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Nationwide Broadband Report:

LEGISLATION & STATE INCENTIVES



Connect-Arkansas

Our Path to the Future

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Legislation & State Incentives: Quick Overview

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B. STATE BROADBAND TASK FORCE, COMMISSION, OR AUTHORITY

- | | |
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| 1984: | <u>Virginia</u> |
| 1988: | <u>Alaska Telecommunications Information Council (TIC)</u> |
| November 1997: | <u>Nebraska Information Technology Commission</u> |
| August 2000: | <u>The e-NC Authority</u> |
| March 2002: | <u>Michigan Broadband Development Authority (MBDA)</u> |
| May 2002: | <u>ConnectKentucky</u> |
| June 2003: | <u>Maryland Rural Broadband Task Force</u> |

- June 2005: [Louisiana](#)
[Oregon Telecommunications Coordinating Council](#)
[Connected Tennessee](#)
- October 2005: [Nebraska Broadband Services Task Force](#)
- March 2006: [OneGeorgia Authority](#)
- May 2006: [Massachusetts Broadband Initiative](#)
- June 2006: [Colorado Office of Innovation and Technology](#)
- September 2006: [Virginia Office of Telework Promotion and Broadband Assistance](#)
- November 2006: [California Broadband Task Force](#)
- February 2007: [South Carolina Technology Commission](#)
- March 2007: [Arkansas Broadband Advisory Council](#) & [Connect Arkansas](#)
- May 2007: [New Hampshire Telecommunications Planning and Development Advisory Committee](#)
- June 2007: [ConnectME Authority](#)
[South Carolina Broadband Technology and Communications Study Committee](#)
[Vermont Telecommunications Authority](#)
[Virginia Broadband Roundtable](#)
- July 2007: [Hawaii Broadband Task Force](#) (Considering turnkey Implementation by Connected Nation)
[Broadband Ohio](#)
- October 2007: [Illinois](#)
- November 2007: [Missouri Rural High-Speed Internet Access Task Force](#)
- December 2007: [New York State Council for Universal Broadband](#)
- March 2008: [Alabama Broadband Task Force](#)

C. OTHER REPORTS

Wisconsin State Legislative Report: [New Law Regarding Municipal Cable Television, Telecommunications, and Broadband Services](#), Wisconsin Legislative Council, 2004

Texas State Legislative Report: [Expanding Broadband Access in Underserved Areas](#), Texas House Research Organization, June 2004

Connecticut State Legislative Report: [Broadband Over Power Lines](#), Connecticut Office of Legislative Research, Feb. 2005

Connecticut State Legislative Report: [Promoting High-Speed Internet Access](#), Connecticut Office of Legislative Research, August 2007

D. FULLY IMPLEMENTED STATEWIDE INITIATIVES

E. OTHER BROADBAND INITIATIVES (LIMITED STATEWIDE COORDINATION)

F. REFERENCES

Legislation & State Incentives

A. LEGISLATION

1. Assessment

Kentucky [KY S.B. 74 Act 37 Approved - 03/21/2007](#) Requires tracking of broadband deployment. Encourages broadband deployment by enabling the creation of public-private partnerships. Requires that public notice be given and public funds be available before contracts or grants may be awarded. Assessment/Public-Private Partnership (updated November 2007)

Michigan [MCLS § 125.1432](#) Directs the State Housing Development Authority to conduct an annual review of all loans, financial instruments that require repayment, or lines of credit with the Michigan Broadband Development Authority that analyzes of the number of authority-assisted or -financed developments and homes purchasing high-speed internet connections at substantially reduced rates as a direct result of loans from the Michigan Broadband Development Authority. Assessment (updated November 2007)

Nevada [NV A.B. 518 Chapter 216 Approved - 05/31/2007](#) Repeals the plan of alternative regulation (PAR) regulatory scheme and classifies all telecommunications suppliers as competitive providers. Requires that each competitive supplier that is an incumbent local exchange carrier prepare and submit a report that includes the number of competitors in the local markets within the service territory for various telecommunications services, including broadband, and the pricing for those services. Assessment/ Regulation (updated November 2007)

Oregon [Or. Rev. Stat. § 759.036](#) Requires the Public Utilities Commission to report on the availability of broadband services, the rates charged for broadband services, the demand for broadband services and the usage of broadband services. Assessment (updated November 2007)

Tennessee [Tenn. Code Ann. § 7-52-410](#) Requires the Tennessee Broadband Task Force to assess broadband deployment in Tennessee on an annual basis. Provides that the annual assessment include the numbers of digital subscriber lines, their location and use; and broadband deployment though cable systems. Mandates that telephone utilities and cable service providers submit the necessary information to the task force so that they can prepare the assessment. Assessment (updated November 2007)

Washington [2007 Wash. Laws, Chap. 522](#) Appropriates funding to the Utilities and Transportation Commission to conduct a survey that identifies factors preventing the widespread availability and use of broadband technologies. The survey must collect and interpret reliable geographic, demographic, cultural, and telecommunications technology information to identify broadband disparities in the state. Assessment (updated November 2007)

2. BPL

Arkansas [A.C.A. § 23-18-701 et seq.](#) Enables the deployment of broadband service over power lines. Provides for an electric utility or an affiliate to own or operate the broadband system. BPL (updated November 2007)

Nebraska [Neb. Rev. Stat. § 86-594](#) Prevents state agencies or political subdivisions other than a public power supplier from providing broadband services. Terminates this prohibition effective 12/31/2007. BPL (updated November 2007)

Texas [Tex. Utilities Code § 43.001 et seq.](#) Permits electric utilities to own and operate BPL systems or to allow a third-party entity to provide BPL services using its facilities. Provides that no additional easements or consideration are required prior to installation of a BPL system. BPL (updated November 2007)

3. Coordination & Leadership

Arkansas [A.C.A. § 4-113-101 et seq.](#) Defines broadband as internet access service provided at a rate not less than 384 kilobits per second in either direction. Creates and provides for the operation of Connect Arkansas. Tasks the nonprofit with promoting broadband adoption and deployment with the goal of universal broadband service by 2012. Creates the Broadband Advisory Council to monitor broadband initiatives in other states and advise the Governor and General Assembly on effective broadband policies. Establishes registration mechanism for service providers through Connect Arkansas so that unserved and underserved areas can be more effectively targeted. Definition/Coordination & Leadership (updated November 2007)

Colorado [Colo. Rev. Stat. § 24-37.5-105](#) Creates the Office of Innovation and Technology and charges the office to investigate and develop methods for maximizing broadband access throughout the state. Coordination & Leadership (updated November 2007)

Georgia [O.C.G.A. § 50-25-1 et seq.](#) Creates the South Georgia Regional Information Technology Authority to fund and oversee economic development projects in the region. These projects are defined to include broadband deployment and improvement. Coordination & Leadership (updated November 2007)

Hawaii [2007 Hawaii Sess. Laws Act #2](#) Establishes a Hawaii Broadband Task Force to remove barriers to broadband access. The Task Force is to gain wider access to public rights-of-way; identify opportunities for increased broadband deployment and adoption, including very high speed broadband services; and enable the creation and deployment of new advanced communication technologies in Hawaii. Coordination & Leadership (updated November 2007)

Illinois [Public Act 95-0684 \(2007\)](#) Provides for the enlistment of a non-profit organization by the Department of Commerce and Economic Opportunity to develop and implement a state-wide broadband deployment strategy and to bolster demand for high-speed internet services. Tasks the non-profit with establishing local county planning teams, assessing the current state of broadband deployment, and encouraging collaboration between private providers and state and local entities. Creates the High Speed Internet Services and Information Technology Fund to be used for grants to the non-profit. Allows municipalities and counties to build broadband infrastructure and provide services. Coordination & Leadership/ Government Ownership & Operation (updated November 2007)

Kentucky [Ky. Rev. Stat. § 147A.023](#) Tasks the Governor's Office for Local Development with tracking broadband deployment and adoption; reporting progress to the Legislative Research Commission; enabling public-private partnership; and serving as a general resource on broadband issues. Coordination & Leadership (updated November 2007)

Louisiana [La. Rev. Stat. Ann. § 3:333](#) Creates the Delta Development Initiative that includes funding for a business incubator program to provide high speed internet access to businesses in the impoverished region of northeast Louisiana. Coordination & Leadership (updated November 2007)

Louisiana [La. Rev. Stat. Ann. § 51:955.1-4](#) Creates the Louisiana Broadband Advisory Council and tasks the council with providing strategic guidance for broadband deployment. Coordination & Leadership (updated November 2007)

Maine [Me. Rev. Stat. Ann. tit. 35-A, § 9201 et seq.](#) Creates the ConnectME Authority to stimulate investment in broadband infrastructure in unserved or underserved areas. Coordination & Leadership/ Financing

Massachusetts [ALM GL ch. 23A § 3](#) Creates a division of wireless and broadband development within the Massachusetts Office of Business Development (MODB). The director is responsible for creating a plan to ensure that services are deployed throughout the state. Coordination & Leadership (updated November 2007)

Massachusetts [ALM GL ch. 40J § 6B](#) Establishes a wireless and broadband development council to foster the development of wireless internet, cellular and broadband infrastructure. The council is tasked with promoting access to high speed internet connectivity and telecommunications across the commonwealth, with a special interest in enhancing and increasing wireless internet, cellular and broadband coverage in underserved communities; promoting economic development; meeting the commonwealth's homeland security and emergency preparedness needs; improving government efficiency; and enhancing residents' quality of life. Coordination & Leadership (updated November 2007)

Nebraska [Neb. Rev. Stat. § 86-599](#) Creates the Broadband Services Task Force and directs the agency to study competition among providers; the implications of provision by government entities and public power suppliers; regulation and taxation issues; the current deployment of broadband services throughout the state; and the feasibility of utilizing the public power infrastructure to provide broadband services throughout the state. Coordination & Leadership (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 12-A:45](#) Tasks the director of economic development with development of a telecommunications planning and development initiative to map the existing telecommunications infrastructure and market same as part of the state's economic development efforts. Charges the director with the identification of deployment shortcomings and coordination among service providers, educators, and municipal, county, state, and other government officials to enhance further deployment. Coordination & Leadership (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 12-A:46](#) Establishes a telecommunications planning and development advisory committee and specifies membership composition. Defines broadband as the transmission of information, with or without change in the form or content, at rates defined by the FCC as "broadband." Mandates that the committee assist the director by collecting and tracking information about broadband infrastructure; assessing the availability of and need for broadband infrastructure in unserved or underserved areas; securing funding sources for broadband deployment and education; identifying opportunities for coordination among providers, consumers, and state and local governmental entities; encouraging the use of broadband services through education and the removal of barriers to adoption. Coordination & Leadership (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 12-A:50](#) Requires the director of economic development to report biennially on the progress of the telecommunications planning and development initiative. Specifies that the report is to be submitted to the governor and the legislative leadership. Coordination & Leadership (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 12-A:59](#) Establishes the technology development and telecommunications planning function within the division of economic development. Tasks the division with: 1) Initiative coordination, maintenance of a telecommunications resource website, and liaising between the public and private sectors to make affordable broadband more accessible; 2) Facilitating collaboration between public and private research and development efforts; 3) Identifying and exploiting government and nonprofit resources to develop a state plan. Coordination & Leadership (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 12-M](#) Establishes the New Hampshire e-commerce advisory commission. Mandates composition of the commission. Tasks the commission with 1) studying the current use of e-commerce; 2) studying trends in the deployment of high-speed internet to residents and businesses; 3) identifying e-commerce issues to be addressed at the federal level; 4) assessing policy options to create incentives for technological innovation and high-speed internet deployment. Coordination & Leadership (updated November 2007)

