Citations Affected:  IC 4-4; IC 5-28; IC 8-1.

Synopsis: Broadband grants and high speed Internet service. Authorizes the office of community and rural affairs (office) to award grants to qualified broadband providers in connection with qualified broadband projects involving the deployment of infrastructure to provide qualified broadband service in unserved areas in Indiana. Defines "qualified broadband service" as a connection to the Internet at an actual speed of at least 10 megabits per second downstream and at least one megabit per second upstream, regardless of the technology used. Defines an "unserved area" as a geographic area in Indiana in which there is not at least one provider of terrestrial broadband service at the designated speeds. Provides that grants shall be made from the rural economic development fund. Provides that in awarding grants, the office shall give priority to first extending the deployment of qualified broadband service to areas in which: (1) Internet connections are unavailable; or (2) the only available Internet connections provide for an actual speed of less than 10 megabits per second downstream. Sets forth factors that the office must consider in determining whether to award a grant. Sets forth conditions that apply to the awarding of grants. Requires the office to adopt guidelines to implement these provisions and authorizes the office to collaborate with state agencies and political subdivisions in adopting the guidelines and administering grants. Repeals the statute establishing the high speed Internet service deployment and adoption initiative administered by the Indiana economic development corporation. Repeals the statute establishing the Indiana broadband development program administered by the Indiana finance authority. Amends the Indiana Code section that allows a holder of video service franchises issued by the utility regulatory commission (IURC) to apply to the IURC for direct marketing authority in a service area served by the holder to specify that such authority includes the authority to market directly to all businesses, as well as all households (as set forth in current law), in the service area. Directs the IURC to study certain topics regarding universal service reform and broadband services in Indiana and issue a report to the interim study committee on energy, utilities, and telecommunications before October 1, 2018. (This conference committee report does the following: (1) Makes the following changes to the provisions authorizing the office to award grants for qualified broadband projects: (A) Amends the definition of "qualified broadband service" to mean a connection...
to the Internet at an actual (rather than average) speed of at least 10 megabits per second downstream and at least one megabit per second upstream. (B) Amends the provisions concerning the factors the office must consider in determining whether to award a grant by: (i) specifying that the office shall award grants with a preference for funding projects that will provide Internet connections to the most unserved areas at the highest speeds for the lowest grant amount per area; and (ii) removing all other language designating any of the factors as a preference or priority. (C) Replaces language requiring that current or planned broadband projects in a particular area for which grant funding is sought must be completed within 24 months after the date of a grant application with language requiring that such projects be completed within 18 months after the date of an application. (D) Removes language prohibiting the office from conditioning the awarding of a grant on: (i) the applicant's management of the applicant's broadband network; (ii) the applicant's pricing for qualified broadband service; or (iii) any other factors related to the terms and conditions by which qualified broadband service is provided to consumers. (E) Removes language that prohibits the department of transportation (department) from charging an access rate or any other charge or fee for broadband infrastructure that is placed, as part of a qualified broadband project that has been awarded a grant, in any department owned or controlled rights-of-way for a period of five years beginning with the awarding of the grant and ending upon project completion. (2) Replaces language making various changes to the statute establishing the high speed Internet service deployment and adoption initiative with language repealing the statute. (3) Repeals the statute establishing the Indiana broadband development program administered by the Indiana finance authority. (4) Removes language prohibiting the department of transportation (INDOT) from charging an access rate for communications infrastructure that is located before March 14, 2018, in any rights-of-way owned or controlled by INDOT. (5) Restores language from the January 29, 2018, version of HB 1065 that: (A) includes as a required topic of the IURC's study on universal service reform and broadband deployment an examination of the types of service on which the Indiana universal service fund surcharge is imposed; and (B) provides that as part of its study, the IURC may request information from: (i) service providers and customers; and (ii) any experts, stakeholders, or other interested parties.)

Effective: Upon passage; July 1, 2018.
CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1065 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-4-9.7-9, AS ADDED BY P.L.144-2006, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 9. (a) The rural economic development fund is established for the purpose of enhancing and developing rural communities. The fund shall be administered by the office.

