An Act To Encourage Broadband Coverage in Rural Maine

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

Presented by Senator BELLOWS of Kennebec.
Cosponsored by Representative BERRY of Bowdoinham and
Senators: BREEN of Cumberland, DAVIS of Piscataquis, DION of Cumberland, MAKER of
Washington, SAVIELLO of Franklin, Representatives: HARVELL of Farmington, HIGGINS
of Dover-Foxcroft, McELWEE of Caribou.
Be it enacted by the People of the State of Maine as follows:

Sec. 1.  5 MRSA §12004-G, sub-§33-F, as enacted by PL 2005, c. 665, §1, is repealed.

Sec. 2.  5 MRSA §12004-G, sub-§33-G is enacted to read:

33-G. Board of Directors Expenses Only 35-A MRSA §9303
Technology of the Maine Broadband Initiative

Sec. 3.  5 MRSA §12021, sub-§6, ¶B, as enacted by PL 2011, c. 616, Pt. A, §1, is repealed.

Sec. 4.  5 MRSA §12021, sub-§6, ¶E-1 is enacted to read:

E-1. The Maine Broadband Initiative under Title 35-A, section 9303;

Sec. 5.  5 MRSA §13056-H is enacted to read:

§13056-H. Maine Broadband Initiative Director

1. Appointment. The Governor shall appoint a full-time Maine Broadband Initiative Director, referred to in this section as "the director," who serves at the pleasure of the Governor. The director shall report to the commissioner in the execution of the director's responsibilities.

2. Duties. The director serves as the president of the Maine Broadband Initiative established in Title 35-A, section 9303 upon confirmation by the Maine Broadband Initiative's board of directors. The director shall oversee activities of the Maine Broadband Initiative and has the duties and responsibilities provided in Title 35-A, chapter 93-A.

Sec. 6.  5 MRSA §17001, sub-§40, as amended by PL 2009, c. 372, Pt. C, §1, is further amended to read:

40. State employee. "State employee" means any regular classified or unclassified officer or employee in a department, any employee of the Maine Community College System except those who make the election provided under Title 20-A, section 12722, any employee of the Maine Educational Center for the Deaf and Hard of Hearing and the Governor Baxter School for the Deaf except as provided in Title 20-A, section 7407, subsection 3-A, any employee of the Maine Military Authority, any employee of the Northern New England Passenger Rail Authority, any employee of the Maine Port Authority, any employee of the Efficiency Maine Trust who on June 30, 2009 is an employee of the Public Utilities Commission energy efficiency or renewable energy programs who elects to remain a state employee, any employee of the Efficiency Maine Trust who accepts employment with the Efficiency Maine Trust prior to July 1, 2010 who
was a state employee immediately prior to accepting such employment who elects to remain a state employee, any employee of the Maine Broadband Initiative who on December 31, 2017 is an employee of the ConnectME Authority who elects to remain a state employee, any employee of the Maine Broadband Initiative who accepts employment with the Maine Broadband Initiative prior to January 1, 2018 who was a state employee immediately prior to accepting such employment who elects to remain a state employee and any employee transferred from the Division of Higher Education Services to the Finance Authority of Maine who elects to be treated as a state employee, but does not include:

A. A judge, as defined in Title 4, section 1201 or 1301, who is now or later may be entitled to retirement benefits under Title 4, chapter 27 or 29;
B. A member of the State Police who is now entitled to retirement benefits under Title 25, chapter 195; or
C. A Legislator who is now or later may be entitled to retirement benefits under Title 3, chapter 29.

Sec. 7. 10 MRSA §9902, sub-§3, ¶A, as enacted by PL 2011, c. 622, §1, is amended to read:

A. Property and equipment, including related support facilities that provide service to more than one customer or person, owned or used by a public utility as defined in Title 35-A, section 102, subsection 13 or by a communications service provider as defined in Title 35-A, section 9301, subsection 4. "Infrastructure" includes, without limitation, real and personal property such as buildings, offices, power lines, poles, pipes, structures and equipment; and

Sec. 8. 35-A MRSA c. 93, as amended, is repealed.

