

1 Introduced by Committee on Energy and Technology

2 Referred to Committee on

3 Date:

4 Subject: Telecommunications; Vermont Universal Service Fund;

5 communications union districts; electric utilities; broadband grants

6 and loans; municipal broadband deployment

7 Statement of purpose of bill as introduced: This bill proposes to establish

8 measures designed to support the deployment of broadband Internet access

9 service to unserved and underserved areas in Vermont.

10 An act relating to broadband deployment throughout Vermont

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

12 \* \* \* Legislative Findings \* \* \*

13 Sec. 1. FINDINGS

14 The General Assembly finds that:

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

1           (2) Reaching the last mile will require a grassroots approach that is  
2           founded on input and support of local communities, whose residents are best  
3           situated to decide ~~what~~ which broadband solution fits their needs.

4           (3) Existing Internet service providers are not providing adequate  
5           service to many rural areas where fewer potential customers reduce the  
6           profitability necessary to justify system expansion.

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

13           (5) Community broadband solutions typically may mean partnering with  
14           a new business that must design and build a network, which is followed by a  
15           12-to 24-month process of customer acquisition.

16           (6) A growing challenge is the isolation that may result from increased  
17           reliance on the Internet and online communities. In rural settings, the physical  
18           and psychological draw into isolation is much greater simply as a result of  
19           limited chances for interaction with neighbors and community members. As  
20           we expand our access and reliance on the Internet, we need to be intentional in  
21           supporting our rural communities and town centers.

1           \* \* \* VUSF; Rate Increase; Connectivity Fund; CUD Specialist \* \* \*

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

3           § 7523. RATE OF CHARGE

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

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

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

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

16          § 7516. CONNECTIVITY FUND

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

1 apportioned as follows: 45 percent to the High-Cost Program and 55 percent  
2 to the Connectivity Initiative.

3 (b) Of the money transferred to the Connectivity Fund pursuant to  
4 subsection 7523(b) of this title, \$150,000.00 up to \$120,000.00 shall be  
5 appropriated annually to the Department of Public Service to fund a full-time  
6 employee whose duties shall include providing outreach, technical assistance,  
7 and other support services to communications union districts established  
8 pursuant to chapter 82 of this title units of government, nonprofit  
9 organizations, cooperatives, and for-profit businesses for the purpose of  
10 expanding broadband Internet access service to unserved and underserved  
11 locations.

12 \* \* \* High-Cost Program; Connectivity Initiative;

13 Speed Requirements \* \* \*

14 Sec. 4. 30 V.S.A. § 7515 is amended to read:

15 § 7515. HIGH-COST PROGRAM

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

20 \* \* \*

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

7 \* \* \*

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

9 § 7515B. CONNECTIVITY INITIATIVE

10 (a) The purpose of the Connectivity Initiative is to provide each service  
11 location in Vermont access to Internet service that is capable of speeds of at  
12 least ~~10 Mbps download and 1 Mbps upload~~ 25 Mbps download and 3 Mbps  
13 ~~upload~~, or the FCC speed requirements established under Connect America  
14 Fund Phase II, whichever is higher, beginning with locations not served as of  
15 December 31, 2013 according to the minimum technical service characteristic  
16 objectives applicable at that time. Within this category of service locations,  
17 priority shall be given first to unserved and then to underserved locations. As  
18 used in this section, “unserved” means a location having access to only satellite  
19 or dial-up Internet service and “underserved” means a location having access  
20 to Internet service with speeds that exceed satellite and dial-up speeds but are  
21 less than 4 Mbps download and 1 Mbps upload. Any new services funded in

1 whole or in part by monies from this Initiative shall be capable of being  
2 continuously upgraded to reflect the best available, most economically feasible  
3 service capabilities.

