

**Senate Bill 175**

**Internet Access Authority /**

**Broadband Task Force**

**SENATE BILL NO. 175**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY SENATOR PASKVAN

Introduced: 4/1/09

Referred: Labor and Commerce, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1    **"An Act establishing the Alaska Internet Access Authority and the Alaska Broadband**  
2    **Task Force; and providing for an effective date."**

3    **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4       \* **Section 1.** The uncoded law of the State of Alaska is amended by adding a new section  
5    to read:

6           LEGISLATIVE FINDINGS AND PURPOSE. (a) The legislature finds that

7                   (1) many communities in the state have limited access to the Internet;

8                   (2) although the state is connected to the rest of the world through several  
9    fiber optic cables, many areas within the state are unable to take advantage of the speed and  
10   capacity the fiber optic cables offer;

11                  (3) removing barriers to broadband deployment by using a technology-neutral  
12   approach will encourage lower prices for broadband service and offer more choices to  
13   consumers;

14                  (4)     the    deployment   of   broadband   networking   and   advanced

1 telecommunications services throughout the state are essential for the state to keep pace with  
 2 global changes in economic diversification, education, health care, energy and environmental  
 3 technology, and public safety;

4 (5) state action is necessary to support investment in and development of  
 5 accessible broadband networks in the state.

6 (b) The purpose of sec. 4 of this Act is to establish the Alaska Broadband Task Force  
 7 to

8 (1) identify barriers to broadband access and recommend options for removing  
 9 those barriers;

10 (2) identify opportunities for increased broadband deployment and access by  
 11 users in the state;

12 (3) recommend the means for the creation and deployment of new and  
 13 advanced communications options in the state.

14 \* **Sec. 2.** AS 44.33 is amended by adding new sections to read:

15 **Article 6B. Alaska Internet Access Authority.**

16 **Sec. 44.33.440. Alaska Internet Access Authority established.** (a) The  
 17 Alaska Internet Access Authority is established in the Department of Commerce,  
 18 Community, and Economic Development to undertake, manage, oversee, promote,  
 19 and monitor efforts to provide affordable, reliable high-speed broadband Internet  
 20 service throughout the state.

21 (b) The authority shall be governed by a board of directors composed of nine  
 22 members consisting of

23 (1) six members appointed by the governor; the governor shall  
 24 consider persons who represent unserved or underserved areas, regional development  
 25 entities, the telecommunications industries, and consumer advocate groups;

26 (2) the commissioner of commerce, community, and economic  
 27 development or the commissioner's designee;

28 (3) the commissioner of administration or the commissioner's  
 29 designee; and

30 (4) the chair of the Regulatory Commission of Alaska or the chair's  
 31 designee.

1 (c) The members shall select a chair from among the members appointed by  
2 the governor.

3 (d) Members of the board serve three-year terms and may serve not more than  
4 two consecutive terms. If a vacancy of a member appointed under (b)(1) of this section  
5 occurs, the governor shall appoint a member to serve the remainder of the unexpired  
6 term. Members of the board appointed by the governor serve at the pleasure of the  
7 governor.

8 (e) Members of the board appointed under (b)(1) of this section do not receive  
9 compensation but are entitled to per diem and travel expenses authorized for boards  
10 and commissions under AS 39.20.180.

11 (f) The board may hire an executive director, and the executive director may  
12 hire staff as considered necessary by the board to carry out the purposes of the  
13 authority.

14 (g) Members of the board shall disclose to the board any conflict of interest in  
15 a timely manner. A member may deliberate on an issue for which a conflict exists but  
16 may not vote on that issue. A member, officer, or employee of the authority who has a  
17 direct or indirect interest in a firm or corporation, not including units of local  
18 government, may not participate in authorizing a contract between the authority and  
19 that firm or corporation.

