

SENATE BILL REPORT

SB 5916

As of March 4, 2009

Title: An act relating to broadband adoption and deployment.

Brief Description: Authorizing the department of information services to engage in high-speed internet adoption, deployment, and digital inclusion activities.

Sponsors: Senators Kohl-Welles, Rockefeller, Kauffman, Pridemore, Keiser, Marr, Hatfield, Delvin, Honeyford, Schoesler and Hewitt.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 2/12/09.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Staff: Jack Brummel (786-7428)

Background: The use of information and communication technologies is increasingly important in the global economy. Not all residents of the state have digital literacy skills and access to these technologies.

The Legislature created the Community Technology Opportunity Program (the program) and the Community Technology Opportunity Account (the account) in 2008. The program is administered by the Washington State University Extension. The program administrator provides organizational, capacity building, and fund-raising support for community technology programs throughout the state. A minimum of 75 percent of program funds are to be distributed through a competitive grant program. The grants are to be used by community technology programs to provide training; assistance in use of information and communication technologies among low-income and under-served residents; and other information technology related services. Funds in the account may only be used for the operation of the program.

In 2008 the Department of Information Services (DIS) was directed to convene a High-Speed Internet Strategy Work Group (the work group) and work with it to develop a statewide High-Speed Internet Deployment and Adoption Strategy. DIS and the work group released the strategy in December of 2008. Included in the strategy were recommendations that the program be expanded, that the state seek funding in the form of grants and donations from a

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

variety of entities, and that DIS be authorized to coordinate the entire deployment and adoption strategy.

Summary of Bill: The program is to be administered by DIS. DIS is given authority to oversee broadband adoption and deployment efforts in the state and may apply for and oversee implementation of federally-funded or mandated broadband programs.

Telecommunications companies making contributions to the account are eligible for a 50 percent credit against their state business and occupation taxes. No company may receive in excess of \$200,000 in credit per year. The total amount of credits claimed during any year may not exceed \$500,000. Leasehold excise taxes paid by telecommunications companies are to be deposited in the account.

The work group is to be reconvened and renamed the Advisory Council on Digital Inclusion. The council is to report by January 15 on 1) how a variety of high-speed internet access alternatives could be established; 2) strategies for continued broadband deployment and adoption efforts and development of advanced telecommunications applications; 3) methods to maximize the state's capacity for development of advanced telecommunications applications and methods to stimulate demand for them; 4) barriers to the advancement of technology entrepreneurship; and 5) the performance of digital literacy and computer access programs.

Appropriation: None.

Fiscal Note: Requested on February 11, 2009

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2009.