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H.513

Introduced by Committee on Energy and Technology

Date:

Subject: Telecommunications; Vermont Universal Service Fund;
communications union districts; electric utilities; broadband grants
and loans; municipal broadband deployment

Statement of purpose of bill as introduced: This bill proposes to establish
measures designed to support broadband deployment in unserved and
underserved areas in Vermont.

FiOS/FTTH
FiOS/FTTH
replace "broadband" w/ "FiOS-FTTH"
or "fiber to premises" + in definitions
add : FiOS, an abbreviation for Fiber
Optic System, is a Fiber to the Home
(FTTH)

FiOS/FTTH
An act relating to broadband deployment throughout Vermont

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

* * * Legislative Findings * * *

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Department of Public Service data indicates that seven percent of Vermont addresses do not have access to the most basic high-speed Internet access, which is 4 Mbps download and 1 Mbps upload. Nearly 20 percent of Vermont addresses lack access to modern Internet speeds of 10 Mbps download and 1 Mbps upload. The Federal Communications Commission

1 (FCC) defines broadband as a minimum of 25 Mbps download and 3 Mbps
2 upload. Approximately 27 percent of Vermont addresses lack access to this
3 level of service.

4 (2) As Vermont is a rural state with many geographically remote
5 locations, **FiOS FTTH** broadband is essential for supporting economic and educational
6 activities, strengthening health and public safety networks, and reinforcing
7 freedom of expression and democratic, social, and civic engagement.

8 (3) The accessibility and quality of communications networks in
9 Vermont, specifically **FiOS FTTH** broadband, is critical to our State's future.

10 (4) The FCC anticipates that a "light-touch" regulatory approach under
11 Title I of the Communications Act of 1934, rather than "utility-style"
12 regulation under Title II, will further advance the Congressional goals of
13 promoting **FiOS FTTH** broadband deployment and infrastructure investment.

14 (5) The FCC's regulatory approach is unlikely to achieve the intended
15 results in Vermont. The policy does little, if anything, to overcome the
16 financial challenges of bringing **FiOS-FTTH** broadband service to hard-to-reach locations
17 with low population density. However, it may result in degraded **FiOS-FTTH** broadband
18 quality of service. The State has a compelling interest in preserving and
19 protecting consumer access to high quality **FiOS-FTTH** broadband service.

20 (6) Reaching the last mile will require a grassroots approach that is
21 founded on input from and support of local communities, whose residents are

Further study is required to determine if safety of wireless has been adequately addressed by the FCC



FiOS-FTTH

1 best situated to decide which ~~broadband~~ solution fits their needs. By
2 developing a toolkit that encompasses numerous innovative approaches to
3 achieving successful ~~broadband~~ buildout and by investing in programs and
4 personnel that can provide local communities with much-needed resources and
5 technical assistance, the State can facilitate and support community efforts to
6 design and implement ~~broadband~~ solutions.

7 (7) Existing Internet service providers are not providing adequate
8 service to many rural areas where fewer potential customers reduce the
9 profitability necessary to justify system expansion.

10 (8) Multiple communities have attempted to implement their own
11 unique solutions outside of traditional delivery methods but have been
12 hampered by a lack of access to capital. Existing ~~broadband~~ grant programs
13 do not offer the scale to solve this problem, and banks and investors typically
14 shy away from start-up businesses with limited revenue history and little
15 equity or collateral.

16 (9) Community ~~broadband~~ solutions may mean either partnering with a
17 new business that must design and build a network or with an established
18 Internet service provider, which is followed by a 12- to 24-month process of
19 initial customer acquisition.

20 (10) A growing challenge is the isolation that may result from increased
21 reliance on the Internet and online communities. In rural settings, the physical



IMPORTANT: also include that many numbers of people require tranquility of nature and specifically distance from multiple toxins, pollutants, and radiation of EMFs

1 ~~and psychological draw into isolation is much greater simply as a result of unsubstantiated~~
2 ~~limited chances for interaction with neighbors and community members. As~~ Conjecture

3 we expand our access and reliance on the Internet, we need to be intentional in
4 supporting our rural communities and town centers.

