

**Rural Broadband Task Force**  
**Friday, August 16, 2019**  
**9:30 a.m. to 12:00 noon CT**  
**Governor's Mansion, Lower Level, 1425 H Street, Lincoln, Nebraska**

**Agenda**

Meeting Materials are posted at <https://ruralbroadband.nebraska.gov/meetings/task-force/index.html>.

9:30	<p><b>Opening Business</b>—<i>Ed Toner, Office of the Chief Information Officer</i></p> <p>Roll Call          Notice of Posting of Agenda          Notice of Nebraska Open Meetings Act Posting  <i><b>Approval of the May 3, 2019 minutes*</b></i></p>
9:35	<p><b>Legislative Update</b>—<i>Tip O'Neill, Nebraska Legislature</i></p> <p><a href="#">LB 184</a> Adopt the Small Wireless Facilities Deployment Act (Approved by Governor Ricketts on May 17, 2019)</p> <p><a href="#">LR 166</a> Interim Study to Review the Report of the Rural Broadband Task Force what was created by Laws 2018 LB994 (Friesen, Bostelman, Brandt, Walz)</p> <p><a href="#">LR 175</a> Interim Study to Ensure Accelerated Broadband Deployment Statewide (Cavanaugh)</p>
9:45	<p><b>Rural Broadband Task Force Report Work Plan</b>—<i>Ed Toner, Office of the Chief Information Officer</i></p>
9:50	<p><b>NUSF Subcommittee Findings and Recommendations</b></p>
10:35	<p><b>Public-Private Partnership Subcommittee Findings and Recommendations</b></p>
11:20	<p><b>Recommendations for Federal Infrastructure Funding</b></p>
11:30	<p><b>Review Draft Outline and Report</b></p>
12:00	<p><b>Adjourn</b></p>

The task force will attempt to adhere to the sequence of the published agenda, but reserves the right to adjust the order and timing of items and may elect to take action on any of the items listed.

\* Denotes action items

The meeting announcement was posted on the Nebraska Public Meeting and Rural Broadband Task Force websites on May 16, 2019. The agenda was posted on the Rural Broadband Task Force website on August 12, 2019.  
[Nebraska Open Meetings Act](#)

## **RURAL BROADBAND TASK FORCE**

Friday, May 3, 2019 1:30 p.m. to 4:00 CDT

Varner Hall, Lower Level, Board Room

3835 Holdrege Street, Lincoln, Nebraska

Video Locations:

University of Nebraska at Omaha, Eppley Administration Building

Room 110A, 6001 Dodge Street, Omaha, NE 68182

Homestead Bank, 619 Grand Street, St. Paul, NE 68873

1005 Woodcrest, Norfolk, NE 68701

## **MINUTES**

### **MEMBERS PRESENT:**

Ed Toner, Chair, Nebraska Information Technology Commission

Mary Ridder, Chair, Nebraska Public Service Commission

Senator Bruce Bostelman, District 23, Nebraska Legislature

Ben Kuspa for Dave Rippe, Nebraska Department of Economic Development

Zachary Hunnicutt, Farmer, Hunnicutt Farms (Participation only, not able to vote)

Steve Wellman, Director, Nebraska Department of Agriculture

Isaiah Graham, Vice-President, Homestead Bank

Daniel Spray, Owner, Precision Technology

Timothy Lindahl, CEO/General Manager, Wheat Belt Public Power District

Andrew Buker, Executive Director of Infrastructure Services, University of Nebraska

Ron Cone, Director of Network Information Services, ESU 10

Anna Turman, CEO, Chadron Community Hospital & Health Services

**MEMBERS ABSENT:** Senator Curt Friesen and Tom Shoemaker

### **OPENING BUSINESS, ROLL CALL NOTICE OF POSTING OF AGENDA NOTICE OF NEBRASKA OPEN MEETINGS ACT POSTING**

*Ed Toner, Office of the Chief Information Officer*

Mr. Toner called the meeting to order at 1:30 p.m. Roll call was taken. There were seven voting members and one ex officio non-voting member present. A quorum existed to conduct official business. The meeting announcement was posted on the Nebraska Public Meeting and Rural Broadband Task Force websites on Dec. 3, 2018. The agenda was posted on the Rural Broadband Task Force website on April 25, 2019. The Nebraska Open Meetings Act was posted on the south wall.

