



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-0047/1
MDK/ZDW/FFK:ah/kj/wlj/jld

2017 BILL

1 **AN ACT to repeal** 20.505 (4) (t), 20.505 (4) (tm), 20.505 (4) (tu) and 20.505 (4) (tw);
2 **to renumber** 196.504 (1) (a); **to amend** 16.994 (1) (intro.) and (a), 16.994 (3)
3 (intro.), 20.155 (1) (q), 20.155 (3) (r), 20.255 (1) (q), 20.255 (3) (q), 20.255 (3) (qm),
4 20.255 (3) (r), 20.285 (1) (q), 20.505 (4) (s), 86.07 (2) (a), 118.40 (2r) (e) 2p. a.,
5 196.218 (3) (a) 3. b., 196.218 (5) (a) 10. and 196.504 (2) (a); **to repeal and**
6 **recreate** 20.505 (4) (s) and 118.40 (2r) (e) 2p. a.; **to create** 24.40 (3), 86.16 (6),
7 196.504 (1) (ae), 196.504 (1) (as) and 196.504 (2) (e) of the statutes; and **to affect**
8 2015 Wisconsin Act 55, section 800d and 2015 Wisconsin Act 55, section 9401
9 (1f); **relating to:** the information technology block grant program, the
10 broadband expansion grant program, waiving certain fees and appraisals, and
11 making appropriations.

Analysis by the Legislative Reference Bureau

This bill makes changes to the following: 1) a broadband grant program administered by the Public Service Commission; 2) the authority of the Department of Natural Resources and the Department of Transportation regarding certain fees relating to the construction of broadband infrastructure; and 3) the Technology for

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Educational Achievement program, known as TEACH, which is administered by the Department of Administration.

Broadband grants

The bill makes changes to funding for grants made by the PSC for constructing broadband infrastructure in underserved areas. Under current law, \$6,000,000 was transferred from the universal service fund (USF) for making the grants, but current law also limits the total grants made in a fiscal year to \$1,500,000. The bill eliminates that limit. The bill also provides additional funding for the grants by doing the following: 1) transferring an additional \$6,000,000 from the USF; 2) transferring \$5,000,000 from moneys received under a federal program for assisting schools and libraries in obtaining telecommunications services and Internet access, which is commonly known as the federal e-rate program; and 3) at the end of each fiscal year, transferring the unencumbered balances from other USF-funded appropriations. Also, beginning in fiscal year 2017-18, the bill allows the PSC to fund its administration of the broadband grant program from contributions made by telecommunications providers to the USF.

During fiscal year 2016-17, the bill allows the PSC to allocate a portion of the funding provided under the bill to make the grants described above to telecommunications utilities that are receiving support for broadband deployment under certain federal programs administered by the Federal Communications Commission. During that fiscal year, the bill allows the PSC to evaluate applications and award the grants to those telecommunications utilities on an expedited basis.

DNR and DOT fees

The bill prohibits DNR from requiring any appraisal or charging any fee prior to granting an easement for the construction of broadband infrastructure in underserved areas. In addition, the bill prohibits DOT from charging any fee for the initial issuance of any permit necessary to construct broadband infrastructure in underserved areas.

TEACH program

Under current law, the TEACH program offers telecommunications access to school districts, private schools, cooperative educational service agencies, technical college districts, independent charter school authorizers, juvenile correctional facilities, private and tribal colleges, and public library boards at discounted rates and by subsidizing the cost of installing data lines and video links. As part of the TEACH program, DOA awards information technology block grants to school districts to improve information technology infrastructure. Under current law, the information technology block grant program ends on July 1, 2017.

This bill delays the sunset of the information technology block grant program until July 1, 2019. In addition, the bill authorizes DOA to award an additional round of information technology block grants before July 1, 2017. The eligibility for these grants is expanded to include school districts that have up to 26 pupils per square mile. These grants are in addition to any grants a school district may have already received under the program during the 2015-17 biennium and therefore do not count towards the maximum amount a school district may receive in a biennium. The bill also consolidates the appropriations for TEACH contracts into a single