5 * * * VUSF; Rate Increase; Connectivity Fund; Specialist * * *

6 Sec. 2. 30 V.S.A. § 7523 is amended to read:

7 § 7523. RATE OF CHARGE

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

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

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

19 Sec. 3. 30 V.S.A. § 7516 is amended to read:

20 § 7516. CONNECTIVITY FUND

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

8 (b) Of the money transferred to the Connectivity Fund pursuant to
9 subsection 7523(b) of this title, up to \$120,000.00 shall be appropriated
10 annually to the Department of Public Service to fund a Rural Broadband
11 Technical Assistance Specialist whose duties shall include providing outreach,
12 technical assistance, and other support services to communications union
13 districts established pursuant to chapter 82 of this title and other units of
14 government, nonprofit organizations, cooperatives, and for-profit businesses
15 for the purpose of expanding ~~broadband~~ **FiOS - FTTH** service to unserved and underserved
16 locations. Support services also may include providing business model
17 templates for various approaches, including formation of or partnership with a
18 cooperative, a communications union district, a rural economic development
19 infrastructure district, an electric utility, or a new or existing Internet service
20 provider as operator of the network.

1 * * * High-Cost Program; Connectivity Initiative;
2 Speed Requirements * * *

3 Sec. 4. 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 **FiOS-FTTH**
~~broadband~~ service in all parts of the State.

9 * * *

10 (g) Except as provided in subsection (h) of this section, a VETC shall
11 **FiOS-FTTH**
provide ~~broadband~~ Internet access at speeds no lower than ~~4 Mbps download~~
12 and ~~1 Mbps upload~~ 25 Mbps download and 3 Mbps upload in each high-cost
13 area it serves within five years of designation. A VETC need not provide
14 **FiOS-FTTH**
~~broadband~~ service to a location that has service available from another service
15 provider, as determined by the Department of Public Service.

16 * * *

17 Sec. 5. 30 V.S.A. § 7515b is amended to read:

18 § 7515b. CONNECTIVITY INITIATIVE

19 (a) The purpose of the Connectivity Initiative is to provide each service
20 location in Vermont access to Internet service that is capable of speeds of at
21 least ~~10 Mbps download and 1 Mbps upload~~ 25 Mbps download and 3 Mbps

1 upload, or the FCC speed requirements established under Connect America
2 Fund Phase II, whichever is higher, beginning with locations not served as of
3 December 31, 2013 according to the minimum technical service characteristic
4 objectives applicable at that time. Within this category of service locations,
5 priority shall be given first to unserved and then to underserved locations. As
6 used in this section, “unserved” means a location having access to only
7 satellite or dial-up Internet service and “underserved” means a location having
8 access to Internet service with speeds that exceed satellite and dial-up speeds
9 but are less than 4 Mbps download and 1 Mbps upload. Any new services
10 funded in whole or in part by monies from this Initiative shall be capable of
11 being continuously upgraded to reflect the best available, most economically
12 feasible service capabilities.

13 * * *

14 * * * VUSF; Prepaid Wireless; Point of Sale * * *

15 Sec. 6. 30 V.S.A. § 7521(d) is amended to read:

16 ~~(d)(1) Notwithstanding any other provision of law to the contrary,~~
17 ~~beginning on September 1, 2014, in the case of prepaid wireless~~
18 ~~telecommunications service, the Universal Service Charge shall be imposed as~~
19 ~~follows:~~

1 ~~(A) If the provider sells directly to a consumer in a retail transaction,~~
2 ~~the provider may collect the Charge from the customer at the rate specified in~~
3 ~~section 7523 of this title; or~~

4 ~~(B) if the provider does not sell directly to the consumer, or if the~~
5 ~~provider sells directly to the customer in a retail transaction but elects not to~~
6 ~~collect the Charge from the customer, the Charge shall be imposed on the~~
7 ~~provider at the rate determined in subdivision (2) of this subsection (d).~~

8 ~~(2) The Public Utility Commission shall establish a formula to ensure~~
9 ~~the Universal Service Charge rate imposed on prepaid wireless~~
10 ~~telecommunications service providers under subdivision (1)(B) of this~~
11 ~~subsection reflects two percent of retail prepaid wireless telecommunications~~
12 ~~service in Vermont.~~

13 ~~(3) As used in this subsection, “prepaid wireless telecommunications~~
14 ~~service” means a telecommunications service as defined in subdivision 203(5)~~
15 ~~of this title that a consumer pays for in advance and that is sold in~~
16 ~~predetermined units or dollars that decline with use. [Repealed.]~~