(b) The expenses of administering the fund shall be paid from the money in the fund.

(c) Notwithstanding IC 5-13, the treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund under IC 5-10.3-5. The treasurer of state may contract with investment management professionals, investment advisers, and legal counsel to assist in the management of the fund and may pay the state expenses incurred under those contracts.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(e) Money in the fund may be used for the following purposes:

(1) To create, assess, and assist a pilot project to enhance the economic and community development in a rural area.
(2) To establish a local revolving loan fund for:
   (A) an industrial;
   (B) a commercial;
   (C) an agricultural; or
   (D) a tourist; venture.
(3) To provide a loan for an economic development project in a rural area.
(4) To provide technical assistance to a rural organization.
(5) To assist in the development and creation of a rural cooperative.
(6) To address rural workforce development challenges.
(7) To assist in addressing telecommunications needs in a rural area, including the awarding of grants under IC 4-4-38.
(8) To provide funding for rural economic development projects concerning the following issues:
   (A) Infrastructure, including water, wastewater, and storm water infrastructure needs.
   (B) Housing.
   (C) Health care.
   (D) Local planning.
   (E) Land use.
   (F) Other rural economic development issues, as determined by the office.
(9) To provide funding for the establishment of new regional rural development groups and the operation of existing regional rural development groups.
(f) Expenditures from the fund are subject to appropriation by the general assembly and approval by the office.

SECTION 2. IC 4-4-10.9-2.1 IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 2.1. "Broadband development program" refers to the Indiana broadband development program established by IC 8-1-33-15.

SECTION 3. IC 4-4-10.9-2.2 IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 2.2. "Broadband development project" means a project authorized by the broadband development program under IC 8-1-33.

SECTION 4. IC 4-4-10.9-11, AS AMENDED BY P.L.162-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 11. "Industrial development project" includes:
(1) the acquisition of land, site improvements, infrastructure improvements, buildings, or structures, rehabilitation, renovation, and enlargement of buildings and structures, machinery, equipment, furnishings, or facilities (or any combination of these), comprising or being functionally related and subordinate to any project (whether manufacturing, commercial, agricultural, environmental, or otherwise) the development or expansion of which serves the public purposes set forth in IC 4-4-11-2;
(2) educational facility projects; and
(3) child care facility projects. and
(4) broadband development projects.

SECTION 5. IC 4-4-38 IS ADDED TO THE INDIANA CODE AS
A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]:

Chapter 38. Broadband Grants for Unserved Areas

Sec. 1. As used in this chapter, "office" refers to the office of community and rural affairs established by IC 4-4-9.7-4.

Sec. 2. As used in this chapter, "qualified broadband project" means a project for the deployment of broadband infrastructure for the provision of qualified broadband service, regardless of the delivery technology, in unserved areas in Indiana.

Sec. 3. (a) As used in this chapter, "qualified broadband project expenses" means capital expenses directly related to a qualified broadband project, including design, construction, engineering, permitting, and testing expenses.

(b) The term does not include operating or maintenance expenses related to a qualified broadband project.

Sec. 4. As used in this chapter, "qualified broadband provider" means any company, firm, corporation, partnership, or association that, at the time of submission of a grant application under this chapter:

(1) either:

(A) has been providing broadband service to at least one hundred (100) residences and businesses in Indiana for at least three (3) consecutive years; or

(B) is:

(i) a corporation organized under IC 8-1-13; or

(ii) a corporation organized under IC 23-17 that is an electric cooperative and that has at least one (1) member that is a corporation organized under IC 8-1-13;

that provides or will provide, alone or in conjunction with one (1) or more other legal entities, broadband service within the corporation's electric service territory; and

(2) has demonstrated, to the satisfaction of the office:

(A) financial;

(B) technical; and

(C) operational;

 capability in building and operating a broadband network.

