

SUMMARY

During the past decade many of the CARN states have been active in developing broadband legislation and public policies in order to position their states to create and protect their comparative advantage in attracting businesses and helping small businesses to grow. The benefits of statewide broadband access and increased digital literacy have created opportunities for some states like Maryland and Virginia to position themselves ahead of other states reviewed in this policy scan. The states of Ohio, Pennsylvania, and West Virginia have been slow to get involved in planning and developing their states to improve their technology and innovation climate. While most states have expended legislative energy to define and protect the regulatory environment to the benefit of private telecommunication companies, states like Maryland and Virginia were working on developing an innovative telecommunication structure to advance broadband technologies in their states.

The take away lessons from this policy scan is that early adopters of broadband and telecommunication innovation centers are now leading other states in terms of broadband subscribership ratios and the number of internet service providers. Importantly, the innovative and progressive policies can be adopted by the laggards in order to make significant and credible improvements in their capacity to leverage the technological advantages created by broadband access and adoption.

This scan document reviewed the last decade of legislative and public policy adoptions across seven states in order to review the policy environment in each state to determine how well positioned they are to capture the economic development, telemedicine, education, and other benefits that are derived from increased broadband deployment and adoption.

Virginia was an early adopter of creating an Office of Telework Promotion and Broadband Assistance in 2006 and as early as 2003, Virginia authorized localities to act as a wireless service authority thereby, setting the stage for local initiatives and pilot programs to be developed later.

Maryland has not been shy about creating pilot programs and task forces to review the telecommunication landscape in order to drive sound public policies later on. As early as 2000, Maryland created an eMaryland Initiative to promote ecommerce in the state again setting the state for smart public policy advances in the years to come. In 2003, Maryland established a task force on Broadband Communications Deployment in Underserved Rural Areas to evaluate available resources and make recommendations to improve telecommunication infrastructure.

Tennessee created their Broadband Task Force in 2005, Kentucky created a Kentucky Innovation Commission as early as 2000 and launched ConnectKentucky in 2002, yet West Virginia and Ohio remained behind. Pennsylvania created a deadline for universal broadband by 2015 in legislation that passed in 2004.

West Virginia has been slow to recognize the changing telecommunication landscape during the past decade. The West Virginia Broadband Deployment Council was established in 2008, five years AFTER Maryland created theirs. Ohio created their Ohio Broadband Council by Executive Order of the Governor in 2007. For states like West Virginia where there is already a significant gap in innovation and

technological infrastructure the lack of progress in developing a strategy to remain competitive will be felt for many years to come.

States like Tennessee, Ohio and Pennsylvania have been largely preoccupied with addressing the regulatory issues in order to protect their telephone and current service providers. These states have been aggressive in prohibiting their Public Utility Commissions from regulating or otherwise getting involved in broadband business.

Some states have attempted to improve broadband deployment and adoption by creating infrastructure loan funds available to political subdivisions who want to construct their own fiber networks. Maryland put \$4 million into their Rural Broadband Assistance Fund and West Virginia appropriated \$5 million into their Broadband Deployment Fund. Virginia created their loan fund but to date have not put any money into it as a result of their current budget woes. Pennsylvania put \$1 million dollars into their Broadband Outreach and Aggregation Fund.

The states that have created permanent offices of broadband outreach and development and those states who've created a broadband task force are beginning to address the policy issues affecting broadband deployment and adoption. While most states have looked to the private sector or the federal government to pay for these investments some states are actively investing their own money in order to build the necessary infrastructure to compete in the rapidly changing, global economy.