

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Regulated Industries

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BILL: SB 1218

INTRODUCER: Senator Burgess

SUBJECT: Broadband

DATE: January 12, 2024

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Schrader</u>	<u>Imhof</u>	<u>RI</u>	<b>Favorable</b>
2.	_____	_____	<u>CM</u>	_____
3.	_____	_____	<u>RC</u>	_____

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**I. Summary:**

SB 1218 amends s. 288.9963, F.S., regarding a promotional pole attachment rate required to be offered by municipal utilities to broadband providers to provide broadband service to unserved or underserved areas. The bill extends the date through which municipal electric utilities are required to offer to broadband providers a promotional \$1 per pole, per year, wireline attachment rate for any new pole attachments necessary to make broadband service available to an unserved or underserved end user within a municipal electric utility service territory. The date is extended from July 1, 2024 to December 31, 2028.

The Revenue Estimating Conference has not reviewed SB 1218. Staff estimates an indeterminate impact to municipal utility revenue.

The bill takes effect upon becoming a law.

**II. Present Situation:**

**Florida Public Service Commission**

The Florida Public Service Commission (PSC) is an arm of the legislative branch of government.<sup>1</sup> The role of the PSC is to ensure Florida’s consumers receive utility services, including electric, natural gas, telephone, water, and wastewater, in a safe, affordable, and reliable manner.<sup>2</sup> In order to do so, the PSC exercises authority over public utilities<sup>3</sup> in one or

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<sup>1</sup> Section 350.001, F.S.

<sup>2</sup> See Florida Public Service Commission, *Florida Public Service Commission Homepage*, <http://www.psc.state.fl.us> (last visited Jan. 11, 2024).

<sup>3</sup> Under s. 366.02, F.S., a “public utility” is defined “as every person, corporation, partnership, association, or other legal entity and their lessees, trustees, or receivers supplying electricity or gas (natural, manufactured, or similar gaseous substance) to or for the public within this state.” There are, however, several exceptions to this definition, which include, “a

more of the following areas: rate base or economic regulation; competitive market oversight; and monitoring of safety, reliability, and service issues.<sup>4</sup> PSC authority over municipal utilities is more limited, however.

### **Electric Utilities**

The PSC monitors the safety and reliability of the electric power grid<sup>5</sup> and may order the addition or repair of infrastructure as necessary.<sup>6</sup> The PSC has broad jurisdiction over the rates and service of investor-owned electric.<sup>7</sup> However, the PSC does not fully regulate municipal electric utilities (utilities owned or operated on behalf of a municipality) or rural electric cooperatives. The PSC has jurisdiction over these types of utilities with regard to rate structure, territorial boundaries, bulk power supply operations, and planning.<sup>8</sup> Municipally-owned or operated utility rates and revenues are regulated by their respective local governments or local utility boards. Rates and revenues for a cooperative utility are regulated by the governing body elected by the cooperative's membership.

### **Municipal Electric and Gas Utilities, and Special Gas Districts, in Florida**

A municipal electric or gas utility is an electric or gas utility owned and operated by a unit of local government. Chapter 366, F.S., provides the majority of electric and gas utility regulations for Florida. While ch. 366, F.S., does not provide a definition, per se, for a "municipal utility," variations of this terminology and the concept of these types of utilities appears throughout the chapter. Currently, Florida has 33 municipal electric utilities that serve over 14 percent of the state's electric utility customers.<sup>9</sup> Florida also has 27 municipally-owned gas utilities and four special gas districts.<sup>10</sup>

### **Regulation of Pole Attachments**

Utility poles were first deployed in the U.S. in 1844 to extend telegraph service. While they have been in use for over 175 years, utility poles continue to provide the scaffolding for the technology of the twenty-first century. In the mid-nineteenth and early twentieth centuries, many states adopted laws granting rights-of-way (ROW) to construct utility poles, wires, and facilities to transmit electricity and communications signals. First telegraph, then telephone, electricity,

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cooperative now or hereafter organized and existing under the Rural Electric Cooperative Law of the state; a municipality or any agency thereof; [and] any dependent or independent special natural gas district." Generally, "public utility" means investor-owned utilities.

<sup>4</sup> Florida Public Service Commission, *About the PSC*, <https://www.psc.state.fl.us/about> (last visited Jan. 11, 2024).

<sup>5</sup> Section 366.04(5) and (6), F.S.

<sup>6</sup> Section 366.05(1) and (8), F.S.