Sec. 5. As used in this chapter, "qualified broadband service" means a connection to the Internet that provides capacity for transmission at an actual speed of at least ten (10) megabits per second downstream and at least one (1) megabit per second upstream, regardless of the technology or medium used to provide the connection.

Sec. 6. As used in this chapter, "unserved area" means a geographic area of Indiana, identified at the census block level, in which there is not at least one (1) provider of terrestrial broadband service offering a connection to the Internet that provides capacity for transmission at an actual speed of at least ten (10) megabits per second downstream and at least one (1) megabit per second upstream.

Sec. 7. (a) Subject to:

(1) subsection (b);
(2) section 8 of this chapter; and
(3) IC 4-4-9.7-9(f);
the office shall establish procedures for awarding grants from the rural economic development fund established by IC 4-4-9.7-9 to qualified broadband providers for qualified broadband project expenses incurred in connection with qualified broadband projects.

(b) In awarding grants under this chapter, the office shall establish the following priorities:
(1) First, extending the deployment of qualified broadband service to areas in which:
   (A) Internet connections are unavailable; or
   (B) the only available Internet connections provide capacity for transmission at an average speed of less than ten (10) megabits per second downstream.
(2) Second, extending the deployment of high speed Internet service to areas in which the only available Internet connections provide capacity for transmission at an average speed of:
   (A) not less than ten (10) megabits; and
   (B) not more than twenty-five (25) megabits; per second downstream.

(c) Subject to section 11 of this chapter, the office shall publish on the office’s Internet web site all grant applications received by the office under this chapter. For each grant application received, the office shall establish a period of at least thirty (30) days from the date the application is published on the office’s Internet web site under this subsection, during which time the office will accept comments or objections concerning the application. The office shall consider all comments or objections received under this subsection in making a determination as to whether to award a grant to an applicant under this chapter.

Sec. 8. (a) In determining whether to award a grant under this chapter in connection with a proposed qualified broadband project, the office shall consider the following:
(1) Awarding grants under this chapter with a preference for funding proposed qualified broadband projects that will provide Internet connections to the most unserved areas at the highest speeds for the lowest grant amount per area.
(2) The community’s need for, and the likely economic impact of, the proposed qualified broadband project in the unserved area.
(3) Demonstrated community support for the proposed qualified broadband project, including the certification of one (1) or more communities to be served by the project as broadband ready communities under IC 5-28-28.5.
(4) The likelihood that the unserved area will not be served with qualified broadband service without state grant funding.
(5) Whether funding has been allocated for the unserved area from the federal Connect America Fund or from any other similar federal funding program.
(6) Whether the broadband infrastructure proposed in
connection with the qualified broadband project is scalable to higher download and upload speeds.

(7) Awarding grants for qualified broadband projects that will serve a larger unserved area or a greater number of locations within an unserved area.

(8) The useful life of the broadband network proposed to be deployed.

(9) The technical, managerial, and financial capabilities of the applicant.

(10) The ability of the applicant to commit to providing at least twenty percent (20%) of the cost to deploy the proposed broadband infrastructure. When multiple applicants apply for a grant to provide broadband service to the same census block within an unserved area, the office may establish a preference for approving applications with a greater capital contribution by the applicant.

(11) Any proposed plans to encourage the adoption and use of broadband services within the unserved area.

(12) Any other factors the office considers appropriate to enable the deployment of broadband infrastructure to provide qualified broadband service in unserved areas in Indiana.

(b) The following conditions apply to the awarding of grants under this chapter:

(1) The office shall not award a grant with respect to any geographic area if information made available to the office, through comments or objections received under section 7(c) of this chapter or otherwise, indicates any of the following:

(A) The area is already being served by at least one (1) provider offering qualified broadband service in the area. However, any person may, in a petition filed with the office, provide evidence that one (1) or more locations within one (1) or more census blocks in the area are unserved areas. Upon receiving a petition described in this clause, the office shall notify all broadband providers operating in all census blocks included in the petition. Those broadband providers may in turn demonstrate to the office that the locations included in the petition:

(i) are already served with qualified broadband service; or
(ii) will be served with qualified broadband service not later than eighteen (18) months after the date of the application for a grant under this chapter.

