



Frequently Asked Questions (FAQ) to the Connects about the Massachusetts Broadband Institute (MBI)

1. What does the legislation say?

To view an Executive Summary or the full legislation titled “An Act Establishing and Funding the Massachusetts Broadband Institute” filed by Governor Patrick’s Administration on October 18, 2007 go to www.masstech.org/broadband/legislation/packet.html.

2. What is the status of the legislation?

The bill is currently awaiting a public hearing in the Committee on Bonding, Capital Expenditures & State Assets. For an update on the status of the bill, go to www.mass.gov/legis/ltsform.htm and search “House No. 4311” or enter “Massachusetts Broadband Institute” in the keyword search function. To support the legislation and to provide testimony for the scheduled public hearing, refer to questions #3 and #4.

3. What can I do to encourage this legislation be passed?

Many residents have expressed an interest in writing to the Chairmen of the appropriate committee requesting their support and passage of the Patrick Administration’s proposed Massachusetts Broadband Institute bill. The addresses for both Chairmen are below. If you choose to send testimony to the Chairmen, we recommend the following:

1. Write a separate letter to each Chairman, using the greeting “Dear Chairman insert last name”;
2. Include a reference to the bill number and title: “House No. 4311, An Act Establishing and Funding the Massachusetts Broadband Institute”;
3. Request: a favorable report from their Committee and a swift passage of the legislation;
4. Tell your story of how the lack of broadband impacts your business, family, education of children, adult educational pursuits, communication with government, etc. Express an urgency to passing the legislation as you have patiently waited long enough;
5. Provide your name, a complete address and telephone number.

Chairmen and Addresses:

Senator Mark C. Montigny, Chairman
Committee on Bonding, Capital Expenditures & State Assets
State House, Room 109-D
Boston, MA 02133

Rep. David L. Flynn, Chairman
Committee on Bonding, Capital Expenditures & State Assets
State House, Room 466
Boston, MA 02133

4. Has a public hearing date been set for the legislation?

Yes. According to committee staff, a public hearing before the Joint Committee on Bonding, Capital Expenditures, and State Assets is scheduled for Thursday, February 14, at 11:00 am in State House Hearing Room A-2 of the Massachusetts State House.

If you would like to testify at the public hearing, the Commonwealth General Court website recommends: "A petitioner should be well-prepared before testifying at a public hearing. Well-organized, well-researched presentations and statements naturally have a positive influence on committee members. If unable to attend a public hearing, a petitioner should prepare written testimony which can be accepted by a committee before the scheduled hearing." (Source: www.mass.gov/legis/lawmknng.htm)

As a petitioner, you should request a favorable report from their Committee and a swift passage of the legislation. Tell your story of how the lack of broadband impacts your business, family, education of children, adult educational pursuits, communication with government, etc. Express urgency in passing the legislation as you have patiently waited long enough. If you are a business, describe the difficulty in trying to grow without broadband access.

You may submit your written testimony but should not read it at the hearing.

5. What can be done to put this legislation at the top of the agenda?

The MBI legislation is a priority of Governor Patrick and his administration, and remains at the top of his agenda. As an example, the Governor recently specifically mentioned the need for greater access to broadband in his annual State of the State Address. In addition, the Western Massachusetts delegation of State Representatives and State Senators has continued to stress the importance of this legislation to the leadership of their respective branches. The Connects greatly appreciate the support and commitment of the region's legislative delegation to encourage broadband equity for Western Massachusetts. Those interested in supporting this legislation are encouraged to stay in contact with the Connects, their legislators, the Patrick Administration, and state partners to reinforce the importance of this legislation.

6. What is the timeframe for the legislation? For implementation? For broadband access?

The letter from Governor Patrick submitted with the legislation stated, "this bill will create and fund the Massachusetts Broadband Institute, which will make strategic and targeted public investments with the objective of providing high-speed Internet, or broadband, service to all currently un-served communities by 2010." However, any timeframe is contingent upon several important factors; in particular, when the legislation is passed and when the bond funds are made available.

While the Connects cannot give a firm timeframe, it is important to know that the Connects, the Executive Office of Housing and Economic Development, and the Massachusetts Technology Collaborative are all working today to be prepared to move forward immediately once the legislation is passed. Efforts, such as the Regional Broadband Survey, are being conducted to do the necessary groundwork to make this happen. While a firm timeframe for broadband access through this proposed legislation

is not available, please do not be discouraged. The Connects and their partners are committed to the mission of broadband access for all in Western Massachusetts. Short-term solutions are being explored, as well as other potential alternatives to address this issue. The Connects are optimistic about the legislation as it represents not only an acknowledgement of the issue, but a plan of action to achieve broadband equity in the Commonwealth. This is an exciting opportunity which is gaining momentum and has considerable support from many levels of government, as well as residents, businesses and the private broadband provider community. The Connects invite you to share this optimism.

