




1 **Shading Code for this Draft Committee Amendment**

2  **Blue** – Committee Amendments

3  **Yellow** – Proposed Amendments regarding, primarily,

4 Telecommunications and Connectivity Board, to be considered by

5 Committee

6  **Green** – TBD by Committee

7

8 TO THE HOUSE OF REPRESENTATIVES:

9 The Committee on Commerce & Economic Development to which was
10 referred House Bill No. 117 entitled “An act relating to creating a Division for
11 Telecommunications and Connectivity within the Department of Public
12 Service” respectfully reports that it has considered the same and recommends
13 that the bill be amended by striking out all after the enacting clause and
14 inserting in lieu thereof the following:

15 Sec. 1. REPEAL

16 3 V.S.A. § 2225 (creating the Division for Connectivity within the Agency
17 of Administration) and 2014 Acts and Resolves No. 190, Secs. 12 (Division
18 for Connectivity), 14 (creation of positions; transfer; reemployment rights),
19 and 30(a)(2) and (b) (statutory revision authority regarding the Division for
20 Connectivity) are repealed.

21 Sec. 2. 30 V.S.A. § 1 is amended to read:

1 § 1. COMPOSITION OF DEPARTMENT

2 (a) The ~~department of public service~~ Department of Public Service shall
3 consist of the ~~commissioner of public service, a director for regulated utility~~
4 ~~planning, a director for public advocacy, a director for energy efficiency,~~
5 Commissioner of Public Service, a Director for Regulated Utility Planning,
6 a Director for Public Advocacy, a Director for Energy Efficiency, a Director
7 for Telecommunications and Connectivity, and such other persons as the
8 ~~commissioner~~ Commissioner considers necessary to conduct the business of
9 the ~~department~~ Department.

10 (b) The ~~commissioner of public service~~ Commissioner shall be appointed
11 by the ~~governor~~ Governor with the advice and consent of the ~~senate~~ Senate.
12 The ~~commissioner of public service~~ Commissioner shall serve for a term of
13 two years beginning on February 1 of the year in which the appointment is
14 made. The ~~commissioner~~ Commissioner shall serve at the pleasure of the
15 ~~governor~~ Governor. The ~~directors for regulated utility planning, for energy~~
16 ~~efficiency and for public advocacy~~ Directors for Regulated Utility Planning,
17 for Public Advocacy, and for Energy Efficiency shall be appointed by the
18 ~~commissioner~~ Commissioner. The Director for Telecommunications and
19 Connectivity shall be appointed by the Commissioner in consultation with the
20 Secretary of Administration.

1 (c) The ~~director for public advocacy~~ Directors for Public Advocacy and for
2 Telecommunications and Connectivity may employ, with the approval of the
3 ~~commissioner~~ Commissioner, legal counsel and other experts, and clerical
4 assistance, and the ~~directors of regulated utility planning and energy efficiency~~
5 Directors for Regulated Utility Planning and for Energy Efficiency may
6 employ, with the approval of the ~~commissioner~~ Commissioner, experts and
7 clerical assistance.

8 Sec. 3. 30 V.S.A. § 202d is amended to read:

9 § 202d. TELECOMMUNICATIONS PLAN

10 (a) The Department of Public Service shall constitute the responsible
11 planning agency of the State for the purpose of obtaining for all consumers in
12 the State stable and predictable rates and a technologically advanced
13 telecommunications network serving all service areas in the State. The
14 Department shall be responsible for the provision of plans for meeting
15 emerging trends related to telecommunications technology, markets, financing,
16 and competition.

