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February 25, 2020

To: Senate Finance Committee

From: Maryland Farm Bureau, Inc.

Re: Support of SB 540 - Member-Regulated Cooperatives - Establishment (Rural Broadband for the Eastern Shore Act of 2020)

On behalf of our member families, I submit this written testimony in support of SB 540, legislation that establishes a process to allow cooperatives to become member-regulated. The intent of this bill is for a member-regulated cooperative to make decisions about electric rates and additional offerings to members, like broadband, by vote of its board of directors with input from members. The member-regulated cooperative would then not be required to get approval from the Public Service Commission on these matters.

This bill specifically would allow Choptank Electric the ability to provide reliable broadband service to its members through its existing 650 miles of middle-mile fiber. Reliable broadband is necessary for farmers to be competitive with new and emerging technologies.

Maryland Farm Bureau Policy:

• We support legislation to allow utility cooperatives to apply for grants in order to extend broadband service to underserved rural areas.

MARYLAND FARM BUREAU SUPPORTS SB 540 AND ENCOURAGE A FAVORABLE REPORT

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