April 21, 2015

Office of the Public Advocate Testimony on LD 1185 “An Act to Establish the Municipal Gigabit Broadband Network Access Fund”

Chairman Dion, Chairman Woodsome and Members of the Energy, Utilities and Technology Committee,

The Office of the Public Advocate testifies in support of LD 1185, An Act to Establish the Municipal Gigabit Broadband Network Access Fund. The bill offers a wide-ranging approach to addressing the state’s broadband needs, with an investment of general fund appropriations that reflects the scope of this need. The bill’s Municipal Gigabit Broadband Network Access Fund is an ambitious, public-ownership focused effort to jump-start the construction of next generation telecommunications networks in Maine.

This testimony will focus on three elements of the bill: 1) community planning grants; 2) pole attachment; and 3) the role of the ConnectME Authority.

Planning Grants

The bill proposes to provide municipalities with matching grants to fund broadband planning efforts, and provide technical support to those communities. Providing this kind of assistance to communities is important to ensuring that those communities make informed decisions regarding use of public funds for broadband investment. The bill offers several novel and useful concepts not seen in other legislation that are particularly promising. These include:
• The concept of a DECD–administered certification of a “broadband-ready community” and the requirement that an applicant “demonstrate . . . participation with public and private institutions.” To succeed, community efforts will need local champions, and these measures will help identify community and business leaders who can be those champions.

• The requirement that “the cash match for planning grants may not consist of funds provided by the vendor or private business that proposes to build, operate or provide retail services using [the network].” This is a reasonable limitation that will limit potential conflicts of interest.

Pole Attachment

The bill appropriately identifies the importance of equitable, transparent pole attachment rules in promoting broadband deployment in Maine. The bill directs the Public Utilities Commission to revise its pole attachment rules to support broadband investment and expansion, and recommend statutory changes to ensure equitable access to poles. The Commission’s existing statutory authority to set terms and conditions regarding pole attachments, found at 35-A M.R.S. § 711, could be read to be limited to disputes between a utility and an attacher, and pole attachment rates. If this interpretation were to prevail, the Commission’s ability to revise its pole attachment rules as contemplated by the bill would be substantially limited.

Role of ConnectME Authority

Finally, the bill places responsibility for the Municipal Gigabit Broadband Network Access Fund with the Department of Economic and Community Development (DECD), with no specified role for the ConnectME Authority. The change recognizes the centrality of broadband for economic development, but also creates a second administrative entity within state government focused on broadband, with a separate designated silo of funds. One of the traits that distinguishes Maine nationally on broadband matters is the close communication between broadband stakeholders within the state—a communication made possible by the existence of the ConnectME Authority. In short, there is value in a single,
centralized entity that offers a "one-stop shop" for state financial and technical support for broadband. I would urge the Committee to consider how to integrate this proposal within the existing ConnectME structure.

We look forward to working with the Committee on this bill and will be present at the work session.

Respectfully submitted,

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