Sec. 9. 35-A MRSA c. 93-A is enacted to read:

CHAPTER 93-A

ADVANCED COMMUNICATIONS TECHNOLOGY INFRASTRUCTURE

§9301. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Advanced communications technology infrastructure. "Advanced communications technology infrastructure" means any communications technology infrastructure improvement that expands the deployment of, or improves the quality of, broadband availability and wireless service coverage at regionally and nationally competitive speeds of at least 50 megabits per second download and at least 50 megabits per second upload.

2. Board. "Board" means the Board of Directors of the Maine Broadband Initiative.
3. **Communications service.** "Communications service" means any wireline voice, satellite, data, fixed wireless data or video retail service.

4. **Communications service provider.** "Communications service provider" means:
   A. Any entity offering communications service to customers in the State; or
   B. Any facilities-based provider of wireless voice or data retail service.

5. **High-speed broadband.** "High-speed broadband" means a device or infrastructure for broadband access that delivers speeds matching the best available in competitive regional and national markets based on an annual benchmark established pursuant to section 9304, subsection 5. The minimum speed for high-speed broadband is 50 megabits per second download and 50 megabits per second upload.

6. **Initiative.** "Initiative" means the Maine Broadband Initiative established in section 9303, subsection 1.

7. **Unserved area.** "Unserved area" means a United States Census block area within the State as defined in the United States Census for 2010 that has a slower actual broadband speed than 25 megabits per second download and 10 megabits per second upload.

§9302. **State broadband policy**

1. **Goals.** The goals of the State related to high-speed broadband are:
   A. To ensure the availability of competitive, secure, universal high-speed broadband services to promote economic development, education, delivery of cost-effective health care and public safety; and
   B. To ensure that the State develops and maintains an advanced communications technology infrastructure providing high-speed broadband that allows residents and businesses to compete in the national and global economy.

2. **Policies.** The policies of the State related to high-speed broadband are to:
   A. Maximize partnerships and collaborations among and between state entities, nonprofit organizations, municipalities, the Federal Government and the private sector to extend and complete high-speed broadband coverage in the State;
   B. Make the most efficient use of both public and private resources by encouraging the development of open access advanced communications technology infrastructure that can be shared by multiple communications service providers; and
   C. Support and facilitate the construction of advanced communications technology infrastructure and access to high-speed broadband service through financial and other incentives when partnerships and collaborations are not adequate to achieve the goal of providing high-speed broadband access and service to all areas and households, or when some areas of the State fall behind significantly in the variety and quality of services readily available elsewhere in the State.
§ 9303. Maine Broadband Initiative

1. Establishment. The Maine Broadband Initiative is established as a nonprofit corporation with public and charitable purposes. The duties, activities and operations of the initiative are within the provisions of the federal Internal Revenue Code of 1986, Section 501(c)(3).

2. Purpose. The initiative, through a public and private partnership, shall encourage, promote, stimulate, invest in and support universal high-speed broadband to unserved areas. The initiative, as one element of the State's economic development strategy, shall contribute to the long-term development of a statewide telecommunications infrastructure.

3. Board of Directors of the Maine Broadband Initiative. The initiative is governed and all of its powers exercised by a board of directors established in Title 5, section 12004-G, subsection 33-G. The board consists of 12 voting members and 2 nonvoting members.

   A. The Governor shall appoint 6 voting directors. In making appointments, the Governor shall give consideration to citizens of the State with knowledge of telecommunications technology, telecommunications regulatory law, transportation rights-of-way and infrastructure, finance and environmental permitting. At least 4 of the appointees must come from areas of the State where high-speed broadband is not available.

