



OHIO LEGISLATIVE SERVICE COMMISSION

Sub. Bill Comparative Synopsis

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Sub. H.B. 281

132nd General Assembly
(H. Finance)

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.

Topic	Previous Version (As Introduced)	Sub. Version (L_132_0957-2)
Definition: broadband funding gap (R.C. 122.09(A))	Defines "broadband funding gap" to be the difference between the money a broadband provider calculates is necessary to construct the last mile of a specific broadband telecommunications network and the money that is cost effective for the provider to invest in last mile construction for that network.	Changes the reference to the network to "specific broadband network" by deleting "telecommunications."
Definition: broadband provider exclusion (R.C. 122.09(B))	Excludes a "publicly funded broadband network service provider" from being a "broadband provider."	Excludes a "governmental or quasi-governmental entity" from being a "broadband provider."
Definition: broadband service (R.C. 122.09(C))	Defines "broadband service" as broadband telecommunications service.	Changes "broadband telecommunications service" to "high-speed Internet access service."

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Definition: broadband service (R.C. 122.09(C))	Provides that broadband service speeds must be a minimum download speed of 25 megabits per second and a minimum upload speed of 3 megabits per second.	Changes the minimum service speeds to 10 megabits per second for downloads, and 1 megabit per second for uploads.
Definition: eligible area exclusion (R.C. 122.09(D))	No provision.	Excludes from being an "eligible area" an "area that has received funds through any other state or federally funded grant programs designed specifically to encourage broadband deployment."
Definition: last mile network (R.C. 122.09(E))	Defines "last mile" as the last portion of a physical broadband telecommunications network that connects an eligible area to the broader telecommunications system.	Defines "last mile" as the last portion of a physical broadband network that connects an eligible area to the broader network that provides broadband service. Last mile also includes other network infrastructure needed to provide broadband service to the eligible area.
Development Services Agency (DSA) grants (R.C. 122.093(A))	Requires DSA residential broadband expansion program grants to be funded on a first-come, first-served basis.	Permits an exception to funding program grants on a first-come, first-served basis as provided by rules adopted by the DSA Director.
Application review process	Requires the Director to <i>review each application</i> within 60 days after receiving it (R.C. 122.095(A)).	Requires the Director to <i>approve each complete application</i> within 60 days after receiving it (R.C. 122.094(A)).
Application requirement: eligible area determination	No provision.	Requires a project sponsor to include within its application its determination that the broadband expansion project location qualifies as an eligible area (R.C. 122.095(B)).
Application requirement: project agreement	Requires, in the project agreement accompanying a grant application, a confirmation of the provider's commitment to construct the project's broadband infrastructure <i>upon receipt of</i> payment of the broadband funding gap (R.C. 122.095(B)(5)).	Requires the confirmation of the provider's commitment to construct the project's broadband infrastructure to be <i>in exchange for</i> payment of the broadband funding gap <i>upon completion of the project</i> (R.C. 122.095(F)).

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Application requirement: funds requested	Requires the application to include the amount of funds requested (<i>R.C. 122.095(B)(2)</i>).	Clarifies that the application include the amount of <i>state</i> funds requested (<i>R.C. 122.095(C)</i>).
Notification of incomplete application	No provision.	Requires the DSA Director to notify an application's project sponsor if the application is incomplete (<i>R.C. 122.094(B)</i>).
Notification requirements	No provision.	Requires the notification to list what information is missing from the application and describe the procedure for refiling it (<i>R.C. 122.094(B)</i>).
Refiling of incomplete application	No provision.	Permits a project sponsor to complete and refile an incomplete application within 30 days of the notification date (<i>R.C. 122.094(B)</i>).
Action once application is complete	No provision.	Requires the DSA Director to (1) review applications that have been completed and refiled within 30 days and fund them according to the process established by the bill and (2) deny applications that have not be completed and refiled within that period (<i>R.C. 122.094(B)</i>).
Project funding (<i>R.C. 122.096(A)</i>)	Requires $\frac{1}{3}$ of a project's funding to come from the project sponsor, $\frac{1}{3}$ from county matching funds.	Requires $\frac{2}{3}$ of a project's funding to come from the project sponsor and county shares in proportions proposed by the project sponsor and agreed to by the legislative authority of the project sponsor and the appropriate board of county commissioners.
Project funding sources: VSP fees	Requires the project sponsor share of project funding to come from municipal corporation or township video service provider (VSP) fees (<i>R.C. 122.096(A)(1)</i>).	Permits the project sponsor share of project funding to come from VSP fees (<i>R.C. 122.096(B)(1)(a)</i>).

