on a first-come, first-served basis until all program funds for the fiscal year are awarded (<i>R.C. 122.093(A) and 122.094(A)</i>).	Requires the Department to accept applications for program grants each fiscal year and to fund program grants until funds for that fiscal year are no longer available (<i>R.C. 188.18(A) and 188.19(A)</i>).
Application submission period	
No provision.	Requires applications to be accepted during not more than two 60- to 90-day submission periods each fiscal year as specified by the Authority (<i>R.C. 188.19(B)</i>).
Program information on Department website	
Publishing of residential addresses	
No provision.	Not later than five days after the close of the application submission period, requires the Department to publish on its website the list of residential addresses included with each completed application (<i>R.C. 188.19(C)(1)</i>).

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Publishing of nonconfidential information	
No provision.	Not later than 35 days after the close of the application submission period, requires the Department to publish on its website all information included with the applications that the Department determines is not confidential (<i>R.C. 188.19(C)(2)</i>).
Prohibition against publication of denied applications	
No provision.	Prohibits publishing denied applications on the Department's website (<i>R.C. 188.19(F)</i>).
Notification of Department website postings	
No provision.	Requires the Department to establish an automatic notification process through which interested parties may receive email notifications when the Department publishes applications and other grant program information on its website (<i>R.C. 188.24</i>).
Incomplete applications	
Refiling of incomplete applications	
Permits a project sponsor to complete and refile its application within 30 days after receiving notice from the Director that it is incomplete (<i>R.C. 122.094(B)</i>).	Permits a broadband provider to complete and refile its application before the end of the submission period after receiving notice from the Director that it is incomplete (<i>R.C. 188.19(D) and (E)(1)</i>).
Extension period to complete and refile application	
No provision.	Permits the Department to grant, for good cause shown, an extension period of not more than 14 days in which to complete and refile an incomplete application (<i>R.C. 188.19(E)(2)</i>).

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Review of incomplete application once completed/refiled	
Requires the DSA Director to review an incomplete application if completed and refiled not later than 30 days after the notification that the application is incomplete (<i>R.C. 122.094(B)</i>).	Requires the Department to review an incomplete application if completed and refiled within the applicable submission period or extension period (<i>R.C. 188.19(E)(2)</i>).
Video service providers	
Agreements regarding VSP fees	
Permits a project sponsor, by mutual consent with the provider and with the consent of the legislative authority, to enter into an arrangement to designate video service provider (VSP) fees remitted by the broadband provider selected for a project for payment of some or all of the sponsor share of the broadband funding gap, if the provider is a VSP that collects and remits VSP fees to the legislative authority of the project sponsor (<i>R.C. 122.096(C)</i>).	Permits a broadband provider to enter into an arrangement to designate VSP fees remitted by the broadband provider for contribution towards an eligible project's broadband funding gap if the broadband provider is a VSP that collects and remits video service provider fees to one or more legislative authorities in which an eligible project is located and the arrangement is entered into by mutual consent with one or more of the legislative authorities in which the eligible project is located (<i>R.C. 188.25</i>).
Alternate payment arrangements	
Financial responsibility	
Permits the project sponsor, with the consent of the legislative authority of the project sponsor, in an agreement under the bill may negotiate and agree to alternate payment terms with a provider and specifies that under any alternate payment terms, unless otherwise negotiated, the <i>legislative authority of the project sponsor</i> must assume all financial responsibility for any project costs incurred by the provider prior to completion of the project or the award of any state funds under the program (<i>R.C. 122.0911(D)</i>).	Specifies that under alternate payment term arrangements made with a VSP, unless otherwise negotiated, <i>the participating legislative authorities in which the eligible project is located</i> must assume all financial responsibility for all of the eligible project costs incurred by the broadband provider prior to completion of the project or the award of a program grant (<i>R.C. 188.61</i>).