(B) The area is currently being built out for qualified broadband service by a qualified broadband provider, and the construction is scheduled to be completed within one (1) year of the date of an application under this chapter.

(C) The area is currently planned for qualified broadband service expansion by a qualified broadband provider:

(i) without state grant funding; and
(ii) with project completion forecast not later than eighteen (18) months after the date of an application
under this chapter.
If the office denies a grant on the basis of clause (A)(ii), (B), or (C), the qualified broadband provider involved in the current or planned project, as applicable, shall provide the office with a schedule for completion of the current or planned build out. The qualified broadband provider shall also provide the office with quarterly status updates, beginning three (3) months after the office's decision denying a grant for the area, concerning any work done toward completion of the project described in clause (A)(ii), (B), or (C). If the qualified broadband provider fails to provide a schedule for completion or a status report by the date required by the office, or if the office determines that the time frame for project completion described in clause (A)(ii), (B), or (C), as applicable, will likely not be met, the office may award a grant under this chapter with respect to the area and shall provide notice of that fact to all former applicants that were previously denied a grant under this chapter with respect to the area on the basis of clause (A)(ii), (B), or (C). The qualified broadband provider that failed to provide a schedule or report, or that failed to meet the time frame for project completion described in clause (A)(ii), (B), or (C), may not use this subdivision to subsequently challenge the awarding of a grant under this chapter with respect to the same area.

(2) The office shall not award a grant to any applicant that is receiving for the same unserved area for which a grant is sought under this chapter:

(A) a federal grant; or
(B) another state grant;
to provide qualified broadband service to the area under a grant program the express purpose of which is to provide broadband service to unserved areas.

(3) The office shall not discriminate between different types of technology used to provide qualified broadband service in connection with proposed qualified broadband projects.

(4) The office shall seek any assurances that may be necessary or appropriate to ensure that proposed qualified broadband projects will be substantially completed within the time period set forth in a grant application under this chapter.

(5) The office shall condition the release of any grant funds awarded under this chapter on:

(A) the progressive completion, as measured on a not more than quarterly basis, of the approved qualified broadband project; and
(B) operational testing, when possible, to confirm the level of service proposed in the grant application.

Once funds have been released in accordance with this subdivision, all authority and ownership of the broadband infrastructure vests with the qualified broadband provider that built the infrastructure.

Sec. 9. (a) The office shall adopt guidelines to implement this
chapter, including guidelines governing:

(1) the form and content of requests to provide qualified broadband service to an unserved area;
(2) the form and content of applications for grants under this chapter;
(3) a competitive bidding process or a process for requests for proposals for qualified broadband projects;
(4) a process by which a broadband provider may challenge the designation of an area as unserved; and
(5) a process by which:
   (A) a person may, in a petition filed with the office, provide evidence that one (1) or more locations within one (1) or more census blocks are unserved areas; and
   (B) upon the filing of a petition described in clause (A):
      (i) the office notifies all broadband providers operating in all census blocks included in the petition; and
      (ii) those broadband providers have the opportunity to demonstrate to the office that the locations included in the petition are already served with qualified broadband service or will be served with qualified broadband service not later than eighteen (18) months after the date of the application for a grant under this chapter.

(b) In adopting the guidelines described in subsection (a) or in otherwise administering this chapter, the office may collaborate with or seek guidance from:
   (1) the Indiana economic development corporation established by IC 5-28-3-1;
   (2) the broadband ready communities development center established by IC 5-28-28.5-5;
   (3) the Indiana department of transportation established by IC 8-23-2-1; and
   (4) any other agencies of the state or of political subdivisions of the state.