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appropriation. Finally, in fiscal year 2016-17, the bill transfers \$7,500,000 of moneys received under the federal e-rate program to the consolidated appropriation for TEACH contracts.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **SECTION 1.** 16.994 (1) (intro.) and (a) of the statutes are amended to read:
- 2 16.994 (1) COMPETITIVE GRANTS. (intro.) In fiscal years 2015-16 and, 2016-17,
3 2017-18, and 2018-19, the department may annually award grants on a competitive
4 basis to eligible school districts for the purpose of improving information technology
5 infrastructure. In awarding grants under this section, the department shall give
6 priority to applications for school districts in which the percentage of pupils who
7 satisfy the income eligibility criteria under 42 USC 1758 (b) (1) for a free or
8 reduced-price lunch is greater than in other applicant school districts. The
9 department shall require an applicant for a grant under this section to provide all
10 of the following:
- 11 (a) A description of the specific information technology infrastructure,
12 including any equipment, that the applicant intends to purchase with grant
13 proceeds.
- 14 **SECTION 2.** 16.994 (3) (intro.) of the statutes is amended to read:
- 15 16.994 (3) MAXIMUM AWARDS. (intro.) The total amount the department may
16 award to an eligible school district under sub. (1) during ~~the 2015-17~~ a fiscal
17 biennium may not exceed the following:
- 18 **SECTION 3.** 20.155 (1) (q) of the statutes is amended to read:

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1 20.155 (1) (q) *Universal telecommunications service; broadband service.* From
2 the universal service fund, the amounts in the schedule for the promotion of
3 broadband service and universal telecommunications service for the purposes
4 specified in s. 196.218 (5) (a) 1., 4., 8. and, 9., and 10. Notwithstanding s. 20.001 (3)
5 (a), the unencumbered balance on June 30 of each year shall be transferred to the
6 appropriation account under sub. (3) (r).

7 **SECTION 4.** 20.155 (3) (r) of the statutes is amended to read:

8 20.155 (3) (r) *Broadband expansion grants.* From the universal service fund,
9 ~~as a continuing appropriation, the amounts in the schedule~~ all moneys transferred
10 from the appropriation accounts under sub. (1) (q) and ss. 20.255 (1) (q) and (3) (q),
11 (qm) and (r), 20.285 (1) (q) and 20.505 (4) (s), under 2015 Wisconsin Act 55, section
12 9236 (1v), and under 2017 Wisconsin Act ... (this act), section 32 (1) and (2), for
13 broadband expansion grants under s. 196.504. All moneys transferred under 2015
14 Wisconsin Act 55, section 9236 (1v) shall be credited to this appropriation account.

15 **SECTION 5.** 20.255 (1) (q) of the statutes is amended to read:

16 20.255 (1) (q) *Digital learning collaborative.* From the universal service fund,
17 the amounts in the schedule for a digital learning collaborative for the statewide web
18 academy and for the delivery of digital content and collaborative instruction under
19 s. 115.28 (53) and (54). Notwithstanding s. 20.001 (3) (a), the unencumbered balance
20 on June 30 of each year shall be transferred to the appropriation account under s.
21 20.155 (3) (r).

22 **SECTION 6.** 20.255 (3) (q) of the statutes is amended to read:

23 20.255 (3) (q) *Periodical and reference information databases; Newslines for the*
24 *Blind.* From the universal service fund, the amounts in the schedule for the
25 *Newslines for the Blind*, provided by the Regional Library for the Blind and Physically

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1 Handicapped, and to contract for periodical and reference information databases
2 under s. 115.28 (26). Notwithstanding s. 20.001 (3) (a), the unencumbered balance
3 on June 30 of each year shall be transferred to the appropriation account under s.
4 20.155 (3) (r).

5 **SECTION 7.** 20.255 (3) (qm) of the statutes is amended to read:

6 20.255 (3) (qm) *Aid to public library systems.* From the universal service fund,
7 the amounts in the schedule for state aid to public library systems under s. 43.24.
8 Notwithstanding s. 20.001 (3) (a), the unencumbered balance on June 30 of each year
9 shall be transferred to the appropriation account under s. 20.155 (3) (r).

10 **SECTION 8.** 20.255 (3) (r) of the statutes is amended to read:

11 20.255 (3) (r) *Library service contracts.* From the universal service fund, the
12 amounts in the schedule for library service contracts under s. 43.03 (6) and (7).
13 Notwithstanding s. 20.001 (3) (a), the unencumbered balance on June 30 of each year
14 shall be transferred to the appropriation account under s. 20.155 (3) (r).

15 **SECTION 9.** 20.285 (1) (q) of the statutes is amended to read:

16 20.285 (1) (q) *Telecommunications services.* From the universal service fund,
17 the amounts in the schedule to provide telecommunications services as specified in
18 s. 196.218 (5) (a) 6. Notwithstanding s. 20.001 (3) (a), the unencumbered balance on
19 June 30 of each year shall be transferred to the appropriation account under s. 20.155
20 (3) (r).

