

HOUSE BILL 613

C5, C8

6lr2597

By: **Delegates Fisher, Angel, Arentz, Aumann, Barkley, Carey, Fennell, Glenn, S. Howard, Impallaria, Jackson, Kramer, Lisanti, Mautz, McCray, W. Miller, Morgan, Patterson, Rey, S. Robinson, Sanchez, Tarlau, Vaughn, and C. Wilson**

Introduced and read first time: February 4, 2016

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utilities – Telephone Companies – Wired Broadband**
3 **(Wired Broadband Act of 2016)**

4 FOR the purpose of requiring a certain telephone company to provide and maintain wired
5 broadband service in a certain manner or pay the cost of providing wired broadband
6 service to the Rural Broadband Assistance Fund; requiring the Public Service
7 Commission, to the extent authorized under federal law, to cooperate with the
8 Federal Communications Commission for a certain purpose; requiring the
9 Commission to make a certain annual report and recommendations to the General
10 Assembly on or before a certain date; defining a certain term; providing for the
11 application of this Act; and generally relating to providing wired broadband in the
12 State.

13 BY repealing and reenacting, with amendments,
14 Article – Economic Development
15 Section 5–1102
16 Annotated Code of Maryland
17 (2008 Volume and 2015 Supplement)

18 BY adding to
19 Article – Public Utilities
20 Section 8–701 through 8–704 to be under the new subtitle “Subtitle 7. Wired
21 Broadband”
22 Annotated Code of Maryland
23 (2010 Replacement Volume and 2015 Supplement)

24 Preamble

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 WHEREAS, Wired broadband service (digital subscriber line (DSL), cable modem,
2 or fiber optics) is not available to tens of thousands of Marylanders; and

3 WHEREAS, Tens of thousands of Marylanders do not have any options for wired
4 broadband service; and

5 WHEREAS, In the twenty-first century, all homes and businesses in the State
6 require wired broadband service to connect to the global community;

7 WHEREAS, The existing copper lines that enable DSL to operate have been
8 abandoned through lack of maintenance and neglect; and

9 WHEREAS, It is the responsibility of the State to ensure that every home and
10 business in the State has access to at least one wired broadband option; now, therefore,

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
12 That the Laws of Maryland read as follows:

13 **Article – Economic Development**

14 5–1102.

15 (a) There is a Rural Broadband Assistance Fund in the Department.

16 (b) The purpose of the Fund is to assist in the establishment of broadband
17 communication services in rural and underserved areas of the State.

18 (c) The Department shall administer the Fund.

19 (d) (1) The Fund is a special, nonlapsing fund that is not subject to reversion
20 under § 7–302 of the State Finance and Procurement Article.

21 (2) The Treasurer shall hold the Fund separately, and the Comptroller
22 shall account for the Fund.

23 (e) The Fund consists of:

24 (1) money appropriated in the State budget to the Fund;

25 (2) money appropriated in the State budget to the Maryland Economic
26 Development Assistance Fund under Subtitle 3 of this title for the purpose of assisting in
27 the establishment of broadband communication services in rural and underserved areas of
28 the State;

29 (3) federal money allocated or granted to the Fund; [and]

(4) MONEY PAID INTO THE FUND IN ACCORDANCE WITH § 8-703 OF THE PUBLIC UTILITIES ARTICLE; AND

(5) any other money from any source accepted for the benefit of the Fund.

(f) The Fund may be used only for planning, construction, and maintenance of broadband communication services and equipment in rural and underserved areas and related activities.

(g) (1) The Treasurer shall invest the money in the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be credited to the General Fund of the State.

(h) The Department shall make payments from the Fund within 30 days after notice of a decision of the Board under § 13-504(3) of this article.

Article – Public Utilities

SUBTITLE 7. WIRED BROADBAND.

8-701.

IN THIS SUBTITLE, “WIRED BROADBAND”:

(1) MEANS A HIGH-CAPACITY TRANSMISSION TECHNIQUE THAT USES A CABLE TO TRANSMIT A WIDE RANGE OF FREQUENCIES TO A HOME OR BUSINESS;

(2) INCLUDES WIRED BROADBAND SERVICE PROVIDED BY:

(I) DIGITAL SUBSCRIBER LINE (DSL);

(II) CABLE MODEM; OR

(III) FIBER OPTICS; AND

(3) DOES NOT INCLUDE WIRED BROADBAND SERVICE PROVIDED BY:

(I) SATELLITE; OR

(II) WIRELESS TECHNOLOGY.

8-702.

1 **THIS SUBTITLE APPLIES TO A TELEPHONE COMPANY THAT PROVIDES**
2 **INTRASTATE LOCAL OR LONG DISTANCE EXCHANGE SERVICE.**

3 **8-703.**

4 **A TELEPHONE COMPANY SHALL:**

5 **(1) PROVIDE AND MAINTAIN WIRED BROADBAND SERVICE THROUGH**
6 **ITS NETWORK;**

7 **(2) PROVIDE AND MAINTAIN WIRED BROADBAND SERVICE THROUGH**
8 **A SERVICE AGREEMENT WITH A THIRD-PARTY CONTRACTOR; OR**

9 **(3) PAY THE COST OF PROVIDING WIRED BROADBAND SERVICE TO**
10 **THE RURAL BROADBAND ASSISTANCE FUND ESTABLISHED UNDER § 5-1103 OF THE**
11 **ECONOMIC DEVELOPMENT ARTICLE.**

12 **8-704.**

13 **(A) TO THE EXTENT AUTHORIZED UNDER FEDERAL LAW, THE COMMISSION**
14 **SHALL COOPERATE WITH THE FEDERAL COMMUNICATIONS COMMISSION ON**
15 **EFFORTS TO PROMOTE UNIVERSAL WIRED BROADBAND ACCESS IN THE STATE.**

16 **(B) ON OR BEFORE JANUARY 31 OF EACH YEAR, THE COMMISSION SHALL**
17 **REPORT AND MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY, IN**
18 **ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON THE**
19 **PROGRESS MADE IN PROMOTING UNIVERSAL WIRED BROADBAND ACCESS IN THE**
20 **STATE.**

21 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
22 **October 1, 2016.**