State of Wisconsin Office of the Governor

April 15, 2022

The Honorable, the Senate:

I am vetoing Senate Bill 365 in its entirety.

The bill modifies the statutory definition of broadband "unserved" areas to be an area of the state not served by at least one Internet service provider that provides download speeds of at least 100 megabits per second and upload speeds of at least 20 megabits per second and removes the statutory definition of broadband "underserved" areas. This bill also modifies the criteria by which the Public Service Commission may award grants under the Broadband Expansion Grant Program, including codifying and making changes to existing procedures that allow an Internet service provider to challenge the awarding of a grant if it currently provides broadband service to the area at the minimum download and upload speeds defined in the bill or if it credibly plans to complete construction of broadband infrastructure and provide broadband service at the minimum speed levels defined by the bill within 24 months. Under the bill, the Commission is required to evaluate such a challenge and prohibits it from funding the grant if it determines the challenge to be credible.

I am vetoing this bill in its entirety because I object to the creation of a procedure that would allow Internet service providers to block competition in rural and outlying areas of the state for up to two years by interfering with grants to other providers, potentially leaving residents with no service, inadequate service, or unaffordable service for a longer period. The Broadband Expansion Grant Program provides funding for broadband infrastructure in areas where private sector investment is insufficient. This statutory challenge process will delay the delivery of critical broadband service to rural areas of Wisconsin, which will leave rural students and residents further behind and put area small businesses at a competitive disadvantage.

I also object to codifying the speed definition of an "unserved" area in state statute. Broadband technology is evolving at a rapid pace and defining the speed of broadband service that leaves an individual as "unserved" in state statute could leave the Public Service Commission unable to make necessary updates to the Broadband Expansion Grant Program quickly in the future.

Expanding broadband to those areas of the state that need it is a key priority of my administration. Between federal pandemic aid and the state funding in the Broadband Expansion Grant Program, my administration has invested over \$280 million in broadband infrastructure to deliver high-speed Internet access. In order to build out this infrastructure as quickly as possible, we need to support any entity that can do the job, and that includes the public sector as well as private sector companies that may not currently serve a specific area. Now is not the time to grant a competitive advantage to providers that have chosen not to deliver this service to these communities.

Respectfully submitted, TONY EVERS Governor