### **APPROVAL OF THE MARCH 29, 2019 MINUTES\***

**Senator Bostelman moved to approve the March 29, 2019 meeting minutes as present. Ms. Ridder seconded. Roll call vote: Toner-Yes, Ridder-Yes, Kuspa-Yes, Graham-Yes, Spray-Yes, Lindahl-Yes, and Cone-Yes. Results: Yes-7, No-0, Abstained-0. Motion carried.**

### **UTILIZING THE NUSF TO LEVERAGE FEDERAL UNIVERSAL SERVICE FUND SUPPORT PANELISTS:**

Cullen Robbins, Nebraska Public Service Commission, provided information about the state and federal universal service fund programs which are available to provide support for services for customers in high cost areas, low income residents, K-12 education, libraries, and health care providers. The Nebraska Universal Service Support provides support for broadband in high cost areas, telehealth and low-income consumers.

SuAnn Witt, Nebraska Department of Education, provided information on the E-rate program. The Schools and Libraries (E-rate) Program provides discounts to assist eligible schools and libraries to obtain affordable internet access and telecommunications services. Funded services include:

- *Category 1:* Data Transmission Services and/or Internet Access
- *Category 2:* Internal Connections, Managed Internal Broadband Services, and Basic Maintenance of Internal Connections.

Discounts range from 20-90 percent depending on the level of poverty and the urban/rural status at the school district level. The average statewide discount is 68%. Educational entities in Nebraska have a high rate of e-Rate participation with 301 school districts, 86 private schools and ESUs, and 40 consortiums applying.

Additionally if a state provides eligible schools and libraries with funding for special construction charges for high-speed broadband that meets the FCC's long-term connectivity targets, the E-rate program will increase an applicant's discount rate for these charges up to an additional ten percent to match the state funding on a one-to-one dollar basis. Twenty-five states have qualified for this program since 2016.

Christa Porter, Nebraska Library Commission, shared information on library participation in the E-rate program. Sixty out of 272 Nebraska libraries received a total of \$199,950 in E-rate funding in 2018-2019. She shared a variety of factors which may contribute to the low rate of participation.

Panelists entertained questions from task force members.

### **ADDRESSING THE HOMEWORK GAP PANELISTS**

Burke Brown, District OR-1 Palmyra/Bennett Public Schools, read testimonies from educators, students and parents regarding their experiences with connectivity and home internet availability.

Tom Rolfes, Nebraska Information Technology Commission, provided information on Network Nebraska, a statewide consortium of 292 education entities working together to improve their telecommunications, share services and lower costs. Network Nebraska is managed by the State of Nebraska Office of the CIO, in partnership with the University of Nebraska, with guidance from the Network Nebraska Advisory Group, Collaborative Aggregation Partnership, and the NITC.

He shared the following challenges:

- 15-17% of students leave campus with insufficient internet at home.
- 90,000 students ride 7,500 buses daily with no WiFi.
- Monthly costs for 100Mbps Ethernet service range all the way from Holdrege Public Schools with \$400 (\$120/month after 70% E-rate) to Boyd County Public Schools at \$4,396 (\$879/month after 80% E-rate).

Holly Woldt, Nebraska Library Commission, reported that 74% of Nebraska public libraries have internet speeds lower than 25 Mbps, and 58% are at or lower than 12 Mbps, which makes the parking lot Wi-Fi experience less than desirable. Within 2 miles of almost every rural public library sits a school building that is connected by fiber to Network Nebraska and capable of Internet speeds from several hundred Mbps to over 1,000 Mbps. Through a \$25,000 grant from the Institute of Museums and Library Services, libraries in five communities (Bancroft, Genoa, Imperial, Verdigre and Wymore) plus one community (Bayard) funded by the Nebraska Library Commission improved their internet access for student homework use via a wireless connection to a local school district building connected to Network Nebraska.

