

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Wednesday, January 29, 2014

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman McKenzie and Senators Davis, Fulcher, Hill, Lodge, Siddoway and Stennett

ABSENT/ EXCUSED: Senators Winder and Werk

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman McKenzie** called the Senate State Affairs Committee (Committee) to order at 8:02 a.m. with a quorum present. The first item of business was a presentation from LinkIDAHO. **Mike Field**, Executive Director for Idaho Rural Partnership and State Broadband Coordinator with LinkIDAHO, introduced the various presenters.

Mr. Field said that the LinkIDAHO project was sponsored by the National Telecommunication Information Agency (NTIA) and was implemented four years ago because there was a concern that the citizens of Idaho living in rural areas were not receiving the same opportunities as those in urban areas.

PRESENTATION:Part I: Idaho At a Glance, Household Internet Use in Rural Idaho: "Surveys of Residents in Lemhi and Idaho Counties" presented by Priscilla Salant, Interim Director, McClure Center for Public Policy Research, University of Idaho.

Ms. Salant stated that the University of Idaho's (UI) role in LinkIDAHO has been as a monitor and lead evaluator. They determined where there were gaps in internet and broadband service, especially in rural areas. In the future, the Committee may be faced with a decision to provide internet availability to individual households in rural Idaho where the return on investment for internet service providers (ISP) are not as high as in urban areas.

- "Telehealth" and "telemedicine" are going to be important issues.
- Household subscription rates are increasing in rural areas
- Only 62 percent of rural households have access.
- Rural population growth is lagging behind urban growth.

Ms. Salant said that she worked with the Salmon Valley Business Innovation Center (SVBIC) and the Clearwater Economic Development Association (CEDA) on this study in Idaho and Lemhi counties. The counties studied have a population of approximately 24,000 and have the highest poverty rates in the state. Nearly 80 percent have some kind of internet access, and only 1 percent of households that desire internet access cannot get it. **Ms. Salant** said that among those who do not have it, 9 percent stated the reason was lack of need and 7 percent stated that it was the high cost. Approximately a quarter of the households use the internet to work from home, 21 percent are taking online courses and 13 percent are involved in e-commerce. **Ms. Salant** said that 4 percent of households still use dialup service. The majority utilize higher-speed internet providers. Out of the 19 percent that have a home-based business, a majority of them require internet to run that business. Their goal has been set to reach 60 percent of adults having a

postsecondary education. **Ms. Salant** stated that 11 percent of households access the internet at their library. The Idaho Commission on Libraries has implemented a large project designed to increase public use of internet at local libraries. **Ms. Salant** stated that if there was to be public broadband investment, it should be in schools and medical facilities.

Part II: Wireless Broadband Validation Test presented by Paul Reyes, Chief Information Office, Department of Administration, LinkIDAHO.

Mr. Reyes explained that the Mobile Broadband Validation Project (Project) was part of a larger State broadband initiative. Since 2009, they have been working with internet providers to create maps of broadband availability so they could identify where service needs to be improved. The Project joined in partnership with Mobile Post, a Denver company, which has experience with developing applications for smartphones and testing connectivity. **Mr. Reyes** showed a map identifying the availability of broadband in the areas they have been testing. The Project utilized many volunteers from differing agencies who installed the application on their personal phones to collect data. The Department of Commerce is to be thanked for recommending the project to economic development councils. They also campaigned individuals to encourage participation in the project. **Mr. Reyes** noted that speed tests can be difficult due to anomalies in mobile broadband. The number of volunteers and individuals giving information about connectivity demonstrates how important this issue is to the citizens of Idaho. **Mr. Reyes** outlined several points about why Idaho should participate in this project:

1. Effective documentation of problems with broadband coverage in each community.
2. Efficient use of resources. Taxpayer money is not used for the project.
3. Data that is collected provides a tool for broadband planners to prioritize connectivity needs.

Mr. Reyes asked the Committee for any input or ideas to improve the scope and functionality of the project and thanked them for the opportunity to present this information.

Senator Fulcher inquired into the use of non-government satellite communications.

