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Quinn Bill to Expand Broadband Passes Assembly

Madison – Representative Romaine Quinn (R-Barron) hailed the passage of Assembly Bill 344 as a victory for the expansion of broadband access in rural areas.

The bill creates parity for internet providers by ending the “telephone tax,” an old tax on small companies that were set up as telephone providers. These companies are often cooperatives serving rural populations. Over time, that tax also came to be applied to the broadband infrastructure these companies were installing. However, large internet providers that began as cable television providers do not pay this telephone tax for the same broadband equipment.

By reducing the cost of putting broadband fiber in the ground, AB 344 will make expanding projects more cost-effective for small providers.

“The small cooperatives and other local providers who do so much to connect our communities have faced an uneven playing field for years,” said Rep. Quinn. “By ending a tax on future investment, we make sure that companies are able to build out as much broadband and connect as many of our neighbors as possible.”

In order to qualify for the exemption, a provider must meet certain criteria: the infrastructure must serve a rural or underserved area and provide speeds of at least 25 megabits per second download and 3 mbps upload (the current definition of broadband). Under the bill, an “underserved area” is any area in the state served by fewer than two wired service providers, and a “rural area” is any area in the state that is located outside a federal metropolitan statistical area or is located in a city, village, or town with a population of not more than 14,000 and with a population density of 2,500 per square mile or less.

“This bill is another important tool for our local providers,” said Rep. Quinn. “In combination with historic investments in Wisconsin’s Broadband Expansion Grant program, Wisconsin is truly creating an innovative environment for making sure that everyone in our state has the internet service they need.”

AB 344 had support from a wide range of stakeholders, including the Wisconsin State Telecommunications Association, the Wisconsin Counties Association, Wisconsin Economic Development Authority, and the Marshfield Clinic Health System. The bill will now be sent to the Senate for passage.

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