**An Act To Support Municipal Broadband Infrastructure through Incentives and Competition**

**Be it enacted by the People of the State of Maine as follows:**

**Sec.** **1. 35-A MRSA §2111** is enacted to read:

**§****2111.** **Electric cooperatives and utilities; broadband systems**

An electric cooperative or utility, including a municipal utility, in this State may own, lease, construct, maintain and operate broadband or other Internet access systems on the electric cooperative’s or utility’s electric or other utility delivery system and may provide broadband or other Internet access services to the public on the electric cooperative’s or utility’s electric or other utility delivery system. The ConnectMaine Authority established in section 9203, subsection 1 shall adopt rules, which are routine technical rules as described in Title 5, chapter 375, subchapter 2-A, for the service that may be provided on the broadband or other Internet access systems provided on the electric cooperative’s or utility’s electric or other utility delivery system.

**Sec.** **2. 35-A MRSA §9219** is enacted to read:

**§****9219.** **Internet access expansion**

**1.** **Internet Access Expansion Investment Fund.** The Internet Access Expansion Investment Fund, referred to in this section as “the fund,” is established to expand and improve Internet access in this State. The fund may receive appropriations made by the Legislature and may also receive grant funds for which states, counties or municipalities are eligible. Money received for a county or municipality must be held by the fund and administered on the county's or municipality's behalf.

A. The fund must support projects to:

(1) Expand Internet access to parts of the State that do not have access to speeds of at least 10 megabits per second of download speed and at least one megabit per second of upload speed to achieve service that meets those thresholds; and

(2) Increase Internet speeds to at least 25 megabits per second of download speed and at least 3 megabits per second of upload speed for parts of the State that do not have access to those speeds.

B. The fund must give priority to projects that assist state or local ownership of broadband infrastructure, with at least 50% of funded projects annually meeting that criterion, and to projects that:

(1) Serve areas with demonstrated local project support, including from local government;

(2) Increase Internet access or speeds for hospitals, educational institutions, libraries or government offices;

(3) Demonstrate technical capacity to achieve project goals on a proposed timetable, preferably within 5 years; and

(4) Achieve cost-efficiency by providing the most service improvements for the least cost, including through leveraging funding sources in addition to the fund.

C. The authority shall provide technical assistance to project applicants to plan, prepare and submit applications to the fund.

D. The authority shall adopt rules including an application program for the fund within 180 days of the effective date of this section. The rules must include rules for the service that must be provided on infrastructure built or expanded through projects supported by the fund. Rules adopted pursuant to this paragraph are routine technical rules as described in Title 5, chapter 375, subchapter 2-A.

E. The authority shall report annually on the fund and progress toward increased Internet access and Internet speeds throughout this State to the joint standing committee of the Legislature having jurisdiction over utilities matters.

**2.** **Electric cooperatives and utilities.** An electric cooperative or utility, including a municipal utility, in this State may submit applications to the fund.

**SUMMARY**

This bill establishes the Internet Access Expansion Investment Fund to expand and improve Internet access in this State. The fund must give priority to projects that assist state or local ownership of broadband infrastructure, with at least 50% of funded projects annually meeting this criterion. The bill allows an electric cooperative or utility, including a municipal utility, to own, lease, construct, maintain and operate broadband or other Internet access systems on the electric cooperative's or utility's electric or other utility delivery system and to provide broadband or other Internet access services to the public on the electric cooperative's or utility's electric or other utility delivery system.