

1 H.726

2 Introduced by Representatives Botzow of Pownal, Marcotte of Coventry, Carr
3 of Brandon, and Young of Glover

4 Referred to Committee on

5 Date:

6 Subject: Telecommunications; Universal Service Charge; Connectivity
7 Initiative; mobile telecommunications service

8 Statement of purpose of bill as introduced: This bill proposes to increase the
9 Vermont Universal Service Charge and use the additional monies raised to
10 support the Connectivity Initiative, which is expanded to include proposals
11 related to mobile telecommunications service.

12 An act relating to the Vermont Universal Service Charge and the
13 Connectivity Initiative

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. 30 V.S.A. § 7523 is amended to read:

16 § 7523. RATE OF CHARGE

17 (a) Beginning on July 1, 2014, the rate of charge shall be two percent of
18 retail telecommunications service. Beginning on July 1, 2016, the rate of
19 charge shall be increased by one-half of one percent of retail
20 telecommunications service, and the monies collected from this increase shall

1 be transferred to the Connectivity Fund established under section 7516 of this
2 title to specifically provide additional support for the Connectivity Initiative
3 established under 7515b of this title.

4 (b) Universal Service Charges imposed and collected by the fiscal agent
5 under this subchapter shall not be transferred to any other fund or used to
6 support the cost of any activity other than in the manner authorized by this
7 section and section 7511 of this title.

8 Sec. 2. 30 V.S.A. § 7516 is amended to read:

9 § 7516. CONNECTIVITY FUND

10 (a) There is created a Connectivity Fund for the purpose of providing
11 support to the High-Cost Program established under section 7515 of this
12 chapter and the Connectivity Initiative established under section 7515b of this
13 chapter. The fiscal agent shall determine annually, on or before September 1,
14 the amount of monies available to the Connectivity Fund. Such funds shall be
15 apportioned as follows: 45 percent to the High-Cost Program and 55 percent to
16 the Connectivity Initiative.

17 (b) In addition to the monies transferred to the Fund pursuant to subsection
18 (a) of this section, monies collected from one-half of one percent of the
19 Universal Service Charge shall be allocated to the Fund specifically to provide
20 additional support to the Connectivity Initiative, as prescribed in subsection
21 7523(a) of this title.

1 Sec. 3. 30 V.S.A. § 7515b is amended to read:

2 § 7515b. CONNECTIVITY INITIATIVE

3 (a) The ~~purpose~~ goals of the Connectivity Initiative ~~is~~ are to:

4 (1) ~~provide~~ Provide each service location in Vermont access to Internet
5 service that is capable of speeds of at least 10 Mbps download and 1 Mbps
6 upload, or the FCC speed requirements established under Connect America
7 Fund Phase II, whichever is higher, beginning with locations not served as of
8 December 31, 2013 according to the minimum technical service characteristic
9 objectives applicable at that time. Within this category of service locations,
10 priority shall be given first to unserved and then to underserved locations. As
11 used in this section, “unserved” means a location having access to only satellite
12 or dial-up Internet service and “underserved” means a location having access
13 to Internet service with speeds that exceed satellite and dial-up speeds but are
14 less than 4 Mbps download and 1 Mbps upload.

15 (2) Provide universal availability of mobile telecommunications service
16 throughout the State.

17 (b) Any new services funded in whole or in part by monies from this
18 Initiative shall be capable of being continuously upgraded to reflect the best
19 available, most economically feasible service capabilities.

20 ~~(b)~~(c) The Department of Public Service shall publish annually a list of
21 census blocks eligible for funding based on the Department’s most recent

1 broadband and cellular mapping data. The Department annually shall solicit
2 proposals from telecommunications service providers, alone or in partnership
3 with one or more municipalities, to deploy broadband and mobile
4 telecommunications service to eligible census blocks.

5 (d) The Department shall give priority to proposals that reflect the lowest
6 cost of providing services to unserved and underserved locations; ~~however,~~ In
7 addition, the Department shall give priority to proposals that include matching
8 public or private funds and establish an alignment between the proposed
9 broadband or cellular project and community goals.

10 (e) In addition to the priorities established in subsection (d) of this section,
11 the Department also shall consider:

12 (1) the proposed data transfer rates and other data transmission
13 characteristics of services that would be available to consumers;

14 (2) the price to consumers of services;

15 (3) the proposed cost to consumers of any new construction, equipment
16 installation service, or facility required to obtain service;

17 (4) whether the proposal would use the best available technology that is
18 economically feasible;

19 (5) the availability of service of comparable quality and speed; and

20 (6) the objectives of the State's Telecommunications Plan.

1 Sec. 4. EFFECTIVE DATE

2 This act shall take effect on passage.