

Capitolwire: PA Senate Committee Advances Three Broadband Accessibility Bills

By Julia Shanahan
PLCA Intern

HARRISBURG (June 22) - The state Senate Communications and Technology Committee advanced three broadband accessibility bills on Monday in an effort to bridge the state's digital divide amid COVID-19.

The committee unanimously advanced Senate Bill 835, a bill that would increase funding for broadband in underserved areas, and Senate Bill 1118 and House Bill 2438, bills that would allow broadband expansion using existing infrastructure.

Those sponsoring the bills said the COVID-19 pandemic has made access to reliable internet crucial to everyday life as schools and workplaces shut down and force students and parents to work from home. The bills seek to target rural areas where broadband connectivity is in the most need.

SB835, or the Unserved High-Speed Broadband Funding Pilot Program Act sponsored by Sen. Wayne Langerholc, R-Cambria, establishes a grant program to provide broadband infrastructure to rural communities through new private sector investments.

An amendment was offered without objection by committee Chairwoman Sen. Kristin Phillips-Hills, R-York, that would change who oversees and administers the grant program from the Department of Community, Economic and Recreational Development to the Commonwealth Financing Authority.

The amendment will also repeal the mobile telecommunications broadband investment tax credit. The tax credit is currently capped at \$5 million and Phillips-Hill said the Independent Fiscal Office concluded that 90 percent of incentivized spending would have occurred without the tax credit.

The bill also states that economic and business incentives to deploy high-speed broadband service infrastructure may be insufficient in rural and low populated areas, because the unit costs of providing those services may not provide an adequate return on investment for private companies.

Langerholc said 25 percent of the funding for broadband projects would come out of the community's own funds.

"Representing an area that is predominantly rural, I see firsthand, the significant, I say significant, need for reliable broadband service," said Langerholc.

Langerholc said the need for reliable broadband was first shown in August 2017 when a train derailed in Bedford County, and first responders were "tasked to the limit" by operating without reliable broadband service. He said the coronavirus pandemic has further exacerbated this issue.

According to a 2018 report from the Center for Rural Pennsylvania, a legislative agency of the Pa. General Assembly, over 800,000 residents in Pennsylvania do not have access to broadband connectivity. The study showed that there are no counties in the state where at least 50 percent of the population is receiving broadband connectivity, as defined by the Federal Communications Commission.

SB1118, which has identical language to HB2438, states that oftentimes, outdated easements do not specifically authorize broadband fiber to be placed on existing utility poles, requiring Electric Cooperative Corporations to reopen easement agreements to clarify that existing infrastructure can be used for broadband purposes.

“...it's not always just about more money to fix the problem,” said Sen. Joe Pittman, R-Indiana, sponsor of the bill. “A lot of it is about barriers to entry into the market, and this legislation is designed to make it easier for our co-ops, particularly those that serve rural Pennsylvania, to use existing utility poles and existing infrastructure to expand broadband services throughout their customer base.”

The state House passed HB2438 unanimously on June 10.

Broadband connectivity has been a topic of legislative conversation since early last year when Gov. Tom Wolf proposed Restore PA — a comprehensive, \$4.5 billion plan that focuses on improving infrastructure and development in cities and rural areas. Addressing broadband connectivity alone in Wolf's plan would cost up to \$715 million in state funding.

This initiative has failed to receive Republican support in the GOP-controlled General Assembly because of a proposal from Wolf to fund Restore PA with a severance tax on natural gas. State Senate Majority Leader Jake Corman, R-Centre, told the Capitolwire last year that he felt Restore PA was more about Wolf getting a severance tax than it was about improving infrastructure.

Republicans have been trying to find alternative ways to address broadband accessibility issues, like turning to private companies for investment. The three bills that advanced today had some bipartisan support.