Oconee County dodges telecom bullet

New law won't affect broadband project

BY MIKE EADS
THE JOURNAL

SENECA — Oconee County's broadband project will not be subject to a new state law restricting public investment in similar projects.

The General Assembly unanimously approved a measure last week preventing other local governments from using tax dollars in the future to subsidize the delivery of broadband service to consumers and undercut the prices of private Internet Service Providers (ISP).

"This is a business positive piece of legislation," said House Dist. 2 Rep. Bill Sandifer (R-Seneca). "I don't ever want the government to have an advantage over private enterprise."

According to Sandifer, the new law doesn't prevent local governments from following Oconee's lead and installing fiber optic networks; it merely keeps local governments from using tax dollars to lower the fees to consumers for actually using the networks.

Dist. 1 Sen. Thomas Alexander (R-Walhalla) echoed Sandifer's sentiments, but was quick to point out that Oconee's project won't be affected.

"We did a lot of work so that there was nothing that impeded the progress of the Oconee County work," Alexander said.

Private service providers lobbied heavily for the legislation, spending more than $120,000 on campaign contributions this election cycle, including $2,000 for Alexander, $4,500 for Sandifer and $3,050 for Dist. 2 Sen. Larry Martin. House Dist. 1 Rep. Bill Whitmire, who voted for the legislation, has not reported any contributions from communications lobbyists.

Rural areas have not been attractive to private broadband providers, who point to the rugged geography and low population density. In short, they couldn't make enough money serving Mountain Rest or Fair Play to justify the cost of running service to those areas.

Indeed, the county's bid for federal aid noted that only 30.3 percent of Oconee residents currently have access to broadband.

Oconee's $14.3 million project, funded with federal stimulus dollars and county matching funds, will cover more than 90 percent of the county — including Seneca, Walhalla, West Union, Westminster, Fair Play, Mountain Rest, Townville, Oakway and Salem — and serve 27,500 homes and businesses when the 245-mile fiber optic network is in place.

ISPs will actually hook customers — including county government and school buildings — onto the network and pay annual lease fees.

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2012 ELECTION CYCLE TELECOM SERVICES AND EQUIPMENT CAMPAIGN DONATIONS

Dist. 1 Sen. Thomas Alexander (R-Walhalla)
Centurylink – $750
PBT Communications – $500
T-Mobile – $250
Time Warner Cable – $500

Dist. 2 Sen. **Larry Martin** (R-Pickens)
AT&T – $1,500
Centurylink – $750
T-Mobile – $300
Time Warner Cable – $500

House Dist. 1 Rep. Bill Whitmire (R-Walhalla)
No communications contributors

House Dist. 2 Rep. **Bill Sandifer** (R-Seneca)
AT&T – $1,500
Centurylink – $1,250
Sprint Nextel – $750
T-Mobile – $500
Verizon – $500