

House Committee on Commerce

Minutes of Meeting

2024 Interim

March 7, 2024

I. CALL TO ORDER

Representative Daryl Andrew Deshotel, chair of the House Committee on Commerce, called the meeting to order at 10:03 a.m. in Room 3, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Daryl Andrew Deshotel, chair
Representative Kim Carver
Representative Paula P. Davis
Representative Jessica Domangue
Representative Kyle M. Green, Jr.
Representative Troy Jude Hebert
Representative Jacob Jules Landry
Representative Edmond Jordan
Representative Alonzo L. Knox
Representative Dixon Wallace McMakin
Representative Shaun Raphael Mena
Representative Candace N. Newell
Representative Neil Riser
Representative Vincent "Vinney" J. St. Blanc, III
Representative Polly Thomas, vice chair

MEMBERS ABSENT:

Representative Delisha Boyd
Representative Vincent E. Cox, III
Representative Stephanie Hilferty
Representative Danny McCormick

STAFF MEMBERS PRESENT:

Victoria Kelley, attorney
Kathryn Vigrass, legislative analyst
Sharell Steven, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Rebecca Marshall, sergeant at arms
Representative Michael T. Johnson, ex officio

III. BUSINESS

Representative Deshotel explained the reasons and goals of the committee meeting and provided handouts, Exhibit A and B, which are included in the committee records. He also provided background information on Granting Unserved Municipalities Broadband Opportunities (GUMBO) and the distribution of federal funds.

Representative Riser asked if Rural Digital Opportunity Fund (RDOF) was correlated to Connect America 2. Representative Deshotel explained the difference between the two programs.

Representative Newell asked for clarity on the federal funds received. Representative Deshotel explained the distribution of the funds. Representative Newell asked if the parishes that have already received funds are able to participate. Representative Deshotel and Representative Newell discussed information about the previous year regarding broadband.

Representative Knox asked about the method used to collect the information provided in the handouts. Representative Deshotel provided information on how the dollar amounts were established.

Representative M. Johnson inquired about the time line of the projects. Representative Deshotel provided information.

1. Discussion on the status of the Rural Digital Opportunity Fund (RDOF) and the implementation of the GUMBO 2.0 grant program.

Veneeth Iyengar, Office of Broadband, 1201 N. 3rd St., Baton Rouge, LA 70802, spoke for information only. He provided information on broadband.

Representative Domangue asked for clarity on the resilience and hardening regarding construction. Mr. Iyengar provided information and the importance of each.

Representative M. Johnson asked if there are policies in place to ensure the federal funded locations have the same urgency as the state funded locations regarding completion. Mr. Iyengar provided information and explained the application requirements for the GUMBO 2.0 program regarding funding. Representative M. Johnson and Mr. Iyengar discussed providers defaulting on projects. Representative M. Johnson asked if the office has the tools needed to ensure applicants abide by the contract agreement. Mr. Iyengar provided information. Representative M. Johnson inquired about

the challenges and defaults in Rapides Parish. Mr. Iyengar provided information. Representative M. Johnson and Mr. Iyengar discussed the issues of delays in process.

Representative Deshotel discussed the RDOF program.

Representative J. Landry inquired about the inclusion of non-federal funded locations with GUMBO 2.0. Mr. Iyengar provided information.

Representative Knox asked if there is a constituency plan for companies that are defaulting. Mr. Iyengar explained the process currently in place. Representative Knox asked if there are enough providers in place for backup when a provider defaults. Mr. Iyengar discussed the local and small providers. Representative Knox inquired if a list of households eligible for service is public information. Mr. Iyengar provided information.

Representative Newell inquired about the process of providers being tracked after going into default regarding the prevention of applying for other funds. Mr. Iyengar provided information on the process of GUMBO 1.0 and 2.0. Representative Newell inquired about the length of time the funds will be available. Mr. Iyengar explained the dates and time line. Representative Newell inquired about the challenges in more populated areas. Mr. Iyengar explained the difference between rural areas and more populated areas and explained that the providers would have that information.

Representative McMakin inquired about the impact of GUMBO 1.0 in East Baton Rouge. Mr. Iyengar explained the process of GUMBO 1.0 and East Baton Rouge parish.

Representative Carver asked if there are metrics data available that shows the comparison of other states. Mr. Iyengar provided information.