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Proprietary information/trade secrets	
Identification of proprietary information and trade secrets	
<p>After a broadband provider is selected, requires the project sponsor to allow the provider three business days to notify the project sponsor of any information, and related documents in the provider’s proposal, that the provider considers to be proprietary or a trade secret <i>(R.C. 122.098(E)(2))</i>.</p>	<p>Requires the Department to review information and documents submitted by a broadband provider or challenging broadband provider to determine whether the information or documents are proprietary or a trade secret <i>(R.C. 188.23)</i>.</p>
Redaction of proposal’s proprietary information and trade secrets	
<p>Requires the project sponsor to redact proprietary or a trade secret information from the proposal and related documents upon receiving notification of such information from the broadband provider <i>(R.C. 122.098(E)(2))</i>.</p>	<p>No provision.</p>
Confidentiality of application information	
<p>No provision.</p>	<p>Requires the Department to keep all application information and documents confidential unless it finds that any information is not proprietary or a trade secret and therefore is not confidential <i>(R.C. 188.23)</i>.</p>
Website publication of nonconfidential application materials	
<p>No provision.</p>	<p>Requires any application information or documents that are not confidential be published on the Department’s website <i>(R.C. 188.23)</i>.</p>
Confidentiality of broadband provider information	
<p>No provision.</p>	<p>Requires the Department to maintain on a confidential basis broadband provider reports required by the bill and all information</p>

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	and documents in them, and not published on the department’s web site until the department determines what information or documents are not confidential (R.C. 188.75).

Performance bonds

Requirements

Permits a project sponsor to require all proposals submitted in response to the sponsor’s request for *proposals to be accompanied by* a performance bond, letter of credit, or other financial assurance acceptable to *the legislative authority of the project sponsor*. The bond, letter of credit, or assurance must be in the sum, and with the sureties, that the legislative authority prescribes and must be *payable to the municipality or township*, as applicable. (R.C. 122.0910(A).)

As a condition for receiving a program grant under the grant program, permits the Authority to require a broadband provider that is awarded a program grant to provide a performance bond, letter of credit, or other financial assurance acceptable to the *Authority* prior to the commencement of construction. The bond, letter of credit, or assurance must be in the sum, and with the sureties, that the state prescribes and must be *payable to the state*, as applicable (R.C. 188.21).

Challenges of program applications

Challenge process

No provision.

Establishes a process for a broadband provider that provides tier two service within or directly adjacent to an eligible project to challenge, in writing, all or a part of a completed application for a program grant not later than 65 days (or longer if an extension is granted) after the close of the submission period (or extension period), and to provide copies of the challenge to the broadband provider that submitted the application and the Authority (R.C. 188.30(A)).

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When challenge may be accepted	
No provision.	Specifies that no challenge to an application may be accepted before the completed application is published on the Department’s website (<i>R.C. 188.30(B)</i>).
Requirements for successful challenge	
No provision.	Specifies for a challenge to succeed, a broadband provider must provide sufficient evidence to the Department demonstrating that all or part of a project under an application is ineligible for a grant and must at a minimum include (1) sufficient evidence disputing the application’s notarized letter of intent that the eligible project contains unserved or tier one areas, (2) sufficient evidence listed in the bill attesting to the challenging provider’s existing or planned offering of tier two service for residential addresses that are part of the eligible project (<i>R.C. 188.31</i>).
Authority review of challenge	
Authority action and timing	
No provision.	Not later than 30 days after receipt of a challenge, the Authority may suspend all or part of the application or reject the challenge, approve the application, and proceed with the application process (<i>R.C. 188.33(A)</i>).
Notification of challenge decision	
No provision.	Requires the Authority to notify the broadband provider that submitted the application and the challenging broadband provider of any Authority decisions by providing a copy of the decision by certified mail or email (<i>R.C. 188.33(C)</i>).

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Challenge status update published on website	
No provision.	Requires the Authority to update the status of the application and revised applications (with proprietary information and trade secrets redacted) on the Department's website (<i>R.C. 188.33(C) and 188.34(C)</i>).
Application revision after challenge	
Revision of application if challenge upheld	
No provision.	Requires the Authority to allow a broadband provider that submitted the application 14 days (unless an extension is granted for good cause shown) to (1) revise and resubmit the application if the Authority upholds all or part of a challenge made to the application and (2) provide a copy of the revised application to the Authority and the challenging broadband provider by certified mail or email or by uploading it to the Department's website (<i>R.C. 188.34(A) and (C)</i>).
Revision prohibition	
No provision.	Prohibits the broadband provider that submitted the application from revising the application's scope or impact or adding any new residential addresses (<i>R.C. 188.34(B)</i>).
When application is considered withdrawn	
No provision.	Specifies that failure to respond to an Authority notification or to revise an application to the Authority's satisfaction is considered to be a withdrawal of the application (<i>R.C. 188.34(D)</i>).