4 \* \* \*

5 \* \* \* VUSF; Prepaid Wireless; Point of Sale \* \* \*

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

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

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

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

18 ~~(2) The Public Utility Commission shall establish a formula to ensure~~  
19 ~~the Universal Service Charge rate imposed on prepaid wireless~~  
20 ~~telecommunications service providers under subdivision (1)(B) of this~~

1 ~~subsection reflects two percent of retail prepaid wireless telecommunications~~  
2 ~~service in Vermont.~~

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

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

8 (e)(1) Notwithstanding any other provision of law to the contrary,  
9 beginning on January 1, 2020, the universal service charge shall be imposed on  
10 all retail sales of prepaid wireless telecommunications service subject to the  
11 sales and use tax imposed under 32 V.S.A. chapter 233. The charges shall be  
12 collected by sellers and remitted to the Department of Taxes in the manner  
13 provided under 32 V.S.A. chapter 233. Upon receipt of the charges, the  
14 Department of Taxes shall have 30 days to remit the funds to the fiscal agent  
15 selected under section 7503 of this chapter. The Commissioner of Taxes shall  
16 establish registration and payment procedures applicable to the universal  
17 service charge imposed under this subsection consistent with the registration  
18 and payment procedures that apply to the sales tax imposed on such services.

19 (2) If a minimal amount of prepaid wireless telecommunications service  
20 is sold with a prepaid wireless device for a single, nonitemized price, then the  
21 seller may elect not to apply the charge to such transaction.





1           (a) The Commissioner of Public Service shall administer a grant program  
2           for feasibility studies and pilot projects related to the deployment of broadband  
3           Internet service in rural, unserved and underserved areas of Vermont. The  
4           following conditions shall apply to the grant program authorized by this  
5           section:

6                   (1) Grants shall be used to support studies and projects that contemplate  
7                   the provision of Internet service at speeds of at least 25 Mbps download and 3  
8                   Mbps upload.

9                   (2) Eligible grant applicants shall include units of government, nonprofit  
10                  organizations, cooperatives, and for-profit businesses.

11                  (3) A grant award may not exceed \$60,000.00.

12                  (4) Not more than 2.5 percent of a grant may be used for grant  
13                  management.

14                  (5) Pilot projects funded under this section shall include efforts  
15                  undertaken by electric distribution utilities for the purpose of determining the  
16                  market feasibility of providing broadband Internet service using electric  
17                  company infrastructure. Awards shall be made pursuant to a competitive  
18                  bidding process initiated not sooner than December 1, 2019, or upon  
19                  submission of the report required by Sec. 11 of this act, whichever is sooner.

20                  Not more than two pilot projects shall be funded under the grant program  
21                  established by this section.

1           (6) Studies and pilot projects funded through the grant program shall  
2           conclude within 6 months of receipt of the award.

3           (7) The Commissioner shall retain 50 percent of the grant award until  
4           the study or pilot project is completed.

5           (8) Grant recipients shall report their findings and recommendations to  
6           the Commissioner of Public Service within 30 days of the completion of a  
7           study or project funded under this section.

8           (b) To the extent such information is available, the Commissioner of Public  
9           Service shall aggregate the information submitted under subdivision (a)(8) of  
10           this section and shall report his or her findings and recommendations to the  
11           House Committee on Energy and Technology and the Senate Committee on  
12           Finance on or before January 1, 2020.

13           **Sec. 11. STUDY; FEASIBILITY OF ELECTRIC COMPANIES OFFERING**  
14           **BROADBAND INTERNET ACCESS SERVICE IN VERMONT**

15           (a) The Commissioner of Public Service shall study the feasibility of  
16           Vermont electric companies providing broadband Internet access service  
17           (BIAS) using electric distribution and transmission infrastructure. Among  
18           other things, a feasibility determination shall address the maturity of the  
19           technology, the compatibility of BIAS with existing electric service, the  
20           financial investment necessary to undertake the provision of BIAS,  
21           identification of the unserved and underserved areas of the State where the

1 provision of BIAS by an electric company appears feasible; the impact on  
2 electric rates, and the financial risk to electric companies.

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

10 (1) make improvements to the distribution grid in furtherance of  
11 providing BIAS in conjunction with electric distribution grid transformation  
12 projects;

13 (2) operate BIAS using electric distribution and transmission  
14 infrastructure to provide such service to unserved and underserved areas of the  
15 State; and

16 (3) permit a commercial entity to lease utility capacity to provide BIAS  
17 to unserved and underserved areas of the State.

18 (c) As used in this section, “unserved” means a location having access to  
19 Internet service with speeds less than 10 Mbps download and 1 Mbps upload,  
20 and “underserved” means a location having access to Internet service with

1 speeds greater than 10 Mbps download and 1 Mbps upload and less than  
2 25 Mbps download and 3 Mbps upload.