   B. The Speaker of the House of Representatives and the President of the Senate shall each appoint 2 voting directors, who may not be members of the Legislature at the time of appointment. In making appointments, the Speaker of the House of Representatives and the President of the Senate shall give consideration to citizens of the State with knowledge of telecommunications technology, telecommunications regulatory law, transportation rights-of-way and infrastructure, finance and environmental permitting. At least 2 of the 4 appointees must come from areas of the State where high-speed broadband is not available.

   C. The Commissioner of Economic and Community Development, or the commissioner's designee, is an ex officio voting director.

   D. The director of the office within the University of Maine System that provides schools and libraries with Internet connectivity at little or no cost through a consortium of schools and libraries across the State is an ex officio voting director.

   E. The Director of the Governor's Office of Policy and Management, or the director's designee, is an ex officio nonvoting director.

   F. The president of the initiative described under subsection 6 is a nonvoting director.

4. Terms. Directors of the board appointed by the Governor, the Speaker of the House of Representatives and the President of the Senate are appointed for 3-year terms. Directors who serve on the board by virtue of their offices serve terms coincident with their terms in office.
5. Chair; vice-chair; secretary; treasurer. The board shall elect a chair, a vice-chair, a secretary and a treasurer from among its members. Each officer serves for a one-year term and is eligible for reelection.

6. President. The Maine Broadband Initiative Director at the Department of Economic and Community Development serves as president of the initiative upon confirmation by the board. Once every 4 years upon a vacancy in the Maine Broadband Initiative Director position, the Governor shall submit the Maine Broadband Initiative Director's name to the board for reappointment. Reappointment is subject to confirmation by the board. The president shall:

   A. Manage the initiative's programs, services and employees; and

   B. Perform other duties the board considers appropriate.

7. Quorum. A majority of the voting directors constitutes a quorum.

8. Executive committee. The board may elect an executive committee of not fewer than 6 members who, in intervals between meetings of the board, may transact such business of the initiative as the board may authorize from time to time.

9. Annual report. By December 15th of every odd-numbered year, the initiative shall provide a report, with audited financial reports, on its activities to the joint standing committee or joint select committee of the Legislature having jurisdiction over telecommunications and broadband matters.

§9304. Duties of the initiative

1. Plan, construct, acquire or improve facilities or equipment for the purpose of providing broadband service. The initiative may use funds from all sources available to it to assist in the expansion of high-speed broadband in the State. The initiative may provide grants, loans or investments, including for infrastructure that is used by multiple providers, to public and private organizations to expand high-speed broadband access in unserved areas. When possible, the initiative shall plan and provide resources to construct system networks to serve multiple communities and areas of the State.

2. Support local and regional broadband planning. The initiative shall provide technical and financial assistance to communities that include unserved areas to identify the need for broadband infrastructure and services and develop and implement plans to meet those needs.

3. Support local activities to increase digital literacy. The initiative shall provide financial assistance to communities in the State to increase technology adoption and digital literacy activities.

4. Develop and maintain an inventory of information on advanced communications technology infrastructure. The initiative shall develop and maintain an inventory of advanced communications technology infrastructure that is available or reasonably likely to be available to support high-speed broadband services to unserved areas and shall develop and maintain an inventory of advanced communications technology infrastructure necessary to provide high-speed broadband services to unserved
areas. The initiative shall use the information collected to identify areas of the State that are significantly unserved areas for strategic investments to build or expand high-speed broadband.

5. **Collect and maintain information to establish annual benchmark.** The initiative shall collect and maintain information on the speeds, latency, reliability and prices of broadband available to residents and businesses at select rural and non-rural locations in the State and the speeds, latency, reliability and prices available in 10 other regionally and nationally competitive markets. The initiative shall use the information to establish an annual benchmark.

6. **Create a statewide strategy for meeting state goals.** The initiative shall convene a group of stakeholders to create a statewide broadband strategy. The strategy must identify strategies for achieving the state goals as set out in section 9302 and for encouraging a cohesive and expanding infrastructure network throughout the State.

