

HOUSE BILL 697

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Weldon, and Wood**

Introduced and read first time: February 7, 2003
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Telecommunication and Computer Network Access - Underserved Areas**

3 FOR the purpose of altering certain provisions relating to a certain State
4 telecommunication and computer network under the Department of Budget and
5 Management; providing for access to a certain telecommunication and computer
6 network by certain persons; providing for the construction of certain network
7 facilities in areas where existing commercial access is lacking; providing for
8 certain points of presence in certain areas in a certain manner; requiring the
9 Department to consult and coordinate with certain agencies and entities for
10 certain purposes; declaring the intent of the General Assembly; requiring the
11 Department of Business and Economic Development and the Department of
12 Budget and Management to undertake certain actions by certain dates and to
13 report to the General Assembly on certain actions by a certain date; and
14 generally relating to telecommunication and computer networking and
15 underserved areas.

16 BY repealing and reenacting, with amendments,
17 Article - State Finance and Procurement
18 Section 3-702 and 3-705
19 Annotated Code of Maryland
20 (2001 Replacement Volume and 2002 Supplement)

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

23 **Article - State Finance and Procurement**

24 3-702.

25 (a) The Department shall:

1 (1) coordinate the development, procurement, management and
2 operation of telecommunication equipment, systems, and services by State
3 government, BOTH BY DIRECT ACQUISITION AND BY USE OF OTHER PUBLIC AND
4 PRIVATE INFRASTRUCTURE;

5 (2) acquire and manage common user telecommunication equipment,
6 systems, [or] AND services and [charge] PROVIDE A STANDARD INTERFACE FOR
7 COMMON BACKBONE SERVICES AT A FLAT RATE TO units of State government [for
8 their proportionate share of the costs of installation, maintenance, and operation of
9 the common user telecommunication equipment, systems, or services] AND MAKE
10 SUPPLEMENTAL INTENSIVE HIGH-BANDWIDTH SERVICES AVAILABLE TO THOSE
11 UNITS AT ADDITIONAL COST;

12 (3) promote compatibility of telecommunication systems by developing
13 policies, procedures, and standards for the acquisition and use of telecommunication
14 equipment, systems, and services by units of State government;

15 (4) coordinate State government telecommunication systems and
16 services by reviewing requests by units of State government for telecommunication
17 equipment, systems, or services;

18 (5) advise units of State government about planning, acquisition, and
19 operation of telecommunication equipment, systems, or services; and

20 (6) provide radio frequency coordination for State and local governments
21 in accordance with regulations of the Federal Communications Commission.

22 (b) The Department [may] SHALL make arrangement for [a user] ALL USERS
23 other than a unit of State government to have access to and use of State
24 telecommunication equipment, systems, and [services and shall charge the user any
25 appropriate amount to cover the cost of installation, maintenance, and operation of
26 the telecommunication equipment, system, or service provided] SERVICES:

27 (1) OFFERING TO LOCAL GOVERNMENTS AND THEIR UNITS A PLATFORM
28 OF BACKBONE SERVICES ON A STANDARD SCHEDULE OF FLAT RATES, AND MAKING
29 SUPPLEMENTAL INTENSIVE HIGH-BANDWIDTH SERVICES AVAILABLE TO THOSE
30 GOVERNMENTS AND UNITS AT ADDITIONAL COST; AND

31 (2) OFFERING BROADBAND SERVICES, INCLUDING SUPPLEMENTAL
32 INTENSIVE HIGH-BANDWIDTH SERVICES, AVAILABLE TO OTHER USERS ACCORDING
33 TO AN APPROPRIATE SCHEDULE OF CHARGES OR USING ANY OTHER APPROPRIATE
34 METHOD TO RECOVER THE COSTS OF PROVIDING SERVICES TO THESE USERS.

35 3-705.

36 (a) The General Assembly declares that:

37 (1) it is the policy of the State to foster BROADBAND telecommunication
38 and computer networking [among State and local governments, their agencies, and
39 educational institutions in] THROUGHOUT the State;

1 (2) the current alignment of [interagency and educational]
2 telecommunication and computer networking in the State, based in part on the
3 arrangement of Local Access and Transport Areas (LATAs), does not serve all areas of
4 the State equally, but instead creates a disparity between rural and urban regions;

5 (3) rates for the intrastate inter-LATA telephone communications
6 needed for effective integration of telecommunication and computer resources are
7 prohibitive for many smaller governments, agencies, and [institutions] OTHER
8 PERSONS;

9 (4) there is a need to improve access, especially in rural areas, to
10 efficient telecommunication and computer network connections;

11 (5) IMPROVED ACCESS TO HIGH-SPEED TELECOMMUNICATION AND
12 COMPUTER NETWORKING CONNECTIONS IN DESIGNATED GROWTH AREAS,
13 PARTICULARLY IN UNSERVED AND UNDERSERVED PARTS OF THE STATE, WILL
14 FOSTER ECONOMIC DEVELOPMENT IN APPROPRIATE AREAS, FURTHERING THE GOAL
15 OF EQUITABLE DEVELOPMENT IN THE STATE BY:

