Save WiscNet, and Make Sure Community Institutions Have Cost-effective Broadband

Dear Editor,

June 9, 2011

The Capital Times
1901 Fish Hatchery Road
Madison, WI 53708

Dear Capital Times:

On Friday, June 3, the state legislature's Joint Committee on Finance slipped several policy items into the state biennial budget that would change the way WiscNet operates and require the University of Wisconsin to return more than $32 million in federal grant money awarded in August 2010 for a broadband expansion project.

The proposed changes to WiscNet could result in schools, libraries and institutions of higher education paying two to three times more for Internet access from for-profit providers. Actually, it's more accurate to say that taxpayers will foot the increased bill, or library patrons and students will no longer have the access they need and want. The policy changes would also disrupt the ability of the UW to pursue its research and education mission.

It seems helpful first to define WiscNet and BadgerNet, since confusion exists about the difference between the two and how they would be affected by these policy changes. In simplest terms, BadgerNet is a public-private partnership that provides the wide area network, Internet transport, video applications and network services throughout the state. It is the pipeline.

WiscNet is one of the Internet Service Providers (ISPs) from which BadgerNet customers can choose. It provides what flows through the pipeline. WiscNet was created in 1990 by the UW, long before most telephone companies could even be called ISPs. In fact, one could say that WiscNet brought the Internet to Wisconsin.

WiscNet has become the ISP of choice for 450 educational and community institutions, including all public institutions of higher education, 95% of public libraries and 80% of schools currently use WiscNet. Again, if WiscNet were crippled as proposed by Joint Finance, these institutions would likely pay two to three times MORE for Internet service from for-profit vendors. But the cost is much greater than just dollars. The successful cooperative and collaborative network that WiscNet has fostered between higher education, K-12 education and libraries for the past 16 years could disappear.
As for the UW broadband expansion project, for-profit telecommunications companies, including those represented by AccessWisconsin (valued partners in BadgerNet) and the Wisconsin State Telecommunications Association (WSTA), say that they should not have to compete with a taxpayer-funded agency. The irony is that telecommunications companies currently benefit from about $90 million annually in taxpayer subsidies to provide cost-effective service in rural areas.

For-profit telecommunication providers also argue that the UW's federal grant project is duplicative and would weaken BadgerNet. While BadgerNet provides great benefit to many institutions (with a taxpayer subsidy of $16.8 million annually, by the way), pricing is still too high for many institutions. BadgerNet provides 100Mbps service at $6,000 per month and a 1,000Mbps service at $49,500 monthly - or almost $600,000 per year! If the UW grant project is completed, an institution will be able to get 1,000Mbps for only $10,000 annually. While BadgerNet prices are currently under negotiation and will likely decrease, the return on the investment of the UW project is clear.

Finally, we find it difficult to understand why AccessWisconsin and WSTA are so opposed to a federal broadband grant when their members in fact sought a similar grant for themselves. The Wisconsin Department of Administration (DOA) and the BadgerNet Access Alliance (BNAA), which includes AccessWisconsin and larger telecommunications companies such as AT&T, received $23 million in federal funding to enhance BadgerNet via expansion of broadband fiber throughout the state. Representatives of the Wisconsin Library Association met with BadgerNet vendors several times during the grant process and supported the DOA/BNAA federal grant proposal. Imagine our frustration when the needs of 467 schools and libraries were dashed because BNAA and DOA abandoned efforts to negotiate the contract, and the money was returned to the federal government.

We also understand that the UW used an open bid process to seek a partnership with for-profit phone companies on their broadband project, but none agreed to participate.

We urge the state legislature to remove policy items from the biennial budget bill that would change WiscNet operations and prevent the UW broadband project from moving forward.

Sincerely,

Rhonda Puntney, Wisconsin Library Association President
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