New York [S.B. 2747](#) Chapter No. 295. Directs the Department of Economic Development to submit recommendations to hasten the most beneficial and economical expansion and deployment of broadband services for economic development in rural under-served areas (passed in 2006)

North Carolina [N.C. Gen. Stat. § 143B-437.47](#) Empowers the North Carolina Rural Internet Advisory Authority to employ personnel and consultants; apply for grants; enter into contracts; provide assistance to communities and other entities; and recommend changes in laws, rules, and regulations. Assigns the Authority the following duties:

- (1) Monitor and safeguard investments and contracts made.
- (2) Maintain a web site that provides information about available broadband internet services and digital literacy training.
- (3) Ensure that high-speed broadband remains available to all citizens at affordable prices.
- (4) Attract and coordinate funding for technology initiatives and assisting local governments to obtain grants to further enhance their technology infrastructure.
- (5) Provide leadership, coordination, and support for technology-based economic development and high-speed Internet access in rural counties and urban distressed areas. Coordination & Leadership (updated November 2007)

Oregon [Or. Rev. Stat. § 759.016](#) Declares the goal of promoting broadband access for all Oregonians by creating incentives for and removing barriers to the expansion of broadband service; planning with public and private sector participants at the state, regional and local levels; and removing barriers to public-private partnerships in areas where the private sector cannot justify investments. Coordination & Leadership (updated November 2007)

South Carolina [2007 S.C. Acts, Act #169](#) Creates the South Carolina Wireless Technology and Communications Commission to oversee implementation of a statewide wireless broadband network; specific duties include leveraging state-owned telecommunications infrastructure and coordinating government and private entities. Coordination & Leadership (updated November 2007)

Tennessee [Tenn. Code Ann. § 7-52-408](#) Creates the Tennessee Broadband Task Force and mandates that the task force be comprised of individuals representing various public and private stakeholders. Coordination & Leadership

Vermont [Vt. Stat. Ann. tit. 3A, § 30-7](#) Directs the Agency of Commerce and Community Development to play leadership role in the state's broadband deployment efforts. Coordination & Leadership (updated November 2007)

Vermont [Vt. Stat. Ann. tit. 22, § 901](#) Creates the Department of Information and Innovation to provide direction and oversight for all activities directly related to information technology, including managing GOVnet and K-12net, supporting the statewide development of broadband telecommunications infrastructure and services, and establishing equipment collocation arrangements with service providers. Coordination & Leadership (updated November 2007)

Vermont [Vt. Stat. Ann. tit. 30, § 8061 et seq.](#) Establishes the Vermont Telecommunications Authority and mandates the membership composition. Directs the Authority to assess and maintain an inventory of the availability of broadband service; to identify the types and locations of infrastructure and services needed to provide ubiquitous broadband by 2010; to coordinate and establish public-private partnerships; to support and facilitate local initiatives; to provide financial resources to public and private entities in the form of loans, grants, and other incentives funded through bonded capital and other resources. Empowers the authority to take the actions necessary to meet its goals. Coordination & Leadership (updated November 2007)

Vermont [Vt. Stat. Ann. tit. 30, § 8078](#) Establishes competitive process for the selection of service providers to develop telecommunications facilities in unserved areas of the state. Directs the Vermont Telecommunications Authority to consider 1) data transfer rates and other service characteristics; 2) the cost to consumers of infrastructure and on-going service; 3) whether the proposal would utilize the best available technology that is economically feasible; and 4) the cost-effectiveness of the proposal. Coordination & Leadership

Virginia [Va. Code Ann. § 2.2-225](#) Creates the position of Secretary of Technology to oversee all agencies and boards addressing technology issues. Tasks the Secretary with developing the Commonwealth's overall technology strategy and monitoring trends in the deployment of and access to broadband communications services. Coordination & Leadership

Virginia [Va. Code Ann. § 2.2-2221](#) Empowers the Innovative Technology Authority to undertake the activities required to fulfill its mission, including broadband expansion. The Authority may buy, sell, and manage property; manage projects, perform administrative functions; engage in funding activities; enter into contracts; and hire personnel and consultants. Coordination & Leadership (updated November 2007)

4. Definition

Alabama [Code of Ala. § 37-2A-2](#) Defines broadband as any internet access service that includes the capability to transmit upstream or downstream at a rate not less than 200 kilobits per second. Definition (updated November 2007)

Arkansas [A.C.A. § 4-113-101 et seq.](#) Defines broadband as internet access service provided at a rate not less than 384 kilobits per second in either direction. Creates and provides for the operation of Connect Arkansas. Tasks the nonprofit with promoting broadband adoption and deployment with the goal of universal broadband service by 2012. Creates the Broadband Advisory Council to monitor broadband initiatives in other states and advise the Governor and General Assembly on effective broadband policies. Establishes registration mechanism for service providers through Connect Arkansas so that unserved and underserved areas can be more effectively targeted. Definition/Coordination & Leadership (updated November 2007)

Georgia [O.C.G.A. § 46-5-221](#) Defines broadband as internet access service provided at a rate not less than 200 kilobits per second in either the upstream or downstream direction. Definition (updated November 2007)

Indiana [Ind. Code § 8-1-2.6-1.3](#) Defines broadband service as an internet connection that allows transmission at an average speed of at least one and one-half (1.5) megabits per second

downstream and at least three hundred eighty-four (384) kilobits per second upstream. Definition (updated November 2007)

Kansas [Kan. Stat. Ann. § 66-1,187](#) Defines broadband as the transmission of digital signals at rates equal to or greater than 1.5 megabits per second. Definition (updated November 2007)

Michigan [MCLS § 484.2102](#) Defines broadband service as a retail service capable of transmitting data at a rate greater than 200 kilobits per second. Definition (updated November 2007)

Mississippi [Miss. Code Ann. § 77-3-3](#) Defines broadband services as any internet access or computer application service with the ability to transmit at a rate not less than 200 kilobits per second either in the upstream or downstream direction. Definition (updated November 2007)

Montana [Mont. Code Ann. § 35-18-102](#) Defines broadband as transmission facilities capable of handling frequencies greater than those required for high-grade voice communication, higher than 4 kilohertz. Definition (updated November 2007)

Nebraska [Neb. Rev. Stat. § 86-593](#) Defines broadband services as high-speed broadband telecommunications capable of transmitting at a speed or bandwidth in excess of 200 kilobits per second and enabling users to originate and receive high-quality voice, data, and video telecommunications using any technology. Definition (updated November 2007)

North Carolina [N.C. Gen. Stat. § 62-3](#) Defines broadband as the ability to transmit at a rate of not less than 200 kilobits per second either upstream or downstream. Definition (updated November 2007)

North Carolina [N.C. Gen. Stat. § 143B-437.45](#) In conjunction with the e-NC Initiative, defines broadband as internet access with transmission speeds consistent with high-speed broadband Internet access requirements as defined periodically by the FCC. Definition (updated November 2007)

Oklahoma [Okl. St. Ann. tit. 17, § 139.102](#) Defines broadband as services and underlying facilities that provide upstream or downstream transmission to or from the Internet in excess of one hundred fifty (150) kilobits per second, regardless of the technology or medium used. Definition (updated November 2007)

Oregon [Or. Rev. Stat. § 285C.530](#) Defines advanced telecommunications facilities as broadband telecommunications infrastructure or equipment that enables users to send or receive high quality voice, data or video telecommunications using any technology. Definition (updated November 2007)

South Carolina [S.C. Code Ann. § 58-9-10](#) Defines broadband as means any service that is used to deliver video or to provide access to the Internet and that is capable of transmitting information at a rate that is generally not less than 190 kilobits per second in at least one direction; or any service that combines computer processing, information storage, and protocol conversion to enable users to access Internet content and services. Definition

South Dakota [S.D. Codified Laws Ann. § 49-31-1](#) Defines broadband network as a network extending the range of fully switched, addressable, robust transport services over the fiber network and increasing in multiples of OC-1 (51.84 Mbps), including OC-3 (155.52 Mbps) and OC-12 (622.08 Mbps). Definition

Tennessee [Tenn. Code Ann. § 65-5-202](#) Defines broadband service as service consisting of or including the capability to transmit at a rate that is not less than 200 kilobits per second (200 Kbps) either upstream or downstream.: Definition (updated November 2007)

Utah [Utah Code Ann. § 63-38f-2302](#) Defines broadband service as any wire line technology with the capacity to transmit data from and to a subscriber's computer to the Internet or Internet-related services at a minimum rate of data transmission of 256 kilobits per second. Definition (updated November 2007)

Vermont [Vt. Stat. Ann. tit. 30, § 8077](#) Directs the Vermont Telecommunications Authority to prioritize the expansion of broadband services deploying equipment capable of a data transmission rate of not less than 3 megabits per second and offer a service plan with a data transmission rate of not less than 1.5 megabits per second in at least one direction to unserved areas. Definition (updated November 2007)

Virginia [Va. Code Ann. § 56-1](#) Defines broadband as a transmission speed exceeding 200 kilobits per second in at least one direction. Definition (updated November 2007)

5. Equipment and Access

Florida [H.B. 765](#) Chapter No. 2006-137. Creates a program to offer discounted computers and Internet access to public school students and students in home education programs in grades five through 12 and requires the Digital Divide Council to implement a pilot project to assist low-income students (passed in 2006)

6. Financing

Arkansas [A.C.A. § 23-17-404](#) Establishes the Arkansas High Cost Fund to be used to extend and expand the availability of broadband services in rural or high-cost areas. Financing (updated November 2007)

California [S.B. 909](#) Authorizes the Public Utilities Commission to expend up to a specific amount of the unencumbered amount of funds for the non-recurring installation costs of high-speed broadband services for community organizations that are eligible for discounted rates as part of the teleconnect program (passed in 2006)

Idaho [S.B. 1498](#) Chapter No. 445. Creates the Rural Broadband Development Matching Fund and appropriates funds to the Department of Commerce and Labor for rural broadband investment plans (passed in 2006)

Indiana [Ind. Code § 4-4-10.9-11](#) Includes broadband development projects in the definition of industrial development projects eligible for financing from the Indiana finance authority. Financing (updated November 2007)

Indiana [Ind. Code § 8-1-33](#) Provides for government financing to broadband developments who build broadband infrastructure in underserved areas and to broadband operators who provide affordable service to Indiana residents through the Indiana Broadband Development Program. Financing (updated November 2007)

Kentucky [H.B. 550](#) Act No. 134. Creates the Broadband Deployment Account and requires that it shall be managed by the Infrastructure Authority; sets forth the purposes of the broadband deployment account; and requires the Infrastructure Authority establish an incentive program to assist in the provision of broadband deployment procedures (2006)

Kentucky [Ky. Rev. Stat. § 224A.1121](#) Establishes broadband deployment account to assist government and private sector entities to construct infrastructure for the deployment of broadband service to unserved areas. Financing (updated November 2007)

Louisiana [La. Rev. Stat. Ann. § 51:955:5](#) Establishes the Broadband Infrastructure and Information Technology Fund to expand broadband services in Louisiana. Financing (updated November 2007)

Maine [Me. Rev. Stat. Ann. tit. 35-A, § 9201 et seq.](#) Creates the ConnectME Authority to stimulate investment in broadband infrastructure in unserved or underserved areas. Coordination & Leadership/ Financing

Maryland [S.B. 753](#) Chapter No. 269. Establishes the Rural Broadband Coordination Office in the Department of Business and Economic Development; requires the Office to coordinate with specified entities for the establishment of rural broadband telecommunications services in rural and underserved areas; and establishes a Rural Broadband Assistance Fund as a special fund in the Office for specific purposes (passed in 2006)