<sup>7</sup> Section 366.05, F.S.

<sup>8</sup> Florida Public Service Commission, *About the PSC*, *supra* note 4.

<sup>9</sup> Florida Municipal Electric Association, *About Us*, <https://www.flpublicpower.com/about-us> (last visited Jan. 11, 2024).

<sup>10</sup> Florida Public Service Commission, *2023 Facts and Figures of the Florida Utility Industry*, pg. 13, Apr. 2023 (available at: <https://www.floridapsc.com/pscfiles/website-files/PDF/Publications/Reports/General/FactsAndFigures/April%202023.pdf>) (last visited Jan. 11, 2024). A "special gas district" is a dependent or independent special district, setup pursuant to ch. 189, F.S., to provide natural gas service. Section 189.012(6), F.S., defines a "special district" as "a unit of local government created for a special purpose, as opposed to a general purpose, which has jurisdiction to operate within a limited geographic boundary and is created by general law, special act, local ordinance, or by rule of the Governor and Cabinet."

cable, wireless, and Internet service providers have sought to attach facilities to wooden, and later steel or composite, utility poles.<sup>11</sup>

The term “pole attachment” refers to the process by which communications companies colocate communications infrastructure on existing electric utility poles. Colocation reduces the number of poles that must be built to accommodate utility services, thereby reducing costs to users of both services by allowing providers to share costs. Rules governing pole attachments seek to balance the desire to maximize value for users of both electric and communications services with concerns unique to electric utility poles, such as safety and reliability.<sup>12</sup> The space requested for a pole attachment is typically one foot.<sup>13</sup>

Pole attachments were originally established by mutual agreement. Later, such agreements were regulated by federal statute and administrative regulations. Pole attachments provide non-pole-owning cable and telecommunication service providers (such as cable television providers and local exchange carriers) with access to a pole-owning utility’s distribution poles, conduits, and right-of-way for:

- Installing fiber, coaxial cable or wires, and other equipment;
- Building an interconnected network; and
- Reaching customers.<sup>14</sup>

In 1978, Congress passed the “Pole Attachment Act,” which added s. 224 to the Communications Act of 1934, to require the Federal Communications Commission (FCC) to establish rates, terms, and conditions for pole attachments for the cable television industry.<sup>15</sup>

The “Telecommunications Act of 1996,” which amended 47 U.S.C. s. 244 to add provisions making access to utility poles mandatory for telecommunications services providers and providing for nondiscriminatory access—unless there is insufficient capacity and for reasons of safety, reliability, and generally applicable engineering purposes.<sup>16</sup> Municipal owned electric utilities and rural electric cooperatives are exempt from the provisions of 47 U.S.C. s. 224.<sup>17</sup> Specifically, the term “utility” is defined as:

[A]ny person who is a local exchange carrier or an electric, gas, water, steam, or other public utility, and who owns or controls poles, ducts, conduits, or rights-of-way used, in whole or in part, for any wire communications. Such

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<sup>11</sup> Catherine J.K. Sandoval, Contested Places, *Utility Pole Spaces: A Competition and Safety Framework for Analyzing Utility Pole Association Rules, Roles, and Risks*, 69 Cath. U. L. Rev. 473, 474–75 (2020), available at <https://scholarship.law.edu/cgi/viewcontent.cgi?article=3552&context=lawreview> (last visited Jan. 11, 2024).

<sup>12</sup> American Public Power Association, *Issue Brief: Preserving the Municipal Exemption from Federal Pole Attachment Regulations* (Jan. 2021), available at <https://www.publicpower.org/policy/preserving-municipal-exemption-federal-pole-attachment-regulations> (last visited Jan. 11, 2024).

<sup>13</sup> Evari GIS Consulting, *Joint Use Pole Audit*, available at <https://www.evarigisconsulting.com/joint-use-pole-audit> (last visited Jan. 11, 2024).

<sup>14</sup> *Id.*

<sup>15</sup> Pub. L. No. 95-234, codified at 47 U.S.C. s. 224.

<sup>16</sup> Pub. L. No. 104-104, codified at 47 U.S.C. s. 224(f).

