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STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



HEATHER JOHNSON
COMMISSIONER

February 3, 2022

Testimony of Peggy Schaffer, Director, ConnectMaine

Neither for nor against LD 1894

An Act to Support Municipal Broadband Infrastructure through Incentives and Competition

Senator Lawrence, Representative Berry, members of the Committee on Energy, Utilities and Technology, I am Peggy Schaffer from Vassalboro, and I am Director of the ConnectMaine Authority. I am here today to testify neither for nor against LD 1894.

At ConnectMaine, we are dedicated to the expansion of broadband in Maine, which is a key priority of this administration. We welcome the sponsor's efforts to facilitate expanded connectivity through this legislation. We are always glad to seek improvements to Maine's laws regarding broadband and appreciate the sponsor's work to that end with providers, communities, and our office.

As currently written, we have some concerns with the bill. Section 1 calls for ConnectMaine to do rulemaking on electrical utilities who might want to get into the broadband space. This job would be a better fit for the Public Utilities Commission. Section 2 sets up another fund to support municipal projects. The language around who can be served and what standard to build to reflects older standards. Maine's standard for unserved is 50mbps download/10mbps download and 100/100 for served. This assures that with public money we are building infrastructure that can scale for future use. And we are not over our skis here. Most of our industry partners have been building to this standard for about 5 years. Additionally, most of the new federal funding recognizes the importance of building scalable infrastructure by setting a build standard of 100/100.

I have met with the sponsor and understand her intent is to make it easier for the development of municipal broadband utility districts. Unfortunately, the language in section one of the sponsor's suggested amendment may not in fact make this process easier, and excluding that language may allow for other approaches to facilitating that development. We do support the development of broadband utility districts, and over the next three months, ConnectMaine will be putting in place a variety of technical assistance supports to aid development of broadband utility districts.

Current statutory language for the Municipal Gigabyte fund has been through this process and was just amended last year, updating it to reflect what is happening in these types of



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municipal broadband projects now. Amending this language to clarify that municipalities (or districts) applying for these funds as a match for federal programs do not have to come up with 25% of the funding would be helpful.

The one caution I would have is that most of the funding that we (ConnectMaine and the Maine Connectivity Authority) will be using to support broadband expansion is federal funding. Federal funding always comes with requirements. I would caution against putting too much restrictive language in this statute that might not match with federal guidance that is still emerging. In other words, it would be best to implement flexible bill language, as opposed to creating additional requirements that might conflict with the federal funds that can be used to support these projects.

Thank you for your time, and I would be happy to answer any questions you might have.