Maryland [Md. Ann. Code art. 41 § 21-101 et seq.](#) Establishes the Maryland Rural Broadband Coordination Board and tasks board with assisting to deploy broadband infrastructure in rural and underserved areas. Financing (updated November 2007)

Maryland [Md. Ann. Code art. 83A § 5-1902](#) Creates Rural Broadband Assistance Fund to assist with the establishment of broadband communication services in rural and underserved areas. Financing (updated November 2007)

Maryland [Md. State Finance and Procurement Code § 2-207](#) Establishes the Rural Maryland Prosperity Investment Fund to raise the standard of living in rural areas of the state, in part through the enhancement of broadband deployment and services. Financing (updated November 2007)

Massachusetts [ALM GL ch. 40J § 6C](#) Establishes the Wireless and Broadband Development Fund to finance the activities of the wireless and broadband development council. Financing (updated November 2007)

Michigan [MCLS § 484.3201 et seq.](#) The Michigan Broadband Development Authority Act creates the Michigan Broadband Development Authority and allows the Authority to finance and partner with private sector entities with the goal of expanding broadband services. Financing (updated November 2007)

Nebraska [Neb. Rev. Stat. § 86-579](#) Creates the Nebraska Internet Enhancement Fund to provide financial assistance to install and deliver broadband or other advanced telecommunications infrastructure and service throughout the state. Financing (updated November 2007)

Nebraska [Neb. Rev. Stat. § 86-580](#) Directs the Public Service Commission to establish an application process for counties or municipalities to apply for financial assistance from the Nebraska Internet Enhancement Fund. The process shall allow the county or municipality to obtain a service provider for broadband or other advanced telecommunications services in an exchange or other area defined by the county or municipality where such telecommunications services are to be delivered at rates of service agreed upon between the service provider and county or municipality. Applicants must provide matching funds of at least 25 percent of the total projected cost. Financing (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 12-A:45-a](#) Establishes the telecommunications planning and development fund in the office of the state treasurer. Authorizes the commissioner of

resources and economic development to accept public sector and private sector grants, gifts, or donations to be used to enhance telecommunications capabilities in the state. Financing (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 38:38 et seq.](#) Allows municipalities to charge access tariffs for broadband services. Any tariffs collected are to be kept apart from other revenues in a broadband fund to be used only to defray the cost of building or maintaining broadband infrastructure. Financing (updated November 2007)

North Carolina [N.C. Gen. Stat. § 143B-437.28](#) Authorizes creation of the Long-Term Rural Development Fund. Allows the fund to be used to provide fiber optic or coaxial cable, towers, and other infrastructure items to accommodate high-speed Internet access. Financing (updated November 2007)

Ohio [Ohio Rev. Code Ann. § 122.01 et seq.](#) Creates the job ready site program to provide grants to pay for allowable costs for infrastructure improvements, including broadband installation. Financing (updated November 2007)

Ohio [Ohio Rev. Code Ann. § 122.951](#) Provides that if the director of development determines that a grant from the industrial site improvement fund may create new jobs or preserve existing jobs and employment opportunities in an eligible county, the director may grant up to \$500,000 for infrastructure improvements, including broadband installation. Financing (updated November 2007)

South Carolina [S.C. Code Ann. § 12-10-85](#) Provides that one use of the Rural Infrastructure Fund is to provide financial assistance to local governments for deploying infrastructure and improving public and private telecommunications systems. Financing (updated November 2007)

Vermont [H.B. 855](#) Act No. 172. Establishes a revolving loan fund to provide start-up and operating capital for broadband projects serving un-served or underserved areas (passed in 2006)

Virginia [H.B. 400](#) Chapter No. 251. Allows grants and loans for the purpose of installing, extending, or increasing the capacity of high speed or broadband Internet access to rural or underserved areas. Requires the Economic Development Partnership Authority to address ways of attracting companies that will provide broadband or high speed Internet access to rural and underserved areas (passed in 2006)

Virginia [Va. Code Ann. § 2.2-115](#) Creates the Governor's Development Opportunity Fund to attract economic development prospects and secure the expansion of existing industry. Funds may be used for public and private utility extension or capacity development on and off site, including public and private installation, extension, or capacity development of high-speed or broadband internet access. Financing (updated November 2007)

Virginia [Va. Code Ann. § 2.2-2233](#) Creates the Advanced Communications Assistance Fund, to be administered by the Innovative Technology Authority, to help underserved localities in the Commonwealth take full advantage of advanced communications services. Financing (updated November 2007)

Virginia [Va. Code Ann. § 56-575.1 et seq.](#) Encourages the use of public-private partnerships to build educational and infrastructure facilities. Specifies that the Public-Private Education Facilities and Infrastructure Act pertains to broadband deployment to schools, business and residential areas. Financing (updated November 2007)

Washington [Wash. Rev. Code § 82.14.370](#) Provides that sales and use taxes may be collected by rural counties to support the building and maintenance of telecommunications infrastructure. Financing (updated November 2007)

7. Government Ownership & Operation

Alabama [Code of Ala. § 11-50B-1 et seq.](#) Provides for ownership and/or operation of internet services by municipalities. Government Ownership & Operation (updated November 2007)

Colorado [Colo. Rev. Stat. § 29-27-103](#) Prevents local governments from providing telecommunications services except in limited circumstances. Government Ownership & Operation (updated November 2007)

Colorado [Colo. Rev. Stat. § 29-27-201](#) Requires a referendum before local government can provide telecommunications services. Government Ownership & Operation (updated November 2007)

Colorado [Colo. Rev. Stat. § 29-27-202](#) Allows local governments to provide service only if they request service from a provider and that provider does not respond within 60 days. Government Ownership & Operation (updated November 2007)

Florida [Fla. Stat. § 350.81](#) Allows a government entity to provide high-speed-internet-access-service only after two separate public hearings. Any government entity providing communications services may not price the service below cost. Government Ownership & Operation (updated November 2007)

Illinois [Public Act 95-0684 \(2007\)](#) Provides for the enlistment of a non-profit organization by the Department of Commerce and Economic Opportunity to develop and implement a state-wide broadband deployment strategy and to bolster demand for high-speed internet services. Tasks the non-profit with establishing local county planning teams, assessing the current state of broadband deployment, and encouraging collaboration between private providers and state and local entities. Creates the High Speed Internet Services and Information Technology Fund to be used for grants to the non-profit. Allows municipalities and counties to build broadband infrastructure and provide services. Coordination & Leadership/ Government Ownership & Operation (updated November 2007)

Louisiana [La. Rev. Stat. Ann. § 45:844.43 et seq.](#) Allows local governments to provide high-speed internet services only if a preliminary public hearing is held and if a required feasibility study is approved and demonstrates that the annual revenues will exceed the annual costs by at least enough to meet any bond obligations. Government Ownership & Operation (updated November 2007)

Michigan [MCLS § 125.1657](#) Allows the Downtown Development Authority to contract for broadband service and wireless technology service for the downtown districts of Michigan municipalities. Government Ownership & Operation (updated November 2007)

Michigan [MCLS § 484.3114](#) Provides that a public hearing must be held before a county or municipality can construct broadband facilities or provide them through another entity's facilities. Requires that a municipality prepare cost-benefit analysis and accounting records and prohibits undercharging or limiting right-of-way access to other service providers. Government Ownership & Operation (updated November 2007)

Montana [Mont. Code Ann. § 2-17-601 et seq.](#) Prohibits government entities from providing internet services except in limited circumstances, such as where no private provider is willing to provide service. Also strongly encourages government entities to publish their internet service

requirements and utilize the services of a private provider. Government Ownership & Operation (updated November 2007)

New Hampshire [H.B. 653](#) Chapter No. 225. Grants municipalities the ability to issue bonds for the development of broadband services (passed in 2006)

New Hampshire [N.H. Rev. Stat. Ann. § 33:3-g](#) Allows municipalities to issue bonds to be used for broadband infrastructure financing. Government Ownership & Operation (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 33:6-f](#) Excludes debt incurred by municipalities for broadband infrastructure from the debt limit imposed by the Municipal Finance Act. Government Ownership & Operation (updated November 2007)

New Jersey [N.J. Rev. Stat. § 40:9D-1 et seq.](#) Authorizes local units of government to construct, own, and operate broadband infrastructure to provide broadband telecommunications service via wireless community networks. Prohibits public and private entities from unreasonably withholding access to rights-of-way required to develop such infrastructure. Government Ownership & Operation/ Rights-of-Way (updated November 2007)

New Mexico [N. M. Stat. Ann. § 15-5-7](#) Allows the telecommunications bureau of the communications division of the general services department to provide telecommunications services, including broadband, only when necessary to facilitate state-mandated programs, such as distance education and telehealth. Government Ownership & Operation (updated November 2007)

North Carolina [N.C. Gen. Stat. § 117-30](#) Allows communities to form telephone membership corporations to provide any communication service, including broadband, if there is no service provider willing to do so. Prohibits membership corporations from competing with private service providers. Government Ownership & Operation (updated November 2007)

South Dakota [S.D. Codified Laws Ann. § 49-31-60](#) Communicates the legislature's intent to create the South Dakota's Public Communications Network Infrastructure comprised of narrowband, wideband, and broadband networks, and accessible by all citizens. Describes the advanced communication capabilities of the infrastructure and the intent that the communications services will be reasonably and affordably priced. Government Ownership & Operation (updated November 2007)

Utah [Utah Code Ann. § 10-18-201 et seq.](#) Allows municipalities to provide broadband services only after conducting a feasibility study and holding public hearings. A public referendum may also be called. Allows wholesale or municipal networks, as long as retail services are not sold. Prohibits the city from selling cable television, broadband, or telephone service to a homeowner. Allows interlocal cooperation entities to cross state borders Government Ownership & Operation (updated November 2007)

Virginia [Va. Code Ann. § 15.2-2160](#) Allows any locality operating an electric distribution system and providing telecommunications services as of March 1, 2002 to provide broadband services within 75 miles of the geographic boundaries of its electric distribution system as such system existed on March 1, 2002. Requires localities to provide nondiscriminatory, first-come, first-served access to for-profit providers to rights-of-way, poles, conduits or other permanent distribution facilities, unless the facilities have insufficient capacity for such access and additional capacity cannot reasonably be added to the facilities. Government Ownership & Operation (updated November 2007)

Wisconsin [Wis. Stat. § 66.0422](#) Prohibits government entities from providing internet services except where specific requirements are met or if the entity was providing the service as of 11/01/2003. Government Ownership & Operation (updated November 2007)

Wisconsin [Wis. Stat. § 196.204](#) Waives requirement that the total service long-run incremental cost used to determine pricing take into account taxes, pole rentals, rights-of-way, licenses, and similar costs when a government entity provides broadband services. Government Ownership & Operation (updated November 2007)

8. Network Neutrality

Maine [ME S.P. 580 Chapter 106 Approved - 06/21/2007](#) Protects network neutrality by requiring that broadband providers offer services on a nondiscriminatory basis; allow all content except that which they are authorized to restrict by law; and share user access information. Network Neutrality (updated November 2007)

New York [NY A.B. 4586](#) *To Assembly Committee on Corporations, Authorities and Commissions - 02/05/2007* Requires municipalities to facilitate the rapid deployment of broadband telecommunications facilities and infrastructure by granting access to rights-of-way, easements, and public places. Requires that municipality's broadband rules and regulations be neutrally competitive and nondiscriminatory. Rights-of-Way/ Network Neutrality (updated November 2007)

9. Passenger Rail Services

Illinois [Public Act 96-0009 \(2007\)](#) Creates the Broadband Access on Passenger Rail Act and requires a plan for ensuring high speed data transmission services on all passenger rail systems. Specifies that the plan address rights of way, infrastructure, the operation of the service, and funding sources. Passenger Rail Access (updated November 2007)

