

DELMARVA POULTRY INDUSTRY, INC.

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Date: February 25, 2020

To: Members of the Senate Finance Committee

From: Holly Porter, Executive Director

Re: SB 540 – Member Regulated Cooperatives – Establishment (Rural Broadband for the Eastern Shore Act

of 2020) - **Support**

Delmarva Poultry Industry, Inc. (DPI), the 1,700-member trade association representing the meat-chicken growers, processing companies and allied business members on the Eastern Shore of Maryland, the Eastern Shore of Virginia, and Delaware supports SB 540 and urges a favorable committee report.

SB 540 would allow Choptank Electric Cooperative to become a member-regulated cooperative, specifying that the Public Service Commission would not have jurisdiction over a member-regulated cooperative, prohibiting the cooperative from exercising certain powers without member participation. This bill will help relieve the regulatory and economic burdens in order to incentivize broadband to the home, farm and business.

Chicken farming looks much different than it did even 15 years ago, and much of that is due to technology. Computers in chicken houses have the ability to adjust temperatures, turn fans on, turn lights off, notify the grower of emergencies and more. And every day new tools are being developed that will continue focus on animal welfare, decrease costs to the farmer and provide even more efficiency in raising chicken. But the technology is only as effective as the broadband access, and unfortunately too many of our grower-members are in rural areas where the high costs of internet prevent them from maximizing these tools.

In addition to our growers, many of our allied business members are small businesses working in rural areas on the Eastern Shore of Maryland. Increased access to broadband will help their business grow as well.

The not-for-profit electric cooperatives were created in the 1930s to help rural America receive electricity when for-profit electric companies would not. It only makes sense that these same cooperatives can be the solution to the issues of rural broadband access as well. Our growers appreciate the cooperative model (many are members of lending cooperatives as well as electric) understanding that the members are the owners and the members will be part of the process when it comes to any new rates, additional policies and even the ability to revert back to full regulation.

It is time for our rural homeowners, farmers and businesses to have the same access to technology as our urban neighbors and SB 540 will allow for that opportunity.

We urge a favorable vote on SB 540.

Should you have any additional questions, please feel free to contact me at porter@dpichicken.com or 302-222-4069 or Nick Manis, Manis Canning & Associates, 410-263-7882.