
TELECOMMUNICATIONS ASSOCIATION OF MAINE

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Senator Mark Lawrence, Senate Chair
Representative Seth Berry, House Chair
Members of the Energy, Utilities and Technology Committee
130th Maine Legislature
100 State House Station
Augusta, ME 04333

**RE: LD 1107, An Act To Create Needed Broadband Infrastructure in Rural
Maine through the Establishment of a Satellite-based Broadband Grant
Program**

The Telecommunications Association of Maine (TAM) offers the following testimony in **OPPOSITION** to LD 1107, "An Act To Create Needed Broadband Infrastructure in Rural Maine through the Establishment of a Satellite-based Broadband Grant Program".

TAM's opposition to this legislation is based on two factors. The first is that the legislation is targeted to only one subset of the broadband market in Maine. By singling out satellite broadband service, this legislation creates a competitive advantage for one specific technology rather than providing a technology neutral solution for the issues raised by the legislation. One of the hallmarks of the growth of broadband and internet services has been the manner in which new ideas and new technologies are constantly emerging to provide options for services to customers to meet the varying needs of customers. This success of innovation has been spurred by a longstanding prohibition at the State and Federal level against providing technology specific support. When the government picks winners and losers, it inhibits the ability of market participants to develop new concepts that don't fit a rigid government sanctioned structure. While this bill is well intentioned, focusing on one single technology option moves in the exact opposite direction of the strategies that have succeeded so well in the innovation of the Internet.

The second objection TAM has to this legislation is that it is not needs-based. Nothing in the proposed legislation limits any residential customer, including one whose annual income exceeds \$1 million per year, from receiving public funds to pay for satellite broadband equipment. TAM strongly believes that public dollars going to individuals should be used to offset costs that the individual could not otherwise afford. Using tax dollars to give a windfall to a customer who has sufficient resources to afford the supported goods or services seems like an inappropriate increase on the tax burden of the average Mainer.

This bill does, however, raise an important issue that TAM believes should be explored further, namely how the State can assist in addressing affordability of broadband. There is a significant amount of broadband infrastructure in the State, with more Federal dollars coming to assist in expanding networks and more private investment to bolster existing networks. However, one thing that the pandemic has made clear is that there are many households where there is broadband available but the potential customer cannot afford the level of service they

desire for teleworking, distance learning, or telehealth. TAM believes that State should begin focusing State funds on methods to help address these affordability issues, perhaps through a subsidy to customers that is not limited to one specific technology. There will be several bills this session that could help address this. As the session moves forward perhaps there will be an opportunity to pivot the structure of State broadband thinking to focus more on how to connect customers to the existing networks to allow innovation in the market to thrive bringing new opportunities to a wider scope of people in the State. Unfortunately, this legislation is simply too limited to accomplish this goal.

Accordingly, for the reasons set forth above, TAM urges this Committee to vote **OUGHT NOT TO PASS** on LD 1107, "An Act To Create Needed Broadband Infrastructure in Rural Maine through the Establishment of a Satellite-based Broadband Grant Program".

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Sanborn", with a long horizontal flourish extending to the right.

Benjamin M. Sanborn, Esq.
Telecommunications Association of Maine