

Department of Public Utility Control

2009 LEGISLATIVE PROPOSAL

Proposed Section 16-247v

An Act Providing for the Deployment of High Speed Broadband Access and Closing the Internet Divide in Connecticut

Be it enacted by the Senate and House of Representatives in General Assembly convened: New sections of the General Statutes of Connecticut are here added (Effective July 1, 2009)

I. DEFINITIONS

Section 1. (NEW) (Effective July 1, 2009) Definitions. (a) Terms used in this title shall be construed as follows, unless another meaning is expressed or is clearly apparent from the language or context:

(1) "Broadband" means a high-speed Internet service whose minimum is the higher of either 1 megabit per second (Mbps) or the minimum speed as defined by the Federal Communications Commission;

(2) "Digital Divide" means the educational and technology access gap between those who have access to digital technology and those that do not.

(3) "Broadband Internet Coordinating Council" means the Council appointed under Section 4d-100;

(4) "Statewide Technology Initiative" means a program, including a digital education and Internet access program, engaged in diffusing information and communications technology in local communities, particularly in underserved areas and/or disadvantaged groups, and in the expansion and deployment of next generation broadband infrastructure in areas not served and underserved areas of the state and increase subscription to the service provided by that infrastructure;

(5) "Statewide Technology Initiative Fund" means the Fund established to support the Statewide Technology Initiative;

(6) "Community Technology Group" is a community technology education and technology access support group including, but not limited to, municipalities, school districts, the Community College System, libraries, or senior centers whose goals and activities include closing the digital divide of services throughout the state that excludes disadvantaged potential users of broadband services from having access/ownership to Internet ready personal computers (PCs) and/or access to broadband services.

II. FINDINGS AND GOALS

Section 2. (NEW) (Effective July 1, 2009). Findings and Goals. (a) The legislature finds and declares the following: (1) the deployment and adoption of high-speed Internet services and information technology has resulted in enhanced economic development and public safety for the state's communities, improved health care and educational opportunities, and a better quality of life for the state's residents; (2) continued progress in the deployment and adoption of high-speed Internet services and other advanced telecommunications services, both land-based and wireless, is vital to ensuring Connecticut remains competitive and continues to create business and job growth; and (3) that the state must encourage and support strategic partnerships of public, private, nonprofit, and community-based sectors in the continued growth and development of high-speed Internet services and information technology for state residents and businesses.

(b) Pursuant to these findings and in order to begin advancing the state towards further growth and development of high-speed Internet in the state, and to ensure a better quality of life for all state residents, the legislature sets these goals: (1) high speed Internet broadband service should be ubiquitous (universal) throughout the state at affordable rates to all residents; (2) competitive broadband should be available at speeds to meet the needs of commerce, education, health services, and other social requirements; (3) the digital divide of services throughout the state that excludes disadvantaged potential users of broadband services from having access/ownership to Internet ready PCs and/or access to broadband services should be closed; and (4) establish and sustain an environment ripe for state-wide high speed Internet access and technology investment.

III. STATEWIDE TECHNOLOGY INITIATIVE

Section (3) (NEW) (Effective July 1, 2009). Statewide Technology Initiative. The Department of Public Utility Control shall, in consultation with the Office of Consumer Counsel and the Broadband Internet Coordinating Council, develop a high-speed Internet deployment and adoption strategy to accomplish the following objectives:

(a) The expansion and deployment of next generation broadband infrastructure in unserved and underserved areas of the state and increase subscription to the service provided by that infrastructure. The Department of Public Utility Control shall adopt a deployment program that awards financial incentives to private providers, municipalities, school systems, public-private partnerships, and other enterprises that deploy additional broadband infrastructure to areas unserved and/or underserved or increase Internet speeds to areas already served. The Department of Public Utility Control shall establish eligibility requirements and procedures for applying for financial incentives. The Department of Public Utility Control shall approve expected program outcomes for each financial incentive recipient and shall require financial incentive recipients to provide an accounting of program outcomes.

