

SENATE BILL 489

By Bowling

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 6; Title 7; Title 10; Title 65; Title 67 and Title
68, relative to broadband fiber services.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-52-103, is amended by deleting subsections (c), (d), and (f) and substituting instead the following:

(c)

(1) Each municipality operating an electric plant has the power and is authorized, acting through the authorization of the board or supervisory body having responsibility for the municipal electric plant, to provide telecommunication service, including broadband service, pursuant to this title, either on its own or by joint venture or other business relationship with one (1) or more third parties and in geographical areas that are inside and outside the electric plant's service area.

(2) For purposes of this subsection (c), "broadband service" means wireline access to the internet of speeds at least twenty-five megabits per second (25 Mbps) for download transmission and twenty-five megabits per second (25 Mbps) for upload transmission (25 symmetrical), or the current definition of "broadband" according to the federal communications commission (FCC), whichever is higher, and includes other related services, including, but not limited to, video programming, cable television, and similar services.

SECTION 2. Tennessee Code Annotated, Section 7-52-601(a), is amended by deleting the language "within its service area".

SECTION 3. Tennessee Code Annotated, Section 7-59-316, is amended by adding the following language as a new subsection:

(f)

(1) This section does not prohibit a county or municipality, or any entity otherwise authorized by law from acting on behalf of a county or municipality, or a cooperative to provide telecommunication service, including broadband service, pursuant to this title, either on its own or through other business relationships with one (1) or more third parties in any geographical areas that are inside and outside the jurisdiction or service area of the county or municipality, or with any entity otherwise authorized by law to act on behalf of a county or municipality, or a cooperative.

(2) For purposes of this subsection (f), "broadband service" means wireline access to the internet of speeds at least twenty-five megabits per second (25 Mbps) for download transmission and twenty-five megabits per second (25 Mbps) for upload transmission (25 symmetrical), or the current definition of "broadband" according to the federal communications commission (FCC), whichever is higher, and includes other related services, including, but not limited to, video programming, cable television, and similar services.

SECTION 4. Tennessee Code Annotated, Section 7-59-316(a)(1), is amended by deleting the subdivision and substituting instead the following:

Except as otherwise provided in this section, notwithstanding chapter 52 of this title and title 65, chapter 25, or any other state law to the contrary, a county or municipality, or any entity otherwise authorized by law to act on behalf of a county or municipality, or a cooperative, is authorized to provide broadband services.

SECTION 5. Tennessee Code Annotated, Section 65-25-104(a)(2), is amended by adding the following language as a new subdivision:

(D) Supplying or furnishing broadband service, or constructing and maintaining infrastructure and equipment necessary for supplying or furnishing broadband service. For purposes of this subdivision (a)(2)(D), "broadband service" means wireline access to the internet of speeds at least twenty-five megabits per second (25 Mbps) for download transmission and twenty-five megabits per second (25 Mbps) for upload transmission (25 symmetrical), or the current definition of "broadband" according to the federal communications commission (FCC), whichever is higher, and includes other related services, including, but not limited to, video programming, cable television, and similar services.

SECTION 6. Tennessee Code Annotated, Section 65-25-105, is amended by adding the following new subsection:

(e)

(1) In addition to all other powers set forth in this chapter, a cooperative has the power and is authorized, acting through the authorization of its supervisory body, to provide telecommunication service, including broadband service, either on its own or by joint venture or other business relationship with one (1) or more third parties and in geographical areas that are inside and outside the cooperative's service area.

(2) For purposes of this subsection (e), "broadband service" means wireline access to the internet of speeds at least twenty-five megabits per second (25 Mbps) for download transmission and twenty-five megabits per second (25 Mbps) for upload transmission (25 symmetrical), or the current definition of "broadband" according to the federal communications commission (FCC), whichever is higher, and includes other related services, including, but not limited to, video programming, cable television, and similar services.

SECTION 7. Tennessee Code Annotated, Section 65-25-134(a)(1), is amended by deleting the language "telephone, telegraph, voice over internet protocol, telecommunications services" and substituting instead the language "telegraph, telecommunications, broadband internet access service, television programming".

SECTION 8. Tennessee Code Annotated, Section 65-25-134(b), is amended by deleting the subsection and substituting instead the following:

(b) A cooperative providing any of the services authorized by subsection (a) shall not provide subsidies for such services and shall comply with any applicable provisions of contracts with suppliers of electricity prohibiting or otherwise limiting cross-subsidies with electricity revenues. Notwithstanding that limitation, a cooperative providing such services is authorized to:

(1) Dedicate a reasonable portion of the electric plant to the provision of such services, the costs of which must be allocated to such services for regulatory purposes; and

(2) Lend funds, at a rate of interest not less than the highest rate then earned by the cooperative on invested electric plant funds, to acquire, construct, and provide working capital for the system, plant, and equipment necessary to provide any of the services authorized under subsection (a); provided, that such interest costs must be allocated to the cost of such services for regulatory purposes.

SECTION 9. Tennessee Code Annotated, Section 65-29-104, is amended by adding the following language as a new subdivision:

(16)

(A) Supply or furnish broadband service, or construct and maintain infrastructure and equipment necessary for supplying or furnishing broadband service within or outside of its historic service area;

(B) For purposes of this subdivision (16), "broadband service" means wireline access to the internet of speeds at least twenty-five megabits per second (25 Mbps) for download transmission and twenty-five megabits per second (25 Mbps) for upload transmission (25 symmetrical), or the current definition of "broadband" according to the federal communications commission (FCC), whichever is higher, and includes other related services, including, but not limited to, video programming, cable television, and similar services.

SECTION 10. Tennessee Code Annotated, Section 65-36-108, is amended by deleting from subsection (b) the language "operate a cable system as defined by § 7-59-201 for the provision of cable service, to provide pager services, or to operate as an internet service provider." and by substituting instead "to provide pager services."

SECTION 11. This act shall take effect upon becoming a law, the public welfare requiring it.