Sec. 10. (a) Not later than August 1 of each year, the office shall submit to the general assembly a report on the office's activities under this chapter during the most recent state fiscal year, including the following:

(1) The number, amounts, and recipients of grants awarded under this chapter.
(2) The status of any funded qualified broadband projects.
(3) Expenses incurred and funds spent by the office in administering this chapter.
(4) A list of the entities, if any, that the office collaborated with in administering this chapter.
(5) An accounting of funds in the rural economic development fund established by IC 4-4-9.7-9, including funds awarded as grants under this chapter.
(6) The number of locations in Indiana to which broadband infrastructure has been deployed with the use of grant funds under this chapter, including address-level information for newly connected locations.
(7) The overall progress of the deployment of broadband infrastructure for the provision of qualified broadband service in unserved areas in Indiana.

A report to the general assembly under this subsection must be in an electronic format under IC 5-14-6.

(b) Every three (3) years, beginning in 2021, the state board of accounts shall conduct an audit of the awarding of grants under this chapter during the most recent three (3) state fiscal years. A report of an audit conducted under this subsection shall be submitted to the general assembly in an electronic format under IC 5-14-6 not later than December 31 of the calendar year that includes the end of the third state fiscal year covered by the audit.

Sec. 11. The office, and any agency or any political subdivision with which the office cooperates or consults in administering this chapter:

(1) shall not disclose information designated as confidential or proprietary business information by a grant applicant or recipient; and

(2) shall execute appropriate nondisclosure agreements to prevent the disclosure of confidential or proprietary business information in connection with grants awarded under this chapter.

SECTION 6. IC 5-28-28.5-8, AS ADDED BY P.L.33-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 8. (a) As used in this section, "broadband adoption" refers to an agreement by a customer to subscribe to broadband services (as defined in IC 8-1-33-8) that are:

(1) offered by a communications service provider; and

(2) available to the customer.

(b) A unit that wishes to be certified as a broadband ready community must establish a procedure to promote broadband adoption in the unit after the unit is certified as a broadband ready community. The procedure must include the following:

(1) A single point of contact in charge of broadband adoption in the unit.

(2) An assurance that each communications service provider that already provides broadband services in the unit will be notified that the unit is applying to be a broadband ready community.

(3) An assurance that the unit will work with communications service providers to promote broadband adoption in the unit.

(c) A procedure established under subsection (b) may not do the following:

(1) Discriminate among communications service providers with respect to promoting broadband adoption in the unit.

(2) Impose a fee on communications service providers to fund promotion of broadband adoption in the unit.

SECTION 7. IC 5-28-30-1 IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec: 4. As used in this chapter, "broadband development project" means a project authorized by the broadband development program under IC 8-1-33.

SECTION 8. IC 5-28-30-5, AS ADDED BY P.L.162-2007,
SECTION 25. IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 5. As used in this chapter, "industrial development project" includes the acquisition of land, interests in land, site improvements, infrastructure improvements (including information and high technology infrastructure (as defined in IC 5-28-9-4)), buildings, or structures, rehabilitation, renovation, and enlargement of buildings and structures, machinery, equipment, furnishings, or facilities (or any combination of these), comprising or being functionally related and subordinate to any of the following:

(1) A pollution control facility (as defined in IC 4-4-10.9-24).
(2) A manufacturing enterprise.
(3) A business service enterprise involved in:
   (A) computer and data processing services; or
   (B) commercial testing services.
(4) A business enterprise the primary purpose of which is the operation of an education and permanent marketing center for manufacturers and distributors of robotic and flexible automation equipment.
(5) Any other business enterprise, if the use of the guaranty program creates a reasonable probability that the effect on Indiana employment will be creation or retention of at least fifty (50) jobs.
(6) An agricultural enterprise in which:
   (A) the enterprise operates under a producer or growout agreement; and
   (B) the output of the enterprise is processed predominantly in Indiana.
(7) A business enterprise that is required by a state, federal, or local regulatory agency to make capital expenditures to remedy a violation of a state or federal law or a local ordinance.
(8) A recycling market development project.
(9) A high growth company with high skilled jobs.
(10) A broadband development project.

SECTION 9. IC 5-28-33 IS REPEALED [EFFECTIVE JULY 1, 2018]. (High Speed Internet Service Deployment and Adoption Initiative).