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Authority review of revised application	
Procedures for Authority review	
No provision.	Requires the Authority to (1) review a revised application and accept it or uphold the challenge to the application within 14 days of receipt of the revised application, (2) provide a copy of its decision to the broadband provider that submitted the application and the challenging broadband provider by certified mail or email, and update the status of the application on the Department's website (<i>R.C. 188.35</i>).
Authority final decision	
No provision.	Specifies that an Authority decision regarding a revised application is final and prohibits further challenges to the revised application (<i>R.C. 188.35</i>).
Remedies upon failure of challenging broadband provider	
No provision.	Specifies that, after a challenge is upheld, a challenging provider that fails to provide tier two service as described in the challenge, in addition to being subject to other remedies available under the law, may be required to: <ul style="list-style-type: none"> ▪ Pay to the Department the amount of the original broadband funding gap for the challenged application; ▪ Comply with the requirements of any other penalties prescribed by rule by the Department and imposed after consultation with the Authority. (<i>R.C. 188.36.</i>)

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Application scoring system	
Establishment of weighted scoring system	
No provision.	Requires the Department, in consultation with the Authority, to establish a weighted scoring system to evaluate and select applications for program grants and to make the scoring system available on the Department’s website at least 30 days before the beginning of an application submission period (<i>R.C. 188.40</i>).
Weighted factors for prioritizing applications	
No provision.	Specifies that the scoring system must prioritize applications according to six factors listed in order from highest to lowest weight as follows: (1) eligible projects in unserved areas, rather than tier one areas, (2) eligible projects located within distressed areas, (3) eligible projects that are receiving or have been approved to receive any financial or in-kind contributions toward the broadband funding gap listed in the application, (4) eligible projects that will use state rights-of-way or require public facility pole attachments/conduit space usage, (5) eligible projects based on proposed upstream and downstream speeds and scalability of the tier two service to higher speeds, and (6) eligible projects based on various factors relating to provider experience, deployment issues, and funding (<i>R.C. 188.41(A)</i>).
Additional factors to consider	
No provision.	Allows the Authority to consider, after the weighted factors, any other factors that it determines reasonable, appropriate, and consistent with facilitating the economic deployment of tier two service to unserved or tier one areas (<i>R.C. 188.41(B)</i>).

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Factors that may not be considered	
No provision.	Prohibits the Authority, when awarding program grants, from considering (1) proposed project conditions that require open access networks or that establish a specific rate, service, or other obligation not specified in the grant program or (2) factors that would constrain the broadband provider that receives a grant from offering or providing tier two service in the same manner as is offered by broadband providers in other areas of Ohio without grant program funding (<i>R.C. 188.43(B)</i>).
Program grant awards	
Awarded by Authority	
No provision.	Requires the Authority to award program grants after (1) reviewing applications the Department sends to it, (2) considering all regulatory obligations under the law, and (3) basing the awards on the scoring system established under the bill. Requires the Authority to notify the broadband providers that submitted applications upon making the awards. (<i>R.C. 188.43(A), (B), and (C)</i> .)
Program grant award disbursement	
Disbursement schedule	
No provision.	Requires the Department to disburse the program grants as follows: <ul style="list-style-type: none"> ▪ A portion of the program grant, not to exceed 30%, must be disbursed before construction of the project begins; ▪ A portion of the program grant, not to exceed 60%, must be disbursed periodically over the course of construction of the

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	<p>eligible project as determined by Department rules;</p> <ul style="list-style-type: none"> ▪ The remaining portion must be disbursed not later than 60 days after the broadband provider notifies the Authority that it has completed construction of the project. <p><i>(R.C. 188.44.)</i></p>
Withholding of grant award payments	
No provision.	Permits the Department to withhold payments for failure to meet at least the minimum speeds required under the bill until the speeds are achieved <i>(R.C. 188.45(C))</i> .
Verification of broadband service speed	
Independent third-party speed verification tests	
No provision.	Permits the Department, through an independent third-party, to conduct speed verification tests of an eligible project that receives a program grant <i>(R.C. 188.45(A))</i> .
When speed verification tests occur	
No provision.	Requires the tests to occur (1) after the construction is complete, but prior to the final grant disbursement, to verify that tier two service is being offered and (2) at any time during the reporting period, after receiving a complaint concerning a residence that is part of the eligible project <i>(R.C. 188.45(A))</i> .
Frequency of speed verification tests	
No provision.	Requires verification tests to be conducted on at least two different days and at two different times on each day <i>(R.C. 188.45(B))</i> .

