

Tennessee Broadband Accessibility Act

Tennessee currently ranks 29th in the U.S. for broadband access, with 13 percent of the state lacking accessibility. While only 2 percent of the state's urban citizens lack access, 34 percent of rural residents are without coverage at recognized minimum standards due to low population density and challenging geography. Too many Tennesseans are living without the connectivity they need for growing businesses, increased education, agriculture advancements and health care options. With a focus on private sector broadband deployment, the Tennessee Broadband Accessibility Act addresses broadband access and adoption in three primary ways: **Investment**, **Deregulation** and **Education**.

Investment

The legislation, coupled with Governor Haslam's proposed budget, provides **\$45 million** over three years through **grants** and **tax credits** that focus on the state's unserved areas.

- Establishes the "Broadband Accessibility Grant Program," providing **\$30 million** over a three-year period (\$10 million per year) to broadband providers to encourage deployment to unserved homes and businesses.
- Provides a tax credit to private service providers totaling **\$15 million** over three years (\$5 million per year) based on the purchase of broadband equipment used to provide broadband access in our most economically challenged counties.

Deregulation

The governor's proposal permits the state's private, nonprofit electric cooperatives to provide broadband service.

- Electric cooperatives, currently restricted from providing retail broadband services, are uniquely situated to assist in bridging the broadband accessibility gap with experience serving areas with lower population densities and providing universal service throughout their territories.
- The legislation strengthens protections that prevent electric cooperatives from using electric system assets to subsidize broadband services and ensures that cooperative participation in the broadband market will not limit consumers' choices.

Education

Accessibility to broadband without adoption of its benefits accomplishes little. Public and private programs can address broadband adoption through training and assistance. Through the state's Rural Task Force and other coordinated efforts, existing programs and resources can be evaluated and leveraged to drive broadband adoption.

- The bill provides grant funding opportunities to the state's local libraries to help residents improve their digital literacy skills and maximize the benefits of broadband.