



Mike Scott  
President – AT&T Kansas

220 SE 6th Avenue  
Room 500  
Topeka, Kansas 66603

T: 785.276.8201  
F: 785.276.1713  
ms4602@att.com

## Testimony on HB2451

OPPONENT

House Energy, Utilities & Telecommunications Committee

Wednesday, February 7, 2018

Chairman Seiwert and Members of the Committee:

I write today to testify in opposition to HB2451 creating the “Statewide Broadband Deployment Authorization Act.” The bill would allow the Kansas Corporation Commission (KCC) to grant a statewide franchise for broadband deployment in rural areas of Kansas as defined by the bill. AT&T understands both the value of competition and the desire for greater broadband deployment in unserved or underserved rural areas of our state. However, this bill is not necessary to either promote or achieve more rural broadband deployment. In fact, this bill could slow and even harm efforts to achieve more deployment.

HB2451 is problematic to AT&T for several reasons. First and foremost, as we talk about this bill today, no one can tell us exactly where the rural areas contemplated by this bill are located, how much territory is involved or even how many Kansans live there. Second, it is highly unlikely that the rural area, as defined by the bill, would even require any type of franchises since the county seat is excluded. Kansas county and township governments do not have franchising authority. Today, any broadband provider that wants to compete with AT&T in a rural area can do so, without having to seek a grant of authority from the Kansas Corporation Commission (KCC), other than if they wish to provide voice or video services, in addition to data. This legislation would give the KCC increased regulatory authority over the deployment of broadband and broadband providers in Kansas.

AT&T has placed a priority on improving its broadband offerings to rural America. In addition to exploring and deploying fixed wireless technology to bring more internet access to rural Kansas; AT&T Kansas is participating in the FCC Connect America Fund (CAFII) program to provide more internet access. In Kansas, AT&T receives approximately \$19 million in federal CAFII dollars, per year, to improve broadband access to high cost census block areas. By the end of 2017, AT&T Kansas expanded high-speed internet access to approximately 15,000 locations with the goal of expanding to over approximately 35,000 locations by the end of 2020. Unfortunately, adopting a franchising structure like the one proposed in HB2451 is at odds with the fundamentals of the CAFII program aimed at improving rural broadband deployment. For example, HB2451 would change the existing definition of broadband to require speeds of 25 Mbps down, three (3) Mbps up, which exceeds that required under CAFII. While AT&T supports the goal to facilitate rural broadband expansion, the definition contained in HB2451 is inconsistent with the current standard in Kansas law<sup>1</sup> and conflicts with federal requirements for rural broadband speeds.

---

<sup>1</sup> K.S.A. 2016 Supp. 66-1,187(a)

Although well intended, HB2451 is counterproductive and would likely discourage investment in rural broadband. The bill will limit the ability of providers to compete for federal funds for rural broadband improvement and, with limited resources, decrease the number of people who can benefit from broadband. AT&T believes efforts to incentivize rural broadband should align with federal standards to maximize the potential of resources and increase the odds of investment in Kansas.

On behalf of AT&T, I respectfully ask that you reject HB2451. Thank you for your time and consideration.

Respectfully submitted,



Mike Scott  
AT&T Kansas President