



Senate Bill 540

Member-Regulated Cooperatives – Establishment
(Rural Broadband for the Eastern Shore Act of 2020)

Position: **SUPPORT**

Date: February 25, 2020

To: Finance Committee

The Caroline County Commissioners **SUPPORT** SB 540, the *Rural Broadband for Eastern Shore Act of 2020*. This bill will address our local need for internet access with a solution provided by a trusted local partner, Choptank Electric Cooperative.

By all measures, Caroline County is one of the poorest jurisdictions in the state. We desperately need access to new opportunities to grow our economy and we simply cannot do that without broadband service to all our residents. As large, profit-motivated companies look to provide urban and suburban areas our state with 5G, rural areas like Caroline County get left further behind. Despite well-meaning taskforces and piecemeal legislation, no comprehensive solution to the Eastern Shore's broadband problem has been offered. The *Rural Broadband for the Eastern Shore Act of 2020* would change that by allowing Choptank Electric Cooperative to leverage existing assets for the economics-of-scale necessary to provide high speed fiber internet to residents and businesses in underserved areas of our county.

The "digital divide" currently experienced by Caroline County and other Eastern Shore communities has a direct impact on healthcare access and outcomes, student achievement and opportunity, economic development, and many other areas that directly impact our local economy and quality of life. Large corporations have had decades to serve our residents, but they have not. Their lack of interest is driven by a lack of opportunity to profit by serving such remote areas. As a result, it is time for a home-grown solution with a trusted organization who has served our community as a reliable partner – an organization that is driven by a desire to serve its member-owners, not increase profits for remote shareholders.

As a member-regulated Cooperative, Choptank Electric's democratically-elected Board will directly implement policies and services requested by the member-owners of the cooperative. This will allow Choptank Electric to eliminate duplicative regulatory costs and strengthen member engagement, all the while providing transparency and accountability. This will allow economically-efficient broadband deployment across Choptank's Eastern Shore service area.

Electric cooperatives were established over 80-years ago to bring electricity to the Rural America. Here in Caroline County and throughout the Eastern Shore we see the need, again, for our cooperative to fill the void that is the "digital divide." Internet access is the great equalizer - enabling virtual workforce, distance learning, telemedicine, precision agriculture, and economic opportunity throughout our county.

This bill will put Choptank Electric Cooperative on the same regulatory playing field as over 680 electric cooperatives across the country, including Delaware. The bill will ensure the next generation of rural communities the ability to access the internet. We urge you to support SB540 to allow Choptank Electric Cooperative to deliver Broadband internet service quickly and efficiently.