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To: Wisconsin State Assembly

Subject: Assembly Bill 344 re. Rural Broadband Expansion

We respectfully request your support of Assembly Bill 344 (AB 344), which is scheduled for a floor vote in the State Assembly on Tuesday, February 11, 2020. We sincerely appreciate your consideration of this request.

AB 344 creates a telephone company property tax exemption for property used to provide broadband service to a rural area or underserved area. The legislation specifically targets telephone company property tax exemptions for broadband deployment where it is needed most: rural and underserved areas.

Qualifying property installed after December 31, 2019, must be used to provide Internet access service to a rural or underserved area at 25Mbps/3Mbps or, if higher, speeds designated by the Federal Communications Commission. Property installed prior to January 1, 2020, must be used to provide Internet access service to a rural area at speeds of at least 25Mbps/3Mbps. Because the telephone company property tax is collected by the state, there is no fiscal impact on local governments.

With the support of the lead authors, AB 344 was amended in committee. Assembly Substitute Amendment 1 (ASA 1) to AB 344 delays the effective date for a section of the legislation until 2025, which reduces the fiscal impact to the state. The Assembly Committee on Rural Development unanimously approved ASA 1 to AB 344.

The Senate companion bill, Senate Bill 321, was further amended in committee. The additional amendment, adopted unanimously by the Senate Committee on Utilities and Housing, clarifies the eligible property must be in a rural area or an underserved area and strengthens the definition of rural area used in the bill. Assembly Amendment 2 to ASA 1 to AB 344 will require approval on the Assembly floor to keep the companion bills identical. We respectfully request your support of Assembly Amendment 2 to the substitute amendment.

Please contact WSTA Executive Director Bill Esbeck at (608) 469-7171 with any questions.