

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB617

Hearing Date: Tuesday March 19, 2013
Committee On: Transportation and Telecommunications
Introducer: Schumacher
One Liner: Change provisions of the Nebraska Telecommunications Universal Service Fund Act

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:

| | | |
|----------------------------|---|--|
| Aye: | 7 | Senators Brasch, Dubas, Janssen, McCoy, Price, Smith, Watermeier |
| Nay: | | |
| Absent: | 1 | Senator Hadley |
| Present Not Voting: | | |

Proponents:

Senator Paul Schumacher

Representing:

Introducer

Opponents:

Paul Schudel
Jack Shultz
Todd Foje

Representing:

Nebraska Rural Independent Companies
Nebraska Telecommunications Association
Great Plains Communications and Nebraska
Telecommunications Association
Century Link
Nebraska Cable Communications Association
Verizon Communications

Patrick Haggerty
Amy Prenda
Curt Bromm

Neutral:

Anne Boyle

Representing:

Nebraska Public Service Commission

Summary of purpose and/or changes:

Amends the Nebraska Telecommunications Universal Service Fund Act to make the following changes: to change the purpose of the fund; to change references of "telecommunications" to "broadband"; to define "broadband", "broadband company", and "competitive access"; to add "urban poor" to high cost service areas; to change who may access the fund and requirements for access to the fund; to add reporting requirements for users of the fund; to add language opening the use of the fund to all providers servicing urban poor, high-cost service areas, low income customers, schools, libraries, and rural health care providers; to encourage use of the fund for development of broadband infrastructure and fiber; to allow fiber owned by public power or municipalities to be used for developing such shared networks if no fee is paid to the owner; to require the Public Service Commission to hire an expert, paid out of the fund, to decide how to deploy fiber optic and wireless service; to require the Public Service Commission to adopt statewide broadband network design; to limit use of fund to construction of identifiable wireless towers and real estate; to change the surcharge to 6.95% through December 2018, 5.5% through 2019, 4.4% through 2020, and 3.5% after 2021; to require notice of annual hearing in each county for three weeks; to exempt the state, political subdivisions, and any person receiving support from the fund, from paying the surcharge; to add new language giving the Public Service Commission the right to take cable, towers, and associated real estate if abandoned and give it to a municipality or public power district in the area; and starting in 2020, to allow a municipality or public power district in a county without

broadband (unless satellite broadband) available to 96% of its population at a cost comparable to Omaha, to provide broadband to the public at a fee.

Annette Dubas, Chairperson