10. Public-Private Partnership

Kentucky [KY S.B. 74 Act 37 Approved - 03/21/2007](#) Requires tracking of broadband deployment. Encourages broadband deployment by enabling the creation of public-private partnerships. Requires that public notice be given and public funds be available before contracts or grants may be awarded. Assessment/Public-Private Partnership

New Jersey [NJ S.B. 2472](#) *To Senate Economic Growth Committee - 01/09/2007* Allows municipalities to provide broadband telecommunications infrastructure and service in partnership with private entities. Public-Private Partnership

11. Regulation

Alabama [Code of Ala. § 37-2A-4](#) Prohibits the Public Service Commission from exercising jurisdiction over any aspect of broadband service. Regulation (updated November 2007)

California [Cal. Pub Util Code § 709.7](#) Orders compliance with provision of broadband over telephone lines. Regulation (updated November 2007)

Colorado [Colo. Rev. Stat. § 29-27-101](#) Declares the intent to ensure consistent regulatory and policy framework for advanced telecommunications services, including broadband. Expresses concern about the regulation of advanced telecommunications services at the local government level. Regulation (updated November 2007)

Florida [Fla. Stat. § 364.013](#) Protects broadband services from local government regulation and specifically prohibits the regulation of Voice Over Internet Protocol. Regulation (updated November 2007)

Georgia [S.B. 120](#) Act No. 653. Enacts the Competitive Emerging Communications Technologies Act and provides that no state agency shall impose any requirement on broadband service, voice over the Internet protocol or wireless services (passed in 2006)

Georgia [O.C.G.A. § 46-5-222](#) Prohibits the Public Service Commission from exercising jurisdiction over broadband service. Regulation (updated November 2007)

Indiana [H.B. 1279](#) Public Law No. 27. Prohibits the Indiana Utility Regulatory Commission from exercising jurisdiction over advanced and broadband services (passed in 2006)

Indiana [Ind. Code § 8-1-2.6-1.1](#) Prohibits the Indiana Utilities Commission from exercising jurisdiction over broadband services. Regulation (updated November 2007)

Kentucky [Ky. Rev. Stat. § 278.5462](#) Requires that “the provision of broadband shall be market-based and not subject to state administrative regulation...with respect to...(a) the availability of facilities or equipment used to provide broadband services; or (b) the rates, terms or conditions for, or entry into, the provision of broadband service.” Regulation (updated November 2007)

Michigan [MCLS § 484.2401](#) Prohibits the Public Utility Commission from exerting regulatory authority over retail broadband services. Regulation (updated November 2007)

Minnesota [Minnesota Statutes 237.76 et seq.](#) Provides for alternative regulation for providers who commit to expanding broadband services over a period of not less than six years. Regulation (updated November 2007)

Nevada [Nev. Rev. Stat. Ann. § 704.684](#) Limits state regulation of broadband to determining rates charged by a public utility, addressing complaints, and collecting annual assessments. Regulation (updated November 2007)

New Hampshire [N.H. Rev. Stat. Ann. § 374:3-b](#) Provides for alternative regulation of small Incumbent Local Exchange Carriers if competitive wireline, wireless, or broadband service is available to a majority of the retail customers in each of the exchanges served by such small incumbent local exchange carrier. Limits basic local service rates to levels not exceeding the comparable rates charged by the largest incumbent local exchange carrier operating in the state and limits rate increases to no more than 10 percent in each of the four years after a plan is approved. Regulation (updated November 2007)

North Carolina [N.C. Gen. Stat. § 120-70.106](#) Directs the Revenue Laws Study Committee to review how revenue statutes effect broadband deployment. Requires the Committee to make its first report to the General Assembly in 2008 and every two years thereafter. Regulation (updated November 2007)

Oklahoma [Okl. St. Ann. tit. 17, § 139.110](#) Prohibits the Corporation Commission from imposing any regulation on providers of high speed internet access or broadband service. Regulation (updated November 2007)

Pennsylvania [66 Pa.C.S. § 3014](#) Provides alternative regulation for telecommunications carriers who commit to specific broadband deployment goals in underserved areas. Regulation (updated November 2007)

South Carolina [S.C. Code Ann. § 58-9-280](#) Eliminates regulation of broadband except when competition is insufficient to protect the public interest. Regulation (updated November 2007)

Tennessee [H.B. 3635](#) Chapter No. 681. Enacts the Broadband Business Certainty Act of 2006. Ensures that Tennessee provides an attractive environment for investment in broadband technology by establishing certainty regarding the regulatory treatment of the technology. Provides that the Tennessee Regulatory Authority shall not exercise jurisdiction of any type over or relating to broadband services regardless of the entity providing the service (passed in 2006)

Tennessee [Tenn. Code Ann. § 65-5-201 et seq.](#) Prohibits the exercise of jurisdiction by the Tennessee Regulatory Authority over broadband services, regardless of the entity providing the service. Provides that “broadband service” does not include intrastate service that was tariffed with the Tennessee Regulatory Authority and in effect as of 05/15/2006. Regulation (updated November 2007)

Vermont [Vt. Stat. Ann. tit. 30, § 517](#) Provides that a company subject to cable television line extension requirements may enter into agreements with government, nonprofit, or private entities, including but not limited to projects authorized or affiliated with the Vermont telecommunications authority, a municipality or fire district, or a regional aggregation and deployment project, to satisfy the requirement. Allows public service board to modify a company's line extension requirement if the company agrees to alternate activities including but not limited to the extension of broadband infrastructure facilities. Regulation (updated November 2007)

12. Repeal

Michigan [MI H.B. 5240](#) *To House Committee on New Economy and Quality of Life - 09/17/2007* Repeals the state broadband development authority act. Repeal (updated November 2007). In 2002, \$1.4M incentives were made available for access to low-income & rural areas.

13. Rights-of-Way

Maryland [Md. Transportation Code § 8-654](#) Prohibits rights-of-way charges to non-profits for installation of broadband infrastructure in rural and underserved areas. Rights-of-Way (updated November 2007)

Michigan [MCLS § 484.3101 et seq.](#) The Metropolitan Extension Telecommunication Right-of-Way Oversight Act (METRO) creates a telecommunications rights-of-way oversight authority to help standardize right-of-way access by evaluating and administering fees paid to municipalities. Service providers are required to include route maps indicating their location and other information in their application for a right-of-way permit. To fund the Authority, providers pay a one time \$500 administrative fee and are charged \$.05 per linear foot annually as a maintenance fee. Rights-of-Way (updated November 2007)

New Jersey [N.J. Rev. Stat. § 40:9D-1 et seq.](#) Authorizes local units of government to construct, own, and operate broadband infrastructure to provide broadband telecommunications service via wireless community networks. Prohibits public and private entities from unreasonably withholding access to rights-of-way required to develop such infrastructure. Government Ownership & Operation/ Rights-of-Way (updated November 2007)

Ohio [Ohio Rev. Code Ann. § 4939.02](#) States that it is public policy in Ohio to promote the availability of utility and communication services and to ensure that access to and occupancy or use of public ways advances state policies. Rights-of-Way (updated November 2007)

Vermont [Vt. Stat. Ann. tit. 19, § 26a](#) Provides that the Vermont Telecommunications Authority may waive the charge for access to state-owned rights-of-way for a broadband or wireless

provider if the provider offers broadband and wireless service availability at reasonable cost in furtherance of the state's goal of ubiquitous broadband. Rights-of-Way (updated November 2007)

14. Rural Access

Montana [Mont. Code Ann. § 35-18-105](#) Allows the organization of cooperative nonprofit membership corporations for the purpose of providing broadband services and the construction and operation of additional broadband services in rural areas. Rural Access (updated November 2007)

Texas [Texas PURA § 26.143](#) Addresses the need and the methods for telecommunications service providers to provide, when requested, rural telecommunications services at comparable costs and conditions to urban services. Rural Access (updated November 2007)

Utah [Utah Code Ann. § 63-38f-2301 et seq.](#) Creates the Rural Broadband Service Fund to provide grants to providers who are deploying broadband service in rural areas. Establishes requirements for grant applications and award selection. Prohibits the board from discriminating against any accepted technology when awarding the grants. Rural Access (updated November 2007)

15. Tax Incentives

Connecticut [Conn. Gen. Stat. § 12-412](#) Exempts sales tax on items used to provide telecommunications, high-speed data transmission or broad-band internet services Tax Incentives (updated November 2007)

Florida [Fla. Stat. § 212.08](#) Exempts development projects sponsored by non-profit or government "eligible sponsors" to increase access to high-speed broadband capability for rural communities with enterprise zones from sales tax. Tax Incentives (updated November 2007)

Florida [Fla. Stat. § 220.183](#) Provides income tax credits for any project designed to provide increased access to high-speed broadband capabilities which includes coverage of a rural enterprise zone. Tax Incentives (updated November 2007)

Georgia [O.C.G.A. § 48-7-29.11](#) Offers tax credit to both employees and employers who participate in telework programs. Effective 07/01/2007. Tax Incentives (updated November 2007)

Georgia [O.C.G.A. § 48-7-40.2 et. seq.](#) Offers telecommunications companies a state tax credit for existing telecommunications infrastructure. Tax credits are one percent, three percent, or five percent depending on location. Tax Incentives (updated November 2007)

Hawaii [Hawaii Rev. Stat. § 235-110.51](#) Offers tax credit to build or improve high-speed telecommunications. Tax Incentives (updated November 2007)

Idaho [Idaho Code § 63-3029I](#) Offers a nonrefundable income tax credit of 3 percent to service providers for a qualified investment in broadband equipment installed between 01/01/2001 and 12/31/2005. Tax Incentives (updated November 2007)

Mississippi [H.B. 1507](#) Chapter 487. Amends the income and franchise tax credit granted to telecommunications enterprises for the cost of equipment used in deployment of broadband technologies (passed in 2006)

Mississippi [Miss. Code Ann. § 27-65-101](#) Provides tax exemptions that vary according to the economic development needs of a given area for telecommunications equipment used in the

deployment of broadband after June 30, 2003 and before July 1, 2013. Tax Incentives (updated November 2007)

Mississippi [Miss. Code Ann. § 57-87-1 et seq.](#) Provides investment tax credits for investments made between 06/30/2003 and 07/01/2013, ranging from 5 percent to 15 percent over ten years; and sales tax exemptions, ranging from 50 percent to 100 percent, with the greater credits going to those companies investing in the least populous regions of the state. Allows the tax credit to be used for nine consecutive years after the year in which it is earned. Amends a section of the state code to allow the sale of equipment to telecommunications entities made during the eligible period and installed for use in broadband deployment be exempt from 1/2 of the state sales tax. Waives the sales tax for equipment to be used in the most rural areas. Tax Incentives (updated November 2007)

Missouri [77. § 135.535 R.S.Mo.](#) Provides tax credits for the high-speed telecommunications equipment expenses of companies relocating to economically distressed areas. Tax Incentives (updated November 2007)

Oregon [Or. Rev. Stat. § 315.507](#) Provides a tax credit for capital asset investment, including the installation of broadband infrastructure, by firms engaged in electronic commerce if they are located in approved or designated areas. Tax Incentives (updated November 2007)

Virginia [Va. Code Ann. § 58.1-400.1](#) Establishes a minimum tax for telecommunications providers in place of the corporate tax. Tax Incentives (updated November 2007)

Virginia [Va. Code Ann. § 58-1-3506](#) Creates separate classification for tangible personal property owned and used by certain providers of wireless broadband internet service for local taxation purposes. Tax Incentives

