

Approved March 17, 2016

EXHIBIT D-2

MINUTES

JOINT INTERIM COMMITTEE ON ADVANCED COMMUNICATIONS AND INFORMATION TECHNOLOGY

Friday, February 19, 2016
1:00 P.M.
Southeast Arkansas Education Service Cooperative
Monticello, Arkansas

The Joint Interim Committee on Advanced Communications and Information Technology met on Friday, February 19, 2016, at the Southeast Arkansas Education Service Cooperative located in Monticello, Arkansas.

Committee Members Present: Senators Bobby Pierce, Vice Chair and Greg Standridge. Representatives Stephen Meeks, Chair; Shellia Lampkin, Fredrick Love, Mathew Pitsch, Brandt Smith, Nelda Speaks (alternate), and Jeff Wardlaw (alternate).

Other Legislators Present: Representatives Ken Bragg, Grant Hodges, and Mike Holcomb

Call to Order

Representative Stephen Meeks called the meeting to order and thanked the Southeast Arkansas Education Cooperative for hosting the meeting.

Discussion of Broadband in Arkansas: Challenges and Opportunities

- Mr. Mark Lundy, Consultant, South Arkansas Telephone Company, identified the low population base as one of his companies' challenges. Mr. Lundy stated that tax incentives to help pay for infrastructure and improvements in the permitting process through the Department of Highway and Transportation would be beneficial to his company.
- Mr. Bill Hegmann, General Manager, Southwest Arkansas Telephone Cooperative, stated that they have transitioned to fiber and are trying to go to fiber to home everywhere. The local broadband consumption has doubled every year since 2008. Mr. Hegmann reported that 100% of their customers have access to broadband, 97 % can have up to 20 MB, and 52% can have up to 1GB. He also stated that 83% of all loan dollars they receive are used to fund fiber cable, the remaining 17% funds the electronics used to power the fiber cables. Finally, he noted that the High Cost Fund is very important to his company. All of the money the Co-op makes goes back into the company.
- Mr. Donnie Weast, Owner, City Wireless, accompanied by his son, Brad Weast, identified lack of towers as a challenge to providing service: they currently have access to seven towers and provide service to 150 customers. Mr. Weast stated that accessibility to towers and affordable equipment would help them reach more customers.
- Mr. Charlie Hembree, Representative, Vyve Broadband Company gave an overview of the company. They provide broadband service usage at 25 MB, 50MB, and 105MB. Their biggest challenge is finding a direct path to the small communities and getting data to the information highway. Currently, the company is deploying a lot of fiber both aerial and underground.

Adjournment

There being no further business the meeting adjourned at 1:55 P.M.

The next meeting is scheduled for Thursday, March 17, 2016, at Arkansas State University, Cooper Alumni Center, 2600 Alumni Boulevard, Jonesboro, Arkansas.