
OLR Bill Analysis

sSB 514 (File 571, as amended by Senate "A")*

AN ACT ESTABLISHING A NET EQUALITY PROGRAM.

SUMMARY

This bill requires the Department of Energy and Environmental Protection (DEEP) commissioner to develop, establish, and start administering the Net Equality Program by September 30, 2026. As part of the program, a qualified broadband Internet access service provider must (1) allow eligible individuals to request to subscribe to affordable broadband Internet access service ("affordable broadband"), (2) make a commercially reasonable effort to raise public awareness on the availability of affordable broadband, and (3) have enrollment procedures for affordable broadband on its website and advertisements.

The bill generally limits the maximum monthly charge for affordable broadband to \$40 and requires certain minimum speeds to be 100 megabits per second (Mbps) download speed and five Mbps upload speed for the program's first year and then 20 Mbps afterwards.

Beginning January 31, 2027, the bill requires state agencies that propose to contract for the purchase of broadband Internet access service, when all other factors are equal, to give preference to providers that offer affordable broadband to eligible households. The bill states that it does not impair any contract that exists on October 1, 2026.

*Senate Amendment "A" (1) requires DEEP, rather than the Office of Consumer Counsel, to develop and administer the program; (2) modifies the eligible qualified public assistance programs; (3) delays various program effective dates and requirements; (4) modifies various provider requirements; (5) allows slower upload speeds for the program's first year; (6) requires state agencies to give preference to providers that provide affordable broadband rather than prohibiting them from doing business with providers that do not offer affordable

broadband, as in the underlying bill; (7) requires DEEP to explore and advance strategic and effective public-private partnerships; and (8) modifies several of the bill's definitions.

EFFECTIVE DATE: July 1, 2025

PROGRAM REQUIREMENTS AND DEFINITIONS

Beginning October 1, 2026, the bill requires each qualified broadband Internet access service provider (i.e. a provider that does business in the state and with any state agency, but does not include the Department of Emergency Services and Public Protection (DESPP)), to allow individuals residing in eligible households in the provider's service territory to request to subscribe to the provider's affordable broadband service. Under the bill, an "eligible household" is a household (1) with at least one resident enrolled in a qualified public assistance program and (2) located in the provider's service territory in the state.

Under the bill and existing law, "broadband internet access service" is a wired, mass-market retail service that provides the capability to transmit data to, and receive data from, all or substantially all Internet endpoints, including capabilities that are incidental to and enable the service's operation, but not dial-up internet access service. A "broadband Internet access service provider" is an entity that provides broadband Internet access service through facilities occupying public highways or streets authorized by the Public Utilities Regulatory Authority, including through a certificate of public convenience and necessity, a certificate of video franchise authority, a certificate of cable franchise authority, or as a certified telecommunications provider.

"Qualified public assistance program" includes the supplemental nutrition assistance (SNAP) programs and any public assistance program recognized by a qualified broadband Internet access service provider for determining eligibility for the provider's existing low-income Internet program.

The bill also requires these providers, starting October 1, 2026, to make a commercially reasonable effort to raise public awareness about

the availability of the affordable broadband service the provider offers to eligible households located in the provider's service territory. These efforts must include:

1. posting the enrollment procedures in a prominent and publicly accessible location on their website and
2. including the procedures in any written and commercial advertisement developed to inform individuals residing in eligible households in the provider's service territory about the qualified broadband Internet access service.

The bill requires each service provider, starting by February 1, 2027, to annually submit to DEEP a report, as the commissioner sets, disclosing the (1) number of eligible households that signed up its for affordable broadband during the reporting year and (2) total number of eligible households that received its affordable broadband during the reporting year.

The bill also requires DEEP, as part of the program, to explore options to establish and advance strategic and effective public-private partnerships.

MONTHLY PRICE

The bill generally caps a qualified broadband Internet access service provider's maximum monthly charge to an eligible household for affordable broadband service at \$40, including all taxes, charges, and fees for all equipment associated with the Internet access.

However, under the bill, starting by June 1, 2027, DEEP must annually adjust the maximum monthly cost for the 12-month period starting July 1 of the same calendar year based on any change in the consumer price index for the preceding calendar year, as published by the U.S. Department of Labor's Bureau of Labor Statistics.

SERVICE SPEEDS

The bill requires that all affordable broadband provided under its provisions have minimum speeds of:

1. 100 Mbps download speed and five Mbps upload speed between October 1, 2026, and September 30, 2027, and
2. 100 Mbps download speed and 20 Mbps upload speed after October 1, 2027.

In either case, the service speeds and latency must be sufficient to support distance learning and telehealth services.

Beginning June 1, 2030, and then not more frequently than biennially, the bill allows DEEP, in consultation with its Bureau of Energy and Technology and the Department of Administrative Services' Commission for Educational Technology, to increase the affordable broadband plans' required minimum speeds for the two-year period beginning July 1 of the same calendar year. DEEP, the bureau, and the commission must post the increased speeds on their respective websites.

The bill allows DEEP to approve a deviation from the service speed requirements to comply with applicable state or federal law. However, it prohibits DEEP from approving any deviation that would provide affordable broadband service speeds that are slower than what the bill requires or those established by DEEP, in consultation with the bureau and commission, whichever speeds are higher.

CONDUCTING BUSINESS WITH STATE AGENCIES

Beginning January 31, 2027, the bill requires state agencies that propose to contract for the purchase of broadband Internet access service, when all other factors are equal, to give preference to providers that offer affordable broadband to eligible households. Under the bill, a "state agency" is any office; department, except DESPP; board; council; commission; institution; constituent unit of the state's higher education system; technical education and career school; or other executive, legislative, or judicial branch agency.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 14 Nay 7 (03/21/2025)