

TESTIMONY
before the Committee on Appropriations and Financial Affairs
Regarding LD 295 and LD 354 - Broadband Bonds

February 19, 2019

Good afternoon. Thank you for the opportunity to address you today. My name is Travis Kennedy, and I'm the Director of Public Affairs for Cumberland County Government.

I also want to thank Senator Herbig and Representative Berry for taking the lead on this critical issue. Cumberland County Government is enthusiastically supportive of a bond package that will expand access to broadband across the state, especially in rural and underserved areas.

We encourage the committee to support these bonds; and further, to direct that the Connect Maine Authority award funds that encourage strategic regional collaboration.

Cumberland County is the most populous county in Maine -- accounting for twenty percent of the state's population within less than five percent of the land mass. Despite our relative density, many towns in Cumberland County meet the USDA Rural Development Classification of "rural" under 7-CFR 1738.

And several of our communities suffer from a lack of access to affordable, high speed Internet. Even consumers living along major arteries in Cumberland County report that they can't gain access to acceptable speeds for home and business use at a fair price. Some of these communities are researching municipal investment.

But a community venturing into the world of municipal broadband will run into countless roadblocks: from absorbing the cost of construction and maintenance, to the complexity of make-ready negotiations, to establishing service contracts, to the question of whether usage rates will support the investment long term. And a combination of these barriers -- risk, cost and complexity -- can stop a municipally-supported broadband project in its tracks.

Cumberland County has dedicated our admittedly limited resources toward helping interested communities discover collaborative broadband solutions, including countywide resource mapping and cost modeling, and guidance on forming regional utilities. The unmistakable lesson that we've learned is that our towns will be more effective -- and willing to take on the costs and risks inherent with such a project -- by working together.

Broadband needs are not limited to the borders of an individual community. Oftentimes a town will have pockets where service is good and pockets where service is bad. We believe that the state will have the best rate of success by supporting projects that look beyond town borders, and identify where and how construction would best be strategically deployed to reach consumers regardless of their zip code.

Instead of setting strict population and density standards that isolate small communities and force them to pursue action on their own, the state would be far more effective in achieving its goals for rural service if the bond program encourages - and incentivizes - permanent regional collaboration.

We would hate to see the opportunity made possible by this potential funding dissipate into a patchwork of small, stranded networks, weighing down utility poles with miles of duplicative fiber cables stacked one on top of another -- a costly and unsustainable digital bridge to nowhere.

Support for grants through regional utilities, though, would ensure that the money goes farther, builds faster, reduces risk and supports access for more rural Mainers. That entity would guarantee the benefit of a greater economy-of-scale for upfront and ongoing costs; gain negotiating power with legacy private-sector providers; provide access to a broader range of contractors, service providers and other partners; perform critical legal services, make-ready negotiations and other specialty services that small towns don't have the capacity to support on their own; and create a long-term plan that stretches beyond borders, delivering service to neighboring rural communities without costly duplication of efforts.

Because the fact that we're all here discussing this investment today underscores just how critical a need that broadband is going to be for 21st Century Maine homes and businesses. Only a regional effort can guarantee that a plan will exist to bring late-adopters on board in the years to come without starting over.

To be clear, it's not our goal to create an environment where rural communities are forced to participate in a regional entity in order to secure funds. Those communities who develop broadband on their own, despite the challenges - and very likely because they have no other option - need and deserve support. However, we are urging the state to also consider incentives for a community that can capitalize on the strength of a regional utility, even or especially if that utility also serves communities that do not qualify as rural.

Thank you for your time today, and for your consideration of this very important issue. I'm happy to answer any questions that you may have.