17 Sec. 7. 30 V.S.A. § 7521(e) is added to read:

18 (e)(1) Notwithstanding any other provision of law to the contrary,
19 beginning on January 1, 2020, the Universal Service Charge shall be imposed
20 on all retail sales of prepaid wireless telecommunications service subject to the
21 sales and use tax imposed under 32 V.S.A. chapter 233. The charges shall be

1 collected by sellers and remitted to the Department of Taxes in the manner
2 provided under 32 V.S.A. chapter 233. Upon receipt of the charges, the
3 Department of Taxes shall have 30 days to remit the funds to the fiscal agent
4 selected under section 7503 of this chapter. ~~The Commissioner of Taxes shall~~
5 ~~establish registration and payment procedures applicable to the Universal~~
6 ~~Service Charge imposed under this subsection consistent with the registration~~
7 ~~and payment procedures that apply to the sales tax imposed on such services.~~

The Commissioner of Taxes shall establish registration and payment
procedures applicable to the Universal Service Charge imposed under this
subsection consistent with the registration and payment procedures that apply
to the sales tax imposed on such services and also consistent with the
administrative provisions of 32 V.S.A. chapter 151, including any enforcement
or collection action available for taxes owed pursuant to that chapter.

8 (2) If a minimal amount of prepaid wireless telecommunications service
9 is sold with a prepaid wireless device for a single, nonitemized price, then the
10 seller may elect not to apply the Universal Service Charge to such transaction.

11 (3) As used in this subsection:

12 (A) “Minimal amount” means an amount of service denominated as
13 not more than 10 minutes or not more than \$5.00.

14 (B) “Prepaid wireless telecommunications service” means a
15 telecommunications service as defined in subdivision 203(5) of this title that a

1 consumer pays for in advance and that is sold in predetermined units or dollars
2 that decline with use.

Additional safety review is
needed for wireless technology

3 (C) “Seller” means a person who sells prepaid wireless
4 telecommunications service to a consumer.

FiOS-FTTH

5 * * * One-Time Transfer and Appropriation; ~~Broadband~~ Innovation Grant
6 Program; Federal RUS Grants and Loans * * *

7 Sec. 8. FISCAL YEAR 2019 ONE-TIME GENERAL FUND TRANSFER

8 (a) From the General Fund to the Connectivity Fund established pursuant
9 to 30 V.S.A. § 7516: \$955,000.00 to be allocated as follows:

FiOS-FTTH

10 (1) \$700,000.00 to fund grants through the ~~Broadband~~ Innovation Grant
11 Program established in Sec. 10 of this act.

12 (2) \$205,000.00 to fund grants through the Connectivity Initiative as
13 provided in 30 V.S.A. § 7515b(b).

14 (3) \$50,000.00 to the Department of Public Service to assess the
15 feasibility of providing ~~broadband~~ service using electric utility infrastructure,
16 pursuant to Sec. 11 of this act.

FiOS-FTTH

17 (b) These monies shall not be subject to the distribution requirements of 30
18 V.S.A. § 7511(a)(1)(A)–(D).

1 Sec. 9. FISCAL YEAR 2019 ONE-TIME GENERAL FUND

2 APPROPRIATION

3 To the ThinkVermont Innovation Initiative established in 2018 Acts and
4 Resolves No. 197, Sec. 2, \$45,000.00 is appropriated for the purpose of
5 funding technical assistance grants to Vermont municipalities planning
6 ~~broadband~~ projects.

FiOS - FTTH

7 Sec. 10. DEPARTMENT OF PUBLIC SERVICE; ~~BROADBAND~~ **Fiber To Premises**

8 INNOVATION GRANT PROGRAM

Fiber To Premises

9 (a) There is established the ~~Broadband~~ Innovation Grant Program to be
10 administered by the Commissioner of Public Service. The purpose of the
11 Program is to fund feasibility studies related to the deployment of ~~broadband~~ **Fiber To Premises**
12 in rural unserved and underserved areas of Vermont. The following conditions
13 shall apply to the Program:

14 (1) Grants shall be used to support studies that contemplate the
15 provision of ~~broadband~~ service at speeds of at least 25 Mbps download and 3
16 Mbps upload.

Fiber To Premises

17 (2) Eligible grant applicants shall include communications union
18 districts and other units of government, nonprofit organizations, cooperatives,
19 and for-profit businesses.

20 (3) Grantees shall produce an actionable business plan for a potential
21 ~~broadband~~ solution, which may include formation of or partnership with a

FiOS-FTTH

1 cooperative, communications union district, rural economic development
2 infrastructure district, municipal communications plant, or utility. The
3 business plan required by this subdivision shall include engineering and design
4 plans, financing models, estimated construction costs, and ideal operational
5 models.