3 (d) The Commissioner shall report the feasibility findings and  
4 recommendations required by this section to the Senate Committee on Finance  
5 and to the House Committee on Energy and Technology on or before  
6 December 1, 2019.

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

8 **§ 3047. COST ALLOCATIONS; SUBSIDIZATION PROHIBITED**

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

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

20 \* \* \* Municipalities; Communications Plants; Public-Private Partnership;

21 Study of General Obligation Bonding Authority \* \* \*

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

2 § 1913. COMMUNICATIONS PLANT; OPERATION AND REGULATION

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

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

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

20 (d) A municipality may finance with general obligation bonds any capital  
21 improvement related to the operation of a communications plant for the benefit

1 of the persons of the municipality in accordance with the provisions of chapter  
2 53 of this title provided all of the following criteria are met:

3 (1) The improvements to a communications plant are capable of  
4 providing Internet service at speeds that are not less than the speed  
5 requirements established under 30 V.S.A. § 7515b(a), pertaining to the  
6 Connectivity Initiative.

7 (2) The improvements to a communications plant are made for the sole  
8 purpose of providing Internet service to any location or locations within the  
9 issuing municipality that are “unserved” or “underserved” as those terms are  
10 defined in 30 V.S.A. § 7515b(a), pertaining to the Connectivity Initiative, and  
11 are substantiated as underserved by the Department of Public Service.

12 (3) The issuing municipality first issues a request for proposals seeking  
13 an Internet service provider to serve unserved and underserved locations  
14 targeted by the issuing municipality. A communications union district  
15 established under 30 V.S.A. chapter 82, or its agent, may respond to a request  
16 for proposal if the issuing municipality is located within the district or is  
17 contiguous with the town limits of a district member, pursuant to 30 V.S.A.  
18 § 3054(a)(8). Prior to issuance of any bonds, the municipality shall select from  
19 among respondents a vendor to manage and maintain the communications  
20 plant and provide Internet service. The municipality’s contract with such  
21 vendor shall be for a minimum term of five years.

1           ~~(4) The issuing municipality shall retain ownership of the~~  
2           ~~communications plant for the duration of the bond repayment period, unless~~  
3           ~~sale or transfer of the assets results in full repayment of the outstanding debt.~~

4           ~~(5) To every extent possible, bonds issued pursuant to this subsection~~  
5           ~~shall be repaid with net revenues generated by the communications plant and~~  
6           ~~accruing to the municipality.~~

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

12          (e) To the extent that a municipality constructs communication  
13          infrastructure with the intent of providing communications services, whether  
14          wholesale or retail, the municipality shall ensure that any and all losses from  
15          these businesses, or in the event these businesses are abandoned or curtailed,  
16          any and all costs associated with the investment in communications  
17          infrastructure, are not borne by the municipality's taxpayers.

18          (f) Notwithstanding any other provision of law to the contrary, a  
19          municipality may enter into a public-private partnership for the purpose of  
20          exercising its authority under this subchapter regarding the provision of  
21          communications services and may contract with a private entity to own,

1 operate, or manage a communications plant financed in whole or in part  
2 pursuant to this chapter and chapter 53, subchapter 2 of this title, provided the  
3 municipality first issues a request for proposals seeking an Internet service  
4 provider to serve unserved and underserved locations targeted by the issuing  
5 municipality.

6 **Sec. 14. STUDY; GENERAL OBLIGATION BONDS FOR MUNICIPAL**  
7 **COMMUNICATIONS PLANTS**

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

15 ~~Sec. 8. 30 V.S.A. § 3056 (concerning CUD indebtedness – deleted)~~

16 ~~Sec. 9. 30 V.S.A. § 3076 (concerning CUD indebtedness – deleted)~~

17 \* \* \* VEDA; Broadband Expansion Loan Program \* \* \*

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

19 Subchapter 14. Broadband Expansion Loan Program

20 *[FINDINGS – Moved to Sec. 11]*

21 § 280ee. BROADBAND EXPANSION LOAN PROGRAM

1        (a) Creation. There is established within the Authority the Vermont  
2        Broadband Expansion Loan Program (the Program), the purpose of which is to  
3        enable the Authority to make loans that expand broadband Internet access  
4        service to unserved and underserved Vermonters.

