



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

TESTIMONY FOR THE ECONOMIC MATTERS COMMITTEE

CHAIR DEREK DAVIS
VICE CHAIR KATHLEEN DUMAIS

**HOUSE BILL 999: MEMBER REGULATED COOPERATIVES – ESTABLISHMENT
(RURAL BROADBAND FOR THE EASTERN SHORE ACT OF 2020)**

MARCH 5, 2020

Good Afternoon Chairman Davis and Vice Chair Dumais. I am here today asking for a favorable report on HB999 – Member Regulated Cooperatives – Establishment (Rural Broadband for the Eastern Shore Act of 2020). This is an Eastern Shore Delegation Bill, supported by members of this committee, Delegates Arentz, Mautz, and Adams. It is an effort to solve a longstanding issue across the shore of how to provide broadband to rural areas in an economically sustainable way.

This bill would give the member-owners of Choptank Cooperative the ability to become a member-regulated cooperative; a regulatory structure which would give them a broader ability to make decisions with regard to what services the Cooperative can provide. This new structure will allow Choptank to utilize its current electricity infrastructure to provide high speed internet connection to their customers, over 20,000 of whom have little to no access to internet in their homes.

What I would like to emphasize to the committee today is that this issue has plagued the Eastern Shore, and other rural areas of Maryland for many years now. There have been numerous efforts made to expand access, but ultimately they all ended up being impractical or economically unfeasible. The solution we have proposed here is not unique. In fact, 83% of the 825 electric cooperatives across the nation are member-regulated. 11 of the 12 successful broadband case studies in a 2019 publication by the National Rural Electric Cooperative Association take place at member-regulated electric cooperatives.

High speed internet access is no longer a luxury for people. Included in the 20,000 customers this bill will help are entrepreneurs and farmers who require internet access to run their businesses; students who have access to internet at school, but are unable to complete homework assignments because of a lack of internet at home; and elderly people who rely on telehealth to see their doctors.

Finally, we have added amendments to the bill to add clarity and require Choptank to create a deployment plan and an annual report to the General Assembly ensuring appropriate oversight. Thank you again for your time and I urge a favorable report on HB 999.