<sup>17</sup> 47 U.S.C. s. 224(a)(1).

term does not include any railroad, any person who is cooperatively organized, or any person owned by the Federal Government or any State.<sup>18</sup>

A state, however, can assume regulation of pole attachment through a process known as “reverse preemption.” This requires a state to expressly assert jurisdiction through state legislation, followed by certifying to the FCC that “in so regulating such rates, terms, and conditions, the state has the authority to consider and does consider the interests of the subscribers of the services offered via such attachments, as well as the interests of the consumers of the utility services.”<sup>19</sup> As of June 13, 2022, 23 states and the District of Columbia have reverse preemption, including Florida.<sup>20</sup>

Florida assumed regulation of pole attachments for poles owned by a public utility from the FCC after the passage and enactment of SB 1944 in 2021, placing the authority to regulate pole attachments under the PSC.<sup>21</sup> In 2023, with the passage and enactment of HB 1221, this authority was expanded to the regulation of attachment to poles owned by rural electric cooperatives engaged in the provision of broadband services.<sup>22</sup> Presently, s. 366.04(8), F.S., regulates pole attachments for public utilities and such rural electric cooperatives.<sup>23</sup> The PSC does not, however, regulate pole attachments for poles owned by municipal utilities.

### **Broadband Availability in Rural Areas**

Much like with rural electricity distribution, the primary challenge in deploying broadband in rural areas is one of population density. The U.S. Department of Transportation estimates that the average cost of laying fiber is \$27,000 per mile.<sup>24</sup> Many rural areas are remote and have geographically dispersed populations, thus more fiber per customer must be laid to serve them. Moreover, rural areas often have harsher terrain than urban areas—such as mountain ranges or ground that is frozen for substantial portions of the year. These features can make it more difficult and costly to serve such areas with fiber.<sup>25</sup> Cable networks can also face similar density and terrain issues.

While rural customers still lag behind urban counterparts, the difference in broadband access between these areas is at its lowest ever. In 2015, reflecting advances in technology, the FCC raised benchmark speeds to be considered broadband service to 25 megabits per second (Mbps)

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<sup>18</sup> *Id.*

<sup>19</sup> 47 U.S.C. s. 224(c)(2).

<sup>20</sup> Federal Communications Commission, *Public Notice: States That Have Certified That They Regulate Pole Attachments*, June 13, 2022, available at <https://www.fcc.gov/document/states-have-certified-they-regulate-pole-attachments-3> (last visited Jan. 11, 2024).

<sup>21</sup> Chapter 2021-191, Laws of Fla.

<sup>22</sup> Chapter 2023-199, Laws of Fla.

<sup>23</sup> Section 364.391, F.S., provides that if a rural electric cooperative engages in the provision of broadband, all poles owned by that cooperative are subject to regulation under s. 366.04(8), F.S., on the same basis as if such cooperative were a public utility under that subsection. Sections 366.04(9) and 366.97, F.S., also provide pole attachment regulations relating to poles owned by public utilities.

<sup>24</sup> Congressional Research Service, *Raising the Minimum Fixed Broadband Speed Benchmark: Background and Selected Issues*, July 12, 2021, available at <https://crsreports.congress.gov/product/pdf/IF/IF11875/2> (last visited Jan. 11, 2024).

<sup>25</sup> *Id.*

for downloads and 3 Mbps for uploads (25/3 Mbps service).<sup>26</sup> Under this benchmark, the FCC reported that 53 percent of people living in U.S. rural areas lacked access to broadband—as compared to just 8 percent of persons living in U.S. urban areas lacking such access. By 2021, the gap for 25/3 Mbps service with at least one provider had essentially vanished.<sup>27</sup> Rural areas still were behind their urban counterparts in choice however; 91 percent of rural customers had access to three or more providers, versus 99 percent of urban customers.<sup>28</sup>

In 2021, the FCC considered increasing their standard for broadband to 100 Mbps of download and 10 Mbps of upload speed (100/10 Mbps service), but ultimately rejected the change given concerns about whether enough providers could meet such a standard.<sup>29</sup>

### **Florida Office of Broadband**

Section 288.9961, F.S., establishes the Florida Office of Broadband within the Division of Community Development within the Florida Department of Commerce (FDOC).<sup>30</sup> The Office of Broadband “works with local and state government agencies, community organizations and private businesses to increase the availability and effectiveness of broadband internet throughout the state, specifically in small and rural communities.”<sup>31</sup>

