

Senators Gooch of the 41st, Ginn of the 47th and Albers of the 56th offered the following amendment:

1 *Amend the House substitute to SB 426 (LC 36 3685S) by deleting lines 1 through the end and*
 2 *inserting in lieu thereof the following:*

3 To amend Title 46 of the Official Code of Georgia Annotated, relating to public utilities and
 4 public transportation, so as to provide for the deployment of broadband services throughout
 5 the state in order to increase economic development and for other purposes; to specifically
 6 authorize electric membership corporations and telephone cooperatives and their affiliates
 7 and subsidiaries to provide broadband services; to provide certain requirements and
 8 limitations on such authorization; to provide for a definition; to provide for service areas and
 9 conditions upon the provision of such services by telephone cooperatives; to provide for
 10 related matters; to provide for an effective date; to repeal conflicting laws; and for other
 11 purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 **SECTION 1.**

14 Title 46 of the Official Code of Georgia Annotated, relating to public utilities and public
 15 transportation, is amended by revising Code Section 46-3-200, relating to purposes of electric
 16 membership corporations, as follows:

17 "46-3-200.

18 An electric membership corporation may serve any one or more of the following purposes:

- 19 (1) To furnish electrical energy and service;
- 20 (2) To assist its members in the efficient and economical use of energy;
- 21 (3) To engage in research and to promote and develop energy conservation and sources
 22 and methods of conserving, producing, converting, and delivering energy; ~~and~~
- 23 (4) To provide and operate broadband services directly or through an affiliate or a
 24 subsidiary in rural counties, if such electric membership corporation obtains a certificate
 25 of authority issued pursuant to Code Section 46-5-163 and complies with Code Section
 26 46-3-200.1; provided, however, that an electric membership corporation that was
 27 providing broadband services in a county on or before January 1, 2018, that is not a rural
 28 county, may continue providing broadband services to such county; provided, further,
 29 that if an electric membership corporation begins providing broadband services in a rural
 30 county on or after the effective date of this paragraph and such county subsequently is no

31 longer considered a rural county, such electric membership corporation may continue
 32 providing broadband services to such county. For purposes of this paragraph, the term
 33 'rural county' shall have the same meaning as provided in Code Section 31-7-94.1; and
 34 (4)(5) To engage in any lawful act or activity necessary or convenient to effect the
 35 foregoing purposes."

36 SECTION 2.

37 Said title is further amended by adding a new Code section to read as follows:

38 "46-3-200.1.

39 No cross-subsidization shall be permitted between an electric membership corporation's
 40 natural gas activities, an electric membership corporation's electricity services, and the
 41 provision or operation of broadband services by such electric membership corporation or
 42 through an affiliate or a subsidiary of such electric membership corporation. Any electric
 43 membership corporation that provides or operates broadband services shall:

44 (1) Ensure that cross-subsidizations do not occur between the electricity services of an
 45 electric membership corporation, the gas activities of its electric membership corporation
 46 gas affiliate, and the broadband services it or its affiliate or its subsidiary provides;

47 (2) Fully allocate all electricity activities costs, gas activities costs, or broadband services
 48 activities costs, including costs for any shared services, between the electric membership
 49 corporation's electricity activities, the gas activities of its electric membership corporation
 50 gas affiliate, and the electric membership corporation's broadband services activities, in
 51 accordance with the applicable uniform system of accounts and generally accepted
 52 accounting principles that are applicable to electric membership corporations under either
 53 federal or state laws, rules, or regulations;

54 (3) Not charge any costs of the electric membership corporation's electric activities or
 55 any costs of the gas activities of its electric membership corporation gas affiliate to the
 56 broadband services customers of such electric membership corporation;

57 (4) Not charge any costs of the electric membership corporation's broadband services
 58 activities to the electric membership corporation's electricity activities or its electric
 59 membership corporation gas affiliate's activities; and

60 (5) Not, for the protection and privacy of customer information, release any proprietary
 61 customer information about any of such electric membership corporation's broadband
 62 services customers to its electricity division, affiliate, or subsidiary or its electric
 63 membership corporation gas affiliate without obtaining prior verifiable authorization
 64 from such customers."

65 SECTION 3.

66 Said title is further amended by revising Code Section 46-5-61, relating to declaration of
67 purpose related to the Rural Telephone Cooperative Act, as follows:

68 "46-5-61.

69 Cooperative nonprofit corporations may be organized under this part for the purpose of
70 furnishing telephone service in rural areas to the widest practicable number of users of such
71 service. In addition to furnishing telephone service, such cooperative nonprofit
72 corporations may also furnish broadband services directly or through an affiliate or a
73 subsidiary."

74 **SECTION 4.**

75 Said title is further amended in Code Section 46-5-63, relating to powers of cooperatives
76 generally, by adding a new paragraph to read as follows:

77 "(4.1) To furnish, improve, and expand broadband services. Such broadband services
78 may be furnished separately from telephone service or in conjunction with telephone
79 service and may be furnished in areas that are the same or in areas that are different from
80 those to which the cooperative furnishes telephone service; provided, however, that none
81 of the costs of providing broadband services shall be eligible for recovery from the
82 Universal Access Fund provided for in Code Section 46-5-167;"

83 **SECTION 5.**

84 This Act shall become effective upon its approval by the Governor or upon its becoming law
85 without such approval.

86 **SECTION 6.**

87 All laws and parts of laws in conflict with this Act are repealed.