Jessica Chamberlain, Norfolk Public Library, said 93% of students in Norfolk have internet at home, leaving an estimated 550 students with no internet. The Norfolk Public Library has a 1,000 Mbps connection and averages 287 WiFi connections a day. Norfolk Public Library started a hot spot lending program in 2016 and now has 10 hot spots available for a three-week checkout with a wait list of approximately 30 people.

Panelists entertained questions from task force members.

## **\*FORMATION OF A SUBCOMMITTEE TO DEVELOP RECOMMENDATIONS FOR ADDRESSING THE HOMEWORK GAP AND LEVERAGING FEDERAL UNIVERSAL SERVICE FUNDS**

Task force members discussed forming a subcommittee to address the homework gap and leverage universal service funding. Mr. Toner suggested that the subcommittee also look at other sources of funding in addition to universal service funding.

**Mr. Cone moved to organize a subcommittee to study universal service funding and make recommendations on how to best leverage additional funding as well as to study and make recommendations to address the homework gap. Mr. Lindahl seconded. Roll call vote: Toner-Yes, Ridder-Yes, Kuspa-Yes, Wellman-Yes, Graham-Yes, Spray-Yes, Lindahl-Yes, Buker-Yes, Cone-Yes, and Turman-Yes. Results: Yes-10, No-0, Abstained-0. Motion carried.**

Ron Cone, Dan Spray and Andrew Buker volunteered to serve on the subcommittee.

## **SUBCOMMITTEE REPORTS**

***Broadband Technologies Subcommittee Report\****. Mr. Cone reported that the subcommittee has developed one-page descriptions of broadband technologies which will hopefully be helpful to task force members and policy makers engaging in discussions about broadband. He thanked the other subcommittee members, Zachary Hunnicutt and Dan Spray, and staff who helped with the report. Questions from task force members were entertained.

**Mr. Lindahl moved to approve the initial findings of the Broadband Data Subcommittee for preliminary inclusion in the task force's final report. Mr. Spray seconded. Roll call vote: Toner-Yes, Ridder-Yes, Kuspa-Yes, Wellman-Yes, Graham-Yes, Spray-Yes, Lindahl-Yes, Buker-Yes, Cone-Yes, and Turman-Yes. Results: Yes-10, No-0, Abstained-0. Motion carried.**

**NUSF Subcommittee Report.** Ms. Ridder reported that many issues being studied by the NUSF Subcommittee are inter-related with work being done by others, including the Public-Private Partnership Subcommittee and the Nebraska Public Service Commission. The Nebraska Public Service Commission will have a hearing next week on rules for establishing a reverse auction. The NUSF Subcommittee will be following the hearing and reading written comments as part of their information gathering. Next steps include going over the findings and developing final recommendations.

## **DEVELOPING RURAL BROADBAND TASK FORCE REPORT**

### ***Approval of Draft Report Outline and Formation of a Subcommittee to Review the Draft Report \****

Task force members discussed the process to complete the final report and a proposed outline for the report. Mr. Toner reminded members that the outline is a living document and would like members to provide feedback. The report will be submitted bi-annually. It was determined to have Ms. Byers write the draft report. The draft will be shared with task force members electronically to provide input, rather than forming a subcommittee to review the report. Recommendations will be discussed at future meetings.

**Mr. Wellman moved to approve the draft report outline. Mr. Lindahl seconded. Roll call vote: Toner-Yes, Ridder-Yes, Kuspa-Yes, Wellman-Yes, Graham-Yes, Spray-Yes, Lindahl-Yes, Buker-Yes, Cone-Yes, and Turman-Yes. Results: Yes-10, No-0, Abstained-0. Motion carried.**

## **ADJOURNMENT**

**Ms. Turman moved to adjourn. Mr. Wellman seconded. All were in favor. Motion carried.**

The meeting was adjourned at 3:56 p.m.

Meeting minutes were taken by Lori Lopez Urdiales and reviewed by Anne Byers, Office of the CIO/NITC.