21 **SECTION 10.** 20.505 (4) (s) of the statutes is amended to read:

22 20.505 (4) (s) *School districts; telecommunications* Telecommunications access
23 for educational agencies, infrastructure grants, and teacher training grants.
24 Biennially, from the universal service fund, the amounts in the schedule to make
25 payments to telecommunications providers under contracts under s. 16.971 (13),

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1 (14), and (15) to the extent that the amounts due are not paid from the appropriation
2 under sub. (1) (is), to make payments to telecommunications providers under
3 contracts under s. 16.971 (16) to the extent that the amounts due are not paid from
4 the appropriation under sub. (1) (kL), to make grants to school district consortia
5 under s. 16.997 (7), to make information technology infrastructure grants under s.
6 16.994 and 2017 Wisconsin Act ... (this act), section 31, and to make educational
7 technology teacher training grants under s. 16.996. Notwithstanding s. 20.001 (3)
8 (b), the unencumbered balance on June 30 of each year shall be transferred to the
9 appropriation account under s. 20.155 (3) (r).

10 **SECTION 11.** 20.505 (4) (s) of the statutes, as affected by 2017 Wisconsin Act ...
11 (this act), section 10, is amended to read:

12 20.505 (4) (s) *Telecommunications access for educational agencies,*
13 *infrastructure grants, and teacher training grants.* Biennially, from the universal
14 service fund, the amounts in the schedule to make payments to telecommunications
15 providers under contracts under s. 16.971 (13), (14), and (15) to the extent that the
16 amounts due are not paid from the appropriation under sub. (1) (is), to make
17 payments to telecommunications providers under contracts under s. 16.971 (16) to
18 the extent that the amounts due are not paid from the appropriation under sub. (1)
19 (kL), to make grants to school district consortia under s. 16.997 (7), to make
20 information technology infrastructure grants under s. 16.994 and ~~2017 Wisconsin~~
21 ~~Act (this act), section 31,~~ and to make educational technology teacher training
22 grants under s. 16.996. Notwithstanding s. 20.001 (3) (b), the unencumbered balance
23 on June 30 of each year shall be transferred to the appropriation account under s.
24 20.155 (3) (r).

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1 **SECTION 12.** 20.505 (4) (s) of the statutes, as affected by 2017 Wisconsin Act ...
2 (this act), section 11, is repealed and recreated to read:

3 20.505 (4) (s) *Telecommunications access for educational agencies and teacher*
4 *training grants.* Biennially, from the universal service fund, the amounts in the
5 schedule to make payments to telecommunications providers under contracts under
6 s. 16.971 (13), (14), and (15) to the extent that the amounts due are not paid from the
7 appropriation under sub. (1) (is), to make payments to telecommunications providers
8 under contracts under s. 16.971 (16) to the extent that the amounts due are not paid
9 from the appropriation under sub. (1) (kL), to make grants to school district consortia
10 under s. 16.997 (7), and to make educational technology teacher training grants
11 under s. 16.996. Notwithstanding s. 20.001 (3) (b), the unencumbered balance on
12 June 30 of each year shall be transferred to the appropriation account under s. 20.155
13 (3) (r).

14 **SECTION 13.** 20.505 (4) (t) of the statutes is repealed.

15 **SECTION 14.** 20.505 (4) (tm) of the statutes is repealed.

16 **SECTION 15.** 20.505 (4) (tu) of the statutes is repealed.

17 **SECTION 16.** 20.505 (4) (tw) of the statutes is repealed.

18 **SECTION 17.** 24.40 (3) of the statutes is created to read:

19 24.40 (3) Notwithstanding s. 28.02 (5) or any contrary rule promulgated by the
20 department, if the department grants an easement under sub. (1) for the
21 construction of broadband infrastructure in underserved areas, as designated under
22 s. 196.504 (2) (d), the department may not require any appraisal or the payment of
23 any fee to secure the easement.

24 **SECTION 18.** 86.07 (2) (a) of the statutes is amended to read:

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1 86.07 (2) (a) Subject to par. (b) and s. 86.16 (1m) (a) 2. and (c) and (6), no person
2 shall make any excavation or fill or install any culvert or make any other alteration
3 in any highway or in any manner disturb any highway or bridge without a permit
4 therefor from the highway authority maintaining the highway. Such permit shall
5 contain the statement and be subject to the condition that the work shall be
6 constructed subject to such rules and regulations as may be prescribed by said
7 authority and be performed and completed to its satisfaction, and in the case of
8 temporary alterations that the highway or bridge shall be restored to its former
9 condition, and that the permittee shall be liable to the town or county or state, as the
10 case may be, for all damages which occur during the progress of said work or as a
11 result thereof. Nothing herein shall abridge the right of the department, the county
12 board or its highway committee, or any other local authority to make such additional
13 rules, regulations and conditions not inconsistent herewith as may be deemed
14 necessary and proper for the preservation of highways, or for the safety of the public,
15 and to make the granting of any such permit conditional thereon. If any culvert is
16 installed or any excavation or fill or any other alteration is made in violation of the
17 provisions of this paragraph, the highway or bridge may be restored to its former
18 condition by the highway authority in charge of the maintenance thereof at the
19 expense of the violator; and any person who violates this paragraph shall be
20 punished by a fine of not less than \$50 nor more than \$500, or by imprisonment not
21 exceeding 6 months, or both.