Jim Campbell, Altice/Optimum, 5830 Granite Pkwy., Plano, TX 75024, spoke for information only. He provided information on his agency and updates on their progress.

Representative M. Johnson inquired if Altice and Optimum were the same company and if they are a provider for central Louisiana. Mr. Campbell provided information. Representative M. Johnson asked to explain the challenges made regarding unserved locations. Mr. Campbell provided information.

Representative M. Johnson asked if they are working in Rapides parish.

Johnny Moyer, Altice/Optimum, 5830 Granite Pkwy., Plano, TX 75024, spoke for information only and answered Representative M. Johnson's question about Altice working in Rapides parish. Representative M. Johnson asked to explain the reason for upgrading of Data Over Cable Service Interface Specification (DOCSIS) 3.0 to 3.1. Mr. Campbell provided information. Representative M. Johnson inquired about five projects being returned. Mr. Campbell provided information on the five projects that were won in the RDOF reverse auction. Mr. Campbell and Representative M.

Johnson continued to discuss the projects and the reason for them being returned. Representative M. Johnson inquired about the amount of challenges filed and if Mr. Campbell's company applied for those projects. Mr. Campbell provided information. Representative M. Johnson asked to explain the goal in servicing Rapides parish. Mr. Campbell and Representative M. Johnson continued to discuss the service provided in Rapides parish.

Representative Deshotel inquired about the amount of homes that have fiber installed. Mr. Campbell provided information. Representative Deshotel asked about the amount of coax being used. Mr. Campbell provided information. Representative Deshotel and Mr. Campbell continued to discuss coax and fiber networks. Representative Deshotel asked about the plans for future bidding. Mr. Campbell provided information.

Rob Rieger, Gauthier Inc., 450 Laurel St., 19th Fl., Baton Rouge, LA 70801, spoke for information only. He provided information and the progress of Reach 4 Connections and Allen's Communications.

Representative Newell asked if Reach 4 Connections and Allens Communication have been approached by larger companies to contract a partnership in order to have better production. Mr. Rieger provided information.

Ed Serna, Charter Communications, 2001 Congress Ave. Ste. 400, Austin, TX 78701, spoke for information only and provided updates on Charter Communications and RDOF.

Representative Newell asked if Charter Communications has considered contracting with smaller/local companies to help with providing services. Mr. Serna explained that they are exploring all avenues.

Jason Hunt, Cable South/Swyft Fiber, 1615 Poydras St., New Orleans, LA 70112, spoke for information only and provided an update and the progress of RDOF and GUMBO.

Representative Deshotel asked when was the first RDOF payment received. Mr. Hunt provided information. Representative Deshotel and Mr. Hunt discussed the distribution of the funds received. Representative Deshotel asked for Mr. Hunt's thoughts on the new GUMBO 2.0 rules and the continuation of hanging fiber and coax on poles. Mr. Hunt shared his thoughts.

Representative Jordan inquired about the amount of minority homes being served and requested a report be available to provide information on the digital divide. Mr. Hunt and Representative Jordan continued to have a discussion on reports being available.

Representative Thomas asked for clarification on the company's background. Mr. Hunt provided information.

Scott Stringer, Brightspeed, 400 W. 15th St., Austin, TX 78701, spoke for information only and provided an update and the progress of RDOF.

Representative Deshotel stated the agencies that were invited but were not able to attend. Representative Hebert asked if there would be an opportunity for the agencies to come before the committee. Representative Deshotel provided information.

Nicholas Tuccio, Nextlink Internet, 95 Parker Oaks Ln, Hudson Oaks, TX 76087, spoke for information only and provided an update and the progress of RDOF.

Representative Deshotel asked to clarify that NetLink Internet has not started RDOF. Mr. Tuccio confirmed and explained they are in the process of starting up. Mr. Tuccio and Representative discussed the plan to complete RDOF.

Witness cards submitted by individuals who did not speak are as follows: 1 for information only. Witness cards are included in the committee records.

IV. ANNOUNCEMENTS

There were no announcements.

V. ADJOURNMENT

The meeting was adjourned at 12:23 p.m.

Respectfully submitted,

Chair Daryl Andrew Deshotel
House Committee on Commerce

Date adopted: