

April 6, 2025

Senator Henry Ingwersen, Chair Committee On Health and Human Services 3 State House Station Augusta, ME 04333 Representative Michele Meyer, Chair Committee On Health and Human Services Room 333, 2 State House Station Augusta, ME 04333

RE: Opposition to LD 657

Dear Chairs Ingwersen and Meyer,

On behalf of CTIA[®], the trade association for the wireless communications industry, I write to express our opposition to House Bill 657. While the wireless industry strongly supports efforts to expand access to broadband service, we have concerns with this type of policy approach.

For the past 20 years, intense competition and record-setting wireless industry investment in nextgeneration networks have resulted in what is an affordability success story for consumers accessing wireless services, leading to substantial benefits for hundreds of millions of Americans nationwide, including low-income consumers. This includes:

- *Lower Prices:* Nationally, the real (inflation-adjusted) price of wireless service has declined by 18-19% since 2017, according to the Bureau of Labor Statistics. Conversely, from 2020 to 2023, the prices of consumer goods and services such as cable, electricity and food all rose approximately 10%.¹
- *More Value:* Wireless speeds are up 117x since 2010.² Over that same period, annual mobile data use increased 258 times, from 388B to a whopping 100.1T MB of data³, while the price per MB of data decreased by 99%.⁴
- More Choice: 5G wireless home broadband is the fastest growing broadband connection in the nation, delivering real competition to wireline home broadband services. Over the past three years, 5G wireless home broadband accounts for 99% of all broadband net adds. Finally, nearly 20% of 5G wireless home broadband subscribers are new to broadband altogether.⁵

This environment paves the way for continued progress for consumers. First, competition drives record network investment, with wireless providers investing \$30 billion in 2023 and \$190 billion since 2018 to build, upgrade and maintain wireless networks.⁶ Second, Maine consumers can currently choose competitively priced mobile plans from AT&T, T-Mobile, UScellular and Verizon. With this intense competition, providers need to offer competitive pricing to consumers, including low-income consumers. Finally, the industry recognizes the need to close the "digital divide" and to ensure that

¹ U.S. Bureau of Labor Statistics, Consumer Price Index.

² Ookla, United States' Mobile and Fixed Broadband Internet Speeds (2022)

³ CTIA Annual Survey, <u>https://api.ctia.org/wp-content/uploads/2024/09/2024-Annual-Survey.pdf</u>

⁴ Recon Analytics, <u>https://api.ctia.org/wp-content/uploads/2020/07/The-4G-Decade.pdf</u>

⁵ S&P Global & investor releases.

⁶⁶ CTIA Annual Survey, <u>https://api.ctia.org/wp-content/uploads/2024/09/2024-Annual-Survey.pdf</u>



broadband is both available and accessible to all Americans, including low-income households. That is why CTIA members already offer discounted low-income broadband service to Maine customers.

We support the bill's general intent – to make vouchers available to people who have limited incomes - to enable them to purchase the internet services that best suit their needs. We, however, are concerned that defining broadband services as a "basic necessity" may lead to regulating broadband like a utility, which we strongly opposed. While CTIA opposes LD 657, should the Legislature choose to pursue policy priorities in the bill, we recommend the following:

- Create a separate category for BIAS and not classify it as a "basic necessity": If the legislature wishes to make BIAS eligible for the GA voucher programs, we would urge it to do so without classifying broadband services as "basic necessities."
- *Provider participation in the voucher program should be voluntary*: If passed, ISPs will need to expend time and resources to operationalize acceptance of "basic necessity" vouchers. This will require modifications to billing systems, training customer service and sales representatives, operationalizing the remittance of the vouchers and obtaining reimbursements for accepted vouchers, among many others. Providers should have the ability to decide whether they have the tools and resources available to participate.
- A uniform broadband service benefit voucher amount should be established for all local governments. Given the operational issues noted previously, a county- or town-specific benefit amount would be very difficult for providers to operationalize.

Unfortunately, LD 657 moves Maine towards state-level regulation of wireless services at a time when consumers in the state have reaped substantial benefits from the current policy environment. Wireless policy has successfully relied on competition and reasonable regulation at the federal level to drive lower prices and improved broadband access, including for low-income consumers. That environment should remain in place. For these reasons, we oppose House Bill 657.

Sincerely,

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