Wisconsin [Wis. Stat. § 71.07\(5e\) et seq.](#) Provides a tax credit for internet equipment capable of transmitting data packets or internet signals at speeds of at least 200 kilobits per second in either direction. Tax Incentives (updated November 2007)

16. Telephone Records

Rhode Island [S.B. 2972](#) Public Law No. 2006-241. Makes the selling and obtaining of telephone records without the subscriber's consent a criminal offense; provides for a civil cause of action for a violation; exempts law enforcement and emergency personnel; includes broadband PCS and voice over Internet telephone service; and requires reasonable procedures to prevent fraudulent disclosure of telephone records. (passed in 2006)

Wisconsin [A.B. 1014](#) Act No. 261. Provides for penalties for unlawfully obtaining, selling, or soliciting a telephone record that belongs to another person including by wire, cable, fiber optics, cellular, and broadband personal communications services (passed in 2006)

17. Universal Service

California [Cal. Pub Util Code § 883](#) Mandates that the Public Utility Commission investigate the inclusion of high-speed communication and internet services in universal services. Universal Service (updated November 2007)

B. STATE BROADBAND TASK FORCE, COMMISSION, OR AUTHORITY

- 1984:** [Virginia](#)
[Va. Code Ann. § 2.2-2221](#) Empowers the Innovative Technology Authority to undertake the activities required to fulfill its mission, including broadband expansion. The Authority may buy, sell, and manage property; manage projects, perform administrative functions; engage in funding activities; enter into contracts; and hire personnel and consultants. The Innovative Technology Authority works closely with the Center for Innovative Technology, who's mission is to "accelerate the socio-economic growth of Virginia's rural and underserved areas through the application and use of broadband telecommunications." Coordination & Leadership (most recent legislation as of November 2007)
- 1988:** [Alaska Telecommunications Information Council \(TIC\)](#)
Created in 1988, the Council develops information technology (IT) and telecommunications policy for the state. The TIC, which convenes quarterly, includes representatives from all state departments, the state court system, as well as the Governor and various others. The Council has produced several initiatives that have helped the state progress in the areas of telecommunications and IT such as the creation of a State Telecommunications and Information Technology Plan in 1996 (updates completed in 2002) and beginning the process of turning over the state network to the private sector.
- November 1997:** [Nebraska Information Technology Commission](#)
Created in November 1997 to study competition among providers; the implications of provision by government entities and public power suppliers; regulation and taxation issues; the current deployment of broadband services throughout the state; and the feasibility of utilizing the public power infrastructure to provide broadband services throughout the state. The Commission meets quarterly or more frequently as conditions demand. A final report of recommendations was published on November 2006.
- August 2000:** [The e-NC Authority](#)
The e-NC Authority is a hybrid organization that benefits from funding from and collaborating with: private entities; non-profits; national, state and local governments; telecommunications companies; small Internet service providers; software and equipment companies; foundations; universities and think-tanks. Since its founding, e-NC has launch a variety of programs including GIS-based mapping of broadband availability; community benchmarking regarding broadband; high-level research; and the deployment of seven regional, multi-purpose technology, business training, and public internet access centers. MCNC, a technology think-tank, helped fund the e-NC effort with \$30 million in profits that the formerly state-funded entity had derived from the sale of a technology spin-off company.
- March 2002:** [Michigan Broadband Development Authority \(MBDA\)](#)
The MBDA was created as an independent state government agency within the Department of Treasury by the state legislature on March 14, 2002 (Michigan Broadband Authority Act – Act No. 49 of Public Acts of 2002). The MBDA is composed of an eleven-member governing board that includes an equal number of members from both political parties. Capitalized by \$50 million from the sale of a 6%, 20 year zero-coupon bond from the Michigan State Housing Department Authority, the Broadband Authority is authorized to issue investment grade, taxable, and tax-exempt bonds in the form of low-cost loans to organizations in the public and private sectors willing to make investments in broadband networks

and services. These bonds are to be repaid from earnings on the operations of the broadband projects. The duties of the Authority also include continuously reevaluating all types of technologies to encourage the widest deployment of broadband and making broadband services available to schools and libraries. Eligibility for project financing is based on three factors: (1) feasibility of proposed project, (2) credit-worthiness of project and/or borrower and (3) access improvement – the extent to which project improves broadband access to underserved areas or improves use of and demand for the service. The following outlines the various loan programs available through the Authority: On September 2007, legislation was introduced to repeal the now defunct state broadband development authority act.

May 2002:

[ConnectKentucky](#) (Evolved into Connected Nation)

Launched by Governor Parron in May 2002, ConnectKentucky, Kentucky's technology-based economic development partnership, is an alliance of technology-minded businesses, government entities, and universities working together to accelerate technology in the Commonwealth. On January 2004, ConnectKentucky released the ConnectKentucky Initiative Progress report (a research, action plan, and progress report). ConnectKentucky supports statewide broadband infrastructure expansion, technology planning, and public policy.

June 2003:

[Maryland Rural Broadband Task Force](#)

The Maryland Task Force for the Deployment of Broadband in Rural Maryland as established during the 2003 General Assembly session, and in 2005, the General Assembly extended it through June 2006. The task force examined what works best in other regions of the country to expand broadband communications to rural communities. Next, the Task Force considered resources, infrastructure, and cost structures available in Maryland's rural regions to develop or access broadband communications. To establish and enhance broadband communications in the state's rural areas, the task force developed proposals and made recommendations to meet predetermined goals for deployment of effective broadband communications in unserved and underserved areas of the state. The task force recommended legislation, budget provisions or amendments, and changes in state procurement policy.

June 2005:

[Louisiana](#)

[La. Rev. Stat. Ann. § 51:955.1-4](#) Created the Louisiana Broadband Advisory Council in June 2005 and tasked the council with providing strategic guidance for broadband deployment. Coordination & Leadership. Concurrently, **Act 372** created the Broadband Infrastructure and Information Technology Fund in the state treasury, provides that the fund shall be administered by the Governor's Office of Rural Development and monies in the fund shall be made available for the purpose of carrying out the duties and goals of the Louisiana Broadband Advisory Council. Since Hurricane Katrina, the state has refocused its resources on the development of a robust broadband infrastructure that will facilitate more effective emergency management.

[Oregon Telecommunications Coordinating Council](#)

Declares the goal of promoting broadband access for all Oregonians by creating incentives for and removing barriers to the expansion of broadband service; planning with public and private sector participants at the state, regional and local levels; and removing barriers to public-private partnerships in areas where the private sector cannot justify investments. The legislation required that a report of

recommendations be released by February 2007. A [report](#) was released on January 2007.

[Connected Tennessee](#) (Turnkey Project by Connected Nation)

Tennessee 2005 H.B. 2152, Chapter 413, creating the Tennessee Broadband Task Force The Tennessee Broadband Task Force was created by the General Assembly in 2005. In its initial recommendations to the governor and the General Assembly, the task force cited the model established by Connected Nation in Kentucky and encouraged the initiation of similar efforts in Tennessee. In 2007, Connected Tennessee was established as an independent non-profit organization. Connected Tennessee aims to accelerate the availability and use of technology towards creating a better business environment, more effective community and economic development, improved healthcare, enhanced education, and more efficient government.

October 2005:

[Nebraska Broadband Services Task Force](#)

Established by the [2005 L.B. 645](#) in October 2005, the Nebraska Broadband Services Task Force discussed issues related to broadband services in Nebraska. The task force identified positive trends regarding broadband deployment, changing consumer demands, and evolving technologies that impact both wholesale and retail broadband services. The task force concluded that private broadband providers are successfully deploying facilities to serve Nebraska's needs and that competition by public power suppliers in providing wholesale broadband services is unnecessary at this time. However, future technological developments require the state's attention to ensure citizens have access to changing broadband offerings. The Broadband Services Task Force's [Final Report](#) was released Nov 22, 2006.

March 2006

[OneGeorgia Authority](#)

Provides grants for publicly owned infrastructure based on the number of rural counties receiving new or enhanced high speed broadband services. Governor Sonny Perdue and members of the OneGeorgia Authority board approved regulations for a new financing program that will bring high speed broadband connectivity to rural Georgia. Governor Perdue called for the OneGeorgia Authority to establish a grant program to support rural broadband access. The Broadband Rural Initiative to Develop Georgia's Economy (BRIDGE) fund will provide grants for publicly owned infrastructure based on the number of rural counties receiving new or enhanced high speed broadband services. The BRIDGE fund will grant \$200,000 for single county projects and \$400,000 for projects impacting two counties. Regional projects serving three or more counties will not have an award maximum.

May 2006

[Massachusetts Broadband Initiative](#)

In May 2006 the John Adams Innovation Institute, the economic development arm of the Massachusetts Technology Collaborative, developed a broadband initiative to support public-private partnerships to achieve fast, affordable and ubiquitous connectivity throughout Massachusetts. This initiative builds upon more than a decade of work, begun in 1997 with Berkshire Connect, in collaboration with regional broadband coalitions and the private sector. The broadband initiative seeks to organize and implement a wide range of regional and statewide opportunities. These efforts have affirmed that there is no "one-size fits all" approach.

June 2006:

[Colorado Office of Innovation and Technology](#)

[Colo. Rev. Stat. § 24-37.5-105](#) Creates the Office of Innovation and Technology

and charges the office to investigate and develop methods for maximizing broadband access throughout the state. Coordination & Leadership.

September 2006:

[Virginia Office of Telework Promotion and Broadband Assistance](#)

In 2006, Governor Kaine signed [Executive Order 35](#) creating the Office of Telework Promotion and Broadband Assistance. The duties of the office include promoting and encouraging use of telework alternatives for public and private employees, including but not limited to appropriate policy and legislative initiatives, and supporting the efforts of both public and private entities within the Commonwealth to enhance or facilitate the deployment of, and access to competitively priced, advanced broadband services, among others.

November 2006:

[California Broadband Task Force](#)

Governor Schwarzenegger in November 2006 signed an [executive order](#) to create a broadband task force that lets experts from government and business work together to identify and eliminate obstacles to making broadband internet access ubiquitous in the state. Within the Broadband Task Force are six working groups: Build-Out, Economic Development, Education, Emerging Technologies and New Applications, Health Care, and Public-Private Partnerships for Community Development. The working groups are developing recommendations for consideration by the task force. The Task Force issued its [Final Report](#) in January 2008.

California Broadband Task Force Report: The [Final Report of the California Broadband Task Force \(January 2008\)](#) represents the culmination of more than a year of work by the Task Force, and includes maps of current broadband availability and speed, recommendations to increase broadband access and use, and a timeframe in which to meet these critical goals.

February 2007:

[South Carolina Technology Commission](#)

Created to evaluate the economic, financial and technology issues surrounding the feasibility of creating a statewide network and take the steps necessary to create such a network that will provide free statewide wireless access for all citizens and businesses (infrastructure will be state-owned). Governor proposed \$2M for the initiative.

March 2007:

[Arkansas Broadband Advisory Council](#) & [Connect Arkansas](#)

Signed into law on March 28, 2007, Act 604 created two separate entities – Connect Arkansas and the Arkansas Broadband Advisory Council. Connect Arkansas's strategic initiatives are focused on broadband education and facilitation. The *Connect Arkansas* initiative is a comprehensive plan that will actively educate, promote, and facilitate the deployment and adoption of broadband internet within the state of Arkansas. Connect Arkansas, a 501(c)(3) private non-profit, is charged with leading a collaborative effort between the private and public sectors to facilitate broadband internet access and usage to all Arkansans. Concurrently, the Arkansas Broadband Advisory Council advises the Governor and the General Assembly on policies related to making affordable broadband available to every Arkansas home and business. The Council also monitors the broadband based development efforts of other states and nations in areas such as business, education, and health.