# Rural Broadband Task Force Work Plan

## **Friday, August 16--9:30 a.m.to noon, Governor's Mansion**

- Discuss Public-Private Partnership and NUSF findings and recommendation and recommend any revisions if needed
- Discuss recommendations for federal infrastructure funding
- Review initial sections and outline of draft report

## **Friday, Sept. 20--9:30 a.m.to noon, Varner Hall**

- Public Comment (20 minutes)
- Approve Public-Private Partnership and NUSF findings and recommendations
- Approve recommendations for federal infrastructure funding
- Discuss and approve Homework Gap/Leveraging Funding recommendations
- Discuss and approve Broadband Technologies findings
- Discuss and approve Broadband Data findings and recommendations
- Review draft report

## **Written Public Comment Period**

- Draft Report Available by Thursday COB, Sept. 26
- Comments due Thursday, Oct. 10 midnight
- Comments sent to task force members Friday, Oct. 11.

## **Friday, Oct. 18--9:30 a.m.to noon, Varner Hall**

- Public Comment if additional time is needed (20 minutes)
- Discuss Comments on Draft Report
- Review and approve report
- Discuss next steps for task force

## NUSF and Reverse Auction Findings and Recommendations

### Draft—August 9 2019

*Examine the role of the Nebraska Telecommunications Universal Service Fund in bringing comparable and affordable broadband services to rural residents and any effect of the fund in deterring or delaying capital formation, broadband competition, and broadband deployment;*

—Nebraska Revised Statutes 86-1102(3)(b)

*Examine alternatives for deployment of broadband services to areas that remain unserved or underserved, such as reverse auction programs described in section 4 of this act, public-private partnerships, funding for competitive deployment, and other measures, and make recommendations to the Public Service Commission to encourage deployment in such areas;*

—Nebraska Revised Statutes 86-1102(3)(d)

### Findings

- The Nebraska Universal Service Fund (NUSF) provides support to price cap, rate of return, and mobile wireless carriers in Nebraska. In 2019, the Nebraska Public Service Commission allocated \$12,049,546 for broadband support for price cap carriers and \$14,100,058 for rate of return carriers. In 2018, \$3,200,000 was allocated for support for mobile wireless carriers.<sup>1</sup>
- Providers must be accountable for the support received from the Nebraska Universal Service Fund. The Nebraska Public Service Commission has taken steps to move the fund toward a grant-like method of distribution whereby carriers must build first before receiving reimbursement.
- The total remittances to the NUSF have decreased from \$52 million in 2013 to about \$33 million in 2018. However, the Nebraska Public Service Commission has taken steps to stabilize the fund by modernizing the contribution methodology. Even with steps to stabilize the fund, however, the size of the fund is not sufficient to provide support for fiber deployment to all Nebraska residences and businesses.<sup>2</sup>
- In order for providers to make decisions about broadband infrastructure investments, support from the NUSF should be sustainable and predictable.
- Broadband availability varies by incumbent carrier. Approximately 80% of those rural households which do not have broadband available reside in Windstream, CenturyLink, Great Plains or Frontier (Citizens) exchanges.<sup>3</sup> Addressing the rural broadband divide in Nebraska will require strategies which address areas without broadband access served by both price cap and rate of return carriers.
- Implementing a reverse auction-like component could potentially maximize the impact of limited NUSF dollars in underserved areas of the state. The current NUSF high cost distribution processes do not provide opportunities for entities that are not the incumbent carriers to compete for state universal service fund support.

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<sup>1</sup> See Appendix 6 NUSF Overview and Support Allocations for more information.

<sup>2</sup> See Appendix 6 NUSF Overview and Support Allocations for more information.

<sup>3</sup> See Appendix 7 Broadband Coverage by ILEC Including Fixed Wireless Coverage by Rural Households Not Covered

- The FCC implemented a reverse auction, allocating \$1.488 billion in support in August 2018 to be distributed over 10 years to expand rural broadband service in unserved areas in 45 states. Awarded bids came in at 70% of the reserve/model costs for the block groups. Over \$4 million was awarded to four carriers to serve 8,900 locations in Nebraska. Most locations in Nebraska are to receive service of 100 Mbps down/20 Mbps up via fixed wireless. Providers must build out to 40 percent of the assigned homes and businesses in a state within three years of becoming authorized to receive support. Buildout must increase by 20 percent in each subsequent year, until complete buildout is reached at the end of the sixth year.<sup>4</sup>
- Nebraska Legislative Bill 994, enacted in 2018, permits the Nebraska Public Service Commission to withhold support from the Nebraska Universal Service Fund “to any telecommunications company that has not served, to the commission’s satisfaction, those areas with service that meets the criteria for successful investment of funding from the Nebraska Telecommunications Universal Service Fund.”

