3358 Davidsonville Road • Davidsonville, MD 21035 • (410) 922-3426

February 16, 2023

To: House Ways & Means Committee

From: Maryland Farm Bureau, Inc.

Re: Support of HB 551 - Broadband Expansion Incentive Act of 2023

On behalf of our Farm Bureau member families in Maryland, I submit this written testimony in support of HB 551. This administration bill allows a subtraction modification under the Maryland income tax for qualified broadband grants awarded during the taxable year for broadband deployment and provides an exemption from the sales and use tax for the sale of equipment related to providing Internet service and deploying broadband.

Rural broadband is critical infrastructure that is still missing in many parts of Maryland. The COVID pandemic highlighted the necessity for reliable internet service to all Maryland citizens both rural and urban. This bill creates the needed assistance to make this last-mile coverage more economically viable for the installers and suppliers which should make for faster deployment into areas with low population density like Maryland farms.

MDFB Policy: We support legislation to allow utility cooperatives to apply for grants to extend broadband service to underserved rural areas.

We strongly support legislation defining rural broadband/internet as a public necessity.

MARYLAND FARM BUREAU SUPPORTS HB 551 & REQUESTS A FAVORABLE REPORT

Colby Ferguson

Director of Government Relations

For more information contact Colby Ferguson at (240) 578-0396