(b) The establishment of a digital technology access and education program engaged in diffusing information and communications technology in local communities, particularly in underserved areas. This initiative may include, but is not limited to, programs that provide education and skill-building opportunities, hardware and software, Internet connectivity, and development of locally relevant content and delivery of vital services through technology. The Department of Public Utility Control shall create a partnership between the private sector and the state to develop an education and technology program that provides for donation of computers for use by those who cannot afford or otherwise have computers in their homes. In implementing the Statewide Technology Initiative the Department of Public Utility Control must, to the extent funds are appropriated for this purpose:

(i) Provide organizational and capacity building support to Community Technology Groups throughout the state, which may be local groups such as, but not limited to, municipalities, the Community College System, school districts, libraries, or senior centers, and identify and facilitate the availability of other public and private sources of funds to enhance the purposes of the Statewide Technology Initiative and the work of Community Technology Groups.

(ii) Establish a competitive grant program to provide grants to Community Technology Groups to provide training and skill-building opportunities; access to hardware and software; Internet connectivity; assistance in the adoption of information and communication technologies in low-income and underserved areas of the state; and development of locally relevant content and delivery of vital services through technology.

(iii) Ensure that Community Technology Groups: (A) Provide evidence that the applicant is a private entity, nonprofit entity or a public entity that is working in partnership with a nonprofit entity; (B) Define the geographic area or population to be served; (C) Include in the application for funding the expected results of a needs assessment addressing, in the geographic area or among the population to be served: The impact of inadequacies in technology access or knowledge, barriers faced, and services needed; (D) Explain in detail the strategy for addressing the needs identified and an implementation plan including objectives, tasks, and benchmarks for the applicant and the role that other organizations will play in assisting the applicant's efforts; (E) Provide evidence of matching funds and/or digital technology resources, which are equivalent to at least one-quarter of the grant amount committed to the applicant's strategy; (F) Provide evidence that funds applied for, if received, will be used to provide effective delivery of community technology services in alignment with the goals of this program and to increase the applicant's level of effort beyond the current level; and (G) Comply with such other requirements as the Department of Public Utility Control establishes.

(iv) Establish eligibility requirements and procedures for applying for grants. The Department of Public Utility Control shall approve expected program outcomes for each grant recipient and shall require grant recipients to provide an accounting of program outcomes.

IV. STATEWIDE TECHNOLOGY INITIATIVE FUND

Section (4) (NEW) (Effective July 1, 2009). Statewide Technology Initiative Fund. (a) There shall be a Statewide Technology Initiative Fund ("Fund") of \$85 million, dedicated to the purposes outlined in this legislation, distributed by the Department of Public Utility Control. The Fund shall be used to expand deployment of next generation broadband infrastructure in unserved and underserved areas of the state, increase subscription to the service provided by that infrastructure, and establishment of a digital technology access and education program.

(b) The Department of Public Utility Control shall be charged with administering the Fund, acting on both financial incentive and community grant applications, establishing recipient reporting requirements, and submitting summaries of those reports to the Committee on Energy and Telecommunications.

(c) The Fund shall be established in the State Treasury. Donations from private and public sources may be deposited into the account. Expenditures from the account may be used only for the operation of the community technology opportunity program as provided in this Act. Only the Department of Public Utility Control may authorize expenditures from the account.

(d) The Fund shall be composed of the following parts:

(1) Financial incentives for build out of Connecticut's infrastructure funded by \$50 million in general obligation bonds.

(2) Financial incentives to upgrade the statewide broadband Internet speeds and to improve transmission quality funded by \$25 million dollars in general obligation bonds. The Department of Public Utility Control shall determine, through an uncontested administrative proceeding, what incentive amounts, if any, should be awarded with the retail offering of increased data transfer speeds up to and including 100 Mbps.

(3) Lost personal property tax revenue to municipalities reimbursed by the State from a fund of \$10 million dollars in general obligation bonds. The Department of Public Utility Control shall fund the program to distribute PCs by exempting from sales and property tax, the computers which Connecticut businesses may donate.