6 (4) A grant award may not exceed \$60,000.00.

7 (5) Not more than 2.5 percent of a grant may be used for grant
8 management.

9 (6) Not more than two electric distribution utilities shall be awarded a
10 grant under the Program for the purpose of determining the market feasibility
11 of providing ~~broadband~~ ^{FiQS} service using electric company infrastructure. Awards
12 to distribution utilities shall be made pursuant to a competitive bidding process
13 initiated not sooner than January 1, 2020, or upon submission of the report
14 required by Sec. 11 of this act, whichever is sooner, and shall be consistent
15 with the recommendations contained in that report.

16 (7) Studies funded through the Program shall conclude within six
17 months of receipt of the award; distribution utility studies shall conclude
18 within 12 months of receipt of the award.

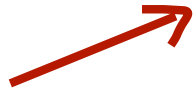
19 (8) The Commissioner shall retain 50 percent of the grant award until he
20 or she determines that the study has been completed consistent with the terms
21 of the grant.

Grant Monies should be directed to assessment of independent studies of adverse health effects of wireless technology, and

consumer safe practices esp. for children, be established Statewide. The Industry should not be relied upon to provide these

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1 (9) Grant recipients shall report their findings and recommendations to
2 the Commissioner of Public Service within 30 days following the completion
3 of a study funded under the Program.

4 (b) To the extent such information is available, the Commissioner of Public
5 Service shall aggregate the information submitted under subdivision (a)(9) of
6 this section and shall report his or her findings and recommendations to the
7 House Committee on Energy and Technology and the Senate Committee on
8 Finance on or before January 15, 2020, and annually thereafter until all of the
9 funds in the Program have been expended.

10 Sec. 11. STUDY; FEASIBILITY OF ELECTRIC COMPANIES OFFERING
11 BROADBAND SERVICE IN VERMONT

12 (a) The Commissioner of Public Service shall study the feasibility of
13 Vermont electric companies providing ~~broadband~~ **FiOS** service using electric
14 distribution and transmission infrastructure. Among other things, a feasibility
15 determination shall address potential advantages of serving utilities' internal
16 data needs and expanding fiber for providing ~~broadband~~ **FiOS-FTTH** service, the
17 compatibility of ~~broadband~~ **FiOS-FTTH** service with existing electric service, the financial
18 investment necessary to undertake the provision of ~~broadband~~ **FiOS-FTTH** service,
19 identification of the unserved and underserved areas of the State where the
20 provision of ~~broadband~~ **FiOS-FTTH** service by an electric company appears feasible; the
21 impact on electric rates, and the financial risk to electric companies. The

1 Commissioner also shall address any financial consequences and any technical
2 or safety issues resulting from attaching communications facilities in the
3 electric safety space as opposed to the communications space of distribution
4 infrastructure.

5 (b) In performing the feasibility study required by this section, the
6 Commissioner, in consultation with the Public Utility Commission, shall
7 consider regulatory barriers to the provision of ~~broadband~~ **FiOS-FTTH** service by electric
8 companies, and shall develop legislative proposals to address those barriers. In
9 addition, the Commissioner, in collaboration with electric company
10 representatives, shall evaluate whether it is in the public interest and also in the
11 interest of electric companies for electric companies to:

12 (1) make improvements to the distribution grid in furtherance of
13 providing ~~broadband~~ **FiOS-FTTH** service in conjunction with electric distribution grid
14 transformation projects;

15 (2) operate a network using electric distribution and transmission
16 infrastructure to provide ~~broadband~~ **FiOS** service at speeds of at least 25 Mbps
17 download and 3 Mbps upload; and

18 (3) permit a communications union district or other unit of government,
19 nonprofit organization, cooperative, or for-profit business to lease excess
20 utility capacity to provide ~~broadband~~ **FiOS-FTTH** service to unserved and underserved
21 areas of the State.

1 (c) Any electric distribution or transmission company subject to the
2 jurisdiction of the Public Utility Commission shall aid in the development of
3 information and analysis as requested by the Commissioner to complete the
4 report required by this section.

5 (d) The Commissioner shall report the feasibility findings and
6 recommendations required by this section to the Senate Committee on Finance
7 and to the House Committee on Energy and Technology on or before
8 January 1, 2020.

