



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

SB3629

Introduced 11/7/2018, by Sen. Wm. Sam McCann

#### SYNOPSIS AS INTRODUCED:

20 ILCS 661/5  
20 ILCS 661/10  
20 ILCS 661/17 new  
20 ILCS 661/25  
20 ILCS 661/15 rep.  
20 ILCS 661/20 rep.

Amends the High Speed Internet Services and Information Technology Act. Provides that the Department of Commerce and Economic Opportunity shall make grants to private businesses, units of local government, nonprofit organizations, or any combination of those entities for the construction of infrastructure to provide broadband connections to underserved areas. Provides that the grants shall be awarded on a competitive basis after considering certain specified factors. Repeals a Section of the Act concerning the duties of the enlisted nonprofit organization.

LRB100 23216 HLH 42224 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The High Speed Internet Services and Information  
5 Technology Act is amended by changing Sections 5, 10, and 25  
6 and by adding Section 17 as follows:

7 (20 ILCS 661/5)

8 Sec. 5. Findings. With respect to high speed Internet  
9 services and information technology, the General Assembly  
10 finds the following:

11 (1) The deployment and adoption of high speed Internet  
12 services and information technology has resulted in  
13 enhanced economic development and public safety for the  
14 State's communities, improved health care and educational  
15 opportunities, and a better quality of life for the State's  
16 residents.

17 (2) Continued progress in the deployment and adoption  
18 of high speed Internet services and information technology  
19 is vital to ensuring that this State remains competitive  
20 and continues to create business and job growth.

21 (3) The State must encourage and support the  
22 partnership of the public and private sectors in the  
23 continued growth of high speed Internet and information

1 technology for the State's residents and businesses.

2 (4) Local governmental entities play a role in  
3 assessing the needs of their communities with respect to  
4 high speed Internet services and information technology.

5 (5) There is a growing need to provide high speed  
6 Internet services and information technology to homes and  
7 businesses in rural and underserved areas.

8 (6) Guaranteeing an equitable deployment and adoption  
9 of high speed Internet services and information technology  
10 throughout the State is a public necessity.

11 (Source: P.A. 95-684, eff. 10-19-07.)

12 (20 ILCS 661/10)

13 Sec. 10. Definitions ~~Nonprofit organization defined.~~ In  
14 this Act:

15 "Applicant" means a private business, unit of local  
16 government, or nonprofit organization that applies for the  
17 grant under this Act.

18 "Broadband connection" has the same meaning as defined in  
19 Section 13-407 in the Public Utilities Act.

20 "Department" means the Department of Commerce and Economic  
21 Opportunity.

22 "Nonprofit organization" means an organization that (i) is  
23 a nonprofit organization as described in Section 501(c)(3) of  
24 the federal Internal Revenue Code of 1986 and exempt from tax  
25 under Section 501(a) of that Code; (ii) has no part of the net

1 earnings of which inures to the benefit of any member, founder,  
2 contributor, or individual; (iii) is organized under, subject  
3 to, and has all the powers and duties of a not-for-profit  
4 corporation under the General Not For Profit Corporation Act of  
5 1986; (iv) has statewide representation; and (v) has a board of  
6 directors that is not composed of a majority of individuals who  
7 are also employed by, or otherwise associated with, any  
8 federal, State, or local government or agency.

9 "Private business" means any corporation, business trust,  
10 partnership, or association.

11 "Underserved area" has the same meaning as defined in  
12 Section 13-407 in the Public Utilities Act.

13 ~~"Department" means the Department of Commerce and Economic~~  
14 ~~Opportunity.~~

15 (Source: P.A. 95-684, eff. 10-19-07.)

