

**Proposed Substitute
Bill No. 331**

LCO No. 3400

AN ACT ESTABLISHING A HIGH-SPEED INTERNET SERVICE PILOT PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2016*) For the purposes of this
2 section:

3 (1) "Municipality" means any town, city, borough, consolidated
4 town and city or consolidated town and borough;

5 (2) "Infrastructure" means the physical elements of a
6 communications network that serves homes and businesses and is
7 capable of providing high-speed Internet service that is capable of
8 increases to ten gigabits per second in the next five years if demand
9 requires such increases;

10 (3) "High-speed Internet service" means data communications
11 services capable of transmitting one gigabit per second in the
12 downstream direction, on a sustained basis, to all customers in the
13 service area who request service;

14 (4) "Community antenna television company" and "telephone
15 company" have the same meanings as provided in section 16-1 of the
16 general statutes;

17 (5) "Small business" means a business entity that has gross annual
18 income of less than ten million dollars;

19 (6) "Low-income residence" means a residential dwelling where the
20 combined annual income of the adult residents does not exceed thirty-
21 nine per cent of the state median household income; and

22 (7) "Public service company" has the same meaning as provided in
23 section 16-1 of the general statutes.

24 Sec. 2. (NEW) (*Effective July 1, 2016*) The Public Utilities Regulatory
25 Authority shall open an uncontested proceeding on or before October
26 1, 2016, to review and streamline the procedures by which
27 municipalities may occupy and use gains reserved for municipalities
28 pursuant to section 16-233 of the general statutes for the purposes of
29 installing infrastructure for high-speed Internet service. During such
30 uncontested proceeding, the Public Utilities Regulatory Authority shall
31 examine ways to maximize the efficiency of the process whereby
32 public utility poles and conduits are prepared for the attachment of
33 infrastructure, including procedures and requirements necessary to
34 allow a single crew to move all communications attachments on a
35 public utility pole in one visit. Such proceeding shall be completed not
36 more than one hundred eighty days after it is opened.

37 Sec. 3. (NEW) (*Effective July 1, 2016*) (a) There is established an
38 account to be known as the "high-speed Internet infrastructure
39 revolving loan account" which shall be a separate, nonlapsing account
40 within the General Fund. The account shall contain any moneys
41 required by law to be deposited in the account. Moneys in the account
42 shall be expended by the Commissioner of Economic and Community
43 Development for the purpose of providing loans to promote the
44 development of infrastructure.

45 (b) On and after January 1, 2017, the Department of Economic and
46 Community Development shall accept applications from
47 municipalities, in a form and manner prescribed by the department,
48 for loans to defray the costs charged to municipalities by public service

49 companies to prepare public utility poles or conduits for municipal
50 attachments to the gains reserved for municipalities pursuant to
51 section 16-233 of the general statutes. Repayment of the principal of
52 such loans shall be from revenue generated by fees charged by the
53 municipality for the use or lease of such gain by an entity providing or
54 facilitating the provision of high-speed Internet service in the
55 municipality, in accordance with a schedule established by the
56 department.

57 (c) There shall be allowed as a credit against the tax imposed on any
58 corporation under chapter 208 of the general statutes with respect to
59 any taxable year of such corporation commencing on or after January
60 1, 2017, an amount equal to ten per cent of the amount of revenue
61 received by such corporation from a small business for high-speed
62 Internet service or from a low-income residence for Internet service
63 exceeding an average download speed of twenty-five megabits per
64 second where the infrastructure necessary to provide such service was
65 facilitated through the proceeds of a loan issued to a municipality from
66 the high-speed Internet infrastructure revolving loan account.

67 Sec. 4. (NEW) (*Effective July 1, 2016*) For each of the fiscal years
68 ending June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020 and
69 June 30, 2021, the sum of one million dollars shall be appropriated to
70 the high-speed Internet infrastructure revolving loan account
71 established pursuant to section 3 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	New section
Sec. 2	<i>July 1, 2016</i>	New section
Sec. 3	<i>July 1, 2016</i>	New section
Sec. 4	<i>July 1, 2016</i>	New section