17 (b) The Department shall prepare a Telecommunications Plan for the State.
18 The Department of Innovation and Information, ~~the Division for Connectivity~~
19 ~~and~~ the Agency of Commerce and Community Development, and the Agency
20 of Transportation shall assist the Department of ~~Public Service~~ in preparing the
21 Plan. The Plan shall be for a ten-year period and shall serve as a basis for State

1 telecommunications policy. Prior to preparing the Plan, the Department shall
2 prepare:

3 (1) an overview, looking ten years ahead, of future requirements for
4 telecommunications services, considering services needed for economic
5 development, technological advances, and other trends and factors which, as
6 determined by the Department of Public Service, will significantly affect State
7 telecommunications policy and programs;

8 (2) a survey of Vermont residents and businesses, conducted in
9 cooperation with the Agency of Commerce and Community Development ~~and~~
10 ~~the Division for Connectivity~~, to determine what telecommunications services
11 are needed now and in the succeeding ten years;

12 (3) an assessment of the current state of telecommunications
13 infrastructure;

14 (4) an assessment, conducted in cooperation with the Department of
15 Innovation and Information and the ~~Division for Connectivity~~ Agency of
16 Transportation, of the current State telecommunications system and evaluation
17 of alternative proposals for upgrading the system to provide the best available
18 and affordable technology for use by government; and

19 (5) an assessment of the state of telecommunications networks and
20 services in Vermont relative to other states, including price comparisons for
21 key services and comparisons of the state of technology deployment.

1 (c) In developing the Plan, the Department shall take into account the State
2 telecommunications policies and goals of section 202c of this title.

3 (d) In establishing plans, public hearings shall be held and the Department
4 shall consult with members of the public, representatives of
5 telecommunications utilities, other providers, and other interested State
6 agencies, particularly the Agency of Commerce and Community Development,
7 ~~the Division for Connectivity,~~ the Agency of Transportation, and the
8 Department of Innovation and Information, whose views shall be considered in
9 preparation of the Plan. To the extent necessary, the Department shall include
10 in the Plan surveys to determine existing, needed, and desirable plant
11 improvements and extensions, access and coordination between
12 telecommunications providers, methods of operations, and any change that will
13 produce better service or reduce costs. To this end, the Department may
14 require the submission of data by each company subject to supervision by the
15 Public Service Board.

16 (e) Before adopting a Plan, the Department shall conduct public hearings
17 on a final draft and shall consider the testimony presented at such hearings in
18 preparing the final Plan. At least one hearing shall be held jointly with
19 Committees of the General Assembly designated by the General Assembly for
20 this purpose. The Plan shall be adopted by September 1, 2014, and then
21 reviewed and updated as provided in subsection (f) of this section.

1 (f) The Department, from time to time, but in no event less than every three
2 years, institute proceedings to review ~~a~~ the Plan and make revisions, where
3 necessary. The three-year major review shall be made according to the
4 procedures established in this section for initial adoption of the Plan. For good
5 cause or upon request by a Joint Resolution passed by the General Assembly,
6 an interim review and revision of any section of the Plan may be made after
7 conducting public hearings on the interim revision. At least one hearing shall
8 be held jointly with Committees of the General Assembly designated by the
9 General Assembly for this purpose.

10 (g) The Department shall review and update the minimum technical service
11 characteristic objectives not less than every three years beginning in 2017. In
12 the event such review is conducted separately from an update of the Plan, the
13 Department shall issue revised minimum technical service characteristic
14 objectives as an amendment to the Plan.

15 Sec. 4. 30 V.S.A. § 202e is added to read:

16 § 202e. TELECOMMUNICATIONS AND CONNECTIVITY

17 (a) Among other powers and duties specified in this title, the Department of
18 Public Service, through the Division for Telecommunications and
19 Connectivity, shall promote:

1 (1) access to affordable broadband service to all residences and
2 businesses in all regions of the State, to be achieved in a manner that is
3 consistent with the State Telecommunications Plan;

4 (2) universal availability of mobile telecommunication services,
5 including voice and high-speed data along roadways, and near universal
6 availability statewide;

7 (3) investment in telecommunications infrastructure in the State that
8 creates or completes the network for service providers to create last-mile
9 connection to the home or business and supports the best available and
10 economically feasible service capabilities;

11 (4) the continuous upgrading of telecommunications and broadband
12 infrastructure in all areas of the State to reflect the rapid evolution in the
13 capabilities of available mobile telecommunications and broadband
14 technologies, the capabilities of mobile telecommunications and broadband
15 services needed by persons, businesses, and institutions in the State; and

16 (5) the most efficient use of both public and private resources through
17 State policies by encouraging the development of open access
18 telecommunications infrastructure that can be shared by multiple service
19 providers.