LB 994 further permits the Nebraska Public Service Commission to “use the funding that is withdrawn to implement and operate a reverse auction program, except that any funding that is withdrawn shall be utilized in the exchange area for which the funding was originally granted.”

- On March 12, 2019, the Nebraska Public Service Commission opened a docket, Rule and Regulation #202, to adopt Reverse Auction and Wireless Registry rules in accordance with LB 994. The process of developing rules and regulations is expected to take approximately one year.<sup>5</sup>
- The NUSF Subcommittee found no evidence that the Nebraska Universal Service Fund has deterred or delayed capital formation, broadband competition, and broadband deployment in conversations with stakeholders or in the subcommittee’s research efforts.

### ***Key Recommendations***

- *Support the Nebraska Public Service Commission’s efforts to modernize the NUSF contribution system and to improve provider accountability by moving to a grant-like system of distribution.*
- *Encourage the Nebraska Public Service Commission to continue to investigate a state-run reverse auction as a mechanism to spur broadband build out in rural areas.*

## **Recommendations**

- Support the Nebraska Public Service Commission’s efforts to stabilize the Nebraska Universal Service Fund by modernizing the contribution system.
- Support the Nebraska Public Service Commission’s efforts to modernize the distribution method and improve provider accountability through the system of grant-like awards for broadband infrastructure projects.

<sup>4</sup> More information on the Connect America Fund Phase II reverse auction is available at <https://www.fcc.gov/auction/903>. A map of winning bids is available at <https://www.fcc.gov/reports-research/maps/caf2-auction903-results>.

<sup>5</sup> See <https://psc.nebraska.gov/administration/proposed-rules-regulations> for information on the docket.

- Encourage the Nebraska Public Service Commission to continue to investigate, through their Rules and Regulations 202 docket, a state-run reverse auction as a mechanism to spur broadband build out in rural areas.
- Monitor the implementation of the FCC’s Connect America Fund II Reverse Auction to evaluate the success of the program and to identify any key lessons learned.
- Encourage the Nebraska Public Service Commission to explore alternate methods for redirecting support that allow for more collaboration between not only the incumbent and competitive carriers, but also the local business community, both main street and agriculture, as well hospitals, schools, municipalities, counties, and public power providers.<sup>6</sup>

## Metrics

<b>NUSF</b>	
<b>Measure</b>	<b>2019 Most Recent Data</b> Nebraska Public Service Commission
Annual contributions to the Nebraska Universal Service Fund (By Fiscal Year)	2017 - \$35,321,380 2018 - \$32,796,228 2019 - \$18,333,749 (Through 1 <sup>st</sup> Half, 2019)
Annual allocations from the Nebraska Universal Service Fund (By Calendar Year)	2017 – \$40,087,483 2018 - \$33,139,591 2019 - \$30,056,117 (Additional allocations may still be made in 2019)
The number of households and businesses in Nebraska which have broadband (25/3 Mbps Down/Up) available as a result of CAF II funding	A-CAM (2016-2018) – 3,828 Locations CAF II (Price Cap Carriers) – 677 locations
The number of households and businesses in Nebraska which have, or will have broadband available as a result of NUSF funding (Includes only High Cost programs, NUSF-99 and NUSF-108)	NUSF-99 Projects (2016-Present) – 8,092 NUSF-108 Projects (2019) -

<sup>6</sup> See comments submitted by the Rural Telecommunications Coalition of Nebraska (RTCN) on April 18, 2019 available at <https://psc.nebraska.gov/sites/psc.nebraska.gov/files/doc/administration/2019-04-18%20Comments%20of%20RTCN.pdf>.

