

Legislative Analysis



MICHIGAN HIGH-SPEED INTERNET OFFICE ACT

House Bill 5568 as passed by the House

Sponsor: Rep. Helena Scott

Committee: Energy, Communications, and Technology

Complete to 7-1-24

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5568 would create a new act, the Michigan High-Speed Internet Office Act, to establish in statute¹ the Michigan High-Speed Internet Office in the Department of Labor and Economic Opportunity (LEO) and provide for its powers and duties.

The bill is largely identical to House Bill 4066 (H-1), which was passed by the House and referred to the Senate Energy and Environment committee. (House Bill 5568 would require the office to evaluate and provide *analysis* of the wholesale and retail costs of broadband internet access service, while HB 4066 would require it to evaluate and provide *recommendations*.)

The new act would allow the office to provide, upon appropriation, grants and other financial and technical assistance related to broadband and digital infrastructure. The office also would be charged with various duties, described below, related to broadband and digital infrastructure. The director of LEO would have to appoint someone qualified by training and experience as the director of the office, who would establish budgeting, spending, and employment procedures for the office in accordance with the Management and Budget Act.

The office would have to do all of the following:

- Implement *modern broadband and digital infrastructure* duties assigned to it and coordinate with other state departments responsible for matters concerning modern broadband and digital infrastructure.
- Facilitate collaboration among public and private entities to encourage partnerships, regional coordination, and streamlined policies to increase modern broadband and digital infrastructure.
- Identify best practices and external resources to support modern broadband and digital infrastructure in Michigan.
- Provide capacity building and digital literacy resources to the public and entities seeking to expand *broadband internet access service* and adoption.
- Promote and implement policies that use modern broadband and digital infrastructure to do any of the following:
 - Revitalize neighborhoods and communities.
 - Support economic development opportunities.
 - Increase hiring and retention of skilled workers that support modern broadband and digital infrastructure in Michigan.
 - Integrate the deployment of modern broadband and digital infrastructure through existing infrastructure and economic development programs.
- Collect and analyze data to accurately determine the availability of broadband internet access service, including developing methods that accurately identify parcel level

¹ The office was created in June 2021 by executive directive. The bill would establish the office in law. See <https://www.michigan.gov/leo/bureaus-agencies/mihi>

wholesale and retail broadband infrastructure availability and adoption throughout the state.

- Issue reports on the status of broadband internet access service market competition in different regions throughout the state that distinguish between the type and quality of broadband internet access service provided and evaluate and provide analysis of the wholesale and retail cost of broadband internet access service.
- Serve as a point of contact between the public and ***broadband internet access service providers*** to improve access, adoption, and transparency of broadband internet access services.

Modern broadband and digital infrastructure would mean the technology and associated equipment used to provide ***broadband internet access service*** with speeds of not less than 100 megabits per second (Mbps) downstream and 20 Mbps upstream, scalable to 100 Mbps speeds and latency sufficient to support real-time, interactive applications and that meet the educational, economic, and consumer needs of Michigan residents.

Broadband internet access service would mean a mass-market retail service by wire or radio that provides the capability to transmit data to, and receive data from, all or substantially all internet endpoints, including all capability that is incidental to and that enables the operation of the communications service. It would not include dial-up internet access service.

Broadband internet access service provider would mean an entity that provides broadband internet access service in Michigan.

Upon appropriation, the office could award grants or provide other financial and technical assistance to carry out the purposes of the act.

FISCAL IMPACT:

House Bill 5568 would have no significant fiscal impact on the state. The bill would authorize in statute the creation of the Michigan High-Speed Internet Office within the Department of Labor and Economic Opportunity. However, Executive Directive 2021-2 established the Michigan High-Speed Internet Office within LEO in June 2021.² Any additional state costs for the office would depend on increased legislative appropriation.

POSITIONS:

The Southeast Michigan Council of Governments indicated support for the bill. (5-22-24)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

² <https://www.michigan.gov/whitmer/news/state-orders-and-directives/2021/06/02/executive-directive-2021-2>