



February 26, 2024

Senator Tim Nangle – Chair
Joint Committee On State and Local Government
Cross Building, Room 214
100 State House Station
Augusta, ME 04333

Representative Holly Stover – Chair
Joint Committee On State and Local Government
Cross Building, Room 214
100 State House Station
Augusta, ME 04333

RE: Opposition to Sponsor’s Amendment for LD 1983 – An Act to Establish the Maine Buy American and Build Maine Act

Chair Nangle, Chair Stover and Committee Members,

On behalf of CTIA®, the trade association for the wireless communications industry, I write in opposition to the proposed Sponsor’s Amendment to LD 1983, which would impose undue and unnecessary burdens on broadband deployment. While CTIA shares Maine’s commitment to advancing broadband, this legislation will only create further barriers to deployment.

As broadband deployment has been prioritized at all levels of government and residents demand it, flexible policies that spur investment in networks are critically important. At a time when reliable connectivity is more important than ever, policies must keep the door open for investment to deploy and upgrade infrastructure, deliver strong network performance and reliability and create jobs and economic growth. In Maine alone, the wireless industry supports 14,000 jobs, generates \$1.1 billion in economic activity and provides \$527 million in pay and benefits for wireless industry employees. Unfortunately, there are a number of unnecessary mandates included in the Sponsor’s Amendment to LD 1983 that take Maine in the opposite direction.

The wireless industry supports efforts to onshore products and materials used in broadband networks to the extent reasonably feasible. As you may know, there is considerable activity at the federal level on this issue, specifically through the Build America, Buy America Act’s (BABA) domestic content procurement preference for the Broadband Equity, Access, and Deployment (BEAD) Program. However, as CTIA has commented during federal rulemaking related to this issue, it will not be possible to continue building out broadband networks relying entirely on U.S.-manufactured products and materials. Certain key elements of broadband networks are sourced and assembled in a variety of countries as part of complicated global supply chains. Many of these products are not currently manufactured in the U.S., nor could they be manufactured in the U.S. in sufficient quantities and quality in time to meet the BEAD Program’s timeline. Even with these challenges, the wireless industry is already taking significant steps to ensure progress, most notably with Nokia recently announcing that it will be manufacturing broadband network electronics for the BEAD Program in the United States.



For these reasons, the U.S. Department of Commerce last week released a five-year waiver designed to provide clarity and predictability for the broadband industry related to implementation of BABA. DOC noted in their waiver that some construction materials and manufactured products required for the BEAD Program are not presently available in the United States in the quantity or quality needed to achieve the timeframes established by the Infrastructure Investment and Jobs Act. Among many other provisions, the waiver ensures a majority of products and materials used in BEAD-funded broadband networks will continue to be subject to a Buy America preference, including iron and steel products, most construction materials and most non-electronic network equipment. The National Technology and Information Administration will also maintain a list of manufacturers and products that they certify as compliant.

Given the immediacy of this action by the federal government, the need for our members to take steps to achieve effective compliance of the regulation and the urgent need for deployment of resources for broadband connectivity, it would be highly problematic for Maine to adopt a separate, state-level procurement requirement as outlined in the Sponsor's Amendment, and instead strongly encourage Maine to allow our members to work within the framework set by the federal government. The wireless industry is committed to investing in America and its workers – in 2022 alone, wireless carriers invested \$39 billion to deploy infrastructure and meet ever-growing consumer demand. Imposing the mandates in this Amendment would undercut our efforts to expand broadband availability to more communities.

For these reasons, we oppose the Sponsor's Amendment to LD 1983.

Sincerely,

Jeremy Crandall
Assistant Vice President
State Legislative Affairs