

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

MINUTES

MEMBERS PRESENT:

Ed Toner, Chair, Nebraska Information Technology Commission
Mary Ridder, Chair, Nebraska Public Service Commission
Allison Hatch, Nebraska Department of Economic Development
Zachary Hunnicutt, Farmer, Hunnicutt Farms
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
Tom Shoemaker, President, Pinpoint Communications
Anna Turman, CEO, Chadron Community Hospital & Health Services

MEMBERS ABSENT: Senator Curt Friesen, Nebraska Legislature; Senator Bruce Bostelman, Nebraska Legislature; and Steve Wellman, Nebraska Department of Agriculture

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 9:30 a.m. Roll call was taken. Eleven voting members were 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 May 16, 2019. The agenda was posted on the Rural Broadband Task Force website on August 12, 2019. The Nebraska Open Meetings Act was on the meeting table next to the recorder.

APPROVAL OF THE MAY 3, 2019 MINUTES*

Mr. Lindahl moved to approve the May 3, 2019 minutes as presented. Mr. Shoemaker seconded. Roll call vote: Toner-Yes, Ridder-Yes, Hatch-Yes, Hunnicutt-Yes, Graham-Yes, Shoemaker-Yes, Spray-Yes, Lindahl-Yes, Turman-Yes, Buker-Yes, and Cone-Yes. Results: Yes-11, No-0, Abstained-0. Motion carried.

LEGISLATIVE UPDATE

Tip O'Neill, Nebraska Legislature

Mr. O'Neill gave an update on LB 184, LR 166 and LR 175.

LB 184 Adopt the Small Wireless Facilities Deployment Act. LB 184 was approved by Governor Ricketts on May 17, 2019. The legislation ensures that wireless providers have access to right of ways, provides a uniform application process at the local level, and provides reasonable fees for rights-of-way and pole attachments. Rural areas may not benefit from small cell deployment initially. Deployment will start in cities where there is more density.

LR 166 Interim Study to Review the Report of the Rural Broadband Task Force. The interim hearing to discuss the findings of the Rural Broadband Task Force has been scheduled for Dec. 4.

LR 175 Interim Study to Ensure Accelerated Broadband Deployment Statewide. This interim study may also be scheduled for Dec. 4.

RURAL BROADBAND TASK FORCE REPORT WORK PLAN

Ed Toner, Office of the Chief Information Officer

Ed Toner reviewed the work plan. Although the task force will discuss the recommendations of the NUSF and Public-Private Partnership Subcommittees as well as recommendations for federal infrastructure funding, the task force will wait to approve the findings and recommendations until after there has been an opportunity for public comment at the beginning of the Sept. 20 meeting.

Members of the public can submit written comments via the comment and contact form on the Rural Broadband Task Force website any time up until Oct. 10. Comments will be forwarded on to task force members.

During the Sept. 20 meeting, the task force will also discuss the findings and recommendations of the Broadband Data, Broadband Technologies, and Homework Gap and Leveraging Funding Subcommittees.

A draft report will be available by Thursday, Sept. 26. Written comments on the report will be accepted until Thursday, Oct. 10. Written comments will be sent to task force members no later than Oct. 15.

NUSF SUBCOMMITTEE FINDINGS AND RECOMMENDATIONS

Mr. Toner thanked Mary Ridder, Tom Shoemaker, and Dan Spray for their work on the NUSF Subcommittee and Tom Shoemaker and Tim Lindahl for their work on the Public-Private Partnerships Subcommittee. He also thanked Cullen Robbins from the Public Service Commission and Anne Byers and Tom Rolfes for their assistance.

Ms. Ridder commented that the subcommittee process has worked very well. She discussed the following recommendations of the NUSF Subcommittee:

- 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.
- 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.

The NUSF Subcommittee also recommended including an additional recommendation:

- Examine how the Nebraska Public Service Commission currently collects information from carriers at the exchange level:
 - On what they built out the previous year and how the build out was funded, and
 - What their build out plans are for the next 3 to 5 years and how they intend to pay for that

Determine if the collection of this data could be improved.

Task Force members were given an opportunity to ask questions and provide input. There were no recommended changes and/or additions from the task force.

PUBLIC-PRIVATE PARTNERSHIP SUBCOMMITTEE FINDINGS AND RECOMMENDATIONS

Tim Lindahl and Tom Shoemaker discussed the findings and recommendations of the Public-Private Partnership Subcommittee.

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.

Task Force members were given an opportunity to ask questions and provide input. There were no recommended changes and/or additions from the task force.

Ms. Byers commented that there seems to be a lot of interest in local broadband planning. The Community Council will discuss how they can help support local broadband planning efforts at their next meeting.

RECOMMENDATIONS FOR FEDERAL INFRASTRUCTURE FUNDING

Mr. Toner recommended that the task force approve a process for making recommendations on the use of federal infrastructure funding if funding becomes available. He presented the following 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?

Task Force members were given an opportunity to ask questions and provide input. There were no recommended changes and/or additions from the task force.

REVIEW DRAFT OUTLINE AND REPORT

Ms. Byers reviewed the draft plan and thanked Ms. Ridder for allowing some of her photos to be used in the report. The report will be presented to the Legislature on November 1, 2019.

ADJOURNMENT

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

The Rural Broadband Task Force meeting was adjourned at 10:37 a.m.

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