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Project funding sources: other sources	No provision.	Permits the project sponsor and county funding to come from any combination of the following: (1) discretionary funds of the municipal corporation, township, or county, (2) contributions from individuals, organizations, or companies, (3) property tax assessments, or (4) other grant funds (<i>R.C. 122.096(B)(1)(b) to (e)</i>).
Project funding prohibition	No provision.	Prohibits project sponsor and county funding to come from any broadband grant from the Connect America Fund or any other state or federal broadband expansion funds (<i>R.C. 122.096(B)(2)</i>).
Payment methods for VSP fees used for project funding	Specifies that VSP fees for a project sponsor's share of a project must be paid in a single lump sum payment or in two or more payments over a period of time (<i>R.C. 122.096(B)</i>).	Specifies that VSP fees used to fund <i>some or all</i> of the project sponsor's share must be paid by one of those methods (<i>R.C. 122.096(C)</i>).
Property tax assessment authority	No provision.	Permits municipal corporations, townships, and counties to fund broadband expansion projects under the bill through property tax assessments (<i>R.C. 133.13, 303.251, 505.881, and 727.01</i>).
Project sponsor duties: development of project requirements	No provision.	Requires the project sponsor to develop service, technical, and other requirements for the project including the requirement that the project provide broadband service within two years of its DSA application approval, round-trip latency of 100 milliseconds, and a monthly usage allowance of 150 gigabits (<i>R.C. 122.097(A)(2)</i>).

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Project sponsor duties: determining capability or interest of broadband providers	Requires the project sponsor to contact one or more broadband providers to determine if any are capable of providing broadband service to the eligible area and are willing to enter into an agreement for the completion of the project (<i>R.C. 122.097(B)</i>).	No provision.
Project sponsor duties: funding availability	Requires the project sponsor to determine whether it collects or has available sufficient VSP fees to fund $\frac{1}{3}$ of the project's broadband funding gap (<i>R.C. 122.097(D)</i>).	Requires the project sponsor to determine whether there are sufficient project funds to fund the project sponsor share of the broadband fund gap (<i>R.C. 122.097(A)(4)</i>).
Project sponsor duties: broadband funding gap determination	Requires the project sponsor to determine the project's broadband funding gap in conjunction with the broadband providers for each provider interested in participating in the project (<i>R.C. 122.097(C)</i>).	No provision.
Competitively neutral project requirements	No provision.	Specifies that all project requirements developed by the project sponsor must be "competitively neutral" (<i>R.C. 122.097(B)</i>).
Prohibition against favoring any particular broadband service technology	No provision.	Prohibits a project sponsor from favoring any broadband service delivery technology over any other technology capable of satisfying the project's requirements (<i>R.C. 122.097(B)</i>).
Request for proposals (RFP) project selection process	No provision.	Requires a project sponsor to conduct a competitive sealed proposal process and solicit proposals for a broadband expansion project through an RFP in order to select a broadband provider capable of providing broadband service and willing to enter into an agreement with the project sponsor (<i>R.C. 122.097(A)(3) and 122.098(A)</i>).