### **State and Federal Broadband Growth Programs**

#### ***Connect America Fund***

One of the earliest and most significant federal broadband programs is the Connect America Fund, which is part of the FCC’s Universal Service Fund (USF). Started in 2011, the purpose of the fund is to provide subsidies to telecommunications companies to expand telecommunications infrastructure in rural and remote areas of the United States.<sup>32</sup> The Connect America Fund is a “high-cost” program, meaning that it is designed to ensure that consumers in rural, insular, and high cost areas have access to modern telecommunications networks and that services through those networks, like voice and broadband, are available at a cost comparable to that in more developed urban areas.<sup>33</sup> The Connect America Fund is the largest of the USF’s programs, and has an annual budget of \$4.5 billion.<sup>34</sup>

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<sup>26</sup> Federal Communications Commission, *Wireline: 2015 Broadband Progress Report*, Feb. 14, 2015, available at <https://www.fcc.gov/reports-research/reports/broadband-progress-reports/2015-broadband-progress-report> (last visited Jan 11, 2024).

<sup>27</sup> USA Facts, *How Many Americans have Broadband Internet Access*, Oct. 5, 2023, available at <https://usafacts.org/articles/how-many-americans-have-broadband-internet-access/#footnote-3> (last visited Jan. 11, 2024).

<sup>28</sup> *Id.*

<sup>29</sup> *Id.*

<sup>30</sup> Section 288.9963, F.S., actually states that the Florida Office of Broadband is created within the Division of Community Development, however, HB 5 from 2023 (enacted as Chapter 2023-173, L.O.F.), changed the name of the Department of Economic Opportunity to the Department of Commerce.

<sup>31</sup> Florida Department of Commerce, *Office of Broadband*, <https://www.floridajobs.org/community-planning-and-development/broadband/office-of-broadband> (last visited Jan. 10, 2024).

<sup>32</sup> Federal Communications Commission, *Universal Service Monitoring Report*, Feb. 13, 2023, available at <https://www.fcc.gov/general/federal-state-joint-board-monitoring-reports> (last visited Jan. 10, 2024).

<sup>33</sup> Federal Communications Commission, *Universal Service for High Cost Areas-Connect America Fund*, available at <https://www.fcc.gov/general/universal-service-high-cost-areas-connect-america-fund#releases> (last visited Jan. 11, 2024).

<sup>34</sup> Universal Service Administrative Co., *Program Overview*, available at <https://www.usac.org/high-cost/program-overview/> (last visited Jan. 11, 2024).

### ***Broadband Technology Opportunities Program***

The Broadband Technology Opportunities Program (BTOP) is a federal grant program administered by the National Telecommunications and Information Administration (NTIA), part of the U.S. Department of Commerce. The BTOP is funded by the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5), and has an annual budget of \$4 billion. The purpose of the program is to “bridge the technological divide” and BTOP projects include deploying broadband Internet infrastructure, enhancing and expanding public computer centers, and encouraging the sustainable adoption of broadband service.<sup>35</sup>

### ***USDA Programs: ReConnect Program and the Rural Broadband Program***

The United States Department of Agriculture (USDA) operates two programs aimed at developing broadband in rural areas—the ReConnect Program and the Rural Broadband Program. Though these programs both existed prior to 2021, the Infrastructure Investment and Jobs Act (Public Law 117-58), signed into law on November 15, 2021, provided new funding for both of these programs (and other broadband initiatives). The ReConnect Program received \$1.926 billion in funds for grants and loans and the Rural Broadband Program received \$74 million in funds for loans. This new funding level, starting in 2022, exceeded the fiscal year 2021 levels by \$1.291 billion (an increase of 203 percent) for the ReConnect Program and by \$72 million (an increase of 97 percent) for the Rural Broadband Program.<sup>36</sup>

The purpose of the ReConnect Program is to offer loans, grants, and loan-grant combinations to facilitate broadband deployment in rural areas that currently do not have sufficient access to broadband. The entities eligible to apply for the Reconnect Program include:

- Corporations, limited liability companies, and limited liability partnerships;
- State and local governments;
- U.S. territories and possessions; and
- Indian tribes, as defined in Section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. §450b).<sup>37</sup>

The purposes for which Reconnect grants may be used are:

- Construction or improvement of facilities required to provide fixed terrestrial broadband services;
- Funding of reasonable pre-application expenses; and
- Funding the acquisition of an existing telecommunications system that does not currently provide sufficient access to broadband.<sup>38</sup>

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<sup>35</sup> National Telecommunications and Information Administration, *Broadband Technology Opportunities Program*, available at <https://ntia.gov/category/broadband-technology-opportunities-program#:~:text=The%20Broadband%20Technology%20Opportunities%20Program,in%20communities%20across%20the%20country> (last visited Jan. 11, 2024).