SECTION 10. IC 8-1-29.5-7, AS AMENDED BY P.L.162-2007, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 7. (a) In imposing a civil penalty under section 6(b)(4) of this chapter, the commission may consider the following factors:

(1) The duration and gravity of the offense, including the number of customers affected.
(2) Economic benefits accrued by the provider or certificate holder as a result of the offense.
(3) The amount of a civil penalty that will deter future offenses by the provider or certificate holder.
(4) The market share of the provider or certificate holder in the affected service areas.
(5) Good faith of the provider or certificate holder in attempting to remedy the offense after receiving notification of the offense.
(b) If the commission waives a civil penalty for any offense described in section 6(b)(4) of this chapter, the commission must make a written finding as to why it is waiving the civil penalty. The commission may waive a civil penalty under section 6(b)(4) of this chapter if the commission finds that the offense is the result of any of the following:

(1) Technological infeasibility.
(2) An act of God.
(3) A defect in, or prohibited use of, customer provided equipment.
(4) A negligent act of a customer.
(5) An emergency situation.
(6) Unavoidable casualty.

(c) The secretary of the commission shall direct a civil penalty imposed and collected under section 6(b)(4) of this chapter as follows:

(1) A civil penalty imposed for an offense that directly affects retail customers must be refunded directly to the customers of the provider or certificate holder in the form of credits on customer bills.
(2) A civil penalty imposed for an offense not described in subdivision (1) must be deposited into an account designated by the Indiana economic development corporation for use by the corporation in making loans or grants to broadband developers and operators, under the Indiana broadband development program established by IC 8-1-33-15.

SECTION 11. IC 8-1-33 IS REPEALED [EFFECTIVE JULY 1, 2018]. (Indiana Broadband Development Program).

SECTION 12. IC 8-1-34-30, AS AMENDED BY P.L.65-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 30. (a) As used in this section, "designated employee" means a holder's:

(1) employee; or
(2) authorized agent;

whom the holder designates or will designate to receive direct marketing authority.

(b) As used in this section, "direct marketing authority" means the authority granted by the commission to a holder to market any service or product offered by the holder directly to all households and businesses in a service area served by the holder.

(c) As used in this section, "political subdivision" has the meaning set forth in IC 36-1-2-13.

(d) A holder may apply to the commission, in the manner and form prescribed by the commission, for direct marketing authority. An application must include the following information with respect to each designated employee of the holder:

(1) Name.
(2) Home address.
(3) Driver's license number.
(4) A certification described in subsection (e)(1).

(e) In an application under subsection (d), a holder shall include the
(1) A certification by the holder that each designated employee satisfies the following requirements:

(A) The employee is at least eighteen (18) years of age.
(B) The employee has a high school diploma or the equivalent of a high school diploma.
(C) The employee has not been convicted of a felony within the seven (7) years immediately preceding the date of the application.
(D) Within the seven (7) years immediately preceding the date of the application, the employee has not been released from incarceration after serving time for a felony conviction.
(E) The employee has not been convicted of:
   (i) a misdemeanor involving fraud, deceit, or dishonesty;
   (ii) a battery offense included in IC 35-42-2 as a misdemeanor; or
   (iii) two (2) or more misdemeanors involving the illegal use of alcohol or the illegal sale, use, or possession of a controlled substance;
   within the five (5) years immediately preceding the date of the application.
(F) The employee has a valid driver's license.

(2) Proof of financial responsibility.

(f) A holder may comply with subsection (e)(1) by submitting to the commission a document signed by the holder in which the holder:

(1) identifies each designated employee by name, home address, and driver's license number;
(2) certifies that each designated employee has been the subject of a criminal history background check for each jurisdiction in the United States in which the designated employee has lived or worked within the seven (7) years immediately preceding the date of the application; and
(3) affirms that the background check described in subdivision (2) for each designated employee indicates that the designated employee satisfies the requirements set forth in subsection (e)(1), as applicable.

