
ARIZONA CORPORATION COMMISSION

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Commission to Hold Workshop to Create Funding for Improved Internet Access for Rural Schools

(Phoenix) The Arizona Corporation Commission will hold an all day workshop Monday, January 30, to determine funding for an innovative program that will connect Arizona's rural schools to the Internet. Earlier this month, Commissioners voted to begin investigating ways to amend the Arizona Universal Service Fund (AUSF) to fund the program.

The proposal, which partners the Corporation Commission with the Governor's Office, the Superintendent of Public Instruction, and a non-profit called *EducationSuperHighway*, would use the AUSF to create state matching funds that draw down additional Federal E-rate funding in order to meet the connectivity needs of rural Arizona. The current estimate of Arizona's contribution is \$8-\$13 million. Stakeholders will offer presentations at the workshop providing an overview of the program and discussing solutions to any challenges that could arise.

Commissioner Andy Tobin proposed the program that will improve education across the state by increasing Internet access.

"This problem is real and time is of the essence," said Commissioner Tobin. "Restructuring this fund creates a unique one-time opportunity to eliminate the digital divide between urban and rural schools. These funds could help us get the state match needed so public schools and libraries can then tap federal funds for construction. That federal match is estimated at \$80 to \$100 million that would go directly into the economies of cities and towns across Arizona."

State Superintendent of Public Instruction, Diane Douglas, spoke in support of the partnership at a recent Commission Staff Meeting explaining how important broadband services are to students, schools, and communities.

"Equal access to broadband services is critical to the success of a child's education in the 21st century," Superintendent Douglas said. "This program is an incredible opportunity for underserved children from small schools in rural parts of Arizona to have the same technology opportunities that are afforded to other children in the state."

Tobin explained the program would use the AUSF to provide a portion of the state match in a one-time distribution of \$8 million from the existing funds. The program would be limited to take advantage of immediate federal funding opportunities available and would be eliminated after all the funds have been dispersed to schools and libraries. The purpose of AUSF is to support telecommunications carriers as they build scalable infrastructure to serve students in rural areas of Arizona.

"The AUSF must adapt to changes in telecommunications technology and should be used where possible to harness benefits provided at the federal level and in concert with federal funding mechanisms," said Tobin. "I see much promise and possibility of using the AUSF to help permanently rewire the telecommunications landscape in these rural areas"

Commissioner Bob Burns spoke in support of such a program, recognizing how the increase in broadband not only increases opportunities for schools but also for telemedicine programs.

“This could make a huge impact on the care of many rural residents who simply don’t have the means to make the trip to the Valley for consultation and diagnosis,” said Commissioner Burns. “Also, there are programs here in the Valley where 7th and 8th graders are being introduced to pre-med through telemedicine programs. Why should the rural students be left out?”

The Commission and Staff will begin emergency rulemaking to amend the AUSF so the funds can be used to meet the anticipated late April/early May deadlines. The docket can be viewed at www.azcc.gov by going to eDocket and entering docket number RT-00000H-97-0137. The workshop begins at 9:00 a.m. on Monday January 30th at the Corporation Commission at 1200 W. Washington Street in Phoenix in Hearing Room 1. The workshop can also be viewed live at www.azcc.gov.

Established by Article 15 of the state’s constitution, the Arizona Corporation Commission is responsible for the regulation of public utilities, overseeing the incorporation or registration of companies wishing to do business in Arizona. Additionally, the Corporation Commission registers and oversees securities offerings and dealers, and enforces railroad and pipeline safety. The five commissioners that make up the Commission are elected by the people of Arizona for a four-year term, with the option of serving for two consecutive terms. To learn more about the Arizona Corporation Commission and the Commissioners, please check out <http://www.azcc.gov/Divisions/Administration/about.asp>