



Statement of Maryland Rural Health Association

To the Finance Committee

February 25, 2020

Senate Bill 540: Member-Regulated Cooperatives – Establishment (Rural Broadband for the Eastern Shore Act of 2020)

POSITION: SUPPORT

Senators Hershey, Carozza, Eckardt, and Gallion, Chair Kelley, Vice Chair Feldman, and members of the Finance Committee, the Maryland Rural Health Association (MRHA) is in SUPPORT of Senate Bill 540 – Member-Regulated Cooperatives – Establishment (Rural Broadband for the Eastern Shore Act of 2020).

This legislation would establish a process for a cooperative to operate as a member-regulated cooperative in a certain area; specifying that the Public Service Commission does not have jurisdiction over a member-regulated cooperative, subject to certain exceptions; prohibiting a member-regulated cooperative from exercising a certain power of condemnation for the sole purpose of providing broadband Internet service; specifying certain provisions of law that apply to a member-regulated cooperative; etc.

MRHA's mission is to educate and advocate for the optimal health and wellness of rural communities and their residents. Membership is comprised of health departments, hospitals, community health centers, health professionals, and community members in rural Maryland.

The 2018 Maryland Rural Health Plan (www.MDRuralHealthPlan.org), an extensive assessment of Maryland's rural health needs, identified access to health care as one of the major concerns for Marylanders living in rural communities. One of the identified possible solutions to increasing access to care in rural areas presented in the Health Plan is the use of telehealth services. This legislation would improve the availability of reliable broadband services to rural areas that would be necessary for telehealth services.

Specifically, SB540 will remove roadblocks to member-regulated cooperative provision of broadband service in areas where for-profit companies have been unable. The existing electric cooperative serves 54,150 customers in rural counties. The bill will allow the co-op to bring broadband service to their customers' homes, farms and businesses. It will also ensure that consumer protections remain in place while providing relief from regulatory and economic barriers to high-speed fiber internet service in the unserved rural populations on the Eastern Shore.

MHRA believes this legislation is important to support our rural communities and we thank you for your consideration.

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