POLICY

Rural Broadband: Taking a Broad-Scope Look at State Legislation

Broadband Internet access has been a focal point for legislators across the U.S. In 2017 sessions alone, many states have taken their own shot at crafting pro-access legislation.

BY EYRAGON EIDAM, JESSICA MULHOLLAND / AUGUST 6, 2017



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Lawmakers seem more aware than ever that the Internet is a key component to building healthy economies and educational systems. In rural areas, where access to certain utilities and Internet can be sparse, lawmakers at all levels of government have been making a concerted effort to expand access to oft-overlooked constituents.

At the federal level, four bills relating to widespread broadband have been introduced. Take the <u>Rural Broadband Deployment and Streamlining Act</u> introduced in the U.S. Senate by lawmakers from West Virginia and Nevada, which is meant to bolster the expansion of broadband infrastructure on federally owned land. If successful, the bill would also require a streamlined federal application process for expediting broadband deployment.

The most recent legislation was introduced on Aug. 1; the bipartisan Advancing Innovation and Reinvigorating Widespread Access to Viable Electromagnetic Spectrum (AIRWAVES) bill, was introduced by Sen. Cory Gardner, R-Colo., and Sen. Maggie Hassan, D-N.H. The legislation aims to drive down wireless costs by opening commercially licensed and unlicensed spectrum space, while hopefully bettering broadband access in rural areas.

In a similar spirit, the U.S. House's <u>Rural Reasonable and</u> <u>Comparable Wireless Access Act of 2017</u> would direct the Federal Communications Commission (FCC) to develop a national standard for "reasonably comparable" broadband services in rural and urban areas. Since the bill's introduction in mid-June, however, it has not progressed in the House.

Also in mid-June, Rep. Doug Collins, R-Ga., introduced legislation that would provide tax incentives for companies willing to build out rural broadband services. The so-called <u>Gigabit Opportunity</u>

<u>Act</u> would effectively allow companies to front load the expensing of investments in rural networks within applicable zones. FCC Chairman Ajit Pai lauded the bill, which has not progressed since its June 16introduction.

And in March, Sen. Orrin Hatch, R-Utah, Sen. Steve Daines, R-Mont., and Sen. Deb Fischer, R-Neb., introduced <u>legislation</u> that would streamline broadband permitting in existing highway rights-of-way for broadband infrastructure projects. Called the Highway Rights-of-Way Permitting Efficiency Act of 2017, the bill seeks to avoid duplicative federal permitting and regulations and other issues that cause project delays and cost-overruns.

"We need to reduce the rural and urban divide in digital connectivity," Daines said in a <u>press release</u>. "By eliminating unnecessary regulations we can more rapidly connect rural America and deploy broadband infrastructure."

While federal legislation intending to help blanket the nation with broadband is taking root, states across the country are taking matters in to their own hands — different takes on the same general idea stand at various stages of the legislative process.

Rural Broadband Legislation in the States Infogram

In mid-April, **Alabama** lawmakers passed <u>Senate Bill 253</u>, which amends the Alabama Renewal Act to provide nonrefundable, transferable income tax credits for private investment in broadband infrastructure. SB 253 would provide a 10-year property tax exemption for new qualified broadband telecommunications network facilities.

As of mid-July, **California**'s <u>Assembly Bill 1665</u> was put on hold at the request of the bill's author July 17. The bill would allocate \$330 million and extend the California Advanced Services Fund toward broadband deployment in low-income and rural areas by amending sections of the public utility code. There has been no activity on the bill since.

Colorado had broadband legislation signed into law in April. House Bill 1174 was signed by Gov. John Hickenlooper, allowing small rural counties to establish local improvement districts to "fund an advanced service improvement in an unserved area of the county under the same conditions that apply to the funding of a telecommunications service improvement through a local improvement district."

On Feb. 21, **Georgia** lawmakers introduced <u>Senate Bill 232</u> — a bill that would enact the Facilitating Internet Broadband Rural Expansion (FIBRE) Act, providing for broadband service planning, deployment and incentives. It also would create and administer the Georgia Gigabit Ready Community Site designation program by the Department of Economic Development, and include broadband services in the terms "cost of project" and "project" relative to the "OneGeorgia Authority Act." As of Aug. 4, the bill remains with the state's Regulated Industries and Utilities Commission.

Introduced on Feb. 10, **Illinois** SB 2072 — which aims to improve quality and service for rural broadband customers — was <u>passed</u> by the Illinois Senate Telecommunications and Information Technology in late March. The bill requires that current ISPs must provide quality and efficient service to lacking service areas. Before SB 2072 is voted on by the full Senate, bill sponsor Sen. Sam McCann is working with industry representatives to negotiate improvements to the legislation.

In mid-April, **Indiana**'s <u>House Bill 1626</u> was signed into law as an amendment to the state's existing telecommunications code. The amendment created a program where local government units could have their communities certified as "broadband ready," and outlines the process for coordinating with service providers. The legislation prohibits discrimination among of service providers with respect to adoption in the communities and the imposition of fees to further implement services.

On June 14, the **Maine** House passed <u>Legislative Document 1399</u>, which would create the nonprofit Maine Broadband Initiative. The goal of the non-profit would be to spur high-speed broadband in unserved and underserved parts of the state. The broadband initiative would replace the ConnectME Authority with the new Maine Broadband Initiative. On June 15, the Senate placed the bill on the Special Appropriations Table, which is tasked with determining how to fund the bill.