9 Sec. 12. 30 V.S.A. § 3047 is amended to read:

10 § 3047. COST ALLOCATIONS; SUBSIDIZATION PROHIBITED

11 In carrying out the purposes of this chapter, the electric revenues received
12 from regulated activities of a cooperative shall not subsidize any nonelectric
13 activities of the cooperative. A cooperative shall adopt cost allocation
14 procedures to ensure that the electrical distribution revenues received from
15 regulated activities of a cooperative do not subsidize any of the nonelectric
16 activities and that costs attributable to any nonelectric activities are not
17 included in the cooperative's rates for electric service. A copy of the cost
18 allocation procedures shall be available to the public upon request.

19 ~~Nonelectric activities of the cooperative shall not be financed by loans or~~
20 ~~grants from the Rural Utilities Service of the U.S. Department of Agriculture~~
21 ~~or any successor federal agency.~~

1 * * * Municipalities; Communications Plants; Public-Private Partnership;

2 Study of General Obligation Bonding Authority * * *

3 Sec. 13. 24 V.S.A. § 1913 is amended to read:

4 § 1913. COMMUNICATIONS PLANT; OPERATION AND REGULATION

5 (a) A municipality shall operate its communications plant in accordance
6 with the applicable State and federal law and regulation, and chapter 53 of this
7 title, relating to municipal indebtedness, with regard to the financing,
8 improvements, expansion, and disposal of the municipal communications plant
9 and its operations. However, the powers conferred by such provisions of law
10 shall be supplemental to, construed in harmony with, and not in restriction of,
11 the powers conferred in this chapter.

12 (b) A municipality's operation of any communications plant shall be
13 supported solely by the revenues derived from the operation of such
14 communications plant, except that portion which is used for its own municipal
15 purposes.

16 (c) A municipality may finance any capital improvement related to its
17 operation of such communications plant for the benefit of the people of the
18 municipality in accordance with the provisions of chapter 53 of this title,
19 provided that revenue-backed bonds shall be paid from net revenues derived
20 from the operation of the communications plant.

1 (d) Any restriction regarding the maximum outstanding debt that may be
2 issued in the form of general obligation bonds shall not restrict the issuance of
3 any bonds issued by a municipality and payable out of the net revenues from
4 the operation of a public utility project under chapter 53, subchapter 2 of
5 ~~chapter 53~~ of this title.

6 (e) To the extent that a municipality constructs communication
7 infrastructure with the intent of providing communications services, whether
8 wholesale or retail, the municipality shall ensure that any and all losses from
9 these businesses, or in the event these businesses are abandoned or curtailed,
10 any and all costs associated with the investment in communications
11 infrastructure, are not borne by the municipality's taxpayers.

12 (f) Notwithstanding any other provision of law to the contrary, a
13 municipality may enter into a public-private partnership for the purpose of
14 exercising its authority under this subchapter regarding the provision of
15 communications services and may contract with a private entity to own,
16 operate, or manage a communications plant financed in whole or in part
17 pursuant to this chapter and chapter 53, subchapter 2 of this title, provided the
18 municipality first issues a request for proposals seeking an Internet service
19 provider to serve unserved and underserved locations targeted by the issuing
20 municipality. The terms of such a partnership shall specify that that the private

1 Internet service provider shall guarantee the bond and shall be responsible for
2 debt service.

3 Sec. 14. RECOMMENDATION; GENERAL OBLIGATION

4 BONDS FOR MUNICIPAL COMMUNICATIONS PLANTS

The Secretary of Administration or designee, in collaboration with the State
Treasurer or designee and the ~~Director of the Municipal Bond Bank~~ *Executive*
Director of the Vermont Municipal Bond Bank or designee, shall investigate
the use of general obligation bonds by a municipality to finance capital
improvements related to the operation of a communications plant. On or
before December 1, 2019, the Secretary shall report his or her findings and
recommendations to the House Committee on Energy and Technology and the
Senate Committee on Finance.

5 * * * VEDA; Broadband Expansion Loan Program * * *

6 Sec. 15. 10 V.S.A. chapter 12, subchapter 14 is added to read:

7 Subchapter 14. ~~Broadband~~ *FiOS fiber to premises* Expansion Loan Program

8 ~~§ 280ee. BROADBAND EXPANSION LOAN PROGRAM~~ *FIOS FIBER TO PREMISES*

9 (a) Creation. There is established within the ~~Authority~~ *VEDA* the Vermont
10 ~~Broadband~~ *FIOS FIBER TO PREMISES* Expansion Loan Program (the Program), the purpose of which is to
11 enable the ~~Authority~~ *VEDA* to make loans that expand broadband service to unserved
12 and underserved Vermonters.

