MINUTES

SENATE INTERIM COMMITTEE ON EDUCATION HOUSE INTERIM COMMITTEE ON EDUCATION JOINT COMMITTEE ON ADVANCED COMMUNICATIONS AND INFORMATION TECHNOLOGY

Wednesday, December 17, 2014
10:00 A.M.
Room A of the Multi-Agency Complex (MAC) Building
Little Rock, Arkansas

Representative Ann Clemmer, the Vice Chair of the House Interim Committee on Education, called the meeting to order at 10:00 A.M.

MEMBERS OF THE JOINT INTERIM ADVANCED COMMUNICATIONS AND INFORMATION TECHNOLOGY COMMITTEE IN ATTENDANCE: Senators: Bill Sample, Chair; Representatives: Mary Slinkard, Chair; Jim Dotson, Bill Gossage, Mary "Prissy" Hickerson, and Karen Hopper.

ALTERNATE MEMBERS OF THE JOINT INTERIM ADVANCED COMMUNICATIONS AND INFORMATION TECHNOLOGY COMMITTEE IN ATTENDANCE: Representatives: Charlene Fite, Fonda Hawthorne, and David Hillman.

MEMBERS OF THE SENATE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Senators: Eddie Cheatham, Alan Clark, Jim Hendren, Bruce Holland, and Uvalde Lindsey.

MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representatives: Ann Clemmer, Vice Chair; Charles Armstrong, Bruce Cozart, Robert Dale, Charlotte Douglas, Debra Hobbs, Sheilla Lampkin, and Mark Lowery.

NON-VOTING MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representative: Stephen Meeks

OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senators: Cecile Bledsoe, Jane English, Stephanie Flowers, David Sanders; Representatives: Bob Ballinger, Nate Bell, Charlie Collins, Dan Douglas, Jon Eubanks, Jeremy Gillam, Kim Hammer, Douglas House, Andrea Lea, Stephanie Malone, Sue Scott, and Tommy Wren.

MEMBERS-ELECT OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senators-Elect: Linda Collins-Smith and Blake Johnson; Representatives-Elect: Richard Beck, Charles Blake, and Ken Henderson.

<u>Presentation and Discussion of the Broadband Study Commissioned by the Arkansas Legislative Council (ALC)</u>

Mr. Larry Clary, President, CT&T, Mr. Howard Gorter, Lead Engineer, and Mr. Jody Craft, Project Manager, were recognized, and presented a summary entitled "AR K-12 Network Study Summary" and a PowerPoint presentation entitled, "Arkansas K-12 Broadband and Infrastructure Report." [Handouts #1 and #2]

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Arkansas's K-12 Broadband and Infrastructure Report was commissioned by the Arkansas Legislative Council to collect data on the broadband and networking capabilities of every K-12 public school in Arkansas. In addition, Act 1280 of 2013 was the catalyst for the study by CT&T to assess the readiness and compliance of the K12 schools to facilitate digital learning through access to online classes and learning materials.

According to Mr. Craft, approximately 150 schools in Arkansas or 65% are in compliance with Act 1280 recommended bandwidth capacity of 100kbs per student for this year. He said CT&T did not see trends where a smaller school was less prepared than a larger school. If managed correctly, 100% compliance is achievable within 12 months without negative budget impacts. Collaboration and formal governance at the state and district levels is important and needed to sustain compliance. Moreover, an overall planning effort needs to take place at the state level to ensure ordering of proper capacities, consistency in how things are procured, and leveraging volume buying to get the lowest rates. These components can be achieved without having a backbone in place or aggregation pieces.

Mr. Craft pointed out that his group had not seen a tremendous amount of leadership at the state level with providing guidance and standardization to districts or much upward flow or upward recognition from the state, as to what districts are trying to achieve. After studying Arkansas's 256 school district campus facilities, Mr. Craft estimates that it will cost \$5.3 million to complete construction at all school districts without fiber. In addition, the \$1.1 million post E-rate discounts will help to achieve the wide area network connectivity.

Mr. Craft reported there is a huge gap between the cost of connectivity for Arkansas Public School Computer Network (APSCN) connections versus the cost for non-APSCN connections. He explained the megabit per second in the network industry is the equivalent of a kilowatt hour in the utility industry. This is the basic unit of measurement at a wholesale level. Looking at a per megabit cost, APSCN is \$283 per megabit of what is being utilized by APSCN. Approximately 4.5 gigabytes are the total used on the APSCN network today versus approximately 62 gigabits being used in non-APSCN connections that the districts are ordering directly. According to Mr. Craft, the 62 gigabytes compared to the 4.5 gigabits is slightly less. This results in spending \$10 per megabit for non-APSCN connectivity versus \$283 for a megabit of connectivity to APSCN.

Mr. Craft recommended that the state appoint someone to interface with the Federal Communications Commission regarding E-rate delays and reimbursements.

With regards to compliance with Act 1280, some of CT&T's recommendations include:

- establishing adequate internet access connectivity to the remaining 86 schools that do not meet the targets for compliance,
- appointing a technical project coordinator at the state level to ensure goals are met,
- taking immediate action to cancel the redundant APSCN connections to districts,
- conducting statewide Request for Proposals (RFPs) to procure the additional capacities required by the districts for compliance,
- seeking models where the schools can procure broadband connectivity from the provider network, and participate in an aggregated internet access pricing from the provider,
- Arkansas Department of Information Systems (DIS) should upgrade its financial management system in order to reduce the dependency on a private APSCN connection; and establish a lightweight Virtual Private Network access.

EXHIBIT C1

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With regards to school districts' reliance on APSCN today, Mr. Craft stated that approximately 5 years ago, many districts began to procure connectivity directly from service providers instead of relying upon DIS to procure connectivity from a centralized location. Because of this, and the low bandwidth availability on the APSCN network, schools had to pursue other options.

Mr. Craft reported Covenant Keepers Charter and Imboden Charter schools are the only two charter schools that fully rely on APSCN for internet connectivity. After interviewing several service providers, Mr. Craft said there is no reason why every school in Arkansas could not have fiber for connectivity. Arkansas should focus on connecting schools through private providers instead of trying to build a backbone with the Arkansas Research Education Optical Network (ARE-ON). This option will address the internet access needs in the schools. It was noted that there are 160 schools without fiber.

In response to questions, Mr. Craft stated that CT&T considers the procurement process and how the services are procured as the main mechanism for getting high-speed connectivity to rural areas. He noted there has not been a trend where cost or available capacity is specific to any geographic location.

The Honorable Bill Sample, State Senator, District 14, was recognized, and requested information regarding Mena's internet capacity. Mr. Craft said he is certain that there is an existing project in place to increase internet capacity in Mena. Mr. Gorter will provide this information to the Committees at a later time.

There being no further business, the meeting adjourned at 11:16 a.m.

Approved: 06/08/2015