22 **SECTION 19.** 86.16 (6) of the statutes is created to read:

23 86.16 (6) If the department consents under sub. (1) to the construction of
24 broadband infrastructure in underserved areas, as designated under s. 196.504 (2)
25 (d), the department may not charge any fee for the initial issuance of any permit

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1 necessary to construct broadband infrastructure along, across, or within the limits
2 of a highway.

3 **SECTION 20.** 118.40 (2r) (e) 2p. a. of the statutes is amended to read:

4 118.40 (2r) (e) 2p. a. Add the amounts appropriated in the current fiscal year
5 under s. 20.255 (2), except s. 20.255 (2) (ac), (bb), (fm), (fr), (fu), (k), and (m); s. 20.285
6 (1) (r) and (rc); and s. 20.505 (4) (es); and the amount, as determined by the secretary
7 of administration, of the appropriation under s. 20.505 (4) (s) allocated for payments
8 to telecommunications providers under contracts with school districts and
9 cooperative educational service agencies under s. 16.971 (13), for grants to school
10 district consortia under s. 16.997 (7), and to make educational technology teacher
11 training grants under s. 16.996.

12 **SECTION 21.** 118.40 (2r) (e) 2p. a. of the statutes, as affected by 2015 Wisconsin
13 Act 55 and 2017 Wisconsin Act ... (this act), is repealed and recreated to read:

14 118.40 (2r) (e) 2p. a. Add the amounts appropriated in the current fiscal year
15 under s. 20.255 (2), except s. 20.255 (2) (ac), (bb), (fm), (fr), (fu), (k), and (m); and s.
16 20.505 (4) (es); and the amount, as determined by the secretary of administration,
17 of the appropriation under s. 20.505 (4) (s) allocated for payments to
18 telecommunications providers under contracts with school districts and cooperative
19 educational service agencies under s. 16.971 (13), for grants to school district
20 consortia under s. 16.997 (7), and to make educational technology teacher training
21 grants under s. 16.996.

22 **SECTION 22.** 196.218 (3) (a) 3. b. of the statutes is amended to read:

23 196.218 (3) (a) 3. b. The amounts appropriated under ss. 20.255 (1) (q) and (3)
24 (q), (qm), and (r), 20.285 (1) (q), and 20.505 (4) (s), ~~(t), (tm), (tu), and (tw).~~

25 **SECTION 23.** 196.218 (5) (a) 10. of the statutes is amended to read:

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1 196.218 (5) (a) 10. To make broadband expansion grants and administer the
2 program under s. 196.504.

3 **SECTION 24.** 196.504 (1) (a) of the statutes is renumbered 196.504 (1) (am).

4 **SECTION 25.** 196.504 (1) (ae) of the statutes is created to read:

5 196.504 (1) (ae) “A-CAM support” means support for the deployment of voice
6 and broadband-capable networks from the federal Connect America Fund that is
7 made to telecommunications utilities regulated as rate-of-return carriers by the
8 federal communications commission and that is based on the federal
9 communications commission’s Alternative Connect America Cost Model.

10 **SECTION 26.** 196.504 (1) (as) of the statutes is created to read:

11 196.504 (1) (as) “Phase II support” means the federal communications
12 commission’s 2nd phase of support for rural broadband deployment from the federal
13 Connect America Fund that is made to telecommunications utilities regulated as
14 price cap carriers by the federal communications commission.

15 **SECTION 27.** 196.504 (2) (a) of the statutes is amended to read:

16 196.504 (2) (a) To make broadband expansion grants to eligible applicants for
17 the purpose of constructing broadband infrastructure in underserved areas
18 designated under par. (d). Grants awarded under this section shall be paid from the
19 ~~appropriation~~ appropriations under s. 20.155 (1) (q) and (3) (r). ~~In each fiscal year,~~
20 ~~the total amount of the grants may not exceed \$1,500,000.~~

21 **SECTION 28.** 196.504 (2) (e) of the statutes is created to read:

22 196.504 (2) (e) During fiscal year 2016-17, to allocate a portion of the amount
23 appropriated under s. 20.155 (3) (r), in an amount determined by the commission, for
24 making broadband expansion grants under this section to telecommunications
25 utilities receiving A-CAM or phase II support. Notwithstanding the priorities

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1 specified in par. (c), the commission may evaluate applications and award broadband
2 expansion grants under this paragraph on an expedited basis.