7. **Administer funds.** The initiative shall administer the Maine Broadband Initiative Fund established in section 9311.

8. **Develop and make policy recommendations on advanced communications technology infrastructure.** The initiative shall review, recommend and facilitate changes in laws, rules, programs and policies of the State and its agencies to advance deployment of broadband infrastructure to all unserved areas. The initiative shall assist in identifying opportunities to use broadband infrastructure to achieve the state policies and goals as set out in section 9302 and support coordination between communications providers and state and local government entities.

9. **Fiscal agent for public investments in high-speed broadband infrastructure.** The initiative is the fiscal agent of the State for all funds appropriated or allocated to the initiative. Fiscal duties of the initiative include the disbursement of funds through grants, loans or other financial incentives to private companies, towns, regional entities and nonprofit organizations. Other duties of the initiative include:

   A. The accounting, evaluation and monitoring of all activities of the initiative and all programs funded in whole or in part by grants, loans or direct investment from the initiative; and

   B. Working with public officials to actively consider leveraging public funds to attract matching funds from public or private sources and negotiating for those funds.

10. **Adoption of bylaws.** The initiative shall adopt bylaws, through the board, consistent with this chapter for the governance of its affairs.

11. **Employees.** The initiative shall fix, through the board, the compensation of all employees of the initiative.

12. **Other duties.** The initiative shall do all things necessary or convenient to carry out the lawful purposes of the initiative under this chapter.
§9305. Powers of the initiative

The initiative may:

1. Financial assistance. Provide financial assistance in the form of loans, grants, guarantees or other financial instruments, or, in accordance with section 9310, issue bonds backed by project revenues, for the purpose of building advanced communications technology infrastructure capable of delivering high-speed broadband services to all of the State. The State Controller shall pay the initiative the estimated total amount expected to be collected in accordance with the communications service provider assessments under section 9311, subsection 3 and the total amount collected pursuant to the telecommunications tax assessments under Title 36, section 457, subsection 5-B for each fiscal year on July 1st of that year. The funds provided by the State Controller are nonlapsing. If the actual amount of total funds collected for the Maine Broadband Initiative Fund pursuant to section 9311 is higher than the amount paid to the initiative, the excess must be added to the following year's allotment from the State Controller pursuant to this subsection. If the actual amount collected for the Maine Broadband Initiative Fund pursuant to section 9311 is less than the amount paid to the initiative, the difference must be subtracted from the following year's allotment from the State Controller pursuant to this subsection;

2. Funding. Coordinate access to and pursue all state, federal and private funding that is available for high-speed broadband and advanced communications technology infrastructure;

3. Contributions. Receive and accept grants, gifts, loans, fees or contributions from any source to expand high-speed broadband in unserved areas of the State;

4. Equipment, facilities and infrastructure. Plan, build, own, acquire, sell, trade and lease equipment, facilities and other advanced communications technology infrastructure that could be accessed and used by multiple communications service providers, the State and local governments, including fiber-optic cables, towers, shelters, easements, rights-of-way and wireless spectrum of frequencies, as long as the infrastructure, facilities and equipment are accessible and open to any communications service provider;

5. Marketing. Collaborate with the Department of Administrative and Financial Services, Bureau of General Services to lead the management of marketing state properties to encourage and expedite collocation of infrastructure;

6. Sue and be sued. Sue and be sued in its own name and plead and be impleaded;

7. Administer and invest funds. Administer its own funds and invest or deposit funds that are not needed to meet the obligations of the initiative;

8. Borrow. Borrow money and give other evidence of indebtedness or obligations and security consistent with the initiative's purpose and needs;

9. Information. Collect, aggregate, coordinate and disseminate information regarding the availability of and need for advanced communications technology
infrastructure in the State and opportunities for funding for broadband infrastructure and education; and

10. Employees. Hire and compensate employees.

§9306. Limitations on activities of the initiative

Notwithstanding any other provision of this chapter, the initiative may not provide any wireline, wireless, satellite, voice, data or video service at retail or wholesale.