May 2007:

[New Hampshire Telecommunications Planning and Development Advisory Committee](#)

Extended the duration of the telecommunications planning and development advisory committee (since 2000) and broadened the scope of the committee to

include broadband infrastructure. The budget for the fiscal year that ended June 30, 2001 for the duties of this subdivision could not exceed \$150,000. The budget for subsequent fiscal years would be considered in the division of economic development's operating budget.

Defines broadband as the transmission of information, with or without change in the form or content, at rates defined by the FCC as "broadband." Mandates that the committee assist the director by collecting and tracking information about broadband infrastructure; assessing the availability of and need for broadband infrastructure in unserved or underserved areas; securing funding sources for broadband deployment and education; identifying opportunities for coordination among providers, consumers, and state and local governmental entities; encouraging the use of broadband services through education and the removal of barriers to adoption.

[N.H. Rev. Stat. Ann. § 12-A:59](#) effective July 1, 2007, establishes the technology development and telecommunications planning function within the division of economic development. Tasks the division with: 1) Initiative coordination, maintenance of a telecommunications resource website, and liaising between the public and private sectors to make affordable broadband more accessible; 2) Facilitating collaboration between public and private research and development efforts; 3) Identifying and exploiting government and nonprofit resources to develop a state plan.

[N.H. Rev. Stat. Ann. § 12-A:50](#) effective September 1, 2008, requires the director of economic development to report biennially on the progress of the telecommunications planning and development initiative. Specifies that the report is to be submitted to the governor and the legislative leadership.

June 2007:

[ConnectME Authority](#)

Created by the Maine Legislature with the goal of expanding broadband access in the most rural, un-served areas of the state that have little prospect of service from a traditional provider. The Authority is to "identify un-served areas of the State; develop proposals for broadband expansion projects, demonstration projects and other initiatives; and administer the process for selecting specific broadband projects and providing funding, resources, and incentives." The Authority will be funded with a 0.25% surcharge on in-state retail communications services. The Authority will fund proposals through grants, direct investments, or loans made on behalf of, in partnership with, or in support of, one or more communications service providers.

[South Carolina Broadband Technology and Communications Study Committee](#)

The Carolina Broadband Technology and Communications Study Committee was created by 2007 [Act 169](#) to evaluate the state's broadband communications infrastructure and assess the availability of and need for broadband services in unserved and underserved areas within the state. The Committee's [final report](#), completed in February 2008, recommends that the state create a public-private partnership to promote the deployment and adoption of broadband services in the state.

[Vermont Telecommunications Authority](#)

The Vermont Legislature enacted [2007 H.B. 248, Act 79](#), creating the Vermont Telecommunications Authority (VTA), charging it to ensure that high-speed Internet and cell phone service is available in every corner of Vermont by the end

of 2010. The VTA was charged with the following powers and duties: to issue revenue bonds up to \$40 M to fund broadband and wireless telecommunications projects; gather data on wireless and broadband infrastructure and services; provide financial assistance in the form of loans, grants, guarantees and other financial instruments to fill in gaps in wireless and broadband coverage; incorporate one or more non-profits to take advantage of grants and other financing available only to non-profits; own, lease, and contract for telecommunications facilities and services for unserved areas; provide assistance to municipalities to deploy infrastructure and attract services; and waive fees required for access to state-owned transportation rights of way for broadband and wireless telecommunications providers in exchange for comparable value to the state. The Authority also has \$200,000 that the Legislature has given it to distribute to projects that meet its goals and that involve several organizations working together.

Virginia Broadband Roundtable

On June 13, 2007, Governor Kaine announced the formation of a "Broadband Roundtable" to accelerate the attainment of his economic strategic goal of having affordable broadband connectivity to every business in the Commonwealth by 2010. The Broadband Roundtable is charged with delivering a "blueprint" to assist communities with broadband planning and deployment. Roundtable members include local, national, and international leaders with a strong track record of innovating in the telecommunications industry. Has \$6M + \$28M from VA Tobacco Commission. (Goal: Affordable Access by 2010)

July 2007:

Hawaii Broadband Task Force (Considering turnkey Implementation by Connected Nation)

Hawaii 2007 H.B. 310, Act 2 (Special Session 2007) established Hawaii's Broadband Task Force. The task force is directed to remove barriers against broadband deployment by using a technology-neutral approach to encourage lower prices for broadband services and create more consumer choices. The task force's purpose is to gain wider access to public rights-of-way; identify opportunities for increased broadband deployment and adoption, including very high speed broadband services; and enable the creation and deployment of new advanced communication technologies in Hawaii. *Appropriates \$50,000 for the task force. (HB310 CD2)*

Broadband Ohio

Broadband Ohio will partner with the public and private sectors to help make sure that every Ohioan has viable access to affordable, high-speed Internet service, regardless of where they live, work or learn." The Broadband Ohio executive order pairs higher education's OSCnet (formerly the Third Frontier Network) with the Next Generation Network (NextGen Network), a new state and local government network being developed by acquiring available bandwidth from OSCnet. The order also creates the Ohio Broadband Council to serve as the coordinating body for Broadband Ohio and to provide oversight of the initiative from a policy, procedure, process and development standpoint. The Ohio Broadband Council will be co-chaired by Ohio's chief information officer and the executive director of the Ohio Supercomputer Center.

October 2007:

Illinois

Provides for the enlistment of a non-profit organization by the Department of Commerce and Economic Opportunity to develop and implement a state-wide broadband deployment strategy and to bolster demand for high-speed internet services. Tasks the non-profit with establishing local county planning teams,

assessing the current state of broadband deployment, and encouraging collaboration between private providers and state and local entities. The organization has statewide representation; and has a board of directors that is not composed of a majority of individuals who are also employed by, or otherwise associated with, any federal, State, or local government or agency.. Creates the High Speed Internet Services and Information Technology Fund to be used for grants to the non-profit. Allows municipalities and counties to build broadband infrastructure and provide services.

November 2007:

[Missouri Rural High-Speed Internet Access Task Force](#)

Missouri Governor George Blunt created, by [executive order](#), the Rural High-Speed Internet Access Task Force in November 2007 to identify opportunities to increase access to technology across the state. Blunt directed the task force to: 1) assess the current level of high-speed Internet access available in Missouri; 2) identify barriers to deployment to underserved areas including economic, geographic, regulatory, and market barriers; 3) identify potential options to increase the deployment of high-speed Internet access in underserved communities; 4) review best practices in other states to increase high-speed Internet access; and 5) recommend statutory, regulatory, and policy changes needed to increase the availability of high-speed Internet services across the state.

December 2007:

[New York State Council for Universal Broadband](#)

Governor Eliot Spitzer and First Lady Silda Wall Spitzer in December 2007 announced the formation of the New York State Council for Universal Broadband, which is charged with creating, via a competitive grant process, integrated and inclusive public/private partnerships to rapidly deploy affordable broadband services. The Council will recommend a comprehensive statewide strategy that charts a course towards affordable broadband access throughout the State. This approach will seek to leverage existing resources, consider new ways to extend high-speed Internet access beyond traditional means, and recommend approaches to increase digital literacy in underserved urban and rural communities. \$5M allocated to plan, research, design, and initiate a broadband plan.

March 2008:

[Alabama Broadband Task Force](#)

The Task Force has just been created and this initiative will be based on the Connected Nation model.

C. OTHER REPORTS

Wisconsin State Legislative Report: [New Law Regarding Municipal Cable Television, Telecommunications, and Broadband Services](#), Wisconsin Legislative Council, 2004

Texas State Legislative Report: [Expanding Broadband Access in Underserved Areas](#), Texas House Research Organization, June 2004

Connecticut State Legislative Report: [Broadband Over Power Lines](#), Connecticut Office of Legislative Research, Feb. 2005

Connecticut State Legislative Report: [Promoting High-Speed Internet Access](#), Connecticut Office of Legislative Research, August 2007

D. FULLY IMPLEMENTED STATEWIDE INITIATIVES

Existing Statewide Infrastructure

- Alaska: Regulatory Commission of Alaska – Significant Use of Federal Subsidies
FOCUS: Supply

As of May 5, 2008 – The regulatory Commission of Alaska (RCA), the equivalent of the CPUC, developed a program called the “Rural Alaska Broadband Internet Access Program” in 2002 to provide grants funding 75% of costs to bring high-speed Internet to isolated communities. The funds for the program were obtained from the federal government’s Rural Utilities Services (RUS). The recipients of the grants are required to charge a rate comparable with the price in urban areas, such as Fairbanks or Anchorage (currently around \$50 per month) through the maintenance phase of the project. As of May 5, 2004, \$15 million has been allocated to the program, with \$4 million already committed to various projects. The FCC’s 477 report states that between December 2002 and December 2003, there were almost 16,000 broadband lines installed in the state of Alaska, representing approximately a 28% increase in broadband penetration.

USDA Rural BroadBand Grant: The Regulatory Commission of Alaska is in charge of administering a \$15 Million grant from the U.S. Department of Agriculture (USDA) Rural Utility Services fund for increasing broadband access to rural areas in Alaska. The \$15 Million is technically two \$7.5 million appropriations authorized in the Consolidated Farm and Rural Development Act. An Evaluation Grant Committee made up of several different people from different types of agencies including the Denali Commission help to review the applications and choose awardees. The main goals of the grant include serving communities with specific income and poverty levels and no local dial-up access. The intent is for the grant funding to provide hardware and technology.

- North Carolina: E-NC – Private public partnership
FOCUS: Demand Creation & Supply

Seventy-two percent of all rural households now have access to high speed Internet if they wish to purchase it. The e-NC Authority receives private funding and prides itself on being a grassroots initiative. From the e-NC Authority homepage, North Carolinians can retrieve a list of public access sites in their area as well as interact with a GIS based website view of telecommunications services deployed in North Carolina.

- Kentucky: ConnectKentucky – Private public partnership
FOCUS: Demand Creation & Supply

In [Kentucky](#), broadband mapping and deployment began under unique circumstances. The Public Service Commission chose instead of providing customers with modest refunds due to overcharges, that BellSouth should reinvest the money to build-out broadband, increasing access to subscribers in under-served areas. At the end of the first three-year evaluation period for the plan, an audit performed for the PSC found that BellSouth had exceeded its goals. Kentucky regulators ordered that the reinvestment program be continued. Two-thirds of

ConnectKentucky's funding came from a general state fund; the other 1/3 is funded by telecommunications companies.

ConnectKentucky's funding is an 80/20 split between public and private monies, with \$7 million in funding from various state and federal economic development grants facilitated through the commonwealth in a three-year period. The company has received \$1.4 million in private investment from dozens of entities during that period, some of which include AT&T, Apple, Cisco, IT-management company CA, Crown Castle, Computer Services, Inc., Humana, Foundation Telecommunications Inc., Intel, Lexmark, Michael Breeding Media, Microsoft, Net Tango, Red Pixel Studios, Wild Blue and Wind Stream Communications.

July 18, 2005 - Appalachian Regional Commission (ARC) granted \$900,000 to Connect KY in support of the Prescription for Innovation. The funds will be used to support the expansion of BB infrastructure and technology adoption throughout the Appalachian Region.

D1. FUNDING SPECIFICS FOR ORGANIZATIONS SIMILAR TO CONNECT ARKANSAS

New York

- \$5 Million to plan, research, design, and initiate BroadBand plan (NY State Council for BroadBand formed in 2007).
- Bell Atlantic BroadBand Investment: As part of the 1995 regulatory agreement, "Bell Atlantic set aside \$50 million for [the development of] advanced telecommunications in economically disadvantaged areas. To date, 12 projects have been implemented and funded with help from the Fund."