7. Why aren't "underserved" towns included in the legislation?

The letter from Governor Patrick submitted with the legislation stated, "this bill will create and fund the Massachusetts Broadband Institute, which will make strategic and targeted public investments with the objective of providing high-speed Internet, or broadband, service to all currently un-served communities by 2010."

We know from the June 2007 data collected by the John Adams Innovation Institute (JAII), that there are 32 unserved towns in the Commonwealth, and another 63 underserved municipalities in the Commonwealth. There is also anecdotal evidence of areas in the urban and suburban areas that do not have broadband access.

The Connects would like to see all unserved and underserved municipalities in the Commonwealth have equal access to broadband. However, the Connects agree that the Incentive Fund should first prioritize funds for infrastructure targeted to achieve regional scale solutions which focus on bringing broadband to the unserved municipalities first. Without this public-private investment, the Commonwealth's most vulnerable communities will be, once again, without any form of broadband access.

It is the goal of the Connects that underserved municipalities in the Commonwealth will also benefit through the implementation of the proposed MBI. The Incentive Fund will seed public-private partnerships to create a robust regional and statewide broadband infrastructure. This infrastructure should not stop at the boundaries of single, individual towns. The Connects support the implementation of the MBI and its efforts to pursue access to high-speed internet and a robust telecommunications infrastructure for all citizens regardless of town boundaries.

8. Who will get the MBI Incentive Fund money? Will Towns receive the money?

A public process will be conducted to select a provider or providers to enter into public-private partnerships with the Commonwealth of Massachusetts to build out necessary infrastructure. Providers will need to go through a process that requires them to submit a response to a Request for Information (RFI) and Request for Proposal (RFP) before they are considered for these partnerships.

The intent is to use these funds cost effectively and efficiently. Towns will not receive the money or own the infrastructure. Infrastructure built with public funds will not be owned by the awarded providers. The infrastructure will be publicly owned by the Commonwealth and leased or licensed to the private sector. This will ensure that there is redress should a winning bidder(s) fail to meet contractual requirements.

9. Which providers will get the MBI Incentive Fund? Are only large providers going to win the award?

First, it is important to note that there will not be “awards” given to providers; this legislation does not envision a grant or award program, but rather creates a fund to seed public-private partnerships. Additionally, there is *no* language in the bill that supports investments (a) in specific technologies unique only to large providers, (b) drives the MBI to partner with larger providers, or (c) that limits the ability of the MBI to partner with smaller providers. Through the RFI/FRP process mentioned in Question 8, the MBI will make strategic, targeted investments in partnerships with *any* firm(s) or partnership of firms that are capable of providing the Commonwealth’s unserved (and underserved) communities with the most long-term, sustainable, solution that impacts service to the greatest number of the Commonwealth’s unserved citizens.

In addition, it is important to note that the Governor’s Administration and the Massachusetts Technology Collaborative have been contacted by many firms, both large and small, requesting information about the legislation, and those firms include incumbent providers and potential new market entrants. Through the implementation of this legislation, competition will be encouraged as a driving force for both quality of service and affordability.

10. How would the proposed backbone infrastructure relate to an existing system, such as a cable system in an underserved town?

One goal is that the public procurement process will encourage providers to leverage existing assets throughout the region.

11. Why doesn’t the federal or state government mandate service providers to make broadband access available everywhere?

The current de-regulated environment cannot mandate service providers to deploy broadband to unserved areas. The market dictates deployment, which is driven by customer density per mile. This situation leaves rural areas at a disadvantage. The proposed MBI legislation would fund backbone/backhaul infrastructure to be built in areas that would make the business case for providers serving rural areas. The MBI proposal allows the government to solve the current market failure for serving rural areas, and make this an attractive market for private investment.

12. What is the economic impact of having broadband? Or conversely, what is the economic opportunity lost by not having broadband?

While this is difficult to quantify, a study conducted by Sharon Gillett while at MIT (Gillett is currently Massachusetts Commissioner for Telecommunications & Cable), is recognized as the best available data for this subject. Titled “Measuring Broadband’s Impact”, the February 2006 report was prepared by the Massachusetts Institute of Technology and Carnegie Mellon University for the U.S. Economic Development Administration. The study states that the estimated magnitude of broadband’s impact for business establishments was an added .5-1.2% to growth rate from 1998-2002, and for jobs was an added 1-1.4% for the same time period. To download the report go to: http://www.eda.gov/ImageCache/EDAPublic/documents/pdfdocs2006/mitcmubbimpactreport_2epdf/v1/mitcmubbimpactreport.pdf