

MINUTES

**Joint Committee on Advanced Communications and Information Technology
House Committee on Insurance and Commerce
Senate Committee on Insurance and Commerce
Meeting Jointly**

Wednesday, November 6, 2019

1:00 P.M.

Room A MAC

Little Rock, AR

Committee Members Present: Senators Breanne Davis, Vice-Chair; Jonathan Dismang, Lance Eads, Kim Hammer, Ricky Hill, Mathew Pitsch and Bill Sample, **Representatives** Stephen Meeks, Co-Chair; Karilyn Brown, Les Eaves, Vivian Flowers and David Whitaker

Insurance & Commerce Members Present: Senators Jason Rapert, Chair; Cecile Bledsoe, Vice-Chair; Joyce Elliott, Jane English, and Mark Johnson, **Representatives** Mark Lowery, Chair; Fred Allen, Joe Cloud, Bruce Coleman, Kenneth Ferguson, Roger Lynch, Jim Sorvillo and DeAnn Vaught

Other Legislators Present: Senators Bruce Maloch and Terry Rice, **Representatives** Stan Berry, Mary Bentley, Frances Cavanaugh, Jon Eubanks, Lanny Fite, Jack Fortner, Rebecca Petty, Marcus Richmond, Keith Slape, Nelda Speaks and Les Warren

Representative Meeks called the meeting to order.

Consideration to Approve June 5, 2019, Meeting Minutes [Exhibit C]

Without objection Representative Meeks approved the June 5, 2019, Advanced Communications Meeting Minutes.

Presentation on the Arkansas High Cost Fund [Handout 1]

Mr. Larry Frazier, Vice President, Arkansas Rural Broadband Association, and Manager, Central Arkansas Telephone Cooperative (CATC), was recognized. The Arkansas Rural Broadband Association is comprised of small rural telephone companies and broadband providers. CATC deploys fiber to homes throughout their service territory. According to the Federal Communications Commission (FCC) cost model, it states there should be 4,400 locations that CATC is able to serve. There is an estimated cost of \$15 million, in which 70% of the projects have been completed. CATC would not be able to provide service without the Arkansas High Cost Fund (AHCF). Since Arkansas is a rural state, there are many remote areas that do not have a sufficient population base to support broadband services; these areas are considered to be high cost. High cost support fees were created to insure all customers, regardless of location, are offered comparable services at comparable rates.

The National Broadband Plan (NBP) was released in 2010. The plan sets out a roadmap for initiatives to stimulate economic growth, job creation, boost America's education capabilities, healthcare, homeland security and more. The plan includes a recognition that full broadband deployment cannot occur without participation of the states through their own high cost fund. Virtually all telecommunication carriers provide individual cost data which is used to determine their federal support. Telecommunication companies that accept federal high cost support are required to deploy

25/3 Mbps (megabit per second) to a specific number of households in a set timeframe. FCC costs minus the federal and local support received are the basis of the AHCF calculations. The AHCF is a reimbursement program: companies must invest before they are able to receive funds.

Presentation on the progress of 911 Board Setup

Mr. A.J. Gary, Director, Arkansas Department of Emergency Management (ADEM), and Chairman, Arkansas 911 Board, and Ms. Renee Hoover, Administrator, Arkansas 911 Board, were recognized. The legislation for the 911 Board took effect July 1, 2019. Getting the new 911 Board situated and transferring the duties of the Emergency Telephone System Board (ETSB) were addressed during the first board meeting. The complete transfer and closure of the ETSB occurred October 17, 2019. Arkansas Law Enforcement Training Academy attended the October 17, 2019, meeting to discuss current required training for telecommunications.

Presentation over updates from Data and Transparency Panel (DTP)

Ms. Adita Karkera, Deputy Chief Data Officer (DCDO), Department of Information Systems (DIS), and Mr. Robert McGough, DCDO, DIS, were recognized and provided an update on the Data and Transparency Panel (DTP). Act 912 of 2017 created the DTP and the position of Chief Data Officer (CDO). One of the first activities conducted in 2017 was gap analysis to assess Arkansas' data needs. Interviews were held with leadership from executive divisions; their input was categorized and summarized. The resulting report identified key gaps in data sharing, access, quality, standardization, governance, and integration. Act 912 required the office of the CDO to establish a catalog listing of data assets housed within state divisions. It also required the DTP to perform a study on the development of a statewide data warehouse program. Research was conducted on best practices and successful approaches of fifteen other states. Feasibility of various approaches were evaluated and recommendations were made to develop an Arkansas Data Hub. The DTP finalized the recommendation report in July of 2019.

Act 936 of 2019 required the DTP to create a unified Longitudinal Data System that links existing agency information from education and workforce systems in order to provide insight on Arkansas' evolving economy. The State Longitudinal Data System Sub-Panel is in the process of gathering agency requirements, researching successful states, and preparing a cost proposal to present to the panel.

Consideration to Adopt Interim Study Proposal (ISP) 2019-144: Requesting that the Joint Committee on Advanced Communication and Information Technology Conduct a Study to Create a Current Inventory of State Government Building, Building Systems, Supporting Technology, and Data. [Exhibit G]

Senator Johnson gave a brief explanation on ISP 2019-144. A motion to approve the ISP was made by Senator Hammer and seconded by Senator Sample. The motion carried.

Consideration to Adopt Interim Study Proposal (ISP) 2019-143: Requesting the House Committee on Insurance and Commerce Study the Causes and Effects of the Rising Costs of Prescription Drugs and the State-Specific Dynamics Involved in Those Rising Cost. [Exhibit H]

Senator Rapert gave a brief explanation on ISP 2019-143. A motion to approve the ISP was made by Senator Rapert and seconded by Senator English. The motion carried.

Presentation over Arkansas Rural Connect Program [Handout 2]

Mr. Clint Moore, Economic Analyst, Arkansas Department of Commerce (ADC), was recognized. Arkansas Rural Connect (ARC) is designed to build progress towards making broadband available at a minimum speed of 25 Mbps download, 3 Mbps upload in towns across Arkansas. ADC expects that with \$25 million in funding the ARC program will make major strides connecting small towns in Arkansas to 21st century broadband internet service. Broadband has become a necessity rather than a luxury, crucial for business development, job creation, education, healthcare, agriculture, shopping, as well as keeping friends and family in touch. With ARC, other policies, and strategies, ADC aims to achieve the governor’s goal of providing rural broadband access to as many Arkansans as possible by 2022.

There being no further business, the meeting adjourned at 4:00 PM.