1 (b) To achieve the goals specified in subsection (a) of this section, the

2 Division shall:

3 (1) provide resources to local, regional, public, and private entities in the
4 form of grants, technical assistance, coordination, and other incentives;

5 (2) prioritize the use of existing buildings and structures, historic or
6 otherwise, as sites for visually-neutral placement of mobile
7 telecommunications and wireless broadband antenna facilities;

8 (3) inventory and assess the potential to use federal radio frequency
9 licenses held by instrumentalities of the State to enable broadband service in
10 unserved areas of the State; take steps to promote the use of those licensed
11 radio frequencies for that purpose; and recommend to the General Assembly
12 any further legislative measures with respect to ownership, management, and
13 use of these licenses as would promote the general good of the State;

14 (4) coordinate telecommunications initiatives among Executive Branch
15 agencies, departments, and offices;

16 (5) identify the types and locations of infrastructure and services needed
17 to carry out the goals stated in subsection (a) of this section;

18 (6) formulate, with the advice and assistance of the Telecommunications
19 and Connectivity Board, an action plan that conforms with the State
20 Telecommunications Plan and carries out the goals stated in subsection (a) of
21 this section, and is developed with input from a public stakeholder process;

1 (7) coordinate the agencies of the State to make public resources
2 available to support the extension of mobile telecommunications and
3 broadband infrastructure and services to all unserved and underserved areas;

4 (8) support and facilitate initiatives to extend the availability of mobile
5 telecommunications and broadband services, and promote development of the
6 infrastructure that enables the provision of these services;

7 (9) through the Department of Innovation and Information, aggregate
8 and broker access at reduced prices to services and facilities required to
9 provide wireless telecommunications and broadband services; and waive or
10 reduce State fees for access to State-owned rights-of-way in exchange for
11 comparable value to the State, unless payment for use is otherwise required by
12 federal law work cooperatively with the Agency of Transportation to assist in
13 making available transportation rights of way for telecommunications projects
14 in conformity with applicable federal statutes and regulations; and

15 (10) receive all technical and administrative assistance as deemed
16 necessary by the Director for Telecommunications and Connectivity.

17 (c)(1) The Director may request from telecommunications service
18 providers voluntary disclosure of information regarding deployment of
19 broadband, telecommunications facilities, or advanced metering infrastructure
20 that is not publicly funded. Such information may include data identifying
21 projected coverage areas, projected average speed of service, service type, and

1 the anticipated date of completion in addition to identifying the location and
2 routes of proposed cables, wires, and telecommunications facilities.

3 (2) The Director may enter into a nondisclosure agreement with respect
4 to any voluntary disclosures under this subsection, and the information
5 disclosed pursuant thereto shall remain confidential. Alternatively, entities that
6 voluntarily provide information requested under this subsection may select a
7 third party to be the recipient of such information. The third party may
8 aggregate information provided by the entities, but shall not disclose
9 provider-specific information it has received under this subsection to any
10 person, including the Director. The third party shall only disclose the
11 aggregated information to the Director. The Director may publicly disclose
12 aggregated information based upon the information provided under this
13 subsection. The confidentiality requirements of this subsection shall not affect
14 whether information provided to any agency of the State or a political
15 subdivision of the State pursuant to other laws is or is not subject to disclosure.

16 (d) The Division shall only promote the expansion of broadband services
17 that offer actual speeds that meet or exceed the minimum technical service
18 characteristic objectives contained in the State's Telecommunications Plan.