Ohio

- Initial Funding – \$4 million of existing capital funds and \$20 million of Third Frontier Funds will:
 - Leverage the state's current investment in OSCnet to use available capacity for other state functions
 - Upgrade the backbone architecture and incorporate last-mile DSL, cable, and Ethernet technologies
 - Allow OSCnet to continue to fully serve its current clients
 - Support state outreach activities to articulate plans, services, and offerings, as well as demonstrate options and share case studies
- Additional Funding – new and reprogrammed – will be necessary in future years to achieve the goals of the Broadband Ohio Initiative
- Funding
 - Current state funding \$2.9M
 - 2008-2009 needed funding \$3.9M
 - Private vendors will contribute

E. STATES WITH BROADBAND INITIATIVES – LIMITED FOCUS ON STATEWIDE COORDINATION

Note

Several of the states listed below have invested in various forms of broadband initiatives (i.e. mapping, telehealth, education research optical networks, etc) and incentives, but the focus of this list is on an effort that is not yet coordinated statewide.

- Arizona (AZ)
- Connecticut (CT)
- Delaware (DE)
- District of Columbia (DC)
- Florida (FL)
- Idaho (ID)
- Indiana (IN)
- Iowa (IA)
- Kansas (KS)
- Louisiana (LA)

Broadband infrastructure funding since Hurricane Katrina has since been allocated emergency uses

- Michigan (MI)
- Minnesota (MN)
- Mississippi (MS)
- Montana (MT)
- Nevada (NV)
- New Hampshire (NH)
- New Jersey (NJ)
- New Mexico (NM)

NM: In New Mexico, \$11,388,000 in loan funds will help Yucca Telecommunications purchase network and access equipment and also provide for outside plant construction. The funding comes from USDA's rural broadband access program that provides loans and loan guarantees for the construction, improvement and acquisition of facilities and equipment for broadband service in eligible rural communities.

- North Dakota (ND)
- Oklahoma (OK) -

Many local initiatives. DSL100! Initiative to bring high-speed internet service to 68 small and rural communities.

- Rhode Island (RI)
- South Dakota (SD)
- Texas (TX)
- Utah (UT) -

Robust, state-owned network by UTOPIA. Consortium includes seventeen Utah cities that have joined together to create one of the nation's most robust fiber-optic networks.

- Washington (WA)
- West Virginia (WV)
- Wisconsin (WI)
- Wyoming (WY)

Mapping will be conducted by Connected Nation.

Progressive States that did or currently have many components that could lead to development of a robust broadband infrastructure (as named in 2004 by TechNet.org – a group of Executives focused on aggressive promotion and lobbying of broadband deployment)

1. **Michigan** – On September 2007, legislation was introduced to repeal the now defunct state broadband development authority act. In 2002, \$1.4M incentives were made available for access to low-income & rural areas.
2. **Florida** – On April 2007, a proposal being considered in the legislative session re-establish'ed Florida's [Digital Divide Council](#) under the Department of Education.
3. **Texas** – Established by the Public Utility Regulatory Act of 1995, the TIF was intended to generate \$1.5 billion over 10 years to provide telecommunications access to the state's public schools, nonprofit hospitals, public libraries, and institutions of higher education. By the end of FY2001, a total of \$914 million had been deposited into the fund, with \$81 million earned in interest.
4. **Washington**
5. **Kansas**
6. **Iowa** – Iowa Communications Network: Infrastructure as a test bed. The ICN also brings additional dollars into the state because of its uniqueness as an infrastructure. During the period of 1992 through 2003, the Federal Government will have invested \$155.6 million in projects to use the ICN infrastructure as a test bed. Averaged over the 12-year period of the ICN's existence, this amounts to an annual investment of \$12.9 million.

F. OTHER INITIATIVES

- **Community Strategic Planning**
 - GA: BRIDGE fund will grant \$200,000 for single county projects and \$400,000 for projects impacting two counties.
 - PA: \$2.3-\$5M for e-community planning & implementation
 - VA: Virginia Community Improvement Grants: The Virginia Department of Housing and Community Development offers grant funding through its Community Development Block Grant to assess current broadband availability and usage, and to implement projects that target the “last mile” of broadband. On June 13, 2007, Governor Kaine announced the formation of a “Broadband Roundtable” to accelerate the attainment of his economic strategic goal of having affordable broadband connectivity to every business in the Commonwealth by 2010. The Broadband Roundtable is charged with delivering a “blueprint” to assist communities with broadband planning and deployment. Has \$6M + \$28M from VA Tobacco Commission. (Goal: Affordable Access by 2010).
- **Consortium/Partnership of Broadband Providers**
 - ID: BroadBand Investment in Rural Idaho: As part of the Idaho Rural Initiative, Syringa Networks, LLC, a consortium of 12 Idaho local telecommunications companies, is investing \$40 million in fiber optic cable and other digital equipment so that rural communities in southern and eastern Idaho will have Broadband access. The 1,350 mile network runs from Council in the northwest to Soda Springs in the southeast.
 - UT: UTOPIA: An initiative to build fiber optic cable to every home within the 18 communities it represents. Modeling it after the city wide network build by Provo, Utah, the consortium will own the network, backed by bonds, and lease the dark fiber to commercial service providers. The system is expected to cost \$450 million to build and should service over 723,000 residents, 248,000 households and 34,500 businesses. The planners predict that high-speed internet connectivity will cost users around \$28 per month and provide 100 megabits per second access.
- **Education Networks**
 - **Private Investment**
 - WY: February 22, 2006 - Qwest Communications International Inc. announced that it has signed a new six-year, \$24.7 million agreement with the State of Wyoming Department of Education to be the primary provider of network services for the Wyoming Equality Network (WEN) – an existing state-wide network connecting more than 400 public schools. Qwest originally worked with the state to build the WEN in 1998. Qwest and the Wyoming Department of Education are building the next-generation of the WEN with new enhancements including connectivity to several additional locations, greater bandwidth, enhanced security, voice over IP capabilities, increased scalability and improved network management.
 - **Public & Private Investment**
 - CO: Colorado Multi-Use Network: The state of Colorado implemented the Multi-Use Network (MNT) to connect rural and urban communities in the state as a means to bridge the digital divide. MNT was originally conceived of in the 1998 “Strategic Plan for Statewide Telecommunications Infrastructure.” The development of MNT began in 2000 when the state contracted with Qwest Communications to build the fiber optic network. The state has allocated \$37 million to MNT over ten years, while Qwest has

contributed \$60 million dollars for construction. Qwest owns and maintain the network, which has a backbone infrastructure that consists of 70 Aggregated Network Access Points.

- CT: Connecticut's Governor M. Jodi Rell announced \$5 million in additional funding to allow 66 school districts to build out fiber optic wiring to continue connecting schools to the Connecticut Education Network (CEN). CEN is the first statewide K-12 and higher education network that exclusively uses state-of-the-art fiber optic connections, allowing it to operate at speeds 1000 times faster than a home broadband connection. CEN connects all of the state's 166 school districts, all 40 of Connecticut's public and private higher education institutions, as well as public libraries across the state. The state provides an optical connection to the CEN in each school district. It is then the responsibility of each district/municipality to connect schools to this district connection. The \$5 million is expected to be approved later this month by the State Bond Commission and will be combined with \$5.5 million in federal E-rate funding. School districts applied for this latest grant money last fall and have been waiting for the bond commission's approval. CEN provides access to the Internet, the next generation Internet2, the Connecticut Digital Library, and thousands of other resources exclusively targeted to students, teachers, researchers and administrators in Connecticut's education institutions. The State Department of Information Technology in partnership with the University of Connecticut provides project management, network architecture and operational support for CEN.
- IN: Intelenet Grant Programs: The Intelenet Commission provides the Intelenet Basic Grant to K-12 schools to assist them in connecting to the Internet and to the Indiana Telecommunications Network (ITN). The grant provides schools with \$10,000 per year to help them connect to the ITN. The Commission also offers the Video Distance Learning Grant, of which there were nearly 40 recipients in 2003.
- ND: North Dakota officials have received notification that the federal E-Rate program has approved funding of the 2005-06 state's application for funds to pay for connecting ND public schools to the state network and to the Internet. \$2,290,000 in E-Rate discounts will be used to cover 64% of the cost of the schools' connectivity. The State Legislature pays the other 36% - \$1,288,000 – through an appropriation the ND Information Technology Department. In the last six years the state of North Dakota and ND schools have received over \$20,000,000 in discounts through the federal E-Rate program. The discounts apply to the state network and the Internet, connections between buildings in a district, some internal building network infrastructure, as well as regular telephone service.
- TN: ConnectTEN Internet Project: In 1996, Tennessee's ConnectTEN initiative equipped all of Tennessee's elementary and secondary public schools with access to direct, high-speed Internet. Currently, ConnectTEN connects over 214,000 computers across the state's 1,800 K-12 public schools. One of the program's goals is to increase bandwidth in order to lower the student-to-computer ratio from 5:1 to 2:1 within five years. All network facilities and services are outsourced to the contracted vendor. The annual budget is \$18 million with the state providing approximately 30 percent of the funds and E-Rate the remaining 70 percent.
- WV: West Virginia Education Information System (WVEIS) World School: WVEIS/World School Network, a closed network, provides connectivity for all public K-12 schools in the state. Local school districts funded about 51 percent of the network costs. The remaining funding came from the state (35 percent) and Verizon (14 percent) grants. Connection speeds vary greatly, ranging from 56Kb to 1.544Mb (T1).

○ **Incentives**

Bond Funded

- MA: \$25M bond funded BB initiative
- VT: The Vermont Legislature created the Vermont Telecommunications Authority (VTA), charging it to ensure that high-speed Internet and cell phone service is available in every corner of Vermont by the end of 2010. The VTA was charged with the following powers and duties: to issue revenue bonds up to \$40 M to fund broadband and wireless telecommunications projects; gather data on wireless and broadband infrastructure and services; provide financial assistance in the form of loans, grants, guarantees and other financial instruments to fill in gaps in wireless and broadband coverage; incorporate one or more non-profits to take advantage of grants and other financing available only to non-profits; own, lease, and contract for telecommunications facilities and services for unserved areas; provide assistance to municipalities to deploy infrastructure and attract services; and waive fees required for access to state-owned transportation rights of way for broadband and wireless telecommunications providers in exchange for comparable value to the state. The Authority also has \$200,000 that the Legislature has given it to distribute to projects that meet its goals and that involve several organizations working together.

Grants

- CO (Last Mile Access): Beanpole Initiative: The Beanpole Initiative, the sister project to the Multi-Use Network (MNT), handles “last mile” access so that rural entities can connect to the MNT. The Beanpole Bill was approved in 1999 and \$4.7 million was allocated to distribute as grants to help rural communities connect to MNT.
- OR: The Oregon Telecommunications Infrastructure Act (TIA), the other broadband program, offers grants based on an identified need in lesser-use communities, usually rural areas. Funded by U.S. West funds as a condition of the deregulation of its intrastate operations, over \$70 million dollars has been invested in TIA infrastructure projects. Grant amounts are not limited and recipients are not subject to any requirements. However, tax credits received under the ATFC program are deducted from TIA grant awards. According to the FCC’s Form 477, since the inception of the ATFC and TIA in 2001, 287,000 broadband lines have been added in Oregon, an increase of 308%.

Matching Funds

- ID: In 2006, Idaho created a \$5 million broadband development matching fund for the deployment of last-mile broadband service. The state awarded \$4.9 million in matching funds to four broadband providers (Verizon, Qwest, SpeedyQuick, and First Step Internet) to provide the equivalent of DSL capability to about 50,000 residents in 79 projects.

