



Testimony In Support of LD 1752

" An Act to Exempt Broadband Equipment from the Sales and Use Tax"

May 14, 2025

Senator Grohoski, Representative Cloutier, and members of the committee, my name is James Cote and I am here on behalf of Consolidated Communications to testify in support of LD 1752.

Much like Maine has historically done with manufacturing equipment, some other states, such as New York and Minnesota, have begun to incentivize the expansion of broadband through tax exemptions such as the one proposed in LD 1752. Other states, such as Pennsylvania and Missouri have similar, yet different forms of broadband equipment tax incentives.

In 2024, Consolidated Communications spent over \$57 million in Maine that was subject to the sales and use tax. Consolidated paid over \$3 million in sales and use taxes. Our estimated spend for 2025 will be comparable and possibly more than the amount spent in 2024. A significant portion of that investment has been spent on the broadband equipment that is targeted in LD 1752 and will compliment Maine's broadband expansion goals.

We believe that LD 1752 is worth your consideration and support as a continued incentive for companies like Consolidated, along with many others, to continue to invest in Maine and towards our mutual connectivity goals. Maine's rural areas bring a high cost to deploy any network buildout, given the low density. Anything that brings those costs down will help to expand further deployment of new networks within the State.

I would be pleased to answer any questions you may have, or provide more information for the work session upon your request.

Thank you for your consideration.