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Program noncompliance	
Notification of noncompliance	
No provision.	Requires the Department to notify a broadband provider that has been awarded a program grant if the provider has not complied with program requirements and to provide an opportunity to explain or cure the noncompliance (<i>R.C. 188.46</i>).
Refunds required due to noncompliance	
No provision.	Permits the Department to require a broadband provider to refund: <ul style="list-style-type: none"> ▪ An amount equal to, all or a portion of, the program grant amount award as determined by the Department; ▪ To the appropriate municipal corporation, county, or township, the entire amount of general revenue funds or other discretionary funds that they contributed toward the broadband funding gap. <i>(R.C. 188.46(B).)</i>
Deadline for refund payment	
No provision.	Requires the broadband provider to pay a required refund for noncompliance or failure to explain or cure the noncompliance not more than 30 days after the Department requires the refund to be made (<i>R.C. 188.46(C)</i>).

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County requests for solicitations for broadband providers	
Resolution to request solicitation of broadband providers	
No provision.	Permits a board of county commissioners, upon adoption of a resolution, to request the Department to solicit applications from broadband providers for program grants under the grant program for eligible projects in the municipal corporations and townships of the county (<i>R.C. 188.50</i>).
Solicitation request requirements	
No provision.	Requires a solicitation request to identify, to the extent possible, the residential addresses in unserved or tier one areas of the county, to provide a point of contact at the county, municipal corporations, and townships where the addresses are located, and to include any relevant information, documents, or materials that may be helpful for an application (<i>R.C. 188.50</i>).
Department response to solicitation request	
No provision.	Requires the Department to (1) solicit, on behalf of the county, applications for program grants under the grant program and (2) not later than seven days after receiving the request, make the request, and accompanying information, available for review on the Department's website for a period not longer than two years (<i>R.C. 188.51</i>).
Program compliance required	
No provision.	Requires an application for a program grant made in response to a request to fully comply with all of the grant program requirements and specifies that nothing in a county request may be construed as providing relief from compliance with any grant program requirement (<i>R.C. 188.53</i>).

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No Department liability	
No provision.	Specifies that the Department is not responsible for any failure by a broadband provider to respond to a request made by the Department or to submit an application (<i>R.C. 188.55</i>).
Broadband provider grant award progress reports	
Annual report	
No provision.	Requires each broadband provider that receives a program grant to submit an annual progress report on the status of the deployment of the broadband network for which the program grant was made (<i>R.C. 188.70(A)</i>).
Report due date	
No provision.	Requires the broadband provider to submit an operational report with the Department not later than 60 days after the project's completion and annually for another four years (<i>R.C. 188.70(B)</i>).
Report contents	
No provision.	Requires broadband provider reports to include an account of how program grant funds have been used, the progress toward fulfilling the objectives for which the grant was awarded and, at minimum, to include, for example, such information as the number of residences that have access to tier two service as a result of the project, the upstream and downstream speed of the broadband service provided, and the average price of broadband service (<i>R.C. 188.71</i>).

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Format and availability of reports	
No provision.	Requires broadband provider reports to be in a Department prescribed format and publicly available on the Department's website (<i>R.C. 188.71</i>).
Due dates set by Department	
No provision.	Permits the Department to set report due dates for the broadband provider reports and, for good cause shown, may grant due date extensions (<i>R.C. 188.73</i>).
Annual grant program report	
Grant program report included in annual report	
Requires DSA to include certain RBE Program information in its annual report required under current law of all state departments (<i>R.C. 122.0927</i>).	Requires the Authority to complete an annual report that evaluates the grant program's success, includes certain program information and the findings and recommendations that have been agreed to by a majority of Authority members, and include the evaluation, findings, and recommendations in its annual report required under current law of all state departments (<i>R.C. 188.10 and 188.76(A) and (B)</i>).
Website publication of report	
No provision.	Requires the report to be published on the Department's website (<i>R.C. 188.10 and 188.76(B)</i>).
Prohibition against disclosure of confidential information	
No provision.	Prohibits the Authority from disclosing any proprietary information or trade secrets in the report (<i>R.C. 188.10</i>).

