



124th MAINE LEGISLATURE

SECOND REGULAR SESSION-2010

Legislative Document

No. 1646

H.P. 1174

House of Representatives, December 23, 2009

An Act To Establish a Broadband Policy for Maine

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 21, 2009. Referred to the Committee on Utilities and Energy pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

Millicent M. Mac Jailand MILLICENT M. MacFARLAND

Clerk

Presented by Representative FLAHERTY of Scarborough. Cosponsored by Senator BARTLETT of Cumberland and Representatives: DOSTIE of Sabattus, FLEMINGS of Bar Harbor, HINCK of Portland, MacDONALD of Boothbay, McCABE of Skowhegan, MORRISON of South Portland, PENDLETON of Scarborough.

Printed on recycled pape

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the availability of broadband service to all Maine residents is an important tool for economic growth and opportunity; and

Whereas, the federal American Recovery and Reinvestment Act of 2009 has set aside \$7,200,000,000 for broadband expansion in unserved and underserved areas of the Nation; and

Whereas, part of the process for receiving federal funds includes a review by Maine to determine whether each grant application is consistent with the State's broadband policy; and

Whereas, Maine currently has no articulated broadband policy; and

Whereas, all grant awards unc or the federal American Recovery and Reinvestment Act of 2009 are scheduled to be awarded prior to the commencement of the 125th Legislature; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

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Sec. 1. 35-A MRSA §9202, sub-§2-A is enacted to read:

2-A. Broadband. "Broadband" means a connection to the Internet with a minimum data transfer rate of 768 kilobits per second either uploading or downloading data.

Sec. 2. 35-A MRSA §9204, sub-§3, ¶E, as enacted by PL 2005, c. 665, §3, is amended to read:

E. Identify opportunities for coordination among providers, consumers and state and local governmental entities, including coordination with the statewide emergency radio network; and

Sec. 3. 35-A MRSA §9204, sub-§3, ¶F, as enacted by PL 2005, c. 665, §3, is amended to read:

F. Create and facilitate public awareness and educational programs to encourage the use of broadband services-; and

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Sec. 4. 35-A MRSA §9204, sub-§3, ¶G is enacted to read:

<u>G. Develop target prices for broadband services pursuant to section 9218, subsection 1 and establish a fund to assist rural customers in receiving broadband services pursuant to section 9218, subsection 2.</u>

Sec. 5. 35-A MRSA §9216 is enacted to read:

§9216. State broadband policy

It is the goal of the State to achieve 100% broadband availability for all residential and business locations in the State no later than December 31, 2012 and to develop a sustainable forward-looking infrastructure that will promote affordable Internet service that exceeds minimum broadband service in all areas of the State. It is the policy of the State to maximize sustainable private investment in broadband infrastructure in the State and ensure that state policies are designed to promote broadband infrastructure deployment and availability to all residents and small businesses in the State.

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Sec. 6. 35-A MRSA §9217 is enacted to read:

§9217. State and federal support for broadband infrastructure

All state agencies and state entities shall:

1. Maximize resources. Maximize federal grant resources and competitively neutral private investment opportunities to support the deployment of upgradable broadband infrastructure in unserved areas of the State:

2. Prioritize use of resources. Prioritize the use of state broadband resources to assist competitively neutral private infrastructure deployment in unserved areas of the State:

3. Online availability. Maximize the number of permits and licenses from the State that may be obtained or renewed online at rates less than the rates set for obtaining or renewing the permits or licenses in person;

4. Broadband infrastructure. Ensure that no state agency or entity engages in practices that inhibit new private investment in broadband infrastructure or diminish the value of existing private broadband infrastructure investment; and

5. Taxes or fees. To the extent that agency interpretation is necessitated, ensure that any taxes or fees assessed on infrastructure used to deploy broadband services are not implemented in a manner that results in costs to the owner of the infrastructure that exceed what the costs to the owner of the infrastructure would be if the owner of the infrastructure were paying personal property tax to the municipalities in which the infrastructure is located.

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Sec. 7. 35-A MRSA §9218 is enacted to read:

32 §9218. Advanced broadband opportunities

In order to promote broadband services that exceed the minimum broadband
requirements at affordable rates for residential customers and small businesses, the
ConnectME Authority shall:

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1. Establish target prices. Develop target prices for broadband services that exceed the minimum definition of broadband service on an annual basis. In establishing target pricing for broadband services, the ConnectME Authority shall establish pricing levels that are equal to the average price for comparable broadband speeds available in the largest metropolitan areas of the State; and

2. Establish fund. Establish competitively neutral discounts to assist rural customers in receiving broadband services at the target prices established under subsection 1.

Sec. 8. 35-A MRSA §9219 is enacted to read:

§9219. Improving take rates

To increase the number of subscribers to broadband services in the State so as to ensure all citizens of the State are able to fully take advantage of the economic opportunities available through broadband Internet connectivity, it is the policy of the State to:

1. Resources of University of Maine. Use the resources of the University of Maine to educate citizens about the benefits and opportunities associated with broadband services, including but not limited to:

A. Distance learning opportunities;

B. Opportunities in telemedicine, as defined in Title 22, section 4316; and

C. State programs available online;

2. Resources of state agencies. Use the resources of the Department of Economic and Community Development and the Executive Department, State Planning Office to educate small businesses regarding the advantages of broadband access, including but not limited to:

A. Online business reporting and tax filings; and

B. National and global sales opportunities;

3. Programs to provide computers and training. Fund programs to provide computers and computer training to residents of the State; and

29 <u>4. Public school laptops.</u> Maintain programs to provide laptop computers to public
30 <u>school students.</u>

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Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

SUMMARY

This bill:

1. Provides a definition of "broadband," using as a model the broadband baseline used by the United States Federal Communications Commission;

2. Establishes a goal of 100% deployment of baseline broadband service by the end of 2012 and establishes a policy of promoting sustainable private investment to increase broadband service that exceeds the minimum levels throughout the State;

3. Requires state agencies to assist in promoting private investment in broadband infrastructure to stimulate rapid and sustainable deployment of broadband services; and

4. Requires the ConnectME Authority to develop target prices for broadband services and establish competitively neutral discounts to customers in areas where services are more expensive than the average metropolitan rates.