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RFP specifications	No provision.	Requires the RFP to specify the (1) requirements for the project and (2) relative importance of price and other evaluation factors in determining which provider is awarded the project (<i>R.C. 122.098(B)</i>).
Notice of RFP	No provision.	Requires the project sponsor to provide notice of the RFP according to procedures adopted by the municipal corporation or township of the project sponsor (<i>R.C. 122.098(D)</i>).
Proposal requirements	No provision.	<p>Requires a proposal to meet certain requirements and the provider to include the following in its sealed proposal to the project sponsor:</p> <ul style="list-style-type: none"> • A description of, or documentation demonstrating, its managerial and technical expertise and experience with broadband service projects; • Whether it plans to use wired, wireless, or satellite technology; • A description of the scalability of the project; • The megabit-per-second broadband download and upload speeds planned; • A description of its customer service capabilities, including any locally based call centers or customer service offices; • A copy of its general customer services policies, including any policy to credit customers for service outages or failure to keep scheduled service appointments; • An assurance that it will provide broadband service to all of the

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		<p>residences listed in the proposal;</p> <ul style="list-style-type: none"> • The length of time it has been operating in Ohio; • A brief history of its completed or pending broadband projects in Ohio; • The broadband funding gap that it will accept to complete the project; • Proof that it has the financial stability to complete the project. <p><i>(R.C. 122.098(C) and 122.099(A).)</i></p>
Proof of financial stability	No provision.	Permits a provider to submit publicly available financial statements as the proof of financial stability required to be filed with its proposal <i>(R.C. 122.099(B)).</i>
Financial or bonding requirements	No provision.	Permits a project sponsor to require all proposals submitted to include a performance bond or other financial assurance acceptable to the legislative authority of the project sponsor. Specifies that the bond or assurance be in the sum, and with the sureties, that the legislative authority prescribes and payable to the municipal corporation or township <i>(R.C. 122.0910).</i>
Conditions for bond or financial assurance	No provision.	Permits the bond or assurance to include the condition that, if its proposal is accepted, the provider will faithfully execute the terms of the agreement with the project sponsor and will complete the project <i>(R.C. 122.0910).</i>

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RFP process	No provision.	Specifies that (1) proposals must be opened so as to avoid disclosure of contents to competing providers and (2) to ensure fair and impartial evaluation, proposals and related documents are not to be available for public inspection and copying under the public records law until after a provider is selected (<i>R.C. 122.098(E)</i>).
RFP process: discussion of project requirements	No provision.	Permits discussions with providers that submit proposals to ensure full understanding of, and responsiveness to, project requirements, if provided for in the RFP or in procedures adopted by the municipal corporation or township of the project sponsor (<i>R.C. 122.098(F)</i>).
RFP process: fair and equal treatment	No provision.	Requires providers to be accorded fair and equal treatment during discussions of proposals (<i>R.C. 122.098(F)</i>).
RFP process: disclosure of information prohibited	No provision.	Prohibits the disclosure of any information derived from proposals submitted by competing providers when conducting discussions (<i>R.C. 122.098(F)</i>).
Proposals to be sent to project sponsor	No provision.	Requires a sealed copy of each proposal to be filed with the project sponsor prior to the time specified in the RFP notice for opening of proposals (<i>R.C. 122.098(G)</i>).
Opening of proposals	No provision.	Requires all proposals to be publicly opened in the project sponsor's office at the time specified in the RFP notice (<i>R.C. 122.098(G)</i>).