Loans to Encourage Investment

- AR: Broadband investment by AIR2LAN: The Enterprise Corporation of the Delta has invested \$250,000 in the local ISP AIR2LAN to help subsidize broadband deployment to underserved areas that do not already have broadband options.
- MI: The [Michigan Broadband Development Authority \(MBDA\)](#), an independent state government agency created to help Michigan attract more private sector investment in broadband, chose to initially capitalize broadband programs by tapping into the the state’s housing authority. MBDA received its seed money through a housing authority \$50 million bond sale. Then in 2005, [Governor Jennifer Granholm](#) of

Michigan released her [Rural Broadband Initiative \(RBI\)](#). The goal of RBI was to expand high-speed Internet access to rural and under-served areas. Since inception, the MBDA has approved approximately \$30 million worth of loans.

- NH: Merton Capital, LLC, New Hampshire - \$3.717 million will be used to construct Fiber-to-the-Premise (FTTP) broadband systems in the town of Hanover, New Hampshire and deploy 99 miles of new fiber cable. The loan will enable the company to provide broadband service to Hanover, including approximately 1,322 subscribers receiving high-speed data services and 1,199 subscribers receiving video services. The \$3.71 million was part of the Bush Administration's effort to expand the availability of broadband technology in rural areas (an \$18 million initiative for New Mexico, New Hampshire and Oklahoma).
- RI: \$28M in loans for wireless ISP

Public Incentives

- NH: Two telecommunications projects were allotted funding of \$250,000 from the state in 2001. The North Country Connect project looks for vendors who can provide broadband connectivity at an affordable rate.

Seed Capital Fund

- GA: The Yamacraw Initiative began in 1999. It is administered by the Georgia Centers for Advanced Telecommunications Technology. The state has set up the \$5 million Yamacraw Seed Capital Fund, which is available to private companies that are improving infrastructure and developing new technologies. The funds that are received must be matched 3:1 by the private company.

Tax Incentives

- MI: In 2003, the Mississippi BroadBand Technology Development Act was enacted in the state legislature. The Technology Act seeks to bring broadband and similar services to "Tier 2" and "Tier 3" areas, not just "Tier 1" by means of infrastructure investment. The Act became effective on June 30, 2003 and remains in effect until July 1, 2013. Recipients are awarded tax credits based on the areas in which they plan to invest. Equipment costs for providing BroadBand service are reimbursed at a rate of 5%, 10%, and 15% (urban to rural), with a credit cap of 50% of the provider's tax liability. But unlike Oregon or Montana, the provider can carry forward the benefit for a maximum of 10 consecutive years. To qualify as broadband technology, a minimum of 384 Kbps transmission speed is required in at least one direction. The state Science and Technology Institute quotes BellSouth as praising Mississippi's initiative in providing tax credits for broadband investment, and states that prior to the legislation, costs to expand broadband technology into rural areas was too cost-prohibitive. In the same report issued by TechNet, BellSouth estimated that it has spent over \$10 million dollars in Mississippi by the end of 2003, and now believes that it has 100% DSL coverage in the state. According to the FCC's Form 477, in 2003 an additional 35,000 broadband lines have been added, an increase of almost 44% from 2002.
- MT: Montana offers a 20% tax credit to telecommunications providers who invest in advanced telecommunications infrastructure improvements in the state. The tax credit (called the Advanced Telecommunications Infrastructure Tax Credit) may not exceed a total of \$2 Million for all qualified telecommunications services in any consecutive 12-month period. There are further tax implications, forbidding the use of carry-back or carry-forward of any losses resulting from the credit, and no refund is allowed on a tax return if the company has a zero or negative tax liability as a result of the credit. A provider is required to submit an application proving that the

investment would improve access to a majority of customers in an underserved or lower-use community. In 2000, the program accounted for \$204,221 in tax credits, which was included in an estimated \$1,777,237 in total infrastructure expenditures that year. The following year, \$1,006,476 in tax credits was awarded, for a total infrastructure investment of \$11,000,000. By the end of 2001, it is estimated that over 120 formerly lower-use rural areas of Montana now have complete access to broadband, DSL, or comparable services. Funding for these projects was eliminated after 2002 due to budget concerns. The director of the program noted that while a number of useful projects were started, there were fewer than expected applications from providers. According to the FCC's Form 477, since 2000 (the first year data is available in Montana) until the most current information available, an additional 32,000 broadband lines have been added, an increase of 432%.

- OR: Oregon has two broadband investment programs with different incentives. The Advanced Telecommunications Facility Credit (ATFC) provides a tax credit to broadband providers investing in broadband infrastructure and equipment in lesser-use communities. The ATFC offers a tax credit based on total expenditures. The tax credit is capped at \$10 million, or 10% of the total expenditure. Other stipulations include a limit on customer price to 125% of average cost in a comparable urban area, and access must be made available to at least 51% of persons in the lesser-use community to be served. "Advanced telecommunications" is defined as equipment receiving and sending a minimum transmission speed of 200 Kbps.
- WI (Last Mile Access): Tax incentives for companies that work with the Department of Commerce to provide broadband access to underserved areas (June 2006)
- **Promotes Private Investment, while discouraging Public Investment**
 - WI: March 2004 – The Wisconsin State Assembly passed the Broadband Deployment Bill (SB 272) to "encourage free market competition and foster broadband deployment." In other words, the bill attempts to prevent local government from forcing "tax payers to subsidize the building of telecommunications infrastructure." While the bill does not prevent communities without a high-speed Internet provider from building broadband utility, it does restrict "communities that wish to compete with the private sector."
- **Public Initiatives**
 - AZ: State will spend \$300M (Wireless & Wireline) investment over 3-5 years. From 2001 to 2006, Arizona will spend at least \$100 million on the Telecommunications Open Partnerships of Arizona (TOPAZ). TOPAZ is a statewide network that is designed to bring broadband access to rural communities. Specifically, TOPAZ will provide broadband capabilities to 100 government offices in 167 rural communities in Arizona. In addition, GETA, the Department of Education and the School Facilities Board are working together to provide broadband to 545 rural schools.
 - MA: Businesses and residents in remote areas of Massachusetts may finally be able to have high-speed internet access as a part of a \$25 million state investment in broadband infrastructure.
 - MD: Net.Work.Maryland Plan: The General Assembly passed Legislation in 1998 that formed the Task Force on High Speed Network Development. The legislature, based on recommendations from the task force, allocated \$6 million to begin the development of the high-speed network. In order to receive funding and support for Net.Work.Maryland the plan is being implemented with three initial pilot projects.

- MN: Connecting Minnesota was a large project created by the Department of Transportation and Administration in order to extend a network across the state that would reach 80 percent of the population, including rural areas. The projected cost was initially about \$195 million, but in February 2003 the project was shut down due to lack of funding. A crucial deadline was not met and the project was cancelled at a 10 percent completion stage.
 - NJ: Garden State Network (GSN) Upgrade: The Garden State Network (GSN), the telecommunications backbone for New Jersey's government agencies, has undergone a \$2.4 million upgrade which will improve the state's Internet connectivity, provide for the support of digital government initiatives, as well as allow for network monitoring and the building of a shared server infrastructure.
 - SC: Technology Commission will evaluate the economic, financial and technology issues surrounding the feasibility of creating a statewide network and take the steps necessary to create such a network that will provide free statewide wireless access for all citizens and businesses (infrastructure will be state-owned)
 - TX: Established by the Public Utility Regulatory Act of 1995, the TIF was intended to generate \$1.5 billion over 10 years to provide telecommunications access to the state's public schools, nonprofit hospitals, public libraries, and institutions of higher education. By the end of FY2001, a total of \$914 million had been deposited into the fund, with \$81 million earned in interest.
- **Public & Private Initiatives (Non-Educational)**
 - MT: Summiteer: Summiteer is the multi-protocol network for state agencies, local government, and universities providing voice, video and data networks. Summiteer is "cost-rate recovered," meaning there is a user fee (\$74.50 per month in 2004) for desktop services, which includes support, software, and Internet access. The Montana State Legislature appropriates funds for these services as part of an agency's overall budget. Beginning in the 1970s, Montana utilized a SNA multipoint network. In 1991, the state built a frame relay network linking the state agencies and universities. Then in 2000, the state awarded a \$10 million five-year contract to Qwest for the deployment of asynchronous transfer mode technology (ATM) and frame relay services. To connect state offices outside of the Qwest service area, the state is working with independent telephone companies, such as Vision Net.
 - **Task Force Appropriations**
 - HI: Hawaii [2007 H.B. 310, Act 2](#) (Special Session 2007) established Hawaii's Broadband Task Force. The task force is directed to remove barriers against broadband deployment by using a technology-neutral approach to encourage lower prices for broadband services and create more consumer choices. The task force's purpose is to gain wider access to public rights-of-way; identify opportunities for increased broadband deployment and adoption, including very high speed broadband services; and enable the creation and deployment of new advanced communication technologies in Hawaii. Appropriates \$50,000 for the task force. (HB310 CD2)
 - **Tax Funded Monies & Other Funding Avenues**
 - CA: The most comprehensive state funding plan, to date, was suggested by the California Broadband Task Force. The plan included a bond program and two different broadband grant programs, as well as, tax credits, expanded use of rights-of-way, and increased resources toward broadband research and development.

Additionally, California has an Emerging Technology Fund, a non-profit corporation established through state telecommunication merger requirements, whose objective is to minimize the digital divide by deploying services to under-served communities and populations. Under the California Public Utilities Commission requirements set by the telecommunications industry merged telecommunication companies in California will contribute a total of \$60 million over 5 years to advance broadband.

Some states, those with less available resources than California, have successfully enacted broadband mapping and deployment programs, by appropriating money from both general state funds and from penalties levied on telecommunication carriers/providers for state law infringements.

- IL: Illinois the legislators funding of the High Speed Internet Services and Information Act came from re-direction of \$4 million from the Eliminate the Digital Divide Infrastructure Funds from Illinois Commerce Commission, coming from the Telecom Rewrite Act of 2001, and of which \$5 million was invested last fall by ICC in local and regional broadband deployment projects in rural Illinois. The money for the Digital Divide Infrastructure Funds came from a few sources. Forty percent of all civil penalties paid by telecommunication carriers for violations of the state Public Utilities Act were put in the Digital Divide Infrastructure Funds. Funds also came from voluntary contributions from telecommunication consumers.
- ME: In Maine, the funding mechanism for the ConnectME Authority (the agency running the ConnectME) is a 0.25% surcharge on all communications, video, and Internet service bills for retail instate service. The fund received \$500,000 in "seed money" from the Maine Universal Service Fund. It is expected to generate between \$750,000 and \$1 million per year. The quarterly assessments are paid to an independent fund administrator the month after the end of the quarter. Based on the expected cash flows and the estimated expenses, the Authority awarded \$787,174 to seven grant applicants for payout over the next few months.
- SC: South Carolina Rural Infrastructure Fund: The Rural Infrastructure Fund provides financial support to qualified counties in building the infrastructure necessary for economic growth and development. This includes improving public and private telecommunications systems. Created by Bill 4706, "funding originates from unclaimed job development credits."
- TX: Telecommunications Infrastructure Fund: Created by the State Legislature in 1995, the Telecommunications Infrastructure Fund was a state grant program designed to increase Internet access and usage throughout the state, especially in rural and underserved areas. TIF grants were funded by a special tax paid by telecommunications vendors and customers in Texas, and they offered public schools, libraries, universities, and health care facilities the opportunity to develop community technology initiatives, including public access stations, technology training programs, community networks, and infrastructure acquisitions and upgrades. The legislature authorized TIF to fund \$1.5 billion in grants over 10 years, yet because of state budget difficulties, TIF was disbanded in 2003. Many public schools and libraries relied on TIF funding for technology integration projects, and without TIF funding, program sustainability becomes a serious concern.

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