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Mr. Teffeau:

On behalf of the Bay Area Association of Realtors (BAAR) I submit this letter of support for Choptank Electric Cooperative's initiative to begin offering broadband Internet to its rural members on the Eastern Shore.

The need for reliable and affordable high-speed Internet access on the Eastern Shore cannot be gainsaid, and the positives such access would provide to the community cannot be overstated. Across a wide range of issues including population growth, home prices, agriculture and business, education, and healthcare, fast and reliable Internet access is crucial.

It is generally believed that younger generations, namely millennials, shun living in rural areas to be in the hustle and bustle of major metropolitan areas. And to a point, this is true: from 2010 to 2016 the millennial population of rural areas in the United States has shrunk by roughly 5% while metro areas have seen a rise of 5%. However, in rural areas with broadband, the millennial population actually grew by 2.3% over that same time period. And in "completely rural" counties (those with an urban population under 2,500 and not adjacent to a metro area) the difference is even starker: a 13.5% increase in the millennial population. I emphasize these numbers here because long-term population growth is vital to nearly all of the quality of life concerns a community may have. And so if a rural area such as ours has broadband access, it can begin to successfully attract and retain millennials and enjoy the benefits of population growth, as opposed to the negative effects of a shrinking or stagnating population.

With home buyers of all ages, Internet access is quickly beginning to be considered a basic utility on par with electricity or indoor plumbing: buyers will not buy a home without it. Sellers therefore are having a difficult time selling homes which lack it. A 2015 study found that broadband access can add \$5,500 in value to a \$175,000 home, and \$12,000 to a \$440,000 home. In all likelihood the value of broadband access to a home's price is even higher today. This premium placed on Internet access from buyers makes sense; not only do people want to stream Netflix with ease, many rely on the Internet for work. With nearly half of U.S. workers—and rising—telecommuting from home at least once a week, high-speed Internet access has become a prerequisite before even considering purchasing a home.

When it comes to businesses hoping to locate to the Shore or expand, they often cannot do so without broadband access. When businesses cannot locate here or expand, fewer workers are hired resulting in lower economic growth and a smaller tax base to pay for local infrastructure and education. Even the agriculture industry, popularly (but incorrectly) viewed from a distance as using rudimentary tools and technology, is greatly in need of broadband. Precision agriculture, which is reliant on Internet access, allows farmers to do more with less: yielding more crops per acre while using fewer pesticides, herbicides, and fertilizers. In an area such as ours where one of the largest economic drivers is the agriculture industry, the need to stay competitive in this field demands that our farmers have high-speed Internet at their disposal.

When families with young children are hoping to move to the Shore but find out they won't have access to affordable and reliable broadband they may not make the move. Compared to even a few years ago grade-school pupils' homework assignments and lecture materials are now largely online. Without Internet access they literally cannot do their homework or view their education materials. Internet access means education access.

Medical treatment and healthcare also suffer greatly in communities without broadband. A strong Internet connection allows patients to harness the benefits of new connected-care devices. Having the growing population that comes with broadband also helps to keep and expand upon hospitals and other healthcare infrastructure. Ask anyone in Kent County what troubles them and they will tell you they fear losing their hospital in Chestertown. If the area were growing in population instead of shrinking, such a concern would likely be placated as the hospital would be less likely to close or decrease service.

In short, broadband access is of the utmost importance to BAAR and the real estate industry at large because it is of utmost importance to the health and vitality of our rural community. Whether it be young families hoping to move to the area, a child trying to view his or her online homework materials, a business hoping to grow in the area, a retiree concerned about healthcare access, or simply someone wanting to stream their favorite television shows at home, broadband access is paramount. Accordingly, the Bay Area Association of Realtors is in strong support of Choptank Electric's efforts to pass legislation in 2020 in Annapolis which would allow it begin to bring high-speed Internet access to the currently underserved areas and people of the Eastern Shore.

Sincerely,

Wick Dudley
Government Affairs Director
Bay Area Association Realtors

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