16 (I) PROMOTING LOW-IMPACT ECONOMIC DEVELOPMENT THAT
17 WILL REQUIRE LITTLE ADDITIONAL TRADITIONAL CAPITAL INFRASTRUCTURE AND
18 CONSUMPTION OF LAND; AND

19 (II) ASSISTING COMMUNITY LEGACY AND REVITALIZATION
20 EFFORTS IN CURRENT POPULATION CENTERS OF UNSERVED AND UNDERSERVED
21 AREAS THROUGH PROMOTING REINVESTMENT IN THESE COMMUNITIES,
22 FACILITATING THE REUSE OF EXISTING BUILDINGS AND STRUCTURES IN THESE
23 COMMUNITIES, AND DRAWING EMPLOYEES FROM THE COMMUNITIES AND THEIR
24 ENVIRONS;

25 (6) improvement of telecommunication and computer networking [for
26 State and local governments and educational institutions] UNDER THIS SECTION
27 promotes economic development, educational resource use and development, and
28 efficiency in State and local administration; and

29 [(6)] (7) the use of improved State telecommunication and computer
30 networking under this section is intended not to compete with commercial access to
31 advanced network technology, but rather to COMPLEMENT IT WHERE IT EXISTS, TO
32 PROVIDE ACCESS WHERE COMMERCIAL ACCESS IS LACKING, AND TO foster
33 fundamental efficiencies in government and education for the public good.

34 (b) (1) The Department shall establish a telecommunication and computer
35 network in the State.

36 (2) The network shall consist of:

37 (i) one or more connection facilities for telecommunication and
38 computer connection in each LATA in the State, SITED TO PROVIDE SUITABLE
39 ACCESS FOR RURAL AS WELL AS URBAN AND SUBURBAN AREAS;

1 (ii) a backbone comprising one or more inter-LATA fiber-optic
2 links between each telecommunication facility, using a failure-resistant architecture,
3 and adhering to [the DS3 standard or better] CURRENT COMMERCIAL BROADBAND
4 STANDARDS, to allow SUFFICIENT communication rates [of at least 45 megabits per
5 second,] and multiplexing for transmission of video, voice, and data;

6 (III) ON REQUEST OF A COUNTY OR MUNICIPAL CORPORATION,
7 POINTS OF PRESENCE IN GROWTH AREAS, AS DESIGNATED IN THE COUNTY OR
8 MUNICIPAL MASTER PLAN, THAT ARE ADJACENT TO THE BACKBONE; and

9 [(iii)] (IV) facilities, auxiliary equipment, and services required to
10 support the network in a reliable and secure manner.

11 (C) IN PLANNING THE INSTALLATION AND EXPANSION OF THE NETWORK,
12 THE DEPARTMENT SHALL CONSULT AND COORDINATE WITH OTHER STATE UNITS,
13 COUNTIES, MUNICIPAL CORPORATIONS, AND PUBLIC AND PRIVATE UTILITIES IN
14 ORDER TO:

15 (1) IDENTIFY AND CONSOLIDATE DEMAND FOR BROADBAND SERVICES
16 IN THE VARIOUS REGIONS OF THE STATE;

17 (2) IDENTIFY UNUSED CAPACITY IN EXISTING FACILITIES; AND

18 (3) PLAN THE OPTIMAL LOCATION OF POINTS OF PRESENCE IN EACH
19 LATA IN THE STATE.

20 [(c)] (D) The network shall be accessible through direct connection and
21 through local intra-LATA telecommunications to State and local governments and
22 public and private educational institutions in the State.

23 SECTION 2. AND BE IT FURTHER ENACTED, That:

24 (a) On or before July 1, 2004, the Department of Business and Economic
25 Development shall identify existing and significant potential demand for access to
26 high-speed telecommunication and data transmission services facilities in
27 underserved rural areas of the State, in consultation with local government officials,
28 existing businesses, and existing regional and local consortia and other groups
29 involved with high-technology economic development in those areas;

30 (b) On or before July 1, 2004, the Department of Budget and Management
31 shall explore expansion of high-speed telecommunication and data transmission
32 capacity, including fiber-optic cable and competing technologies, into underserved
33 rural areas that have existing and significant potential demand for the capacity
34 afforded by fiber-optic cable and competing technologies associated with State and
35 local economic development, by expansion of the State backbone and network under §
36 3-705 of the State Finance and Procurement Article, through other
37 Net.Work.Maryland or successor initiatives, or through other public-private
38 cooperation with commercial providers of high-speed telecommunication and data
39 transmission services, and shall also explore alternative models for delivering these
40 services in underserved rural areas;

1 (c) On or before January 1, 2005, the Department of Business and Economic
2 Development, in consultation with the Department of Budget and Management, shall
3 facilitate the expansion of high-speed telecommunication and data transmission
4 services and facilities into underserved rural areas of the State by matching existing
5 and significant potential demand with private and public providers of these services
6 and facilities; and

7 (d) On or before January 1, 2004, the Department of Business and Economic
8 Development and the Department of Budget and Management shall report jointly,
9 subject to § 2-1246 of the State Government Article, to the General Assembly on their
10 progress in complying with this section.

11 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 2003.