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Report recipients and due date	
No provision.	Requires the Authority to provide the report annually to the Governor and the General Assembly not later than December 1 each year (<i>R.C. 188.10 and 188.76(B)</i>).
Rules	
Requirement to adopt rules	
Requires the DSA Director to adopt rules for the program, including rules for an application form and application procedures (<i>R.C. 122.0929</i>).	Requires the Department to adopt rules for the grant program, including rules for an application form and procedures for periodic program grant disbursements (<i>R.C. 188.77(A)</i>).
Rules that may be adopted	
Permits the Director to adopt rules (1) regarding what a program application must include and (2) for determining under what circumstances a project may be partially funded or funded on a basis other than first-come, first-served (<i>R.C. 122.0929</i>).	Permits Department rules to include (1) additional application requirements, (2) procedures for and circumstances under which partial funding of applications is permitted, (3) procedures for authority meetings, extension periods for applications and application challenges, hearings, and opportunities for public comment, and (4) procedures for county solicitations for broadband providers (<i>R.C. 188.77(B) and (C)</i>).

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Not subject to certain agency rulemaking laws	
No provision.	Specifies that Department rules adopted under the bill are not subject to certain provisions in Ohio agency rulemaking law in R.C. 121.95 (<i>R.C. 188.77(D) and (E)</i>).
Award funding	
Grant cap	
Caps the cumulative total of all grants awarded for a biennium at \$2 million (<i>R.C. 122.093(A)</i>).	No provision.
Appropriation amounts	
On July 1, 2019, or as soon as possible thereafter, transfers \$2 million from unexpended, unencumbered cash identified by the Director of Budget and Management, in consultation with the DSA Director, to the Ohio Broadband Development Grant Fund. The transferred amounts are appropriated for FY 2020. (<i>Sections 3 and 4.</i>)	On July 1, 2020, or as soon as possible thereafter, transfers \$20 million from the Facilities Establishment Fund in the Development Services Agency to the Ohio Residential Broadband Expansion Grant Program Fund in the Department of Commerce. The transferred amounts are appropriated for FY 2021. (<i>Sections 4 and 5.</i>)
Ohio Residential Broadband Expansion Grant Program Fund	
No provision.	Creates the Ohio Residential Broadband Expansion Grant Program Fund in the state treasury to be used by the Department exclusively for program grants (<i>R.C. 188.37</i>).
Access to electric cooperative easements	
No provision.	Expands the use of electric cooperative easements for the provision of broadband service and creates a process for addressing damages to servient estates (<i>R.C. 188.80 to 188.95</i>).

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Electric cooperative pole attachments	
No provision.	Establishes a process for broadband providers, telecommunications providers, video service providers, and wireless service providers (defined as “providers” under the bill) to request access to electric cooperatives’ pole facilities (<i>R.C. 4926.01 to 4926.47</i>).
Crossing railroad rights-of-way	
No provision.	Establishes a process for video service providers and telephone companies (defined as providers under the bill) to use railroad rights-of-way for a crossing, which is defined as the placement and use of any provider facility over, under, or across a railroad right-of-way (<i>R.C. 4963.60 to 4963.6067</i>).
Sales tax clarification	
Application of sales tax exemption to certain internet access and other service	
No provision.	Clarifies that exemption from the Ohio sales tax applies to sales to an internet access service vendor for services or tangible personal property and component parts used directly and primarily in creating, distributing, provisioning, producing, conveying, monitoring, routing, transmitting, receiving, switching, or recording telecommunications service, mobile telecommunications service, internet access service, or satellite broadcasting service. Updates and applies the same exemption provisions for telecommunications service vendors, mobile telecommunications service vendors, and satellite broadcasting service vendors. (<i>R.C. 5739.02(B)(34)</i> .)

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Application of tax exemption on certain claims, proceedings, and transactions	
No provision.	Specifies, as a remedial measure, how the sales tax clarification and updates under the bill apply to refund claims regarding a claims period that is before the bill's effective date, pending reassessment proceedings, and transactions subject to a Department of Taxation pending audit (<i>Section 3</i>).