Replace all
references to "Authority" with
with "VEDA",
or "Vermont Economic
Development Authority"



Without these changes (“Authority” to “VEDA” or “Vermont Economic Development Authority”), the identity of the agency has not been fully legally established.

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1 (b) Intent. It is understood that loans under the Program may be high-risk
2 loans to likely start-up businesses and therefore losses in the Program may be
3 higher than ~~the Authority's~~ ^{VEDA's} historical loss rate. Loans shall be underwritten by
4 ~~the Authority~~ ^{VEDA} utilizing underwriting parameters that acknowledge the higher
5 risk nature of these loans. ~~The Authority~~ ^{VEDA} shall not make a loan unless the
6 ~~Authority~~ ^{VEDA} has a reasonable expectation of the long-term viability of the
7 business.

(c)(1) Requirements. ~~The Program Authority~~ ^{VEDA} shall make loans for start-up
 and expansion that enable the Internet service providers to expand ~~broadband~~ ^{FiOS/FTTH}
 availability in unserved and underserved locations.

(2) ~~The Authority~~ ^{VEDA} shall ~~adopt by rule standards~~ ^{establish policies} and
 procedures for the Program necessary to ensure the expansion of ~~broadband~~ ^{FiOS/FTTH}
 availability to the largest number of Vermont addresses as possible. The ~~rules~~
 ^{policies} shall specify that:

8 (A) loans may be made in an amount of up to \$1,800,000.00;

9 (B) eligible borrowers include communications union districts and
10 other units of government, nonprofit organizations, cooperatives, and for-profit
11 businesses;

(C) ~~borrowers may borrow up to~~ ^{a loan shall not exceed} 90 percent
 of project costs;

12 (D) interest and principal may be deferred up to two years; and

1 (E) a maximum of \$10,800,000.00 in ~~Authority~~ VEDA loans may be made
2 under the Program commencing on the effective date of this act.

3 (3) To ensure the limited funding available through the Program
4 supports the highest-quality broadband available to the most Vermonters and
5 prioritizes delivering services to the unserved and underserved, the ~~Authority~~ VEDA
6 shall consult with the Department of Public Service to:

7 (A) ensure that the provider offers service at speeds of at least
8 25 Mbps download and 3 Mbps upload to all customers;

9 (B) certify that at least 33 percent of the provider's potential
10 customers have access to broadband at speeds that are less than 10 Mbps
11 download and 1 Mbps upload; and

12 (C) certify that at least 10 percent of the potential customers of a
13 provider have access to ~~broadband~~ FiOS- FTTH at speeds that are less than 4 Mbps
14 download and 1 Mbps upload.

(d) On or before January 1, 2020, and annually thereafter, the
VEDA
~~Authority~~ shall submit a report of its activities pursuant to this section to the
Senate Committee on Finance and the House Committees on Commerce and
Economic Development and on Energy and Technology. Each report shall
include operating and financial statements for the two most recently concluded
State fiscal years. In addition, each report shall include information on the
Program portfolio, including the number of projects financed; the amount,

*terms, and repayment status of each loan; and a description of the ~~broadband~~ **FiOS-FTTH** projects financed in whole or in part by the Program.*

1 § 280ff. FUNDING

2 (a) The State Treasurer, in consultation with the Secretary of
3 Administration, shall negotiate an agreement with the ~~Authority~~ **VEDA** incorporating
4 the provisions of this section and consistent with the requirements of this
5 subchapter.

6 ~~(b) Repayment from or appropriation to the Authority in years 2021 and~~
7 until the Program terminates is based on the Authority's contributions to loan
8 loss reserves for the Program in accordance with generally accepted
9 accounting principles.

10 (1) In fiscal year 2020, an appropriation in the amount of \$540,000.00
11 shall be made to the Vermont Economic Development Authority to provide the
12 Authority with estimated loan losses incurred by the Authority in calendar year
13 2020. Any difference between the actual loan losses incurred by the Authority
14 in fiscal year 2020 through Program termination shall be adjusted in the
15 following year's appropriation.