19 (e) Notwithstanding 2 V.S.A. § 20(d), on or before January 15 of each year,
20 the Director, with the advice and assistance of the Telecommunications and
21 Connectivity Board, shall submit a report of its activities for the preceding

1 fiscal year to the General Assembly. Each report shall include an operating
2 and financial statement covering the Division's operations during the year,
3 including a summary of all grant awards and contracts and agreements entered
4 into by the Division, as well as the action plan required under subdivision
5 (b)(6) of this section. In addition, the report shall include an accurate map and
6 narrative description of each of the following:

7 (1) the areas served and the areas not served by wireless
8 communications service, and cost estimates for providing such service to
9 unserved areas;

10 (2) the areas served and the areas not served by broadband that has a
11 download speed of at least 0.768 4 Mbps and an upload speed of at least 0.2
12 1 Mbps, and cost estimates for providing such service to unserved areas;

13 (3) the areas served and the areas not served by broadband that has a
14 combined download and upload speed of at least 5 Mbps download speed of at
15 least 10 Mbps and an upload speed of at least 1 Mbps, and the costs for
16 providing such service to unserved areas; and

17 (4) the areas served and the areas not served by broadband that has a
18 download speed of at least 100 Mbps and is symmetrical, and the costs for
19 providing such service to unserved areas.

1 Sec. 5. 30 V.S.A. § 202f is added to read:

2 § 202f. TELECOMMUNICATIONS AND CONNECTIVITY **ADVISORY**
3 **BOARD**

4 (a) There is created a Telecommunications and Connectivity Board for the
5 purpose of making recommendations to the Commissioner of Public Service
6 regarding his or her telecommunications responsibilities and duties **under this**
7 **title as provided in this section.** The Board shall consist of nine members
8 selected as follows:

9 (1) the State Treasurer or his or her designee;

10 (2) the Secretary of **Administration Transportation** or his or her
11 designee;

12 (3) the Secretary of Commerce and Community Development or his or
13 her designee;

14 (4) **one three members, not all from the same party or geographic region**
15 **of the State,** of the House of Representatives appointed by the Speaker of the
16 House;

17 (5) **one three members, not all from the same party or geographic region**
18 **of the State,** of the Senate appointed by the Committee on Committees of the
19 Senate; and

20 (6) **four at large members appointed by the Governor, who may not be**
21 **employees or officers of the State at the time of appointment. One at large**

1 member selected jointly by the Speaker of the House and the Committee on
2 Committees of the Senate, who shall serve as the Chair.

3 (b) A quorum of the Board shall consist of five members. No action of the
4 Board shall be considered valid unless the action is supported by a majority
5 vote of the members present and voting and then only if at least four members
6 vote in favor of the action. The Governor shall select, from among the at large
7 members, a Chair and vice chair, who may not be members of the General
8 Assembly or employees or officers of the State at the time of the appointment.

9 (c) In making appointments of at-large and legislative members and the
10 Chair, the appointing authorities shall give consideration to citizens of the
11 State with knowledge of telecommunications technology, telecommunications
12 regulatory law, transportation rights-of-way and infrastructure, finance, and
13 environmental permitting. However, the legislative and four at-large-members
14 may not be persons with a financial interest in or owners or employees of an
15 enterprise that provides broadband or cellular service or that is seeking in-kind
16 or financial support from the Department of Public Service. The conflict of
17 interest provision in this subsection shall not be construed to disqualify a
18 member who has ownership in a mutual fund, exchange traded fund, pension
19 plan, or similar entity that owns shares in such enterprises as part of a broadly
20 diversified portfolio. In addition, at least one at large member two legislative
21 members shall represent an area of Vermont determined by the Commissioner

