

John Hartline, Chair

POSITION STATEMENT Senate Bill 0066 – Department of Housing and Community Development – Office of Digital Inclusion – Established (Digital Connectivity Act of 2021) Before Education, Health, and Environmental Affairs Matters Committee January 29, 2021

The Rural Maryland Council **SUPPORTS WITH AMENDMENTS** Senate Bill 0066 – Department of Housing and Community Development – Office of Digital Inclusion - Established. The purpose of this bill is to codify the Office of Rural Broadband as the Office of Digital Inclusion. The bill provides a framework on the leadership, management, and duties of the Office; and repeals the Rural Broadband Assistance Fund and the Rural Broadband Coordination Board.

The Office of Rural Broadband was established by Executive Order in 2017 by Governor Hogan. The purpose of the Office is to ensure that every resident in the State 1) is supported in the adoption of reliable, universal, highquality broadband internet service at an affordable price; and 2) has the tools necessary to use the internet and take advantage of internet resources. A goal identified in the Governor's Order was that high-speed affordable internet service would be available to every Maryland home by 2022.

To ensure that the work done by the Office of Rural Broadband continues into the future, the Rural Maryland Council recommends that the Office be codified in state statute. We strongly support the Office's efforts to encourage broadband expansion in rural areas. We also agree that more could be done to ensure that all Marylanders are able to access and utilize internet services in their homes and support the creation of a digital inclusion officer to address affordability issues. While the challenges of internet access span Maryland's urban, suburban and rural areas are the same, the solutions can be different.

The challenge to internet access for a rural area is mainly due to lack of providers willing to serve the area and a lack of physical assets. The solution for rural is a one-time expenditure of funds to build out networks and assets. Affordability is also an issue for rural residents; however, the solution is probably an ongoing monthly subsidy of services. The Council is concerned that the shift in focus to affordability may impact the Office's good work in the rural areas. We ask that uncodified language be included that retains the initial focus of the office and its rural lens.

We also ask that the Committees strike the repeal of the Rural Broadband Assistance Fund. This Fund has provided grants to local jurisdictions for construction and infrastructure projects related to broadband and is available to receive federal funds. Keeping the fund will also show to potential funders the State's support of rural broadband expansion.

We also have two small amendments:

• Strike the mapping responsibility as the Federal Communications Commission intends to update its mapping capabilities, and

• Require the Statewide Plan to be prepared on or before July 1, 2023. We believe in order to adequately assess and plan broadband expansion will require a minimum of 18 months. Given the effective date of July 1, 2021 a robust report will be possible by January of 2023.

The Governor has appropriated significant funding for rural broadband projects; many of which are currently under construction. The RMC values the efforts of the Office of Rural Broadband in assisting the more than 300,000 homes that lack access to broadband. Broadband is a critical infrastructure for business, education, health care and agriculture today and access remains a real issue in the state's rural areas for the almost 20% of rural residents who lack internet access.

The Council respectfully requests your favorable with amendments support of SB0066. Attached please find the proposed amendment text.

The Rural Maryland Council (RMC) brings together citizens, community-based organizations, federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to collectively address the needs of Rural Maryland communities. We provide a venue for members of agriculture and natural resource-based industries, health care facilities, educational institutions, economic and community development organizations, for-profit and nonprofit corporations, and government agencies to cross traditional boundaries, share information, and address in a more holistic way the special needs and opportunities in Rural Maryland.

"A Collective Voice for Rural Maryland"



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Amendment Number 1

Insert the below language as a new SECTION 5 on page 8 of the bill and renumber the following sections accordingly:

SECTION 5. AND BE IT FURTHER ENACTED, That nothing in this Act shall reduce the annual allocation of funds for rural broadband infrastructure expansion under the Office or the discretion of the Director to implement future programs for rural broadband infrastructure expansion.

Amendment Number 2

Remove the repeal of the Rural Broadband Assistance Fund on page 1 line 19 and 20, page 2 line 10 through 11 and on page 3 line 15.

Amendment Number 3

Remove the mapping responsibility from the Office on page 5, lines 12 through 16.

Amendment Number 4

On page 6, line 32 change the date from "2022" to "2023".