16 (2) The Program shall terminate when all borrowers enrolled in the
17 Program have repaid in full or loans have been charged-off against the reserves
18 of the Authority.

- 1 ~~(3) Upon termination of the Program, any remaining funds held by the~~
2 ~~Authority and not used for the Program shall be repaid to the State.~~
- 3 ~~(4) The accumulated total of the appropriation shall not exceed~~
4 ~~\$8,500,000.00 over the life of the Program.~~
- 5 ~~(5) The Authority shall absorb its historical loan loss reserve rate before~~
6 ~~any State funds are expended.~~
- 7 ~~(6) Additionally, the Authority shall absorb up to \$3,000,000.00 in~~
8 ~~Program losses shared with the State on a pro rata basis.~~

*~~(b) Repayment from or appropriation to ^{VEDA} the Authority in years 2021 and~~
~~until the Program terminates is based on ^{VEDA's} the Authority's contributions to loan~~
~~loss reserves for the Program in accordance with generally accepted~~
~~accounting principles. Any difference between the actual loan losses incurred~~
~~by the Authority in fiscal year 2020 through Program termination shall be~~
~~adjusted in the following year's appropriation.~~*

*~~(1) The Program shall terminate when all borrowers enrolled in the~~
~~Program have repaid in full or loans have been charged-off against the~~
~~reserves of ^{VEDA} the Authority.~~*

*~~(2) Upon termination of the Program, any remaining funds held by the~~
~~Authority and not used for the Program shall be repaid to the State.~~*

*~~(3) The accumulated total of the appropriation shall not exceed~~
~~\$8,500,000.00 over the life of the Program.~~*

VEDA
*(4) ~~The Authority~~ shall absorb its historical loan loss reserve rate before
any State funds are expended.*

VEDA
*(5) ~~Additionally, the Authority~~ shall absorb up to \$3,000,000.00 in
Program losses shared with the State on a pro rata basis.*

1 Sec. 16. FISCAL YEAR 2019 ONE-TIME GENERAL FUND

2 APPROPRIATION

3 To the Vermont Economic Development Authority, \$540,000.00 is
4 appropriated to serve as loan reserves to administer the **FIOS - FIBER TO PREMISES** ~~Broadband~~ Expansion
5 Loan Program established in Sec.15 of this act.

6 Sec. 17. 10 V.S.A. § 219(d) is amended to read:

7 (d) In order to ensure the maintenance of the debt service reserve
8 requirement in each debt service reserve fund established by ~~the Authority,~~ **VEDA**
9 there may be appropriated annually and paid to ~~the Authority~~ **VEDA** for deposit in
10 each such fund, such sum as shall be certified by the Chair of the Authority, to
11 the Governor, the President of the Senate, and the Speaker of the House, as is
12 necessary to restore each such debt service reserve fund to an amount equal to
13 the debt service reserve requirement for such fund. The Chair shall annually,
14 on or about February 1, make, execute, and deliver to the Governor, the
15 President of the Senate, and the Speaker of the House, a certificate stating the
16 sum required to restore each such debt service reserve fund to the amount
17 aforesaid, and the sum so certified may be appropriated, and if appropriated,

1 shall be paid to the ~~Authority~~ ^{VEDA} during the then current State fiscal year. The
2 principal amount of bonds or notes outstanding at any one time and secured in
3 whole or in part by a debt service reserve fund to which State funds may be
4 appropriated pursuant to this subsection shall not exceed \$175,000,000.00
5 \$181,000,000.00, provided that the foregoing shall not impair the obligation of
6 any contract or contracts entered into by ~~the Authority~~ ^{VEDA} in contravention of the
7 Constitution of the United States.

20 suits have been filed by cities
and more
by concerned
citizens will follow regarding
deployment
of wireless technology, 5G and
higher iterations specifically.

8 Sec. 18. 30 V.S.A. § 8064(a)(1) is amended to read:
9 (a)(1) ~~The Authority~~ ^{VEDA} may issue its negotiable notes and bonds in such
10 principal amount as ~~the Authority~~ ^{VEDA} determines to be necessary to provide
11 sufficient funds for achieving any of its corporate purposes, including the
12 payment of interest on notes and bonds of ~~the Authority~~ ^{VEDA}, establishment of
13 reserves to secure the notes and bonds including the reserve funds created
14 under section 8065 of this title, and all other expenditures of ~~the Authority~~ ^{VEDA}
15 incident to and necessary or convenient to carry out its corporate purposes and
16 powers. However, the bonds or notes of ~~the Authority~~ ^{VEDA} outstanding at any one
17 time shall not exceed \$40,000,000.00 \$34,000,000.00. No bonds shall be
18 issued under this section without the prior approval of the Governor and the
19 State Treasurer or their respective designees. In addition, before ~~the Authority~~ ^{VEDA}
20 may initially exercise its bonding authority granted by this section, it shall

1 submit to the Emergency Board of the State a current business plan, including
2 an explanation of the bond issue or issues initially proposed.