1 to be unserved by broadband at the time of his or her appointment or
2 reappointment, and at least ~~one at-large member~~ two legislative members shall
3 represent an area of Vermont determined by the Commissioner to be unserved
4 by mobile telecommunications at the time of his or her appointment or
5 reappointment. The legislative and at-large members shall serve terms of two
6 years beginning February 1 in odd-numbered years, and until their successors
7 are appointed and qualified. However, ~~three of the four at-large members first~~
8 ~~appointed by the Governor~~ four of the seven legislative members shall serve an
9 initial term of three years. Vacancies shall be filled by the respective
10 appointing bodies for the balance of the unexpired term. A member may be
11 reappointed for up to three consecutive terms. Upon completion of a term of
12 service for any reason, including the term's expiration or a member's
13 resignation, and for one year from the date of such completion, a former Board
14 member shall not advocate before the Board or Department of Public Service
15 on behalf of an enterprise that provides broadband or cellular service.

16 (d) Except for those members otherwise regularly employed by the State,
17 the compensation of the Board's members is that provided by 32 V.S.A.
18 § 1010(a). Legislative members are entitled to compensation for services and
19 reimbursement of expenses as provided in 2 V.S.A. § 406. All members of the
20 Board, including those members otherwise regularly employed by the State,

1 shall receive their actual and necessary expenses when away from home or
2 office upon their official duties.

3 (e) In performing its duties, the Board may use the legal and technical
4 resources of the Department of Public Service. The Department of Public
5 Service shall provide the Board with administrative services.

6 (f) The Board shall have decision-making and approval authority with
7 respect to the awarding grants under the Connectivity Initiative, as provided in
8 subsection (g) of this section. The Board shall function in an advisory capacity
9 to the Commissioner on the development of State telecommunications policy
10 and planning, including the 5-year strategic plan and the State
11 Telecommunications Plan.

12 (g) The Commissioner shall evaluate the relative merits of each of the
13 proposals submitted under the Connectivity Initiative and make
14 recommendations to the Board as to which applications merit funding. The
15 Board shall review the recommendations of the Commissioner and make the
16 final grant awards. Decisions of the Board shall be administrative decisions
17 not subject to the contested case hearing requirements of 3 V.S.A. chapter 25.
18 The Board's decisions are final and not subject to judicial review, or review by
19 the Public Service Board.

1 (h) The Chair shall call the first meeting of the Board. A majority of Board
2 members my otherwise call a Board meeting. The Board may meet up to 6
3 times a year.

4 (i) At least annually, the Board and the Commissioner or designee shall
5 jointly hold a public meeting to review and discuss the status of State
6 telecommunications policy and planning, the Telecommunications Plan, the
7 Connectivity Fund, the Connectivity Initiative, the High-Cost Program, and
8 any other matters they deem necessary to fulfill their obligations under this
9 section.

10 Sec. 6. CREATION OF POSITIONS; TRANSFER OF VACANT
11 POSITIONS; REEMPLOYMENT RIGHTS

12 (a) Up to three additional exempt full-time positions are created within the
13 Division for Telecommunications and Connectivity, as deemed necessary by
14 the Secretary of Administration.

15 (b) The positions created under subsection (a) of this section shall only be
16 filled to the extent there are existing vacant positions in the Executive Branch
17 available to be transferred and converted to the new positions in the Division
18 for **Telecommunications and** Connectivity, as determined by the Secretary of
19 Administration and the Commissioner of Human Resources, so that the total
20 number of authorized positions in the State shall not be increased by this act.

1 (c) All full-time personnel of the Vermont Telecommunications Authority
2 employed by the Authority on the day immediately preceding the effective date
3 of this act who do not obtain a position in the Division for
4 Telecommunications and Connectivity pursuant to subsection (a) of this
5 section shall be entitled to the same reemployment or recall rights available to
6 nonmanagement State employees under the existing collective bargaining
7 agreement entered into between the State and the Vermont State Employees'
8 Association.

9 Sec. 7. 30 V.S.A. § 7503 is amended to read:

10 § 7503. FISCAL AGENT

11 (a) A fiscal agent shall be selected to receive and distribute funds under this
12 chapter.