<sup>36</sup> Congressional Research Service, *Infrastructure Investment and Jobs Act: Funding for USDA Rural Broadband Programs*, Nov. 19, 2021, available at <https://crsreports.congress.gov/product/pdf/IF/IF11918> (last visited Jan. 11, 2024).

<sup>37</sup> United States Department of Agriculture, *ReConnect Program*, available at <https://www.usda.gov/reconnect/program-overview> (last visited Jan. 11, 2024).

<sup>38</sup> *Id.*

The Rural Broadband Program offers funds to help construct, improve, or acquire facilities and equipment needed to provide broadband to rural areas. The entities eligible to apply for the program are:

- Corporations;
- Limited liability companies;
- Cooperative or mutual organizations;
- State and local governments; and
- Indian tribes and tribal organizations.<sup>39</sup>

For the most recent years prior to 2021, Congress only appropriated funds to the Rural Broadband Program for loans. However, with the increase in funding under the Infrastructure Investment and Jobs Act, funding for grants and loan guarantees is also now available in the program.<sup>40</sup>

While the USDA's Reconnect and Rural programs are similar in their purpose, a key distinction lies in the standards for eligible service areas. For the ReConnect Program, eligible service areas are areas where at least 90 percent of households lack sufficient access to broadband with at least 100 Mbps download and 20 Mbps upload speed (100/20 Mbps service). For the Rural Broadband Program, the standard for eligibility is if the area in question does not have at least 50 percent of households with at least 25 Mbps download and 3 Mbps upload speed (25/3 Mbps service).

### ***Florida Broadband Opportunity Program***

In 2021, Florida enacted the Florida Broadband Deployment Act of 2021.<sup>41</sup> As part of that act, the Florida Broadband Opportunity Program (BOP) was established under s. 288.9962, F.S. BOP is a competitive reimbursement program within the FDOC.<sup>42</sup> The purpose of the program is to award grants to applicants who seek to expand broadband Internet service to unserved areas of Florida. To operate the program, the Florida Legislature appropriated \$400 million in federally funded State and Local Fiscal Recovery Funds (SLFRF) to increase Floridians' access to reliable, affordable, and high-speed internet service.<sup>43</sup>

### **Promotional Rate for Broadband Pole Attachments to Municipal Electric-Owned Poles**

Also as part of the Florida Broadband Deployment Act of 2021, s. 288.9963, F.S., was created to increase the availability of broadband Internet access in areas where citizens do not have access to acceptable Internet download and upload speeds, or any access at all.<sup>44</sup> Section 288.9963(3), F.S., requires that broadband providers must, beginning July 1, 2021, receive a promotional rate of \$1 per wireline attachment per pole per year for any new attachment necessary to make

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<sup>39</sup> United States Department of Agriculture, *Rural Broadband Loans, Loan/Grant Combinations, and Loan Guarantees*, <https://www.rd.usda.gov/programs-services/telecommunications-programs/rural-broadband-loans-loangrant-combinations-and-loan-guarantees> (last visited Jan. 11, 2024).

<sup>40</sup> Congressional Research Service, *Infrastructure Investment and Jobs Act: Funding for USDA Rural Broadband Programs*, *supra* note 36.

<sup>41</sup> Chapter 2021-24, Laws of Fla.

<sup>42</sup> Florida Department of Commerce, *Broadband Opportunity Program*, available at <https://www.floridajobs.org/community-planning-and-development/broadband/broadband-opportunity-program> (last visited Jan. 10, 2024).

<sup>43</sup> *Id.*

<sup>44</sup> See s. 288.9963(1), F.S., which provides the Legislative intent for the section.

broadband service available to an unserved<sup>45</sup> or underserved<sup>46</sup> end user within a municipal electric utility service territory until July 1, 2024.

Broadband providers wishing to make wireline attachments subject to this promotional rate must:

- Submit an application, including a route map, to the municipal electric utility specifying which wireline attachments on which utility poles are necessary to extend broadband service to unserved and underserved end users;
- Include with this application the information necessary to identify which unserved or underserved end users within the municipal electric utility's service territory will gain access to broadband service; and
- Provide a copy of both of the above to the Florida Office of Broadband.