In late May, **Maryland** Gov. Larry Hogan signed the bipartisan <u>Senate Bill 717</u>, which establishes the Task Force on Rural Internet, Broadband, Wireless and Cellular Service as a means of studying and outlining recommendations to further the technology in underserved, rural areas.

On Feb. 7, **Michigan** state Rep. Donna Lasinski, D-Scio Township, introduced <u>House Bill 4162</u> — legislation that would amend the Michigan Public Improvements Act to allow townships to use special assessments to fund broadband and communications projects in areas that still need high-speed connectivity. Upon its introduction, the bill was referred to the Committee on Communications and Technology, where it remains as of Aug. 4.

Minnesota legislation that would modify and appropriate the border-to-border broadband grant program was introduced Feb. 15. Upon its first reading in the Senate, the bill, <u>SF 980</u>, was referred to the Jobs and Economic Growth Finance and Policy Committee, where it sits as of Aug. 4. However, a provision of <u>SF 1456</u>, which passed the Senate on May 1 and the House on May 16, includes depositing \$20 million into the border-to-border broadband grant program in fiscal 2018, and allocates \$250,000 in funding per year for the state's Broadband Development Office.

Mississippi Sen. Bryant Clark introduced a bill to the House in February. The bill, <u>House Bill 1650</u>, would have created a rural counties and municipalities cellular and broadband grant program, and authorized issuance of bonds for these purposes. On Feb. 15, it

was referred to the Ways and Means Committee, where it died on Feb. 22.

In less than four months, <u>House Bill 390</u> was introduced and subsequently passed in **Montana**. The bill revised school funding laws in an effort to help schools pay for broadband infrastructure. Though HB 390 is not an overarching broadband bill, it will still help to get broadband to parts of the population that are currently lacking. It is a continuation of the Montana School Broadband Project that was jointly launched in 2015 in an effort to upgrade Internet access in every public school classroom in America.

The goal of **New Hampshire** House Bill 238 is to establish a committee to study broadband access, one of the first steps in working toward bringing access to rural residents. The bill was introduced in New Hampshire in December 2016, but it didn't pass the House until February 2017 and then passed the Senate on April 27.

In early April, **New Mexico** Gov. Susana Martinez approved <u>Senate</u> <u>Bill 308</u>to establish a mechanism to promote rural broadband service. Under the terms of the law, the state amended a section of its Rural Telecommunications Act to establish a broadband program. The program is overseen by the Public Regulation Commission.

New York's <u>Assembly Bill 4869</u> aims to create a tax credit for providers willing to deploy broadband services to rural or underserved homes and businesses. The bill, aptly named the Credit for Rural Broadband Act of 2017, was both introduced and referred to the Senate Governmental Operations Committee Feb. 3, and has not showed any signs of moving forward.

On April 21, the **North Carolina** House passed <u>House Bill 68</u> to the Senate, where it subsequently referred the bill to its Committee on Rules and Operations. Called the BRIGHT Futures Act, the legislation stands for Broadband, Retail, Internet of Things, Grid Power, Healthcare and Training. Its main goal is expanding access

to high-speed, broadband Internet in rural areas of the state where it's often too expensive for private service providers to extend their lines.

Earlier this year, in April, **Tennessee** lawmakers passed the Broadband Accessibility Act of 2017, which was supported by Gov. Bill Haslam. The measure, like others in the broadband space, set the stage for nonprofit co-ops to begin providing broadband services with the carrot of \$45 million in grants and tax credits over three years. Despite support for the bill, one change made in the Legislature was in regard to minimum Internet speeds, which they lowered from 25 megabits per second to 10 megabits per second. The bill was signed by Haslam in May.

Toward the end of January, lawmakers

in **Washington** introduced <u>House Bill 1702</u>, which would allow for port districts to provide telecommunications services. Upon its first reading, the bill was referred to the Committee on Technology and Economic Development, which held a public hearing on Feb. 7. HB 1702 has been reintroduced three times since, seeing no forward movement.

In **West Virginia**, <u>House Bill 3093</u> was passed by the House in 10 days, and then by the Senate on April 7. Gov. Jim Justice signed the bill into law on April 26, and it went into effect on July 7. Among other things, the bill establishes statewide broadband enhancement and expansion policies to encourage high-speed Internet development across the state — and the bill's sponsor <u>told a local news outlet</u> that it will give rural communities greater ability to establish non-profit cooperative associations to promote broadband development.

On April 4 in **Wisconsin**, a bill introduced in February as part of the Rural Wisconsin Initiative — <u>Assembly Bill 123</u> — unanimously passed the Assembly. The bill allocates \$23 million for broadband expansion. Of that, \$7.5 million will go to fund the Technology for Educational Achievement Program, which subsidizes much of the

cost to deliver telecommunications access to schools, libraries and other educational institutions. Since being referred to the Senate, the bill has been through the committee on Senate Organization, a fiscal estimate has been received, and it was referred again to the committee on Senate Organization on June 9, where it sits as of Aug. 6, 2017.

Editor's note: This story was updated at 1:40 p.m. on Aug. 7 to include a second bill in Minnesota that allocates funding for broadband in the state.

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