



# POSITION STATEMENT

## TESTIMONY PRESENTED TO THE SENATE FINANCE COMMITTEE

### SENATE BILL 824 – ECONOMIC DEVELOPMENT - BROADBAND PROVIDERS – JOINT TRENCHING AND FEE (BUILDING OUT BROADBAND ACT OF 2021)

Sponsor: Senator Hester (Chair, Joint Cybersecurity, Information Technology, and Biotechnology Committee)

March 16, 2021

**DONALD C. FRY**  
**PRESIDENT & CEO**  
**GREATER BALTIMORE COMMITTEE**

#### **Position: Support**

The Greater Baltimore Committee (GBC) supports Senate Bill 824, which would rename the Rural Broadband Assistance Fund to the Maryland Digital Connectivity Fund and alter the purpose of the Fund to include expansion of affordable broadband services. The bill would provide financial assistance in the form of grants to expand high-speed internet access in underserved areas of the state, in addition to allowing a county or municipal corporation to adopt locally appropriate policies to expand broadband access to underserved areas. Also, the bill would allow joint trenching by broadband providers and adopt regulations for the implementation of a trenching fee.

Technology continues to develop at an exponential rate and digital access is an essential part of education, health care, workforce development, and business operations. The coronavirus pandemic has made fair and equitable access to the Internet more important than ever. But it has also exposed major disparities regarding high-speed, reliable broadband home access among Marylanders:

- 18 % of all Maryland households do not have a laptop or desktop computer at home.
- 8,900 households in Baltimore City lack even a smartphone with broadband internet speeds.

It is even more alarming when you look at the breakdown of these statistics:

- 40% of the Marylanders who lack wireline broadband services are African American (African Americans comprise about 30% of the state's population).
- 75% of White households have wired broadband access compared to just half of African-American households.
- 75% of White households have wired broadband access compared to less than half of Hispanic households.

It is incumbent upon the State of Maryland to ensure that all citizens have an opportunity to learn, work, and access health care. Marylanders should not be precluded from essential services just because of where they live. A statewide plan to ensure that all residents have the ability to connect to reliable broadband Internet allows us to address those challenges.

Senate Bill 824 would be a significant step forward in securing reliable broadband internet service for all Marylanders. It alters and expands the purpose of the Rural Broadband Assistance Fund to encompass

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providing grants to expand high speed internet access. This will facilitate distance learning, establish telemedicine services in underserved areas, improve telework capabilities, and support businesses’ internet needs. Furthermore, it empowers local jurisdictions to take steps to expand broadband service in their own underserved communities. This bill authorizes joint trenching by broadband providers on a nonexclusive and nondiscriminatory basis, except in cases where trenching will disrupt highway infrastructure, or water, sewer, and gas and electric lines.

In the Greater Baltimore Committee report *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, eight core pillars were identified for a competitive business environment. An essential pillar is a highly educated and trained workforce to meet Maryland’s business needs. Reliable broadband service is key to ensuring that workforce.

SB 824 is also consistent with the Greater Baltimore Committee’s [2021 Legislative Priorities](#), as shown in the table below.

Greater Baltimore Committee 2021 Legislative Priority	Why SB 824 Helps Achieve the Legislative Priority
Advocate for solutions to accelerate economic recovery for small and minority owned businesses	Economic recovery is dependent upon providing businesses access to all available resources to allow them to be competitive
Advocate for inclusive policies that strengthen economic competitiveness and job creation	A competitive market, and thus a strong economy, cannot exist when high speed internet is unavailable in certain geographic areas
Strengthen education and workforce systems to prioritize equity, accountability, and alignment with Maryland’s high-growth industry sectors	High speed internet connection is an essential component of student success and workforce systems, and low-income and minority individuals are disproportionately impacted by the lack of a coherent plan for broadband in Maryland.

**For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 824.**

*The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.*