13 (b) The fiscal agent shall be selected by the ~~Public Service Board~~
14 Commissioner of Public Service after competitive bidding. No
15 telecommunications service provider shall be eligible to be the fiscal agent.

16 The duties of the fiscal agent shall be determined by a contract with a term not
17 greater than three years.

18 (c) In order to finance grants and other expenditures that have been
19 approved by the Public Service Board, the fiscal agent may borrow money
20 from time to time in anticipation of receipts during the current fiscal year. No
21 such note shall have a term of repayment in excess of one year, but the fiscal

1 agent may pledge its receipts in the current and future years to secure
2 repayment. Financial obligations of the fiscal agent are not guaranteed by the
3 State of Vermont.

4 (d) The fiscal agent shall be audited annually by a certified public
5 accountant in a manner determined by and under the direction of the Public
6 Service Board.

7 (e) The financial accounts of the fiscal agent shall be available at
8 reasonable times to any telecommunications service provider in this State. The
9 Public Service Board may investigate the accounts and practices of the fiscal
10 agent and may enter orders concerning the same.

11 (f) The fiscal agent acts as a fiduciary and holds funds in trust for the
12 ratepayers until the funds have been disbursed as provided pursuant to ~~sections~~
13 ~~7511 through 7515~~ section 7511 of this chapter. [~~Delete 7515a.~~] [Increase
14 surcharge from 2 to 4 percent.]

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

16 § 7516. CONNECTIVITY FUND

17 There is created a Connectivity Fund for the purpose of providing support
18 to the High-Cost Program established under section 7515 of this chapter and
19 the Connectivity Initiative established under section 7515b of this chapter.

20 The fiscal agent shall determine annually, on or before September 1, the
21 amount of monies available to the Connectivity Fund. Such funds shall be

1 apporportioned equally as follows: 30 percent to the High-Cost Program and 70
2 percent to the Connectivity Initiative ~~referenced in this section.~~

3 Sec. 9. 30 V.S.A. § 7515 is amended to read:

4 § 7515. HIGH-COST PROGRAM

5 (a) The Universal Service Charge shall be used as a means of keeping basic
6 telecommunications service affordable in all parts of this State, thereby
7 maintaining universal service, and as a means of supporting access to
8 broadband service in all parts of the State.

9 (b) The Public Service Board, after review of a petition of a company
10 holding a certificate of public good to provide telecommunications service in
11 Vermont, and upon finding that the company meets all requirements for
12 designation as an “eligible telecommunications carrier” as defined by the FCC,
13 may designate the company as a Vermont-eligible telecommunications carrier
14 (VETC).

15 (c) The supported services a designated VETC must provide are voice
16 telephony services, as defined by the FCC, and broadband Internet access,
17 directly or through an affiliate. A VETC receiving support under this section
18 shall use that support for capital improvements in high cost areas, as defined in
19 subsection (f) of this section, to build broadband capable networks.

20 (d) The Board may designate multiple VETCs for a single high cost area,
21 but each designated VETC shall:

1 (1) offer supported services to customers at all locations throughout the
2 service high cost area or areas for which it has been designated; and

3 (2) for its voice telephone services, meet service quality standards set by
4 the Board.

5 (e) A VETC shall receive support as defined in subsection (i) of this
6 section from the fiscal agent of the Vermont Universal Service Fund for each
7 telecommunications line in service or service location, whichever is greater in
8 number, in each high cost area it services. Such support may be made in the
9 form of a net payment against the carrier's liability to the Fund. If multiple
10 VETCs are designated for a single area, then each VETC shall receive support
11 for each line it has in service.

12 (f) As used in this section, a Vermont telephone exchange is a "high cost
13 area" if the exchange is served by a rural telephone company, as defined by
14 federal law, or if the exchange is designated as a rural exchange in the
15 wholesale tariff of a regional bell operating company (RBOC), as defined by
16 the FCC, or of a successor company to an RBOC. An exchange is not a high
17 cost area if the Public Service Board finds that the supported services are
18 available to all locations throughout the exchange from at least two service
19 providers.