(g) Not more than fifteen (15) days after the commission receives an application under subsection (d), the commission shall determine whether the application is complete and properly verified. If the commission determines that the application is incomplete or not properly verified, the commission shall notify the applicant holder of the deficiency and allow the holder to resubmit the application after correcting the deficiency. If the commission determines that the application is complete and properly verified, the commission shall issue an order granting the holder direct marketing authority. The order must contain the following:

(1) The name of the holder.
(2) The names of designated employees of the holder.
(3) A grant of direct marketing authority to the holder and designated employees of the holder.
(4) The date on which the order takes effect.

The commission shall provide public notice of an order granting direct marketing authority under this subsection by posting the order on the commission's Internet web site.

(h) A holder that has direct marketing authority shall notify the commission in a timely manner of any changes to the holder's list of designated employees. A designated employee may exercise direct marketing authority immediately upon the holder's submission to the commission of all information required under subsection (e)(1) with respect to the designated employee.

(i) Only the commission is authorized to grant direct marketing authority to a holder under this section. However, subject to subsection (j), with respect to direct marketing activities in a holder's service area within a political subdivision, this section does not prohibit a holder from electing to:
   
   (1) apply for marketing or solicitation authority directly from the political subdivision; and
   
   (2) exercise any marketing or solicitation authority under a license, permit, or other authority granted by the political subdivision before, on, or after June 30, 2013; instead of applying for and exercising direct marketing authority granted by the commission under this section.

(j) A political subdivision may not do any of the following:

   (1) Require a holder that is granted direct marketing authority from the commission under this section to also obtain marketing or solicitation authority from the political subdivision in order to engage in direct marketing in the holder's service area within the political subdivision.

   (2) Impose any licensing requirement or fee on a holder in connection with any direct marketing authority granted to the holder by the commission under this section with respect to the holder's service area within the political subdivision.

   (3) Except as provided in subsection (k), otherwise regulate a holder that is granted direct marketing authority from the commission under this section and that engages in direct marketing in the holder's service area within the political subdivision.

(k) A political subdivision may enforce any ordinance or regulation that:

   (1) imposes restrictions as to the hours or manner in which direct marketing activities may be performed in the political subdivision; and

   (2) applies uniformly to all persons engaging in direct marketing or other soliciting in the political subdivision, regardless of:

      (A) the product or service being marketed; or

      (B) the type of business engaged in by the person engaging in the direct marketing or other soliciting.

SECTION 13. [EFFECTIVE UPON PASSAGE] 

(a) As used in this SECTION, "commission" refers to the Indiana utility regulatory commission created by IC 8-1-1-2.
(b) As used in this SECTION, "committee" refers to the interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4(8).

(c) Before October 1, 2018, the commission shall study the following topics:

(1) The types of service on which the Indiana universal service fund surcharge is imposed.

(2) The types of service for which disbursements from the Indiana universal service fund may be used.

(3) The eligibility requirements for service providers to receive disbursements from the Indiana universal service fund.

(4) Broadband deployment (expansion and improvement of access to broadband services).

(5) Any other matter concerning universal service reform that the commission considers appropriate.

(d) As part of its study, and notwithstanding IC 8-1-2.6-1.1, IC 8-1-2.6-13, and IC 8-1-32.5-6, the commission may request information from:

(1) service providers and customers; and

(2) any experts, stakeholders, or other interested parties;

concerning the topics outlined in subsection (c).

(e) Not later than October 1, 2018, the commission shall issue a final report to the committee, in an electronic format under IC 5-14-6, containing the commission's findings and recommendations on the topics outlined in subsection (c).

(f) This SECTION expires January 1, 2019.

SECTION 14. An emergency is declared for this act.

(Reference is to EHB 1065 as reprinted March 6, 2018.)
Conference Committee Report  
on  
Engrossed House Bill 1065

Signed by:

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Representative Ober  Senator Houchin

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Representative Hatfield  Senator Randolph Lonnie M

House Conferes       Senate Conferes