20 **Sec. 44.33.442. Powers, duties, and goals of the authority.** (a) The Alaska  
21 Internet Access Authority may

22 (1) employ, contract with, direct, and supervise all personnel and  
23 consultants;

24 (2) apply for, accept, and use grants, contributions, and appropriations  
25 to carry out the goals and duties described in this section;

26 (3) enter into contracts and provide support and assistance to local  
27 governments, nonprofit entities, for-profit entities, regional partnerships, universities,  
28 and business and technology centers to carry out the goals and duties described in this  
29 section;

30 (4) review and recommend changes in laws, rules, programs, and  
31 policies of the state or an agency or subdivision of the state to further the goals of

1 access to the Internet in unserved or underserved areas.

2 (b) The authority shall

3 (1) develop and recommend to the governor and the legislature a plan  
4 to provide high-speed broadband Internet access to areas without service and update  
5 the plan every two years;

6 (2) coordinate activities, conduct and sponsor research, and  
7 recommend and advocate actions, including regulatory and legislative actions, to  
8 achieve its goals and objectives;

9 (3) consult and collaborate with the Center for Information  
10 Technology established under AS 14.40.095 and the chief information technology  
11 officer of the University of Alaska;

12 (4) attract and coordinate funding of federal, foundation, and corporate  
13 money for regional and statewide technology initiatives and assist local governments  
14 and Native village councils in obtaining grants and other funding to enhance the  
15 technology infrastructure;

16 (5) propose funding for incentives for the private sector to make  
17 necessary investments to achieve the authority's goals and objectives;

18 (6) provide leadership, coordination, and support for technology-based  
19 economic development and energy conservation and efficiency projects;

20 (7) promote collaborative technology projects, programs, and activities  
21 to develop technology-based economic development initiatives that use high-speed  
22 broadband Internet as a platform;

23 (8) encourage research on and development of replicable and scalable  
24 Internet applications in government, health care, education, and business to assist the  
25 communities of the state to remain competitive with respect to knowledge and use of  
26 the Internet;

27 (9) develop an Internet cost equalization program and set targets and  
28 milestones to achieve its full implementation;

29 (10) develop a website to provide accurate, current, and complete  
30 information to citizens of the state about the availability of present  
31 telecommunications and Internet services with periodic updates on the future

1 deployment of new telecommunications and Internet services and to provide  
2 information on digital literacy programs; and

3 (11) develop a plan for a model telework center to be established in the  
4 state, that would provide state employees a central location for work with Internet  
5 access that is separate from and more convenient than a state office building.

6 (c) The goals and objectives of the authority are as follows:

7 (1) work toward having local dial-up Internet access available from  
8 every telephone exchange within one year after the effective date of this Act; and

9 (2) work toward making high-speed Internet access available to every  
10 citizen of the state, at a similar price for citizens in rural areas and in urban areas,  
11 within five years after the effective date of this Act.

12 (d) The authority does not have the power of eminent domain or the power to  
13 levy any tax or impose any charge, surcharge, or fee on telephone or  
14 telecommunications services.

15 (e) For the first five years after the effective date of this Act, by July 1 and  
16 December 31 of each year, the authority shall make a semi-annual state of the network  
17 report to the governor and the legislature, summarizing the authority's activities during  
18 the previous six months. After five years, the authority shall make a state of the  
19 network report annually by July 1 and summarize the authority's activities during the  
20 previous year. The governor, the legislature, and the board may request specific  
21 information or ask that specific questions be answered in the report.

22 \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to  
23 read:

24 **TRANSITION.** The Alaska Internet Access Authority shall

25 (1) deliver the first of the plans described in AS 44.33.442(b)(1), added by  
26 sec. 2 of this Act, to the governor and the legislature not later than March 1, 2010;

27 (2) develop the website described in AS 44.33.442(b)(10), added by sec. 2 of  
28 this Act, not later than January 1, 2010;

29 (3) submit the plan described in AS 44.33.442(b)(11), added by sec. 2 of this  
30 Act, to the legislature not later than July 1, 2010.