§9307. Conflicts

A member of the board may not participate in any decision on any contract entered into by the initiative under this chapter if that member has any interest, direct or indirect, in any firm, partnership, corporation or association that is party to the contract. The member shall disclose such an interest to the initiative in writing, and the disclosure of the interest must be set forth in the minutes of the applicable meeting of the initiative.

§9308. Actions against the initiative

A member of the board, while acting within the scope of this chapter, is not subject to any personal liability resulting from the exercise or carrying out of any of the initiative's purposes or powers.

§9309. Collection of data

Subject to the provisions in this section, the initiative shall collect data from communications service providers and wireless providers that own or operate advanced communications technology infrastructure in the State concerning infrastructure deployment and costs, revenues and subscribership.

1. Confidential information. If the initiative, on its own or upon request of any person or entity, determines that public access to specific information about communications service providers in the State could compromise the security of public utility systems to the detriment of the public interest or that specific information is of a competitive or proprietary nature, the initiative shall designate that information as confidential. Information that may be designated as confidential pursuant to this subsection includes, but is not limited to, network diagrams. The initiative may designate information as confidential under this subsection only to the minimum extent necessary to protect the public interest or the legitimate competitive or proprietary interests of a communications service provider.

Information designated as confidential under this subsection is not a public record under Title 1, section 402, subsection 3.

2. Protection of information. A communications service provider may request that confidential or proprietary information provided to the initiative under subsection 1 not be viewed by those members of the board or staff who could gain a competitive advantage from viewing the information. Upon receipt of such a request, the initiative shall ensure that the information provided is viewed only by those members of the board...
and staff who do not stand to gain a competitive advantage and that there are adequate safeguards to protect that information from members of the board and staff who could gain a competitive advantage from viewing the information.

§9310. Bonds

1. Authorization. The initiative may provide by resolution for the issuance of bonds for the purpose of construction of advanced communications technology infrastructure and for the fulfillment of other undertakings that it may assume. Bonds of the initiative do not constitute a debt of the State or of any agency or political subdivision of the State but are payable solely from the revenue of the initiative, and neither the faith nor credit nor taxing power of the State or any political subdivision of the State is pledged to payment of the bonds. Notwithstanding any other provision of law to the contrary, bonds issued pursuant to this chapter are fully negotiable. If any member of the board whose signature appears on the bond or coupons ceases to be a member of the board before the delivery of those bonds, that signature is valid and sufficient for all purposes as if that member of the board had remained a member of the board until delivery.

2. Resolution; prospective issues. The initiative may, by resolution authorizing prospective issues, provide:

A. The manner of executing bonds and coupons;
B. The form and denomination of bonds or coupons;
C. Maturity dates;
D. Interest rates on bonds or coupons;
E. For redemption prior to maturity and the premium payable;
F. The place or places for the payment of interest and principal;
G. For registration if the initiative determines it to be desirable;
H. For the pledge of all or any of the revenue for securing payment;
I. For the replacement of lost, destroyed or mutilated bonds;
J. For the setting aside and the regulation and disposition of reserve and sinking funds;
K. For limitation on the issuance of additional bonds;
L. For the procedure, if any, by which the contract with a bondholder may be abrogated or amended;
M. For the manner of sale and purchase of bonds;
N. For covenants against pledging of any of the revenue of the initiative;
O. For covenants fixing and establishing rates and charges for use of the initiative's facilities and services made available so as to provide funds that will be sufficient to pay all costs of operation and maintenance, to meet and pay the principal and interest of all bonds as they severally become due and payable, for the creating of such revenues for the principal and interest of all bonds and for the meeting of
contingencies and the operation and maintenance of its facilities as the board
determines:

