



VERMONT

VERMONT COMMUNITY BROADBAND BOARD
House Energy and Digital Infrastructure - February 13, 2025
House Bill 121

Christine Hallquist, Executive Director
Rob Fish, Deputy Director

[HTTPS://PUBLICSERVICE.VERMONT.GOV/VCBB](https://publicservice.vermont.gov/vcbb)

H121 – An act relating to affordable broadband service

- **VCBB Board has not taken a position on H121**
- **VCBB wishes to remain engaged in affordability discussions**
- **Suggestions for Further Evaluation**
 - Who determines Eligibility – State, Provider, Self Determined?
 - How to ensure affordable broadband options can be offered by smaller, more rural providers
 - The impact of the requirement in a more rural state vs New York, Massachusetts, California
 - Key Point: Rural cannot subsidize rural



VCBB Accountability Policy for Affordable Broadband Service



Grant Conditions Include Affordability: Promote affordability in its grant award agreements, including, among other requirements, standards for efficient construction and sustainable business plans.



Construction and Design: Providers must serve all eligible Vermont locations, regardless of resident income or property value.



Sustainability Planning: Grantees' business models for funded projects must reflect estimated and actual revenue and take rates.



Affordability Analysis: Grantees will submit affordability practices implemented by grantees.

Rural Affordability Conundrum

Serving rural areas is much more expensive than serving more densely populated areas.

Example:

- ISP needs to charge \$80/mo. to serve a rural area and stay in business.
- 25% of customers are low-income
- Complying with a \$20/mo. low-income requirement would require adding \$20/mo. to the bills of the other 75% of customers (not low-income) to stay in business.
- Take rate drops
- Network is no longer sustainable



**Rural people subsidizing other rural people =
Unintended consequence**

Addressing Affordability – Digital Empowerment



The State of Vermont seeks to ensure every individual in Vermont has high-quality, accessible, affordable technology resources and the skills to use them.

Key elements of program:

- Research to identify who needs assistance
- Grants to organizations
- Devices
- Digital navigator program
- Workforce training
- Received \$5.3 million DE Capacity Grant

Affordability Efforts

Devices

- Starting point: access to devices as a barrier to empowering all Vermonters to leverage broadband
- Consider a model to provide donated and refurbished devices to Vermonters in need
- Partner with local organizations to assist with donations, refurbishment, and deployment of devices
- Partner with local organization to assist with deployment and digital literacy
- Request assistance at state level for device donations

“Campus WiFi” Solutions

- Explore opportunities to serve an entire community (low-income housing communities, manufactured home communities) via “campus solution.”
- Pilot projects eligible through Digital Equity Capacity Building Subgrant Program.
- USDA Rural Development ventures HUD will make internet a requirement in about 10-15 years.

Affordability Efforts

Long Drop Program

- Cover extra cost to connect low-income Vermonters who live more than ~400 ft from the fiber along their road, including underground drops.
- Costs up to several thousands of dollars for aerial drops and more for underground drops where required, such as in manufactured home communities.
- Increases affordability and assists CUD business plans by removing a barrier to getting more customers to sign up for service.

Summary H121 – An act relating to affordable broadband service

- **VCBB Board has not taken a position**
- **VCBB wishes to remain engaged in affordability discussions**
- **Suggestions for Further Evaluation**
 - Who determines Eligibility
 - How to ensure affordable broadband options can be offered by smaller, more rural providers
 - The impact of the requirement in a more rural state vs New York, Massachusetts, California
 - Key Point: Rural cannot subsidize rural



Thank you!

Christine Hallquist, Executive Director Christine.Hallquist@Vermont.gov

Rob Fish, Deputy Director Robert.Fish@Vermont.gov

[VT Community Broadband Board \(VCBB\) | Department of Public Service](#)

Follow us: [LinkedIn](#), [Facebook](#), [X](#), [Bluesky](#)
Award-winning documentary "[Connected](#)"

