

The voice of Maine business

Testimony of Ben Lucas on behalf of The Maine State Chamber of Commerce

In OPPOSTION to LD 1894: "Act To Support Municipal Broadband Infrastructure through Incentives and Competition"

February 3rd, 2022

Senator Lawrence, Representative Berry, and members of the Committee on Energy, Utilities, and Technology, my name is Ben Lucas, I live in Portland, and I am here today representing the Maine State Chamber of Commerce. The Chamber is a statewide business organization made up of both large and small businesses with over 5,000 members companies. The Maine State Chamber of Commerce is testifying in opposition to LD 1894 and the proposed amendment.

We appreciate the intent of what the sponsor is trying to accomplish, but as drafted, there are several concerns with LD 1894. First, this legislation promotes creating consumer owned water and electric utilities to own and operate broadband networks, this takes the operation of the networks out of the hands of the experts. Secondly, this legislation does not encourage public-private partnerships, and in the Chambers opinion, this is the best way to expand broadband.

LD 1894 presents several challenges looking into the future. As technology changes, broadband networks will need the flexibility to adapt to new technologies and infrastructure. Making sure our broadband infrastructure is future proof is critical to the long-term benefits. As we are making investments now, it is critical to still be thinking about the future. In our opinion, the companies who are experts will be best able to adapt to these changes much more efficiently than municipal owned networks, who will run the risk of having to increase rates to reach the demands.

If LD 1894 were to pass, there is nothing to protect against the overbuilding of infrastructure and networks that currently exists. We also believe that the state should not be directing funds to areas where high speed data is already available by encouraging so called "open access networks." The Maine Connectivity Authority was recently established to help make sure broadband reaches the unserved areas of our state. LD 1894 would undermine the goal of the MCA and puts at risk our state and federal dollars.

To conclude, the Chamber has long been a supporter of broadband expansion and investment into Maine. In our 2018 Making Maine Work survey, one of the top issues we heard from businesses in

Maine was the need for access to reliable broadband connection. In that same report, the Chamber called for \$100 million dollars of investment in broadband to Maine. We now have \$250 million invested into Maine, and the Chamber is still committed to expanding broadband access. Unfortunately, we do not believe LD 1894 would do that. We will be happy to work with the sponsor, the committee, other interested parties, and stakeholders to find a solution. But as drafted, the Maine State Chamber of Commerce is strongly opposed to LD 1894.

Thank you for allowing me to testify today, I am happy to answer any questions and I will be available for the work session.

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