



THE MAINE HERITAGE POLICY CENTER

## The Maine Heritage Policy Center Testimony to Oppose LD 31

### “An Act Regarding Rules Adopted by the ConnectME Authority”

Senator Lawrence, Representative Berry, and distinguished members of the Energy, Utilities and Technology Committee, my name is Jacob Posik. I serve as the Director of Communications for The Maine Heritage Policy Center. Thank you for the opportunity to provide testimony regarding LD 31, “An Act Regarding Rules Adopted by the ConnectME Authority.”

To start, I want to emphasize that The Maine Heritage Policy Center believes expanding broadband access in Maine is an important public policy goal to ensure Maine can compete in the 21st century. However, by changing ConnectME’s rulemaking power from major substantive to routine technical, it would allow the agency to skirt legislative oversight that keeps them in-check. If the ConnectME Authority receives additional power to make rules for itself, as opposed to being held accountable by the legislature, the agency’s authority to decide how to proceed on expanding broadband access would be less transparent to the public and contribute to the lack of accountability in government. The Maine Heritage Policy Center believes it is important for government entities to be as open and transparent as possible, especially when large sums of money are being handled by that entity.

The ConnectME Authority is funded through a 0.25% surcharge on all in-state communications, video, and internet service bills, generating around \$1.1 million annually. Between 2007 and 2018, ConnectME awarded 147 infrastructure grants that total \$12 million.<sup>1</sup> In addition, over \$500,000 were distributed through Community Planning Grants.<sup>2</sup> These funds should have legislative oversight to be completely transparent.

Furthermore, the “Broadband Action Plan” released in 2018 by ConnectME and the Department of Community and Economic Development titled “Potential Legislative Action” says “no requirements” were found for legislative action after reviewing Title 35-A: Part 7, Sections 9201-9218. The change being proposed would be in Section 9205.<sup>3</sup> Therefore, The Maine Heritage Policy Center finds it unnecessary to take away legislative oversight over ConnectME.

Lastly, the Maine Heritage Policy Center vehemently opposes limiting choice in Maine communities by bolstering government-owned networks in places the private sector could be more efficient and effective.

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<sup>1</sup>[https://www.maine.gov/connectme/sites/maine.gov.connectme/files/inline-files/Infrastructure%20Grant%20Awards%20All%20Rounds\\_0.xlsx](https://www.maine.gov/connectme/sites/maine.gov.connectme/files/inline-files/Infrastructure%20Grant%20Awards%20All%20Rounds_0.xlsx)

<sup>2</sup><https://www.maine.gov/connectme/sites/maine.gov.connectme/files/inline-files/Planning%20Grant%20Awards%20All%20Rounds.docx>

<sup>3</sup>[https://www.maine.gov/connectme/sites/maine.gov.connectme/files/inline-files/State%20of%20Maine%20-%20Statewide%20Broadband%20Plan%20-%20June%202018\\_1.pdf](https://www.maine.gov/connectme/sites/maine.gov.connectme/files/inline-files/State%20of%20Maine%20-%20Statewide%20Broadband%20Plan%20-%20June%202018_1.pdf)

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By taking away the legislature's ability to oversee ConnectME, it could open the door for them to fund more government-owned networks which stifle private sector investment.<sup>4</sup>

In short, The Maine Heritage Policy Center supports expanding broadband in the state but not through growing the size of government. In addition, the amount of money being distributed by ConnectME should have an oversight mechanism in place to ensure the funds are being issued appropriately and to be transparent. We urge the committee to vote "Ought Not To Pass" on this bill. Thank you.

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<sup>4</sup><http://www.nyls.edu/advanced-communications-law-and-policy-institute/wp-content/uploads/sites/169/2013/08/ACLP-Government-Owned-Broadband-Networks-FINAL-June-2014.pdf>