



BROADBAND
WITHOUT
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House Economic Matters Committee
February 12, 2026

Chair Valderrama and Honorable Members of the Committee:

Thank you for holding this hearing on House Bill 382, which would require broadband providers operating in Maryland to offer a low-cost broadband plan to qualifying households.

WISPA – *The Association for Broadband Without Boundaries* is a trade association representing approximately 800 members nationally, including 5 Maryland-based companies. Our members are generally smaller network operators, but no less vital to Maryland’s economy, expanding broadband to challenging-to-serve communities quickly and cost-effectively and serving urban, suburban, and rural populations that larger providers have been unable to reach. They are able to serve these often-neglected communities by deploying reliably high-speed Fixed Wireless Access (FWA) technologies supplemented with robust fiber where cost-effective.

WISPA is concerned that HB 382 could have short-term and long-term negative consequences to our members and other small ISPs, which would negatively impact broadband availability in communities that will continue to lack alternatives.

In the short term: while many or all of our members currently serve fewer than 20,000 households and would thus qualify for a potential exemption to the low-cost mandate, experience where a similar mandate has been implemented suggests that the burden of applying for and receiving an exemption is likely to be onerous. New York, to date the only state that has currently adopted a low-cost mandate, included a similar exemption for smaller providers. However, the reporting submissions required by the Public Service Commission required hundreds of man-hours and deep economic analysis to complete. In many cases, the exemption applications themselves thus imposed significant costs to our members there – burdens which would have an even more outsized impact on our Maryland members.

Longer-term impacts pose further risks: primarily, HB 382 increases the likelihood that small ISPs serving rural areas will avoid expanding into areas they would otherwise see a business case to serve. Rural communities are more expensive to serve for several reasons: the topography often requires more expensive FWA infrastructure or increases the per-mile cost to bury fiber, and the sparsely-populated nature of these communities means that instead of considering a customers-per-mile revenue structure, our members count miles-per-customer – our members are less able to shift the cost burden this bill creates onto wealthier customers.



These customers are not only more expensive to serve, they are disproportionately likely to qualify for at least one of the programs that define eligibility for the low-income program in HB 382. These pressures mean that even with a larger customer base, WISPA members and other small ISPs may be prevented from bringing service or competition to parts of the state that need it most.

Additionally, the burden of verifying which households qualify for the mandated low-cost rate is significant. HB 382 relies on seven separate qualifying criteria to determine eligibility for the low-cost plan, but the state databases used to identify qualified individuals may not be accessible to ISPs. Where they are accessible, these databases are difficult to access and challenging to navigate. This lack of access may mean that it would be functionally impossible for an ISP to confirm whether an individual customer was truly qualified for the mandated low-cost plan.

For comparison, the federal Affordable Connectivity Program (ACP) utilized a verifier database built and operated by the FCC. Had our members been required to undertake the verification of new enrollees themselves, without access to the FCC's databases, it is certain that even fewer of our members would have been able to participate.

Another comparison with the ACP is warranted: that program offered a federal subsidy to providers, which allowed more ISPs to participate in the program and ensure that they did not operate at a loss. This reimbursement was a vital component of the program's success. This model is by far a better approach to expanding affordable service to low-income Californians.

Other aspects of the bill are also troubling: limiting ISPs from considering increases to the low-cost plan to every three years, and capping any increases at 2%, makes it likely that inflation and other factors could put low-cost rates further out of alignment with market rates. ISPs should be able to respond to spikes in inflation and other market pressures at least annually.

Finally, the bill's language creates confusing reporting standards: broadband service is offered per household, but HB 382 requires ISPs to report the number of "consumers" enrolled in the program. This would force a reporting ISP to determine the number of consumers reside in a given household.

Despite numerous revisions, HB 382 will entrench and expand broadband monopolies and drive out competition. While well intentioned, its impacts risk significant harm to rural communities. WISPA strongly encourages the Committee to look to states like California, which has implemented an ACP-style reimbursement program through the Public Utilities Commission, or to New Mexico, whose state legislature is considering a bill to create a state subsidy program on these lines.



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WISPA encourages you strongly to say “no” to mandates and to work with industry to find solutions that support Maryland’s home-grown ISP community, so that we can close the digital divide together.

Please do not hesitate to reach out with any questions.

Sincerely,

Steven Schwerbel
Director of State Advocacy