# Public-Private Partnerships Findings and Recommendations

Draft—August 5, 2019

*Examine alternatives for deployment of broadband services to areas that remain unserved or underserved, such as reverse auction programs described in section 4 of this act, public-private partnerships, funding for competitive deployment, and other measures, and make recommendations to the Public Service Commission to encourage deployment in such areas;*

—Nebraska Revised Statutes 86-1102(3)(d)

## Findings

- Public-private broadband partnerships have primarily been utilized in communities, but not rural areas. Some models, however, could be adapted for use in rural areas.<sup>1</sup> Stakeholders should take the following considerations into account:
  - Public-private partnerships should include consumer protections and ensure quality of service.
  - Stakeholders should be aware that forming a public-private partnership takes time.
  - Stakeholders should be careful of forming a public-private partnership that addresses business needs only and leaves out residential and/or rural areas out.
- Public power districts and cooperatives could play a role in advancing the deployment of broadband services in rural Nebraska through public-private partnerships. Public power districts and cooperatives may own fiber rings to connect necessary electric controls and data points. The communications network enables public power districts to safely operate and manage the electric grid. The communications network could be leveraged to facilitate the deployment of broadband in rural areas. Possible models are described below:
  - A public power district or cooperative could work with a local telecommunications provider to put fiber in to connect electric communication needs. The local telecommunications provider could sell some of the fiber to the public power district or cooperative. The

### **Key Recommendations**

- *Encourage local and regional broadband planning, including communications planning between telecommunications providers and public power districts and cooperatives.*
- *Explore the creation of broadband cooperatives in unserved and underserved localities.*
- *Retain the existing prohibition on retail provision of broadband service by public entities.*
- *Explore ways to make it easier for public entities to lease dark fiber.*
- *Explore legislation clarifying communications as an approved use for private easements set up for telephone and electric use.*
- *Encourage local governments to review their rights of way and permitting processes and take steps if necessary to make the processes less burdensome for telecommunications providers.*

<sup>1</sup> See Appendix 8 Supplemental Information--Public-Private Partnerships for more information.

telecommunications provider could also connect homes and businesses passed by the newly installed fiber.

- A public power district or cooperative could work with a local telecommunications provider to put fiber in to connect electric communication needs and could then lease services from the telecommunications provider. The telecommunications provider could also connect homes and businesses passed by the newly installed fiber.
  - As public power districts replace aging infrastructure, fiber could be placed overhead at a cost of a few dollars per foot. The dark fiber could be leased to telecommunications providers.
  - Public power districts and other public entities could aggregate their demand for telecommunications services through a joint RFP which could be put out for bid by the State of Nebraska Office of the CIO or Network Nebraska. Telecommunications providers could connect homes and businesses passed by the newly installed fiber.
  - An electric cooperative could create a communications subsidiary and provide retail service, however a public power district could not.
- The formation of broadband cooperatives may be an option for unserved and underserved areas.
  - Neb. Revised Statutes Section 86-577 places restrictions on leasing of dark fiber by public entities. The current legislation requires public entities to lease dark fiber at the market rate, have the lease price and profit distribution approved by the public service commission, and contribute 50 percent of the profit to the Nebraska Internet Enhancement Fund.

This process adds additional time and uncertainty to a provider's implementation schedule. Currently one lease is in place. The burden of complying with the restrictions may factor into the low number of leases. However, it is likely that other factors are involved. Factors cited by telecommunications providers include:

- Existing public power-owned leasable fiber is not "last-mile fiber."
- Existing fiber is limited in quantity in routes and number of fibers.
- Existing public owned fiber is generally in areas that have alternative private sector fiber available.
- Private sector fiber is generally connected to a much more robust and established set of telecommunications carrier networks.
- Existing fiber may primarily be aerial fiber.
- There may not be any appreciable cost savings.

As more fiber is deployed by public entities, however, leasing could become more attractive in the future.

Another issue appears to be a lack of trust between the public power and telecommunications industries and a lack of familiarity with the other industry's regulatory structure.

- It is unclear if private easements set up for telephone and electric use could also be used for communications. Legislation clarifying that communications is an approved use for private easements set up for telephone and electric use would eliminate uncertainty and litigation.

