



CONNECTMAINE

ConnectMaine Authority Board: Douglas Birgfeld, Susan Corbett, Nick Battista, Jeff LeTourneau, Fred Britain, Liz Wyman

Testimony of Peggy Schaffer, Director, ConnectMaine Authority
In Favor Of

LD 2134 An Act To Authorize a General Fund Bond Issue for Infrastructure To Improve
Transportation and Internet Connections
March 11, 2020

Senator Breen, Representative Gattine, distinguished members of the Appropriations and Financial Affairs Committee, my name is Peggy Schaffer. I am the Director of the ConnectMaine Authority, and I am testifying in favor of LD 2134 An Act To Authorize a General Fund Bond Issue for Infrastructure To Improve Transportation and Internet Connections.

High-speed internet connections are the underpinning of our economy. Whether it is learning at home, working at home, getting health care at home, or connecting with markets beyond your region, the internet is the great equalizer that eliminates the impact that geography has traditionally played in our economy.

But the reality is if you are not connected to the internet today, you are not going to get connected without subsidy from government – state, federal or local, or more realistically all three. That is a simple truth that cannot be ignored. If there was a way for an ISP to make money, you would have a high-speed connection.

The issue is now, how do we smartly bridge that gap in our rural areas. The good news is: we have a plan for that.

Thanks to changes in the ConnectMaine statute by this committee in 2015, ConnectMaine has been providing community planning grants across the state. We have had partners in this effort, including the Island Institute, Maine Community Foundation, the Attorney General's office and individual towns who have used the template of a planning process to engage their towns in why broadband is critical to their economic vitality.

As a result of that community engagement, Franklin, Oxford, Lincoln, Piscataquis, Blue Hill peninsula, Western Aroostook, Western Kennebec and many island communities have engaged their citizens, businesses, students, health care providers in a conversation about the why and the how of connecting more people. Over 100 communities are now what I would call are "broadband ready." They have engaged with providers, figured out what kind of connectivity they need and how much that might cost to do that work. What they are missing is the funding to make that happen. This bill is a great first step toward that funding.

Early this winter, ConnectMaine put together a new "Action Plan" for how state funding might be allocated. We suggest two tracks. Track One is based on a community planning model to



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bring quality high-speed internet to 90% of a town or area. Track Two provides funding for smaller projects – ones that ConnectMaine has traditionally funded, helping a provider expand their footprint to serve more of their area. This second track will likely be smaller projects that do not require the kind of community engagement bringing connectivity to almost everyone in an area does.

I like to link the community planning process to sticky tape – it brings together potential subscribers in a way that allows a provider to see there is interest in a community. It also opens the door to a town being willing to provide some level of funding through some form of town funding.

Two great examples of this are Bowdoinham and the Cranberry Isles. Both towns had activity engaged their residents in planning. They did surveys. They held community meetings. They had a broadband committee that talked to their neighbors; went to sewing circles; hung out at the transfer station on Sunday. They worked with their existing provider to expand service. They engaged other providers in how to bring better high-speed connections to their towns. They voted to spend town funds to help bring better connectivity.

These towns took slightly separate paths. Bowdoinham worked with Lincoln Communications to bring service to town, with a ConnectMaine grant and funds from the town's TIF. The Cranberries successfully applied for a USDA Communities Connect Grant. But both communities were ready for that funding based on the community planning process.

We have over 100 towns that are now ready. But, without state funding, those plans are not going to move forward. This bill provides an opportunity for the State, like many, many other states, to be an active participant in bringing the high-speed connections rural Maine needs to participate in the 21st century economy.

Thank you for your time, and I am happy to answer any questions you might have.