16 (20 ILCS 661/17 new)

17 Sec. 17. Award of grants.

18 (a) Subject to appropriation, the Department shall make  
19 grants to private businesses, units of local government,  
20 nonprofit organizations, or any combination of those entities  
21 for the construction of infrastructure to provide broadband  
22 connections to underserved areas. The Department shall award  
23 grants on a competitive basis after considering the following:

24 (1) the relative need for high speed Internet service  
25 and other relevant broadband service infrastructure and

1 existing service needs;

2 (2) the percentage of homes, farms, schools, and  
3 businesses in an underserved area that will be provided  
4 access to high speed Internet service and other relevant  
5 broadband service;

6 (3) the geographic diversity of the project areas of  
7 all applicants;

8 (4) the economic impact of the project to the area;

9 (5) the applicant's total proposed budget for any  
10 project under this Act, including the amount or percentage  
11 of local match, if any;

12 (6) evidence demonstrating that the eligible applicant  
13 has the financial, technical, and managerial resources  
14 necessary to complete the project and to provide ongoing  
15 maintenance and upgrades to the broadband infrastructure,  
16 including established competency and a proven record of  
17 working with public and private sectors to accomplish  
18 wide-scale deployment of broadband and information  
19 technology in Illinois;

20 (7) a business plan demonstrating that the broadband  
21 service to be provided will be sustainable after the grant  
22 award is exhausted; and

23 (8) if the applicant is a unit of local government,  
24 evidence that, not later than 6 weeks before submission of  
25 the application, the applicant contacted in writing all  
26 Internet service providers providing Internet service in

1 the proposed project area to ask for each Internet service  
2 provider's plan to provide, within 24 months of the date  
3 that contact is made, broadband connection in the project  
4 area. The unit of local government must also provide  
5 evidence of any responses from Internet service providers  
6 for information sought under this paragraph (8).

7 (b) Grants awarded pursuant to this Section shall not  
8 exceed 15% of the project cost.

9 (c) The Department shall provide public notice regarding  
10 the application process and receipt of funding.

11 (d) Funding awards shall be based on appropriations of  
12 funds or receipt of other funds to support this Act. If  
13 possible, the Department shall use moneys in the fund to  
14 leverage available federal moneys.

15 (e) Moneys appropriated for the purpose of making grants  
16 under this Section that remain unencumbered or unobligated at  
17 the close of the fiscal year shall not revert but shall remain  
18 available for expenditure for the purposes designated until the  
19 close of the succeeding fiscal year.

20 (f) As used in this Section, "construction" means  
21 acquisition, installation, or both, of broadband  
22 infrastructure, including, but not limited to: obtaining  
23 construction permits; construction of facilities; purchasing  
24 equipment; and installation and testing of the broadband  
25 connection service.

26 (g) The Department shall adopt rules regarding the awarding

1 of grants to applicants under this Act, including, but not  
2 limited to, the grant program process, management, and  
3 measurements as deemed necessary by the Department.

4 (20 ILCS 661/25)

5 Sec. 25. Scope of authority. Nothing in this Act shall be  
6 construed as giving the Department of Commerce and Economic  
7 Opportunity, the nonprofit organization, or other entities any  
8 additional authority, regulatory or otherwise, over providers  
9 of telecommunications, broadband, and information technology.  
10 ~~However, the Department shall have the authority to require~~  
11 ~~Facilities-based Providers of Broadband Connections to End~~  
12 ~~User Locations to provide information pursuant to subsection~~  
13 ~~(c) of Section 20. Upon request, any and all information~~  
14 ~~collected pursuant to subsection (c) of Section 20 that is~~  
15 ~~provided to the enlisted nonprofit organization shall be~~  
16 ~~provided to the Department, provided the Department enters into~~  
17 ~~the proprietary and confidentiality agreements governing such~~  
18 ~~information.~~

19 (Source: P.A. 95-684, eff. 10-19-07; 96-927, eff. 6-15-10.)

20 (20 ILCS 661/15 rep.)

21 (20 ILCS 661/20 rep.)

22 Section 10. The High Speed Internet Services and  
23 Information Technology Act is amended by repealing Sections 15  
24 and 20.