## Recommendations

- **Encourage local and regional broadband planning.** Each community, county or region is different and will likely require a unique solution. Bringing stakeholders together to develop a local, county or regional plan can lay the groundwork for public-private partnerships.
- **Encourage each county or region to have a broadband coordinator to facilitate broadband planning and coordination.**
- **Encourage communications planning between telecommunications providers and public entities, such as public power districts and other private entities, such as cooperatives.** This could be done in a number of ways, including:
  - Convening local or regional meetings of telecommunications providers and public power districts to explore how the communications needs of public power could be leveraged to improve broadband availability in rural areas.
  - Developing a joint RFP for public power districts which could be put out for bid by Network Nebraska or the OCIO.
- **Explore the creation of broadband cooperatives in unserved and underserved localities.**
- **Establish a state broadband coordinator position to provide assistance to local and regional broadband coordinators and to coordinate with state agencies, telecommunications providers, local governments and other stakeholders.**
- **Explore the creation of a statewide broadband association.** The association could include telecommunications providers, public power districts, schools, hospitals, municipalities, counties, and other stakeholders interested in advancing broadband in Nebraska. The association could convene regional and statewide discussions and develop and distribute resources such as model or sample agreements.
- **Retain the existing prohibition on retail provision of broadband service by public entities.** The public power industry has stated that it is not interested in retail provision of broadband services. In some states, municipalities are providing retail broadband service. Municipal provision of broadband does not help rural areas and may hinder rural broadband deployment by eroding a telecommunications provider's business case to provide service to a rural area.
- **The public power industry, telecommunications industry, and the Transportation and Telecommunications Committee should work together to reach an agreement on what steps which should be taken to make it less burdensome for public entities to lease dark fiber.** Possible steps include:
  - The Nebraska Public Service Commission could work with the Nebraska Rural Electric Association and NPPD to communicate information on the current process to provide additional clarity and address any misperceptions about the process.

- The current legislation could be modified to ease the restrictions. Options include:
  - Requiring public entities to file their lease rate with the Public Service Commission. The PSC will publish the rate for 30 days. If no protest is filed, the PSC would approve the lease. If a protest is filed, a hearing would be scheduled.
  - The percent of profits contributed to the Nebraska Internet Enhancement Fund could be reduced or eliminated.
  - All of the restrictions on leasing dark fiber could be eliminated.
- **The NREA and NPPD should work with the members of the Transportation and Telecommunications Committee to explore legislation clarifying communications as an approved use for private easements set up for telephone and electric use.**
- **Identify funding for public-private partnerships.** Possible funding sources for public-private partnerships include LB 840 funds, USDA broadband grants and loans, Community Reinvestment Act, and New Market Tax Credits. Additional sources of funding such as a state broadband grant program would facilitate the development of public-private partnerships. Approximately 25 states have created broadband grant funds.
- **Encourage local governments to review their rights of way and permitting processes and take steps if necessary to make the processes less burdensome for telecommunications providers.**

**Metrics**

Measure	2019 Most Recent Data July 2019, Nebraska Public Service Commission
The number of leases of dark fiber from public entities	1

*Make recommendations to the Governor and Legislature as to the most effective and efficient ways that federal broadband rural infrastructure funds received after the operative date of this section should be expended if such funds become available;*

–Nebraska Revised Statutes 86-1102(3)(f)

## **Federal Rural Broadband Infrastructure Funds**

### **Draft Recommendation**

If federal rural broadband infrastructure funds become available, the Rural Broadband Task Force will immediately form a subcommittee to review any rules or requirements associated with the funding and will draft recommendations on how the funds should be expended. The subcommittee will address the following questions and any other issues identified in the rules and requirements:

- Who should administer the funds? Should other agencies/entities be involved/consulted in the development of guidelines and selection criteria?
- How should the distribution of infrastructure funds be coordinated with the NUSF?
- Should the funds be distributed through a grant program, a reverse auction, or other mechanism?
- What criteria should be used to evaluate grant applications or bids?
- Should the funds be available to all carriers or just ETCs?
- Should rural communities be involved in the process? How could they be involved?