P. For covenants as to rates and charges other than those described in paragraph O as
the board determines;

Q. For covenants as to the rights, liability, powers and duties arising upon the breach
by the initiative of any covenant, condition or obligation;

R. For covenants as to the bonds to be issued, as to the issuance of those bonds in
escrow and otherwise and as to the use and disposition of the proceeds;

S. For covenants as to the use of the initiative's facilities and the maintenance and
replacement of the facilities, and the insurance to be carried on the facilities, and the
use and disposition of insurance money;

T. For the issuance of bonds in series;

U. For the performance of any and all acts that in the discretion of the board are
necessary, convenient or desirable to secure bonds or that tend to make bonds more
marketable; and

V. For the issuance of bonds on terms and conditions to effectuate the purposes of
this chapter.

3. Money received. All money received from any bonds issued by the initiative
must be applied for the construction of open access advanced communications
technology infrastructure and for the fulfillment of other undertakings that are within the
power of the initiative. There is created a lien upon the money until so applied in favor of
the bondholders or any member of the board as may be provided for the bonds.

4. Trust indenture. In the discretion of the board, bonds may be secured by a trust
indenture by and between the initiative and a corporate trustee, which may be any trust
company or bank having the powers of a trust company, located either within or outside
the State. Such a trust indenture may pledge or assign the revenues of the initiative or
any part of the revenues. Any trust indenture may set forth the rights and remedies of the
bondholders and the trustee, restrict the individual right of action of bondholders and
contain such other provisions as the board may consider reasonable and proper for the
security of bondholders. Expenses incurred in carrying out any trust indenture may be
treated as a part of maintenance.

5. Rights of bondholders. Provisions may be made for protecting and enforcing the
rights and remedies of bondholders, including covenants as to acquisition, construction,
maintenance, operation, repair and insurance of property and the custody, security and
application of all money.

6. Depositories. Any trust company or bank having the powers of a trust company
and located either within or outside the State may act as a depository of the proceeds of
bonds and revenue and may furnish such indemnity or pledge such securities as may be
required by the initiative.
7. Tax free. Notwithstanding any other provision of law to the contrary, because the purposes of this chapter are public and for the benefit of the people of the State, bonds of the initiative are free from taxation by the State.

§9311. Maine Broadband Initiative Fund

1. Maine Broadband Initiative Fund established. The Maine Broadband Initiative Fund, referred to in this section as "the fund," is established within the initiative as a nonlapsing fund administered by the initiative for the purposes of supporting the activities and projects of the initiative under this chapter. The fund includes funds collected in accordance with subsection 2.

2. Fund sources. The following sources of money must be paid into the fund:

   A. Tax assessments collected pursuant to Title 36, section 457, subsection 5-B; and
   B. Communications service provider assessments pursuant to subsection 3.

3. Assessment. Except for facilities-based providers of wireless voice or data retail service, the initiative shall require every communications service provider to contribute on a competitively neutral basis to the fund. The assessment may not exceed 0.25% of the revenue received or collected for all communications services provided in this State by the communications service provider. A facilities-based provider of wireless voice or data retail service may voluntarily agree to be assessed by the authority under this subsection.

4. Explicit identification on customer bills. A communications service provider assessed pursuant to subsection 3 may recover the amount of the assessment from the provider's customers. If a provider recovers the amount from its customers, it must explicitly identify the amount owed by a customer on the customer's bill and indicate that the funds are collected for use in the fund.

Sec. 10. 36 MRSA §457, sub-§5-B, ¶E is enacted to read:

E. The State Tax Assessor shall credit the tax assessment collected into the Maine Broadband Initiative Fund established in Title 35-A, section 9311 no later than July 1st following the date of the assessment.

Sec. 11. Transition. The following provisions apply to the establishment of the Maine Broadband Initiative pursuant to the Maine Revised Statutes, Title 35-A, chapter 93-A.