31 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 ALASKA BROADBAND TASK FORCE. (a) There is established in the legislative  
3 branch of state government the Alaska Broadband Task Force. The task force consists of 13  
4 members appointed as follows:

5 (1) the president of the senate and the speaker of the house of representatives  
6 shall each appoint one member of the majority organizational caucus and one member of the  
7 minority organizational caucus from their respective bodies; if there is no minority  
8 organizational caucus in a house, the presiding officer of that house shall appoint two  
9 members from the majority organizational caucus of that house;

10 (2) four members shall be representatives of federal, state, and municipal  
11 agencies responsible for information technology, economic development, infrastructure  
12 development, and public utility regulation and appointed jointly by the president of the senate  
13 and the speaker of the house of representatives;

14 (3) five members shall be representatives of technology, telecommunications,  
15 and investment businesses doing business in the state and appointed jointly by the president of  
16 the senate and the speaker of the house of representatives.

17 (b) The task force established under (a) of this section

18 (1) may begin work immediately after a majority of the membership is  
19 appointed;

20 (2) shall

21 (A) determine the current level of broadband access in the urban and  
22 rural areas of the state;

23 (B) determine an acceptable level of broadband service throughout the  
24 state;

25 (C) determine the means for increasing the level of service, including  
26 regulatory changes and investment incentives for areas that are below the acceptable  
27 level determined in (B) of this paragraph;

28 (D) explore the potential for increased use of broadband service for the  
29 purposes of education and health care delivery and other private and governmental  
30 uses;

31 (E) solicit suggestions from persons engaged in the development of

1 broadband infrastructure and operation of broadband services for expanding the  
2 availability of broadband service in the state;

3 (F) study all means for delivering broadband service;

4 (G) establish best practices to establish and maintain a database that  
5 lists current broadband service providers and where each operates, projects that are  
6 currently being developed, and projects that are in the planning and predevelopment  
7 stage;

8 (H) explore ways for encouraging state and municipal agencies to  
9 expand the development and use of broadband services, including audio and video  
10 streaming, voice-over Internet protocol, teleconferencing, and wireless networking;

11 (I) submit a report of the initial findings and recommendations for  
12 expanding access to broadband services throughout the state to the president of the  
13 senate, the speaker of the house of representatives, and the Alaska Internet Access  
14 Authority before December 31, 2009;

15 (J) submit a final report of findings and recommendations for  
16 expanding access to broadband services throughout the state to the president of the  
17 senate, the speaker of the house of representatives, and the Alaska Internet Access  
18 Authority before February 1, 2010;

19 (K) terminate on March 1, 2010.

20 (c) Members of the task force shall select a chair and vice-chair. Administrative  
21 support for the task force shall be provided by legislative staff designated jointly by the  
22 president of the senate and the speaker of the house of representatives.

23 (d) A member of the task force who is not a legislator or a full-time employee of the  
24 state or a municipality is entitled to per diem and travel expenses authorized for boards and  
25 commissions under AS 39.20.180.

26 (e) A vacancy on the task force shall be filled in the same manner as the original  
27 appointment under (a)(1) - (3) of this section.

28 \* **Sec. 5.** This Act takes effect July 1, 2009.



# FISCAL NOTE

**STATE OF ALASKA**  
**2010 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: SB 175  
 () Publish Date: \_\_\_\_\_

Identifier (file name): SB175-DOA-ETS-01-29-10 Dept. Affected: DOA  
 Title Act establishing the Alaska Internet Access Authority and the RDU ETS  
Alaska Broadband Task Force Component Enterprise Tech Services  
 Sponsor Sen. Paskvan  
 Requester Sen (L & C) Component Number 2082

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>OPERATING EXPENDITURES</b>							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES ( )</b>							
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2010) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

This bill would require the Department of Administration Commissioner or designee to participate in a proposed Alaska Internet Authority and Alaska Broadband Task Force. No fiscal impact is anticipated, therefore the agency submits a zero fiscal note.

Prepared by: James Kohler, Deputy Director  
 Division Enterprise Technology Services  
 Approved by: Rachael Petro, Deputy Commissioner  
Department of Administration

Phone (907) 723-9686  
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