

March 10, 2020

LD 2134, Part B: \$15 million bond to support implementation of broadband internet in unserved and underserved rural Maine.

Testifying:

Charlie Woodworth from Greater Franklin Development Council and representing our **Franklin County Broadband Initiative (FCBI)**.

Like all of rural Maine, Franklin County is challenged with strengthening economic and community development.

- We have a death rate greater than our birth rate

If we want people to think of moving to rural Maine to work, bring their businesses and bring their families, then we have to start with having access to reliable high-speed broadband connectivity **to all homes, not just businesses**. It is the cornerstone of economic and community development.

We saw an opportunity with the ConnectME grant program. A collaboration of five different economic development entities pulled together to apply for a planning grant. We were successful with a state grant as well as a county grant. A big part of the success with both of those grants was:

- we included our WHOLE county (plus Livermore Falls) in our plan
Plus
- we committed to having each town financially contribute to their share of the plan. No other grant recipient has **accomplished** this.

The fact that each of our towns has invested in **their** plan tells us that they want to be marching alongside of the other towns as equal partners as we work to connect the whole county.

This should be a model for the rest of the state.

Our plan was presented by our consultant, Brian Lippold from Casco Bay Advisors, LLC at a county-wide meeting on January 31st 2018 in Farmington. In attendance were more than one hundred citizen and business leaders as well as elected officials from selectmen through Senators.

Our plan will be considering a county-wide implementation but will also be structured to allow each individual municipality to pursue whatever solution they choose.

Our study tells us:

- The capital cost to deploy a Fiber-to-the-Premise (FTTP) open-access dark fiber network, suitable for any Internet Service Provider (ISP) to offer symmetrical 1Gigabit service to all constituents within the Study Area (Franklin County plus Livermore Falls), based on preliminary analysis which will be confirmed in the published report is approximately \$70 million.
- The capital cost to expand the cable TV networks in the area capable of providing a minimum 100Mbps downstream / 10Mbps upstream, based on a preliminary analysis which will be confirmed in the published report, the total cost is approximately \$36 million. Assuming the cable TV providers would require a 60% subsidy to meet their minimum ROI, the cost for the entire Study Area would be \$22 million, or 22% of the \$100 million bond we are testifying to today.

We recognize that \$15 million will not fully address the state-wide broadband challenge, but, along with the 2020 State Broadband Action Plan, it is a great first step and will go a long way toward eliminating the digital divide between the urban and rural areas of the State.

On behalf of FCBI, we urge this Committee to pass this bond bill and encourage the legislature to foster these types of public/private partnerships to enable the citizens of Franklin County, Livermore Falls and the rest of the State, to fully participate in our society, democracy and economy.

Thank you.



- **What will be the most cost effective broadband investment in rural Maine?**
 - In the short term, subsidize the existing providers to extend and upgrade their networks
 - In the long term, open-access fiber to every home and business
- **What are the barriers to deploying solutions?**
 - Lack of subscriber density
 - High cost of utility pole make-ready
 - High cost of utility pole annual license fees
- **Are there realistic steps we could take right now at the state level that would have a meaningful impact?**
 - Support the ConnectME Authority with additional funding
 - Increase the assessment from .25% to 1% and apply it to all providers including cell phone providers. Cell phone providers have displaced land-line providers for local telephone service and are not carrying their fair share of the burden.
 - Pass this bond LD2134

Charlie Woodworth

Executive Director

cwoodworth@greaterfranklin.com

207-232-1997