5        (b) Intent. It is understood that loans under the Program are may be high-  
6        risk loans to likely start-up businesses and therefore losses in the Program will  
7        be much may be higher than the Authority’s historical loss rate. Loans shall be  
8        underwritten by the Authority utilizing more lenient underwriting parameters;  
9        however, the that acknowledge the higher risk nature of these loans. The  
10       Authority shall not make a loan unless the Authority has a reasonable  
11       expectation of the long-term viability of the business.

12       (c)(1) Requirements. The Program shall make loans for start-up and  
13       expansion that enable the Internet service providers to expand broadband  
14       availability in unserved and underserved locations.

15       (2) The Authority shall adopt by rule standards and procedures for the  
16       Program necessary to ensure the expansion of broadband availability to the  
17       largest number of Vermont addresses as possible. The rules shall specify that:

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

19            (B) eligible borrowers include units of government, nonprofit  
20       organizations, cooperatives, and for-profit businesses;

21            (C) borrowers may borrow up to 90 percent of project costs;

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

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

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

8           (A) ensure that the provider offers service at speeds of at least  
9 25 Mbps download and 3 Mbps upload to all customers;

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

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

16   § 280ff. FUNDING

17           (a) The State Treasurer, in consultation with the Secretary of  
18 Administration, shall negotiate an agreement with the Authority incorporating  
19 the provisions of this section and consistent with the requirements of this  
20 subchapter.

1       (b) Repayment from or appropriation to the Authority in years 2021 and  
2       until the Program terminates is based on the Authority’s contributions to loan  
3       loss reserves for the Program in accordance with generally accepted  
4       accounting principles.

5               (1) In fiscal year 2020, an appropriation in the amount of \$540,000.00  
6       shall be made to the Agency of Commerce and Community Development to  
7       provide the Authority with estimated loan losses incurred by the Authority in  
8       calendar year 2020. Any difference between the actual loan losses incurred by  
9       the Authority in fiscal year 2020 through Program termination shall be  
10       adjusted in the following year’s appropriation.

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

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

16               (4) The accumulated total of the appropriation shall not exceed  
17       \$8,500,000.00 over the life of the Program.

18               (5) The Authority shall absorb its historical loan loss reserve rate before  
19       any State funds are expended.

20               (6) Additionally, the Authority shall absorb up to \$3,000,000.00 in  
21       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 Agency of Commerce and Community Development Vermont  
4            Economic Development Authority, \$540,000.00 is appropriated ~~to grant to the~~  
5            Vermont Economic Development Authority to serve as loan reserves to  
6            administer a Broadband Expansion Loan Program, providing start-up capital to  
7            alternative broadband providers.

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

9            (d) In order to ensure the maintenance of the debt service reserve  
10            requirement in each debt service reserve fund established by the Authority,  
11            there may be appropriated annually and paid to the Authority for deposit in  
12            each such fund, such sum as shall be certified by the Chair of the Authority, to  
13            the Governor, the President of the Senate, and the Speaker of the House, as is  
14            necessary to restore each such debt service reserve fund to an amount equal to  
15            the debt service reserve requirement for such fund. The Chair shall annually,  
16            on or about February 1, make, execute, and deliver to the Governor, the  
17            President of the Senate, and the Speaker of the House, a certificate stating the  
18            sum required to restore each such debt service reserve fund to the amount  
19            aforesaid, and the sum so certified may be appropriated, and if appropriated,  
20            shall be paid to the Authority during the then current State fiscal year. The  
21            principal amount of bonds or notes outstanding at any one time and secured in

1 whole or in part by a debt service reserve fund to which State funds may be  
2 appropriated pursuant to this subsection shall not exceed ~~\$175,000,000.00~~  
3 \$181,000,000.00, provided that the foregoing shall not impair the obligation of  
4 any contract or contracts entered into by the Authority in contravention of the  
5 Constitution of the United States.