3 * * * Pole Attachments * * *

4 Sec. 19. POLE ATTACHMENTS; PUBLIC UTILITY COMMISSION

5 RULES

6 (a) The Public Utility Commission shall revise Rule 3.700 to implement
7 the following:

Poles may not be subjected to microcell antennae placement until full safety review has been fulfilled

8 (1) ~~one touch make ready policies for pole attachments,~~

9 (2) measures designed to minimize delays and costs and promote fair

10 and reasonable rates and the rapid resolution of disputes

Expect suits by citizens for violations of health

11 (3) specifications for when a ~~make ready~~ completion period commences

12 and ends, including a process for extending the ~~make ready~~ completion period

13 in limited circumstances as defined by the Commission; and

e.g. safety analysis of microcell wireless, 5G and higher iterations

14 (4) any other revisions deemed relevant by the Commission.

15 (b) The Commission shall file a final proposed rule with the Secretary of
16 State and with the Legislative Committee on Administrative Rules pursuant to
17 3 V.S.A. § 841 on or before December 1, 2019.

18 Sec. 20. 30 V.S.A. § 209(i) is amended to read:

19 (i)(1) Pole attachments; ~~broadband~~ ^{FiOS}. For the purposes of Commission rules

20 on attachments to poles owned by companies subject to regulation under this

21 title, ~~broadband~~ ^{FiOS} service providers shall be considered “attaching entities” with

1 equivalent rights to attach facilities as those provided to “attaching entities” in
2 the rules, regardless of whether such ~~broadband~~ **FiOS** providers offer a service
3 subject to the jurisdiction of the Commission. The Commission shall adopt
4 rules in accordance with 3 V.S.A. chapter 25 to further implement this section.

5 The rules shall be aimed at furthering the State’s interest in ~~ubiquitous~~
6 ~~deployment of mobile telecommunications and broadband services within the~~ **FiOS**

7 ~~State~~ **→ providing fast, safe and reliable FiOS/FTTH fiber to premise**
8 **service within the State of Vermont, and establishing review**
9 **of safe practices regarding wireless devices and meters.**
(2) The rules adopted pursuant to this subsection shall specify that:

10 (A) The applicable ~~make-ready~~ completion period shall not be
11 extended solely because a utility pole is jointly owned.

12 (B) At the time of an initial pole make-ready survey application,
13 when a pole is jointly owned, the joint owners shall inform the applicant which
14 owner is responsible for all subsequent stages and timely completion of the
15 make-ready process.

note; “make ready” refers to 5G, expect suits if this language is included

16 (C) If the ~~make-ready~~ work is not completed within the applicable
17 make-ready completion period, the pole owner shall refund the portion of the
18 payment received for make-ready work that is not yet completed, and the
19 attaching entity may hire a qualified contractor to complete the make-ready
20 work. All pole owners and attaching entities shall submit to the Commission a
21 list of contractors whom they allow to perform ~~make-ready~~ surveys, ~~make-~~
~~ready~~ installation or maintenance, or other specified tasks upon their

1 equipment. The Commission shall provide the appropriate list to an attaching
2 entity, upon request.

3 * * * Department of Public Service; Rural ~~Broadband~~ **FiOS/FTTH**
4 Technical Assistance Specialist * * *

5 Sec. 21. COMMUNICATIONS UNION DISTRICT SPECIALIST

6 One new classified position, Rural ~~Broadband~~ **FiOS/FTTH** Technical Assistance

7 Specialist, is authorized to be established within the Department of Public

8 Service in fiscal year 2020. Beginning in fiscal year 2020, this position shall

9 be funded as provided under 30 V.S.A. § 7516(b).

10 * * * Effective Dates * * *

11 Sec. 22. EFFECTIVE DATES

12 This act shall take effect on passage, except that Sec. 6 (repeal of prepaid

13 wireless revenue surcharge) shall take effect on January 1, 2020.