(e) The Department of Public Utility Control shall distribute moneys from the Fund as grants to Community Technology Groups to achieve the purposes of this legislation through uncontested administrative proceedings.

(1) While all Community Technology Groups should be entitled to grants upon proper application detailing their anticipated use of funds to further the broad objectives of this legislation, final grant amounts shall take into account demonstrated need;

(2) Needs demonstrations shall be based on, but not limited to, criteria such as: (1) average broadband penetration rates by household; (2) average broadband transfer speeds; (3) average monthly residential price for highest speed broadband service;

(3) Grants may be increased where communities and partnerships provide matching funds; and

(4) The Department of Public Utility Control shall act on community grant applications in an expeditious manner and issue a decision no later than 120 days from the date the application is deemed complete.

(f) Community Technology Groups shall account to the Department of Public Utility Control for their expenditures.

(1) Community Technology Groups shall be required, as a condition of their grant, to report to the Department of Public Utility Control, on a semi-annual basis and account for both expenditures as well as uses to which grant funds were dedicated for five years.

(2) In second and succeeding years, Community Technology Groups shall include data regarding the success of their broadband investment initiatives, including at a minimum, how the “needs” criteria reviewed in their original grant applications were achieved.

V. MAPPING OF BROADBAND INTERNET RESOURCES

Section 5. (NEW) (Effective July 1, 2009). Mapping of Broadband Internet Resources.

(a) The Department of Public Utility Control shall create and regularly update a detailed, geographic information system (GIS) map, at the census block level of the high-speed Internet services and other relevant telecommunications and information technology services owned or leased by public entities in the state with instruction on how proprietary and competitively sensitive data will be handled, stored, and used. The GIS map shall provide a baseline assessment of statewide high speed Internet deployment in terms of percentage of households with high speed Internet availability.

(b) The GIS map shall, at a minimum, detail: (i) the physical location of all high-speed Internet infrastructure owned or leased by public entities; (ii) the amount of excess capacity available; and (iii) whether the high-speed Internet infrastructure is active or inactive;.

(c) The Department of Public Utility Control shall work collaboratively with telecommunications providers and Internet service providers to assess, create, and regularly update a GIS map at the census block level of the high-speed Internet infrastructure in the state;

(d) The Department of Public Utility Control shall combine the geographic information system map of high-speed Internet infrastructure owned by wholesale and retail service providers with the GIS map of high-speed Internet infrastructure owned by government

and public educational entities to create and regularly update a statewide inventory of all high-speed Internet infrastructure in the state;

(e) The Department of Public Utility Control shall use the GIS map to identify and regularly update the geographic gaps in high-speed Internet service, including an assessment of the population located in each of the geographic gaps.

VI. REPORTING REQUIREMENTS

Section (6) (NEW) (Effective July 1, 2009). Reporting Requirements. The Department of Public Utility Control shall provide a status report to the Energy and Technology Committee of the General Assembly outlining the progress made to date within one year of completion of the GIS map and annually thereafter for a period of five years.

VII. CONFIDENTIALITY

Section (7) (NEW) (Effective July 1, 2009). Confidentiality. (a) Data submitted in connection with efforts to develop the high speed Internet deployment strategy may only be provided to the extent and in the format that it is maintained in the normal course of business.

(b) Any information designated by the providing entity as confidential or proprietary shall be treated as such and governed by an appropriate nondisclosure agreement.

(c) The data submitted by providing entities pursuant to this section shall not be subject to disclosure under the State Freedom of Information Act.

VIII. LIMITS TO AUTHORITY

Section (8) (NEW) (Effective July 1, 2009). Limits to Authority. (a) Nothing in this act may be construed as giving the Department of Public Utility Control, or any other state agencies or entities, any additional authority, regulatory or otherwise, over providers of telecommunications and information technology.

(b) Nothing in this section may be construed as limiting the authority of a state agency or local government to gather or request information from providers of telecommunications or high-speed Internet services for other purposes pursuant to its statutory authority.