

1 H.94

2 Introduced by Representatives Sibilgia of Dover, Young of Greensboro, Burke
3 of Brattleboro, Chesnut-Tangerman of Middletown Springs,
4 Coffey of Guilford, Conlon of Cornwall, Conquest of Newbury,
5 Haas of Rochester, Harrison of Chittenden, Hashim of
6 Dummerston, Jickling of Randolph, Kimbell of Woodstock,
7 Kornheiser of Brattleboro, Long of Newfane, Mrowicki of
8 Putney, Murphy of Fairfax, Norris of Shoreham, Pajala of
9 Londonderry, Partridge of Windham, Toleno of Brattleboro,
10 Trieber of Rockingham, Yacovone of Morristown, and
11 Yantachka of Charlotte

12 Referred to Committee on

13 Date:

14 Subject: Telecommunications; Universal Service Fund; rate increase;
15 broadband initiatives

16 Statement of purpose of bill as introduced: This bill proposes to increase the
17 Universal Service Charge for a limited time and use the additional funds raised
18 to support the High-Cost Program, the Connectivity Initiative, and feasibility
19 studies and technical assistance for municipalities in the process of developing
20 a communications union district.

1 An act relating to funding for State broadband initiatives

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

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

4 § 7523. RATE OF CHARGE

5 (a) Beginning on July 1, 2014, the rate of charge shall be two percent of
6 retail telecommunications service.

7 (b) Beginning on July 1, 2019 and ending on June 30, 2023, the rate of
8 charge established under subsection (a) of this section shall be increased by
9 one-half of one percent of retail telecommunications service, and the monies
10 collected from this increase shall be transferred to the Connectivity Fund
11 established under section 7516 of this title.

12 (c) Universal Service Charges imposed and collected by the fiscal agent
13 under this subchapter shall not be transferred to any other fund or used to
14 support the cost of any activity other than in the manner authorized by this
15 section and section 7511 of this title.

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

17 § 7516. CONNECTIVITY FUND

18 (a) There is created a Connectivity Fund for the purpose of providing
19 support to the High-Cost Program established under section 7515 of this
20 chapter and the Connectivity Initiative established under section 7515b of this
21 chapter. The fiscal agent shall determine annually, on or before September 1,

1 the amount of monies available to the Connectivity Fund. Such funds shall be
2 apportioned as follows: 45 percent to the High-Cost Program and 55 percent
3 to the Connectivity Initiative.

4 (b) Of the money transferred to the Connectivity Fund pursuant to
5 subsection 7523(b) of this title, \$1,000,000.00 shall be set aside and used
6 specifically to provide funding for feasibility studies and technical assistance
7 to municipalities in the process of developing a communications union district
8 pursuant to chapter 82 of this title. Distribution of these funds shall be made in
9 a form and in a manner determined by the Commissioner of Public Service,
10 and shall be allocated proportionately based on the number of applicants for
11 such funds.

12 Sec. 3. EFFECTIVE DATE

13 This act shall take effect on passage.