



NEW YORK STATE SENATOR

Daniel G. Stec

Stec. Senate Colleagues Call on Hochul to Close Digital Divide, Eliminate Costly Fiber-Optic Tax

DANIEL G. STEC February 15, 2022

| ISSUE: [RURAL BROADBAND ACCESS](#), [BROADBAND COVERAGE](#), [BROADBAND GAP](#)

Senator Dan Stec (R,C-Queensbury) and several of his Senate colleagues today called on Governor Kathy Hochul to eliminate a costly annual fiber-optic tax in the 30-day amendment to the Executive Budget.

Since 2019, New York State has charged a fiber-optic fee on state highways. This tax is the only one of its kind; similar utilities like coaxial cable providers are not assessed this surcharge. Broadband installation, access and availability in rural areas has been severely impeded as a result.

“Broadband access has been a major issue for rural areas across New York for too long,” **Senator Stec said.** “The coronavirus pandemic revealed the severity of this crisis, when many communities were unequipped to handle the transition to remote, online-only activities. After years of promises, there’s absolutely no excuse for our residents to still lack access to broadband. I urge the governor to eliminate the regressive fiber-optic tax in her 30-day budget amendment, so we can finally ensure every New Yorker has access to high-speed internet services.”

“While the Executive Budget allocates \$1.6 billion for new broadband projects, until the administration’s onerous fiber optic tax is eliminated, the drive to connect rural areas will continue to fall short and residents in these areas will continue to be unserved,” **said Senator George Borrello**. “Although state leaders often proclaim ‘broadband is as essential as electricity and running water,’ by levying a tax on fiber optic cables in state rights-of-way, but not other utilities, their words ring hollow. Any genuine commitment to closing the digital divide must include repeal of this fee.”

“Thank you to Senator Stec for his leadership on this issue and for co-sponsoring my bill, S.2659, to repeal the fiber optic tax,” **said Senator Pam Helming**. This tax is a significant obstacle to further broadband expansion in the state, especially in our rural communities and underserved areas. We need to improve and grow broadband access for all individuals and businesses, for the health, education and economic benefits it brings.”

"Access to high-speed Internet has become a fundamental need for our families, businesses, farms, local economies, first responders, schools, and the overall success and strength of rural, local communities," **Senator Tom O'Mara said**. "We have worked to ensure that rural, upstate New York not be left behind in this mission to bring effective broadband to all New Yorkers, but new initiatives and investments are needed. The single most important action that the state can immediately take is to repeal the 'fiber tax.' Governor Hochul should give this repeal the urgency it demands to ensure that broadband development across rural, upstate New York receives an equal and fair commitment."

“Reliable, affordable high-speed broadband is vital for economic development, emergency services, education, and quality of life. While Albany promises expansion, very real barriers exist that are making it more difficult to reach those in rural areas. The fiber-optic tax is simply another money grab that discourages growth and is holding back entire communities,” **said Senator Peter Oberacker, Ranking Member on the Internet Technology**

Committee.