1. Successor. The Maine Broadband Initiative is the successor to the ConnectME Authority.

2. Board appointed. Within 30 days of the effective date of this Act, the Governor, Speaker of the House of Representatives and President of the Senate shall appoint members of the Board of Directors of the Maine Broadband Initiative in accordance with subsection 3.
3. **Staggered terms.** Notwithstanding Title 35-A, section 9303, subsection 4, in making the initial appointments of members to the Board of Directors of the Maine Broadband Initiative:

A. The Governor shall appoint 2 members to serve an initial term of one year, 2 members to serve an initial term of 2 years and 2 members to serve an initial term of 3 years. Members appointed pursuant to this paragraph may serve no more than 2 consecutive terms;

B. The Speaker of the House of Representatives shall appoint one member to serve an initial term of one year and one member to serve an initial term of 3 years; and

C. The President of the Senate shall appoint 2 members to serve an initial term of 2 years.

4. **Employees of the ConnectME Authority.** Employees of the ConnectME Authority on December 31, 2017 who accept employment with the Maine Broadband Initiative may, at the employees' option, elect whether to continue as state employees or to work under new agreements. Other persons who accept employment with the Maine Broadband Initiative prior to January 1, 2018 who were state employees immediately prior to accepting such employment may, at the employees' option, elect whether to continue as state employees or to work under new agreements. Persons who accept employment with the Maine Broadband Initiative and who elect to remain state employees under this subsection retain their employee rights, privileges and benefits, including sick leave, vacation and seniority, provided under the Civil Service Law or collective bargaining agreements. Persons who accept employment with the Maine Broadband Initiative and who elect to remain state employees under this subsection retain their employee rights, privileges and benefits, including sick leave, vacation and seniority, provided under the Civil Service Law or collective bargaining agreements. Persons who accept employment with the Maine Broadband Initiative and who elect to remain state employees under this subsection retain their employee rights, privileges and benefits, including sick leave, vacation and seniority, provided under the Civil Service Law or collective bargaining agreements. Persons who accept employment with the Maine Broadband Initiative and who elect to remain state employees under this subsection retain their employee rights, privileges and benefits, including sick leave, vacation and seniority, provided under the Civil Service Law or collective bargaining agreements. Persons who accept employment with the Maine Broadband Initiative and who elect to remain state employees under this subsection retain their employee rights, privileges and benefits, including sick leave, vacation and seniority, provided under the Civil Service Law or collective bargaining agreements. Persons who accept employment with the Maine Broadband Initiative and who elect to remain state employees under this subsection retain their employee rights, privileges and benefits, including sick leave, vacation and seniority, provided under the Civil Service Law or collective bargaining agreements. Persons who accept employment with the Maine Broadband Initiative and who elect to remain state employees under this subsection retain their employee rights, privileges and benefits, including sick leave, vacation and seniority, provided under the Civil Service Law or collective bargaining agreements.

5. **Contracts.** All existing contracts, agreements and compacts currently in effect in the ConnectME Authority remain in effect, and the Maine Broadband Initiative is the successor to those contracts.

6. **Records, property and equipment.** All records, property and equipment of the ConnectME Authority must be transferred to the Maine Broadband Initiative by January 1, 2018.

**Sec. 12. Effective date.** This Act takes effect January 1, 2018.
SUMMARY

This bill repeals the provisions of law establishing and governing the ConnectME Authority and establishes the Maine Broadband Initiative as a nonprofit corporation with public and charitable purposes to encourage, promote, stimulate, invest in and support universal high-speed broadband to unserved and underserved areas of the State. The initiative is governed by a board of directors. The bill establishes the Maine Broadband Initiative Fund, which is funded by assessments on communications service providers and tax assessments on qualified telecommunications equipment of telecommunications businesses. The bill provides for a transition from the ConnectME Authority to the new Maine Broadband Initiative.