

TO THE HONORABLE SENATE

The Committee on Finance to which was referred Senate Bill No. S. 318, entitled "An act relating to financing options for public, educational, and government access television"

respectfully reports that it has considered the same and recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds:

(1) Public, educational, and government (PEG) access television provides an essential community service in Vermont.

(2) PEG access television extends the concept of participatory democracy by providing not only a window to State and local government proceedings but also a forum for citizens to voice their viewpoints and opportunities for life-long learning and cultural exchange.

(3) There are 25 PEG access management organizations (AMOs) serving Vermont.

(4) The General Assembly considers healthy and viable PEG access services to be in the best interests of Vermont.

(5) Changes in generally accepted accounting principles may impact the revenue available to fund PEG access services in Vermont.

Sec. 2. STUDY; PEG ACCESS SERVICES; FINANCING

(a) The Joint Fiscal Committee shall contract with one or more independent consultants to assist the General Assembly with evaluating options for financing public, educational, and government (PEG) access channels and services to communities across Vermont, including through an assessment on communications providers based on their use of public rights-of-way. The consultant shall have expertise in finance and economic modeling and in communications law and policy. The Joint Fiscal Office, in consultation with the Office of the Legislative Council, shall administer consultant contracts for the Joint Fiscal Committee.

(1) In evaluating options as required by this subsection, the consultant shall consider and make specific findings and recommendations regarding the following:

(A) whether and to what extent communications services may be subject to any fee or right-of-way assessment, taking into consideration: the Communications Act of 1934, as amended, and as it pertains to:

(i) Title I information services, such as broadband Internet access service;

(ii) Title II common carrier services, such as landline telephony;

(iii) Title III radio transmissions, such as broadcast television, radio, and cellular telephony; and

(iv) Title VI cable services, such as cable television.

(B) the Internet Tax Freedom Act, P.L. 105-277, as amended;

(C) any other relevant laws and judicial precedent and orders, regulations, or bulletins issued by the Federal Communications Commission; and

(D) State and municipal laws and ordinances that assess communications providers or services, including those that assess or regulate the use of public rights-of-way by communications providers in Vermont and in other jurisdictions, including the terms and conditions of lease agreements or other contractual arrangements, as well as the revenue generated and the programs funded with any fees collected.

(2) The consultant shall consider and recommend alternative models for revenue generation and shall develop current and future revenue projections that reflect market trends in the communications industry. The models shall describe technical implementation issues, including the availability of or need for mapping data related to communications infrastructure in the public rights-of-way. In developing alternative models, the consultant shall analyze models enacted in other jurisdictions, including the revenue generated and the programs funded.

(3) As part of the study required by this subsection, the consultant may recommend alternative financing mechanisms applicable to any Vermont program currently funded by a tax, fee, or assessment on a communications service or provider if those alternative financing mechanisms will better serve the interests of the State.

(4) The consultant, in consultation with the Vermont Access Network, shall assess the services offered by Vermont's 25 independent, nonprofit PEG access centers and determine whether there are opportunities to achieve efficiencies and cost savings. The consultant shall review models in other jurisdictions.

(5) The consultant shall have the technical support of the Joint Fiscal Office, the Office of Legislative Council, the Department of Public Service, the Department of Taxes, the Agency of Transportation, and the Agency of Digital Services. Prior to submitting the report required by subdivision (7) of this subsection, the consultant shall confer with the Office of the Attorney

General regarding his or her findings, recommendations, and any proposed legislation.

(6) In fiscal year 2021, the amount of \$100,000.00 shall be appropriated from the General Fund to the Joint Fiscal Office for expenses incurred as a result of administering contracts authorized under this subsection.

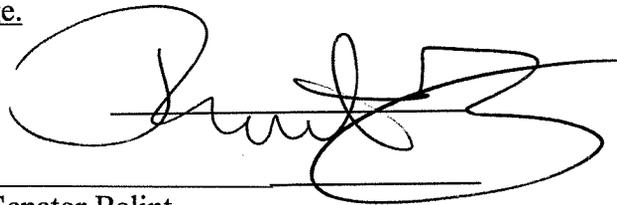
(7) On or before January 1, 2021, the consultant retained pursuant to this subsection shall submit a report of his or her findings and recommendations to the Senate Committee on Finance and the House Committees on Energy and Technology and on Ways and Means. The report may include draft legislation implementing the proposal that represents the most equitable means of extracting the greatest public benefit for Vermonters from commercial services or from the commercial use of public rights-of-way.

(b) The Secretary of Digital Services, in consultation with the Commissioner of Buildings and General Services, the Commissioner of Public Service, and the Legislative Information Technology Committee, shall evaluate the costs and benefits of a State partnership with PEG access centers to coordinate, develop, maintain, and expand the delivery of statewide videoconferencing services, taking into consideration the services previously provided by Vermont Interactive Television, subsequently renamed Vermont Interactive Technologies (VIT). The purpose of this public-private partnership would be to increase public participation in State proceedings. The Secretary shall conduct a community needs assessment and shall estimate capital and operating costs of statewide videoconferencing services. The Secretary shall take into consideration any prior relevant reports, such as the 2015 report of the VIT Working Group authorized by 2015 Acts and Resolves No. 58, Sec. E.602.1 and also the Act 53 Public Access Plan prepared by the Department of Public Service, dated December 15, 2017. The Secretary shall report his or her findings and recommendations to the Senate Committee on Finance and the House Committee on Energy and Technology on or before January 1, 2021.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 7-0-0)

A handwritten signature in black ink, appearing to read "Balint", written over a horizontal line.

Senator Balint
FOR THE COMMITTEE