

EXHIBIT B**MINUTES****JOINT INTERIM COMMITTEE ON ADVANCED COMMUNICATIONS AND INFORMATION TECHNOLOGY**

Monday, November 16, 2015
10:00 a.m.
Room 151, State Capitol, Little Rock, Arkansas

The Joint Interim Committee on Advanced Communications and Information Technology met on Monday, November 16, 2015, at 10:00 a.m., in Room 151 of the State Capitol Building, in Little Rock, Arkansas.

Members in attendance: Senators Bill Sample, Chair; Bobby Pierce, Vice Chair; Ronald Caldwell, and Greg Standridge. Representatives Stephen Meeks, Chair; Michael John Gray, Vice Chair; Charles Blake, Jim Dotson, Charlene Fite (alternate), Justin Gonzales, Sheilla Lampkin, Fredrick Love, Brandt Smith, and Nelda Speaks (alternate).

Other legislators present: Senator Scott Flippo. Representatives Jana Della Rosa, Ron McNair, and Warwick Sabin.

Representative Stephen Meeks called the meeting to order.

Committee consideration to approve the Minutes of October 28, 2015. Senator Pierce made the motion to approve the minutes. The motion was seconded by Representative Love. Without objection, the motion was approved.

[EXHIBIT B]

Broadband Basics and How it Works [HANDOUT 1]

Mr. Shelby Johnson, Director, Arkansas Geographic Information Systems Office (AGISO) and Mr. Don McDaniel, Director, Enterprise Network Services, Department of Information Systems (DIS) were recognized. Mr. Johnson presented a Power Point presentations entitled, “Broadband Basics” (**Handout 1**), “Broadband Mapping in Arkansas” (**Handout 2**), and “Arkansas State Broadband Manager’s Report” (**Handout 3**).

Mr. Johnson said the term broadband commonly refers to high-speed internet access that is always on and that is faster than the traditional dial-up access. He noted that internet protocol networking enables data to flow back and forth. According to Mr. Johnson, every machine on the internet has a unique identifying number, called an IP Address. In addition, routers are also important as they perform the traffic directing functions on the internet. Some of the various delivery methods of broadband include telephone network, television cable network, fiber to home, wireless, satellite and power lines. Mr. Johnson said that fiber to the home is most desirable because of the fast speed. Notably, Arkansas does not have broadband over power lines; however, Illinois is the only state that has had some success with it.

The Current Status of Broadband in Arkansas

Mr. McDaniel said that part of the 2015 Broadband Progress Report included the FCC voting to change the definition of broadband by raising the minimum download speeds needed from 4Mbps to 25Mbps and the minimum upload speed of 1Mbps to 3Mbps. Currently, Arkansas has not met wire line standards and this may be due to the broadband definition change. Some of the barriers to broadband expansion include limited opportunities to expand, expected costs exceeding projected revenue, state of the economy, regulatory issues, and pole attachment fees. In addition, some provider reasons for inability to provide broadband service to certain areas include cost of infrastructure, terrain, lack of customer base, access to poles or attachment fees, and lack of rights of way. According to Mr. McDaniel, some ways to improve broadband expansion include:

- plowing fiber optic cable to a central area, set a broadband loop carrier system, then connect existing copper loops to it,
- wireless technology,
- adopting and maintaining pro-growth policies that encourage broadband expansion,
- maintaining a long-standing policy implementing reasonable restrictions on government owned networks that discourage private investment; and
- reforming the current tax structure which burdens providers and customers with additional property tax, franchise and other taxes/fees not assessed on any other business in Arkansas.

Mr. McDaniel said the Arkansas Public School Computer Network (APSCN) has a \$13 million annual investment by the state/ADE to upgrade APSCN. In addition the K-12 initiative is a two-year project that will upgrade the bandwidth to 200 Kbps per user. Upgrades will impact 274 public schools, charter schools and education service cooperatives.

Mr. Johnson said a major component of the American Recovery Investment Act was an effort to conduct broadband mapping across the U.S. Nearly all major broadband mapping results in Arkansas were accomplished by Connect-Arkansas. Connect-Arkansas partnered with the AGISO to coordinate address point level data that would aid their broadband analysis. Mr. Johnson reported that nearly all of the broadband is privately owned which creates a great challenge with mapping broadband.

Mr. Johnson gave a brief overview of the various maps and locations that were tagged in the national broadband mapping effort that measured for speed, broadband availability, cable broadband capability, fiber, fixed wireless, combined technologies that include (DSL, fiber and fixed wireless, satellite, wireless and towers.

Review of DIS Advice and Recommendations Quarterly Report Ending September 20, 2015 [EXHIBIT E]

Mr. Donnie Matthews, Technical Account Specialist, Department of Information Systems (DIS), was recognized. He gave a brief overview of the report and said DIS operates as a cost recovery agency. DIS does not receive direct state general revenue funding, but charges its customers for products and services. DIS currently provides services to a base of approximately 400 customers, including state agencies, boards and commissions, colleges and universities, public schools, cities, and counties and other customers. DIS has two state data centers that are government entities that host this data in a secured environment. DIS is actively promoting the voice over IP telephone service over the internet. Mr. Matthews said ADE requested that DIS host the states' e-Finance system (the states' student finance system). In addition, DIS will assist the Arkansas Department of Heritage with its network infrastructure and will take over its information technology operations. DIS is also assisting the Pulaski County School District to ensure there is no loss of service for the new Jacksonville School District that will be in place July 1, 2016.

Next Meeting Date

The committee will meet on December 1, 2015 at 10:00 a.m., at the Southwest Power Pool in Little Rock, Arkansas and on December 7, 2015 at 1:00 p.m. at the University of Arkansas at Fayetteville, Arkansas.

There being no further business, the meeting adjourned at 11:10 a.m.