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**SB 824 Economic Development – Broadband Providers – Joint Trenching
and Fee (Building Out Broadband Act of 2021)
FAVORABLE
Senate Finance Committee
March 16, 2021**

Good Afternoon Chairwoman Kelley and Members of the Senate Finance Committee. I am Tammy Bresnahan. I am the Director of Advocacy for AARP MD. AARP Maryland is one of the largest membership-based organizations, encompassing almost 850,000 members. AARP MD overwhelmingly supports **SB 824 Economic Development – Broadband Providers – Joint Trenching and Fee (Building Out Broadband Act of 2021)**. We thank Senator Hester for sponsoring this very important bill.

AARP is a nonpartisan, nonprofit, nationwide organization that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse.

AARP MD supports SB 824 because it expands the uses for which broadband funds can be used to cover both gaps in either rural or urban broadband availability, plus other worthy objectives such as distance learning, telework, and telehealth. The provisions with regard to "trenching" also are a plus in this bill.

SB 824 also renames and revises the purpose and uses for the broadband fund which is administered by the Department of Commerce. A fund previously established under the name "Rural Broadband Assistance Fund" will now be the "Maryland Digital Connectivity Fund." The fund is administered by the Department of Commerce. The purpose of the fund has been revised in apparent recognition that gaps in the availability of broadband are not exclusively a rural problem and not solely a problem of deployment. The purpose of the Fund is to assist in the establishment and expansion of affordable broadband communication services in the State.

The uses for which the fund may be used have also been expanded and include the following:

- for planning, construction, and maintenance of broadband communication services and equipment and related activities;

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- to provide financial assistance in the form of grants to authorities to expand high-speed internet access in underserved areas of the state;
- to facilitate distance learning, including technological improvement for distance learning;
- to establish telemedicine services in underserved areas of the state;
- to improve telework capabilities for employees to enable compliance with COVID-19 public health precautions; and to
- Support businesses by providing better access to high-speed internet.

Rather than attempting to be prescriptive about how the available funds are distributed, the bill directs the Department to adopt procedures for "authorities" to apply for financial assistance from the fund and priorities for allocating/selecting/distributing funds. The bill requires the Department to submit an annual report to the Governor and the General Assembly on the status of the fund and recommendations for future funding sources for the fund.

Although the purpose of the bill mentions affordability as an objective, we might suggest that you consider a provision that would specifically support awarding funds to subsidize the price of broadband for low-income households.

The bill also provides for trenching access by broadband providers and fees. It requires that broadband providers have access to "trenching" to state and local roads; it directs adoption of regulations for charging a fee to a broadband provider for joint trenching. Also new is that fees paid for access to the state's Department of Transportation would be transferred to the broadband fund.

AARP MD supports SB 824 because the benefits of broadband internet access to older adults are well-recognized. Affordable, reliable internet access helps older adults age in place productively and safely with a higher quality of life than would otherwise exist. The broadband platform supports access to telehealth and telemedicine, civic engagement, entertainment, on-line learning and other internet-based applications that address isolation and health challenges for the 50 Plus.

For these reasons, AARP supports SB 824 and respectfully request the Senate Finance Committee issue a favorable committee report. For questions, please contact Tammy Bresnahan tbresnahan@aarp.org or by calling 410-302-8451.