20 (g) Except as provided in subsection (h) of this section, a VETC shall
21 provide broadband Internet access at speeds meeting 4 Mbps download and

1 1 Mbps upload in each high cost area it serves within five years of designation.
2 A VETC need not provide broadband service to a location that has service
3 available from another service provider, as determined by the Department of
4 Public Service.

5 (h) The Public Service Board may modify the build out requirements of
6 subsection (d) of this section as it relates to broadband Internet access to be the
7 geographic area that could be reached using one-half of the funds to be
8 received over five years. A VETC may seek such waiver of the build out
9 requirements ~~in subsection (e)~~ within one year of designation and shall
10 demonstrate the cost of meeting broadband Internet access requirements on an
11 exchange basis and propose an alternative build out plan.

12 (i) The amount of the monthly support under this section shall be the pro
13 rata share of available funds ~~as provided in subsection (e) of this section~~ based
14 on the total number of incumbent local exchange carriers in the State and
15 reflecting each carrier's lines in service or service locations in its high-cost
16 area or areas, as determined under subsection (e) of this section. If an
17 incumbent local exchange carrier does not petition the Board for VETC
18 designation, or is found ineligible by the Board, the share of funds it otherwise
19 would have received under this section shall be used to support the
20 Connectivity Initiative established in section 7515b of this chapter.

1 (j) The Public Service Board shall adopt by rule standards and procedures
2 for ensuring projects funded under this section are not competitive overbuilds
3 of existing wired telecommunications services.

4 (k) Each VETC shall submit certification that it is meeting the
5 requirements of this section and an accounting of how it expended the funds
6 received under this section in the previous calendar year, with its annual report
7 to the Department of Public Service. For good cause shown, the Public
8 Service Board may investigate submissions required by this subsection and
9 may revoke a company's designation if it finds that the company is not
10 meeting the requirements of this subsection.

11 Sec. 10. 30 V.S.A. § 7515b is amended to read:

12 § 7515b. CONNECTIVITY INITIATIVE

13 (a) The purpose of the Connectivity Initiative is to provide each service
14 location in Vermont access to Internet service that is capable of speeds of at
15 least 4 Mbps download and 1 Mbps upload, or the FCC speed requirements
16 established under Connect America Fund Phase II, whichever is higher,
17 beginning with locations not served as of December 31, 2013 according to the
18 minimum technical service characteristic objectives applicable at that time.
19 Within this category of service locations, priority shall be given first to
20 unserved and then to underserved locations. As used in this section,
21 "unserved" means a location having access to only satellite or dial-up Internet

1 service and “underserved” means a location having access to Internet service
2 with speeds that exceed satellite and dial-up speeds but are less than 4 Mbps
3 download and 1 Mbps upload. Any new services funded in whole or in part by
4 monies ~~in this Fund~~ from this Initiative shall be capable of being continuously
5 upgraded to reflect the best available, most economically feasible service
6 capabilities.

7 (b) The Department of Public Service shall publish annually a list of census
8 blocks eligible for funding based on the Department’s most recent broadband
9 mapping data. The Department annually shall solicit proposals from service
10 providers, ~~the Vermont Telecommunications Authority, and the Division for~~
11 ~~Connectivity~~ to deploy broadband to eligible census blocks. The Department
12 shall give priority to proposals that reflect the lowest cost of providing services
13 to unserved and underserved locations; however, the Department also shall
14 consider:

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

17 (2) the price to consumers of services;

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

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

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

2 (6) the objectives of the State’s Telecommunications Plan.

3 Sec. 11. EFFECTIVE DATE

4 This act shall take effect on July 1, 2015.

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12 (Committee vote: _____)

13

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Representative _____

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FOR THE COMMITTEE