

SENATE BILL REPORT

SB 5383

As of February 1, 2021

Title: An act relating to authorizing a public utility district to provide retail telecommunications services in unserved areas under certain conditions.

Brief Description: Authorizing a public utility district to provide retail telecommunications services in unserved areas under certain conditions.

Sponsors: Senators Wellman, Short, Hunt, King, Lovelett, Nguyen, Randall, Saldaña, Warnick, Wilson, C. and Wilson, L..

Brief History:

Committee Activity: Environment, Energy & Technology: 2/03/21.

Brief Summary of Bill

- Authorizes a public utility district to provide retail telecommunication services in an unserved area under certain conditions.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Staff: Angela Kleis (786-7469)

Background: State Broadband Office. The purpose of the Governor's Statewide Broadband Office (office) is to encourage and develop affordable, quality broadband within the state to promote innovation, serve the growing needs of Washington's systems, and improve broadband accessibility for unserved communities.

The office's statutory goals are the following:

- by 2024, businesses and residences have access to minimum speeds of 25 megabits per second (Mbps) download and 3 Mbps upload;
- by 2026, communities have access to at least 1 gigabit per second symmetrical service at anchor institutions; and

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

- by 2028, businesses and residences have access to at least one provider with 150 Mbps symmetrical service.

Retail Telecommunications Services-Public Utility District. Under current law, unless specified, a public utility district (PUD) is not authorized to provide retail telecommunication services to customers.

Temporary Authority. A PUD may provide retail telecommunication services to customers if an Internet service provider (ISP) operating on a PUD telecommunications facility ceases to provide Internet services to customers and no other retail service providers are willing to provide service. The PUD must find a replacement provider and may only provide retail services to customers for a maximum of five months. The tax treatment of retail services provided by a PUD must be the same as if those retail services were provided by the defunct ISP.

Authority for Certain PUDs. A PUD that provides only water, sewer, and wholesale telecommunications services in a county with an area less than 500 square miles and is located west of the Puget Sound may provide retail Internet services only when all of the existing providers cease to provide retail services or provide inadequate end-user service. The authority to provide retail services expires five years after June 7, 2018, for any PUD that has not entered into a partnership payment structure to finance broadband deployment or been petitioned to provide Internet service. Petition requirements are specified.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): A PUD may provide retail telecommunications services to an end-user in an unserved area if it is notified by the office that an existing service provider has not filed an objection and a broadband service plan (plan).

Prior to beginning a project, a PUD must notify the office of its intent to provide service to an unserved area. The office must post this intent on its public website.

An existing service provider has 30 days within the posting of this intent to submit to the office an objection to the project demonstrating that it would result in overbuild. If the provider intends to prevent overbuild, it must also submit a plan to the office. The plan must demonstrate how the provider currently provides service to end-users near the proposed project site that are equal to or greater than state speed goals and how the provider intends to provide speeds of at least 150 Mbps to the unserved area. The plans are not subject to public inspection.

By December 31, 2023, the office must submit a report to the Legislature evaluating the effectiveness of authorizing a PUD to provide retail telecommunication services to unserved areas as provided in this act.

Appropriation: None.

Fiscal Note: Requested on January 28, 2021.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.