A broadband provider making a wireline attachment application under the promotional rate pursuant to s. 288.9963, F.S., must make a reasonable effort to make broadband service available to the unserved or underserved customers identified in the application. A provider who fails to do so within 12 months may be required to pay the prevailing rate for those attachments that failed to make broadband service available to the intended customers to the municipal electric utility.

All wireline attachments made pursuant to s. 288.9963, F.S., must comply with safety and reliability standards.<sup>47</sup> If a municipal electric utility is required to replace a utility pole due to a pole attachment under the section, the utility may require, as a condition to said attachment, that “the broadband provider reimburse all reasonable and nondiscriminatory costs attributable solely to the new attachment”—minus any positive salvage value of the removed pole.<sup>48</sup>

### III. Effect of Proposed Changes:

**Section 1** of the bill amends s. 288.9963, F.S., to extend the date—from July 1, 2024, to December 31, 2028—through which municipal electric utilities are to offer to broadband providers a promotional \$1 per pole, per year, wireline attachment rate for any new attachments necessary to make broadband service available to an unserved or underserved end user within a municipal electric utility service territory. The bill would also have the effect of extending the \$1 promotional rate for any currently existing wireline attachments made under the existing s. 288.9963, F.S., from July 1, 2024, to December 31, 2028.

**Section 2** of the bill provides that it shall take effect upon becoming a law.

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<sup>45</sup> Section 288.9963(1)(e), F.S., defines “unserved” as “no retail access to the Internet at speeds of at least 10 megabits per seconds for downloading and 1 megabits per second for uploading.”

<sup>46</sup> Section 288.9963(1)(d), F.S., defines “underserved” as “no retail access to the Internet at speeds of at least 25 megabits per seconds for downloading and 3 megabits per second for uploading.”

<sup>47</sup> Section 288.9963(4), F.S.

<sup>48</sup> Section 288.9963(5), F.S. With the replacement of such poles, however, “if the replacement is necessary to correct an existing violation, to bring the pole into compliance with any changes in applicable standards, or because the pole is at the end of its useful life, the replacement cost may not be charged to the broadband provider.”

#### IV. Constitutional Issues:

##### A. Municipality/County Mandates Restrictions:

Article VII, s. 18 of the Florida Constitution governs laws that require counties and municipalities to spend funds or that limit their ability to raise revenue or receive state tax revenues.

Subsection (b) Art. VII, s. 18 of Florida Constitution, provides that except upon approval of each house of the Legislature by two-thirds vote of the membership, the Legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, the mandates requirements do not apply to laws having an insignificant fiscal impact<sup>49, 50</sup> which for Fiscal Year 2023-2024, is forecast at approximately \$2.3 million or less.<sup>51</sup>

The Revenue Estimating Conference has not reviewed SB 1218. Staff estimates an indeterminate impact to municipal utility revenues. Therefore, the mandate provision may apply.

##### B. Public Records/Open Meetings Issues:

None.

##### C. Trust Funds Restrictions:

None.

##### D. State Tax or Fee Increases:

None.

##### E. Other Constitutional Issues:

None.

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<sup>49</sup> FLA. CONST. art. VII, s. 18(d).

<sup>50</sup> An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year multiplied by \$0.10. *See* Florida Senate Committee on Community Affairs, Interim Report 2012-115: Insignificant Impact at p. 1, (September 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Jan. 11, 2024).

<sup>51</sup> Based on the Demographic Estimating Conference's April 1, 2023, estimated population, adopted on November 28, 2023. The conference packet is available at <http://edr.state.fl.us/Content/conferences/population/index.cfm> (last visited Jan. 11, 2024).

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

The Revenue Estimating Conference has not reviewed SB 1218. Staff estimates an indeterminate impact to municipal utility revenues.

**B. Private Sector Impact:**

Broadband service providers may see an adjustment in the pole attachment fees paid to municipal electric utilities for installation of attachments to the utilities' poles. Broadband service providers will be guaranteed access for pole attachment purposes when providing service to underserved or unserved broadband Internet users.

**C. Government Sector Impact:**

Municipal utilities may see a reduction in the amount of pole attachment fees received from broadband service providers for installation of attachments to the utilities' poles. Municipal utilities will not be able to refuse pole attachments by broadband service providers providing service to underserved or unserved broadband Internet users.

Section 288.9963, F.S., does have reporting requirements to the Florida Office of Broadband within the Division of Community Development of the FDOC. To date, staff has not received an analysis of SB 1218 from FDOC.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends s. 288.9963 of the Florida Statutes

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.