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Certification of proposals	No provision.	Requires a representative of the county auditor to be present when proposals are opened and certify the opening of each proposal. Specifies that proposals not certified are not valid (<i>R.C. 122.098(G)</i>).
Project review	Requires a project sponsor to review the broadband funding gap for, and service capabilities of, each provider willing to participate in the project (<i>R.C. 122.098(A)</i>).	After analyzing project proposals upon receiving them, requires the project sponsor to select the proposal determined to be the lowest and best proposal and award the project to the provider (<i>R.C. 122.098(G)</i>).
Proposal review factors	No provision.	Requires the project sponsor to consider such factors as a proposal's price and the evaluation criteria in the RFP when analyzing proposals (<i>R.C. 122.098(H)</i>).
Authority to propose an agreement with provider	Permits a project sponsor, after determining which provider would offer the best service at the best price for the project, to propose an agreement with a provider (<i>R.C. 122.098(B)</i>).	Permits the provider to propose an agreement after selecting the provider through the RFP process (<i>R.C. 122.0911</i>).
Terms of an agreement	Specifies that a project agreement must specify whether the project sponsor's share of the payment (from VSP fees under the bill) will be paid as lump sum or deducted from quarterly VSP fees according to a schedule of deductions over a specified period of time (<i>R.C. 122.098(B)(3)</i>).	Specifies that a project agreement must specify whether <i>any portion</i> of the project sponsor's share of the payment will be from VSP fees and if so, which of the payment methods (the same as the As Introduced version) will be used (<i>R.C. 122.0911(B)</i>).
Records of selection	No provision.	Requires the basis on which the award is made to be included in the project sponsor's records for the selected proposal (<i>R.C. 122.098(H)</i>).

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Request for county matching funds	Requires the project sponsor to request county matching funds equal to $\frac{1}{3}$ of the project's broadband funding gap (<i>R.C. 122.0913</i>).	Requires the project sponsor to request an amount equal to the county's share of the broadband funding gap as agreed to by the legislative authority of the project sponsor and the county commissioners (<i>R.C. 122.0915</i>).
Payment of broadband funding gap	Specifies that a project agreement must require the project sponsor to remit to the provider the amount of the broadband funding gap (<i>R.C. 122.098(B)(2)</i>).	Specifies that the agreement require the payment of the broadband funding gap to be made upon completion of the project (<i>R.C. 122.0911(C)</i>).
Authority to challenge a proposal's selection	No provision.	Once a proposal is selected, permits a provider who was not selected to challenge the selection (<i>R.C. 122.0917</i>).
Basis for a challenge	No provision.	Specifies that a challenge must provide sufficient evidence to demonstrate that the selection is not appropriate because it will not provide broadband service or will not serve an eligible area (<i>R.C. 122.0917</i>).
Submission of challenge	No provision.	Requires the challenge to be submitted in writing to the legislative authority of the project sponsor (<i>R.C. 122.0917</i>).
Copy of challenge to provider	No provision.	Requires a copy of the challenge to be provided to the provider that was awarded the project (<i>R.C. 122.0917</i>).
Challenge time period	No provision.	Requires a challenge to be made before the end of the 90-day period during which the legislative authority must approve or reject a project agreement and plan (<i>R.C. 122.0917</i>).

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Action following a challenge	No provision.	<p>After reviewing a challenge, the legislative authority of the project sponsor may, upon a majority vote, do any of the following:</p> <ul style="list-style-type: none"> • Reject the proposals selected and either: <ul style="list-style-type: none"> --Issue a new RFP; -- Allow the providers that responded to the RFP to amend their proposals and resubmit them; • Select a different provider that submitted a competing proposal to the challenged proposal. <p>(R.C. 122.0918.)</p>
DSA annual report requirement	Requires the DSA to include in its annual report the " <i>number of miles</i> of broadband infrastructure constructed in eligible areas" and the "number of new residences receiving broadband under the program" (R.C. 122.0915(C)).	Requires the report to include instead the " <i>amount</i> of broadband infrastructure constructed in eligible areas" and the "number of residences receiving broadband service for the first time under the program for that year" (R.C. 122.0919).
Authority to adopt rules to grant exceptions to grant funding process	No provision.	Permits program rules the Director of Development Services adopts to include procedures for, and circumstances under which, partial funding of applications or funding applications on a basis other than first come, first served is permitted (R.C. 122.0920).

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