

Want DSL in Michigan? You're in for a long wait

Isn't it fascinating how hard-line ideologues can simplify otherwise complicated matters to correspond to their biases.

Ask a confirmed Right-to-Life about teenage pregnancy, and you'll get a lecture on the benefits of abstinence. Or listen hard while a hard-left liberal discusses poverty; you're not likely to hear much about personal responsibility. Staunch conservatives, both economic and social, are united in the view that cutting taxes is the universal cure for all ills.

So it is with the developing debate over state policy concerning high-speed Internet, commonly known as broadband. Last week Gov. John Engler held a press conference to urge the legislature to help develop a plan to accelerate the spread of broadband throughout the state. Not surprisingly, The Detroit News attacked the plan as a "new tax" and therefore bad.

By now, it's pretty clear that access to high-speed Internet service is crucial to developing a high-tech economy in Michigan. Engler pointed out that investment in information technology was responsible for two-thirds of the economic growth and more than half of the productivity increases we experienced during the 1990s.

But it's also clear we lag behind other states in deployment of broadband:

- With nearly 4 percent of the country's population, Michigan has just 1.3 percent of high-speed broadband phone lines (ADSL).
- We are 37th in the nation in families and small businesses using high-speed lines.
- Michigan is dead last among the states in capital investment per phone line.

Much of this situation has to do with the lousy record of providing broadband service of Ameritech, the state's dominant phone line provider. Customers used to be irritated at slow and inept Ameritech performance in responding to ordinary telephone service requests. Today, anybody who is trying to get a high-speed DSL (Digital Subscriber Line) from Ameritech is in for a long wait. And Ameritech won't tell anybody where its broadband lines are located or where it's planning on putting them in.

Engler's plan is aimed at jump-starting univer-

sal access to broadband throughout Michigan. It would:

- Set up a uniform permitting process and fee system for providers who want to lay broadband cable in local communities. Companies trying to run cable face today a bewildering maze of local requirements. Some communities - dubbed "broadband bandits" by the governor - have decided to make broadband fees into a lucrative revenue stream. Regulating both the permitting process and leveling the playing field for fees will make it easier for private companies to distribute broadband services.

- Create a public financing authority to provide grants and loans and to work with private telecommunications vendors to make investments in laying broadband cable, especially in rural areas. Best estimate is that something like \$300 million worth of infrastructure is needed to spread broadband throughout Michigan - far more than monopoly phone companies are willing to spend.

In addition to calling the proposal a new tax, and therefore intrinsically evil, opponents argue that governmental intervention will create a big bureaucracy and stifle other technologies for distributing broadband, such as satellite or wireless.

As to the "new tax" argument, I'd respond that some times government action - and the taxes to support it - is essential in improving the lives of all citizens. Precedents exist, especially in telecommunications. State and local government subsidized telephone companies to spread service in the early days of phones. The federal Rural Electrification Administration (REA) brought tax-supported electric service to rural areas. Most people today would agree phones and electricity are essential for families in the 21st century.

With respect to the stifling-technology argument, any state financing authority worth its salt would have to be "technology neutral." That is to say, it would provide financial and regulatory help to all kinds of companies offering all kinds of broadband distribution technologies, whether cable, wireless or direct from satellite.

Opposition to Engler's plan is not just ideological, though. I'm told lobbyists representing Ameritech were sniggering in the back of the room at the governor's press conference. Perhaps some part of the opposition has to do with self-serving behavior by giant, monopolistic companies afraid of increased competition.

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Mike Malott

Pay to legislate: Lawmakers devise a better plan

The State Officers Compensation Commission was designed, when the state constitution was rewritten in 1963 with the idea that it would take the politics out of setting pay levels for state lawmakers.

If we have learned anything since then, it is that, as one senator likes to say, "You can't take the politics out of politics."

Salaries for elected officials turns out to be a political issue whether you like it or not. The thinking these days in Lansing is that we are better off to make politicians accountable for their decisions and leave it at that.

At least that's the idea behind a proposal to revise the way legislative salaries are set. If the proposal wins two-thirds approval from the House and Senate, the proposal would appear on the ballot in November 2002 in the form of a constitutional amendment.

While not perfect - and it certainly won't take the controversy out of future pay increases - it counts as a definite improvement.

The gist is that the SOCC will continue to set the salary levels and expense accounts for legislators, supreme court justices, the governor and lieutenant governor.

In fact, salaries of the attorney general and secretary of state would be added to the SOCC's list of responsibilities.

But if lawmakers want to take the increases recommended, they'll have to specifically vote to approve them.

Better yet, the salary increases can't take effect until after the next election, so lawmakers won't be voting on their current salaries. They'll be approving any increases, maybe for themselves, but perhaps also for whoever defeats them at the polls in the next election.

And if taxpayers in Michigan don't like the revised salaries, they can make an issue of it in the campaign.

That's a vast improvement over what we have now. Sen. Theodorus McCotter, R-Livonia, the original author of Senate Joint Resolution D, contends that the problem results from the fact term limits have been added since the SOCC was first put in place.

With term limits, lawmakers can take pay raises for themselves in their last term in office, without having to cast a ballot on the issue and with-

out a review by the public.

That's only part of the problem, as far as I'm concerned. The current SOCC encourages some really bad habits on the part of our state legislators, and it does so at the very outset of their term in office.

As it is, the SOCC - appointed by the governor - sets pay levels that can only be overturned if lawmakers specifically vote to reject.

It is easy to not reject something up in Lansing ... Easier still to blame it on the other guy.

This past year, when state officials received pay increases ranging from 13 to 36 percent, we saw the worst of it. Members of the House voted to reject the raises. Not even convening until Jan. 30, senators did not vote on the issue by the Feb. 1 deadline.

Of course, that allowed members of the House of Representatives to take their increases and point a finger at the senate. Senators snapped back that the House vote was disingenuous, posturing as if they were against the raises knowing full well the Senate wasn't going to vote.

Legislators are responsible for setting the state budget, but here is one area where lawmakers can fail to control spending through inaction.

The worst-case scenario is exactly what happened this year. After legislators took those big salary increases, the economy tanked, and those very same lawmakers were scrambling to squeeze every dime they could out of other sections of the budget.

The final version of SJR D was hammered out in conference committee meetings.

It's a compromise between McCotter's original draft and a lot of rewriting done in the House. Thank goodness, too, because the House version was far too complicated. The simplified version - vote yes to take a pay raise next term - is more likely to get a positive nod from voters.

It will reduce the game playing that can go on with this issue, and thereby reduce the cynicism with which so many Michigan residents view the process.

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