Mr. Reyes responded that there was not much research into satellite communications due to the increase in mobile connectivity.

Part III: How Broadband Impacts Idaho Jobs and Opportunities; Idaho Broadband, Lessons Learned and What is Next presented by Bill Gillis, Vision Tech360/LinkIDAHO

Mr. Gillis outlined the economic and social impact of the internet service provider's broadband investments in Idaho, as well as, what policy options might be important for the State to consider. The internet situation in Idaho could be viewed as being two-sided. First, there are still approximately 20,000 households and businesses that do not have any access to broadband. The other, more significant problem, is that the quality of broadband available is insufficient and, for 60 percent of the businesses surveyed in the Silver Valley, speed is an issue. **Mr Gillis** stated that the internet issue was similar to the roadway issue, where, in earlier decades, there were constant changes and upgrades necessary. He stated that internet connection is very important for education, telehealth and, especially, economics, where 80 percent of all jobs involve internet access. **Mr. Gillis** said that LinkIDAHO was part of a national project that created a large amount of data and brought stakeholders together for funding. **Mr Gillis** said they have interviewed 28 statewide leaders on how Idaho could best align its broadband efforts and there was a general agreement on three basic principles. First, there was a strong preference for private investment to support broadband. Second, sustainable solutions would come from local

initiatives. And finally, there would be a need for a limited role of state government that involved gathering data, making it available and bringing partnerships together. He stated that Idaho does very well at leveraging state purchases and that the Idaho education network reaches every school in the state. **Mr. Gillis** gave examples of state investments which can be leveraged for economic development. Mr Gillis said assisting local supporters by making data available and facilitating connections was important. Finally, he stated that LinkIDAHO has an advisory committee that represents all the different economic sectors. This has been very useful in supporting local initiatives.

Mr. Field said that they have a robust private sector that deals with technology in the State, and that they recommend the continuance of the agency to keep collaboration between government and the private sector going in order to meet the needs of the citizens of Idaho.

RS 22440 **Relating to Codifier Corrections to make various corrections and technical corrections to Idaho Code**, presented by Katharine Gerrity, Research and Legislation. There were no comments or questions.

MOTION: **Senator Davis** moved, seconded by **Senator Stennett**, to print **RS 22440**. The motion carried by **voice vote**.

PASSING THE GAVEL: Chairman McKenzie passed the gavel to Vice Chair Lodge in order to present **RS 22670** and **RS 22669**.

RS 22670 **RS 22670** was held by sponsor.

RS 22669 **A Joint Memorial relating to Article V of the Constitution of the United States (US)** presented by Chairman McKenzie.

Chairman McKenzie stated that **RS 22669** pertains to the states' ability to make applications to the US Congress calling for a convention under Article V of the US Constitution. He said that when two-thirds of the states make application on a single issue for consideration of an amendment to the Constitution, Congress is required to call a convention. He stated that legislative services looked into the number of applications that are currently pending and discovered that Congress does not track that information. That seemed like a dereliction of their constitutional duty because they would be unable to call a convention if they were unaware that the requisite number of states had applied. **Chairman McKenzie** said that the purpose of this Senate Joint Memorial was to request that records of applications from the states would be kept and that they would be made accessible to the public. **Senator Hill** inquired about time restrictions on the applications. **Chairman McKenzie** responded that, unless the application is self-limited, it remains open. **Senator Stennett** asked who was tracking the applications. **Chairman McKenzie** responded that there were some private organizations that kept track, but they could not be relied upon for complete accuracy. **Senator Davis** stated that, ten or twelve years ago, Senator Ipson ran legislation to pull all Idaho's prior requests for Article V applications.

MOTION: **Senator Davis** moved, seconded by **Senator Hill**, to print **RS 22669** and have it returned to the Committee. The motion carried by **voice vote**.

PASSED THE GAVEL: Vice Chairman Lodge passed the gavel back to Chairman McKenzie.

ADJOURNED: There being no further business, **Chairman McKenzie** adjourned the meeting at 9:12 a.m.

Senator McKenzie, Chair

Twyla Melton, Sec. _____

David Ayotte _____