

## **S.F. No. 3476 – Broadband service extension and easements (1<sup>st</sup> engrossment) – Civil Law & Data Practices Provisions Only**

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### **Summary**

#### **Section 1. [116J.3951] Broadband line extension program.**

**[subd. 1] Portal.** Requires the Department of Employment and Economic Development (“DEED”) to implement a portal for reports regarding the unavailability of broadband service at a physical address and any other necessary information.

**[subd. 2] Data sharing.** Requires DEED to send a list of addresses submitted via the portal and other necessary information by email to each broadband service provider. The broadband service provider may provide information to DEED about whether service is now available and DEED must report that back to the person who initially submitted the report via the portal.

#### **Section 3. [116J.399] Broadband easements.**

**[subd. 1] Definitions.** Defines “broadband infrastructure,” “broadband service,” and “provider.”

**[subd. 2] Use of existing easement for broadband services.** Permits a provider or provider’s affiliate to use the provider or affiliate’s existing or subsequently acquired easements to install broadband infrastructure and provide broadband service. Provides that the easement vests and runs with the land beginning six months after the first notice is provided, unless a court action challenging the use is filed.

**[subd. 3] Notice to property owner.** Requires the provider to send two written notices, at least two months apart, by first class mail to the last known address of the property owner on which the easement is located. If the property owner is an existing customer of the provider, the notice must be provided by a separate printed insertion in the property owner’s monthly invoice. Requires the provider to file copies of the notices with the county recorder.

**[subd. 4] Action for damages.** Provides that this subdivision exclusively governs a claim for compensation related to the use of a provider's existing easement to install broadband infrastructure and provide broadband service. Provides that a property owner must bring an action to recover damages within 6 months of receipt of a notice by serving a complaint and filing it with the district court in the county in which the easement is located. Requires the property owner to specify in the complaint whether the property owner challenges the right to use or seeks damages or both.

**[subd. 5] Deposit and hearing required.** If the complaint challenges the use, after the provider responds, the court must promptly hold a hearing. If the court denies the complaint, the provider may use the easement unless the complaint also seeks damages. If the complaint seeks damages, the provider may deposit an amount equal to estimated damages with the court administrator and may proceed to use the easement.

**[subd. 6] Calculation of damages; burden of proof.** Provides that the property owner has the burden to prove the existence and amount of any net reduction in the fair market value of the property; a court is prohibited from awarding consequential or special damages; and evidence of estimated revenue, profits, or income is inadmissible. Provides that the provider must pay the property owner's attorney fees if the final award of damages exceeds 140 percent of the provider's damages deposit.

**[subd. 7] No limits on existing easement.** Clarifies that this section does not limit a provider's existing easement rights.

**[subd. 8] Local governmental right-of-way management preserved.** Clarifies that the placement of broadband infrastructure is subject to local government permitting and right-of-way management authority. Requires the provider to notify a local government unit prior to placing broadband infrastructure in an easement that is in or adjacent to the local government unit's public right-of-way.

**Effective date.** Sections 1 and 2 are effective the day following final enactment.