6 Sec. 18. 30 V.S.A. § 8064(a)(1) is amended to read:

7 (a)(1) The Authority may issue its negotiable notes and bonds in such  
8 principal amount as the Authority determines to be necessary to provide  
9 sufficient funds for achieving any of its corporate purposes, including the  
10 payment of interest on notes and bonds of the Authority, establishment of  
11 reserves to secure the notes and bonds including the reserve funds created  
12 under section 8065 of this title, and all other expenditures of the Authority  
13 incident to and necessary or convenient to carry out its corporate purposes and  
14 powers. However, the bonds or notes of the Authority outstanding at any one  
15 time shall not exceed ~~\$40,000,000.00~~ \$34,000,000.00. No bonds shall be  
16 issued under this section without the prior approval of the Governor and the  
17 State Treasurer or their respective designees. In addition, before the Authority  
18 may initially exercise its bonding authority granted by this section, it shall  
19 submit to the Emergency Board of the State a current business plan, including  
20 an explanation of the bond issue or issues initially proposed.

21 \* \* \* Pole Attachments \* \* \*

1 Sec. 19. POLE ATTACHMENTS; PUBLIC UTILITY COMMISSION

2 RULES

3 (a) On or before June 1, 2019, the Public Utility Commission shall initiate  
4 a rulemaking proceeding to revise its rules governing pole attachments, Rule  
5 3.700, et seq., with the goal of expediting the use of facilities by  
6 telecommunications service providers able to offer and expand broadband  
7 throughout the State. Among other things, The Public Utility Commission  
8 shall consider the following standards and procedures related to pole  
9 attachments, and shall revise Rule 3.700 accordingly:

10 (1) one-touch make-ready policies for pole attachments;

11 (2) the June 29, 2015 petition of the Maine Office of the Public  
12 Advocate filed with the Maine Public Utilities Commission; in particular,  
13 Attachment A to the petition and its proposed revisions to Maine's pole  
14 attachment rules;

15 (3) measures designed to minimize delays and costs and promote fair  
16 and reasonable rates and the rapid resolution of disputes;

17 (4) standards and procedures that will provide clarity for when a make-  
18 ready completion period commences and ends; and

19 (5) any other standards or procedures deemed relevant by the  
20 Commission.

21 (b) The rules adopted pursuant to this section shall specify that:

1           ~~(1) The applicable make ready completion period shall not be extended~~  
2           ~~solely because a utility pole is jointly owned.~~

3           ~~(2) If the make ready work is not completed within the applicable make~~  
4           ~~ready completion period, the attaching entity may hire a qualified contractor to~~  
5           ~~complete the make ready work and bill back any costs incurred to the pole~~  
6           ~~owner or owners, as applicable.~~

7           (b) The Commission shall file a final proposed rule with the Secretary of  
8           State and with the Legislative Committee on Administrative Rules pursuant to  
9           3 V.S.A. § 841 on or before September 1, 2019.

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

11          (i)(1) Pole attachments; broadband. For the purposes of Commission rules  
12          on attachments to poles owned by companies subject to regulation under this  
13          title, broadband service providers shall be considered “attaching entities” with  
14          equivalent rights to attach facilities as those provided to “attaching entities” in  
15          the rules, regardless of whether such broadband providers offer a service  
16          subject to the jurisdiction of the Commission. The Commission shall adopt  
17          rules in accordance with 3 V.S.A. chapter 25 to further implement this section.  
18          The rules shall be aimed at furthering the State’s interest in ubiquitous  
19          deployment of mobile telecommunications and broadband services within the  
20          State.

21          (2) The rules adopted pursuant to this subsection shall specify that:

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

3           (B) If the make-ready work is not completed within the applicable  
4           make-ready completion period, the attaching entity may hire a qualified  
5           contractor to complete the make-ready work and bill back any costs incurred to  
6           the pole owner or owners, as applicable.

7           \*\*\* ~~Electric Utilities; Broadband Pilot Projects~~ \*\*\*

8           ~~Sec. 16. *Electric Utility Broadband Pilot Projects - Deleted*~~

9                   \*\*\* Department of Public Service; CUD Specialist \*\*\*

10           Sec. 21. COMMUNICATIONS UNION DISTRICT SPECIALIST

11           One new classified ~~limited service~~ position, Communications Union District  
12           Specialist, is authorized to be established within the Department of Public  
13           Service in fiscal year 2020. Beginning in fiscal year 2020, this position shall  
14           be funded ~~for a period of four years~~ as provided under 30 V.S.A. § 7516(b).

15                   \*\*\* Effective Dates \*\*\*

16           Sec. 22. EFFECTIVE DATES

17           This act shall take effect on passage, except that ~~Sec. 7~~ (repeal of prepaid  
18           wireless revenue surcharge) shall take effect on January 1, 2020.