3 **SECTION 29.** 2015 Wisconsin Act 55, section 800d is repealed.

4 **SECTION 30.** 2015 Wisconsin Act 55, section 9401 (1f) is amended to read:

5 [2015 Wisconsin Act 55] Section 9401 (1f) INFORMATION TECHNOLOGY BLOCK
6 GRANTS; SUNSET. The treatment of ~~sections 20.505 (4) (s) (by SECTION 800d) and section~~
7 196.218 (5) (a) 12. (by SECTION 3532d) of the statutes and the repeal of section 16.994
8 of the statutes take effect on July 1, 2017 2019.

9 **SECTION 31. Nonstatutory provisions.**

10 (1) ADDITIONAL ONE-TIME INFORMATION TECHNOLOGY INFRASTRUCTURE BLOCK
11 GRANTS.

12 (a) Before July 1, 2017, from the appropriation under section 20.505 (4) (s) of
13 the statutes, the department of administration may award grants on a competitive
14 basis to eligible school districts for the purpose of improving information technology
15 infrastructure. In awarding grants under this subsection, the department of
16 administration shall give priority to applications for school districts in which the
17 percentage of pupils who satisfy the income eligibility criteria under 42 USC 1758

18 (b) (1) for a free or reduced-price lunch is greater than in other applicant school
19 districts. The department of administration shall require an applicant for a grant
20 under this subsection to provide all of the following:

21 1. A description of the specific information technology infrastructure, including
22 any equipment, that the applicant intends to purchase with grant proceeds.

23 2. The applicant's plan to purchase, install, and use the information technology
24 infrastructure described in subdivision 1.

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1 3. A description of the applicant's readiness to use information technology
2 infrastructure purchased with grant proceeds.

3 (b) A school district is eligible for a grant under this subsection if the school
4 district's membership in the previous school year divided by the school district's area
5 in square miles is less than 26.

6 (c) The total amount the department of administration may award to an eligible
7 school district under this subsection may not exceed the following:

8 1. If the membership of the eligible school district is fewer than 750 pupils,
9 \$30,000.

10 2. If the membership of the eligible school district is 750 pupils to 1,500 pupils,
11 \$40 multiplied by the school district's membership.

12 3. If the membership of the eligible school district is more than 1,500 pupils,
13 \$60,000.

14 (d) The department of administration may not count a grant awarded under
15 this subsection towards the maximum amount a school district may receive under
16 section 16.994 (3) of the statutes.

17 **SECTION 32. Fiscal changes.**

18 (1) There is transferred from the universal service fund to the appropriation
19 account under section 20.155 (3) (r) of the statutes \$6,000,000 in the 2016-17 fiscal
20 year.

21 (2) There is transferred from the appropriation account under section 20.505
22 (4) (mp) of the statutes to the appropriation account under section 20.155 (3) (r) of
23 the statutes \$5,000,000 in the 2016-17 fiscal year.

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1 (3) There is transferred from the appropriation account under section 20.505
2 (4) (mp) of the statutes to the universal service fund \$7,500,000 in fiscal year
3 2016-17.

4 (4) In the schedule under section 20.005 (3) of the statutes for the appropriation
5 to the department of administration under section 20.505 (4) (s) of the statutes the
6 dollar amount for fiscal year 2016-17 is increased by \$7,500,000 for the purpose for
7 which the appropriation is made.

8 **SECTION 33. Initial applicability.**

9 (1) FEE WAIVERS. The treatment of sections 24.40 (3) and 86.16 (6) of the statutes
10 first applies to easements granted or construction permits issued on the effective
11 date of this subsection.

12 **SECTION 34. Effective dates.** This act takes effect on the day after publication,
13 except as follows:

14 (1) The treatment of section 20.155 (1) (q) of the statutes takes effect on July
15 1, 2017, or on the 2nd day after publication of the 2017-18 biennial budget act,
16 whichever is later.

17 (2) The treatment of section 20.505 (4) (s) (by SECTION 11) of the statutes takes
18 effect on July 1, 2017.

19 (3) The repeal and recreation of section 20.505 (4) (s) of the statutes takes effect
20 on July 1, 2019.

21 (4) The repeal and recreation of section 118.40 (2r) (e) 2p. a. of the statutes takes
22 effect on July 1, 2017.

23 (END)