

**Department of Legislative Services**  
Maryland General Assembly  
2018 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

House Bill 243  
Economic Matters

(Delegate Krimm, *et al.*)

Finance

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**Task Force on Rural Internet, Broadband, Wireless, and Cellular Service - Study  
and Extension**

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This bill expands the responsibilities of the Task Force on Rural Internet, Broadband, Wireless, and Cellular Service and extends the task force by one year. **The bill takes effect June 1, 2018.**

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**Fiscal Summary**

**State Effect:** The Department of Information Technology (DoIT) can likely handle the bill's requirements using existing resources. Revenues are not affected.

**Local Effect:** Local governments can likely assist the task force in its research using existing resources.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary/Current Law:** Chapters 620 and 621 of 2017 established the Task Force on Rural Internet, Broadband, Wireless, and Cellular Service. Staffed by DoIT, the task force was required to study and make recommendations regarding how Western Maryland counties, Southern Maryland counties, Eastern Shore counties, and Frederick, Carroll, and Harford counties can work together to obtain federal assistance to improve Internet, broadband, wireless, and cellular services and accessibility in the affected counties. The task force's findings and recommendations were due by November 30, 2017.

Chapters 620 and 621 required the study to (1) assess current Internet, broadband, wireless, cellular, and landline service connectivity; (2) assess coverage for the users located at the end of each type of service connectivity; (3) evaluate redundancies and gaps in the current services; and (4) evaluate any federal funds applied for in response to any previous broadband task force in the State.

In addition to expanding the scope of the task force's activities to encompass all rural areas of Maryland instead of only specified rural counties and allowing the task force to continue its unfinished work and extending it by one year, the bill requires the task force to (1) submit additional findings and recommendations by November 30, 2018; (2) solicit input from local governments, Internet service providers, and wireless service providers on identifying unserved and underserved rural areas; and (3) examine how to access maps sufficient to educate the public and calculate costs for universal last-mile broadband coverage.

### **Background:**

#### *Task Force on Rural Broadband Findings and Recommendations*

In the [Task Force on Rural Internet, Broadband, Wireless, and Cellular Service Task Force Report](#) published in January 2018, three key obstacles to ensuring adequate Internet service in underserved rural areas in the State were identified. First, there are no current databases or maps containing the State assets and resources that could be used for the expansion of broadband. Second, there are no current estimates on what the total cost of such an expansion would be. Third, Internet service providers want to ensure a “return on investment” for the service provided in low-population density rural areas.

As a result of these and other findings, the task force made six official recommendations, which include (1) compiling a complete inventory of State and locally owned assets that could be used to implement a broadband system (such as cell towers and water towers); (2) updating State mapping capabilities, which would be useful for calculating the overall cost of universal service last-mile broadband; and (3) extending the task force for one year to develop financing models and identify other funding sources that may be available.

#### *Federal Communications Commission*

The Federal Communications Commission (FCC) regulates interstate and international communications by radio, television, wire, satellite, and cable in all 50 states, the District of Columbia, and U.S. territories. FCC is an independent agency overseen by the U.S. Congress, and it is the primary authority for communications law and regulation. FCC defines an “adequate” level of Internet service as a connection speed of 25 megabits per second.

## Additional Information

**Prior Introductions:** None.

**Cross File:** SB 968 (Senator Eckardt, *et al.*) - Finance.

**Information Source(s):** Department of Information Technology; Garrett County; Federal Communications Commission; Department of Legislative Services

**Fiscal Note History:** First Reader - January 30, 2018  
mag/mcr Third Reader - March 19, 2018  
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