

Ohio House of Representatives
Announcement of Committee Meeting – HB13
May 27, 2020

My name is Dave Corrado and I represent the Medina County Fiber Network (MCFN), a 150-mile fiber infrastructure that covers Medina County and parts of Cuyahoga and Summit Counties. The Medina County Fiber Network is managed by the Medina County Port Authority, a political subdivision of the Medina County government structure. I am testifying today with arguments for the inclusion of municipal networks in House Bill 13, allowing municipal networks to participate in this \$20M program.

Historically, government programs that allocated telecommunications' funding included only commercial carriers. Until the last ten years, municipal networks weren't even in the telecommunications picture. There are individuals who believe that municipal networks are not needed. However, within the past seven years, municipal networks have grown from fifty networks to approximately three-hundred networks, nationwide. If these networks were not needed, then why do they continue to flourish? They are obviously filling a need in the telecommunications environment, otherwise we would not be witnessing this growth rate.

The Medina County Fiber Network is an open-access network which means we provide transport services to other carriers you layer on their Internet and voice services across our backbone. It's like a railroad track that provides the infrastructure to transport trains to a customer destination. The MCFN structure allows any carrier to connect to its fully redundant backbone, using MCFN sales resources to sell those connected carriers' services. This open network style is not competitive unless a carrier overbuilds. Our dozen carriers that are directly connected to our network, provide their necessary services to Medina County businesses where otherwise their services were not readily available.

The availability of choice has reduced fiber pricing in Medina County by fifty-percent and provides full carrier diversity for those businesses needing one-hundred percent uptime. Every solution is tailored to the customer's business requirements compared to "packaged" offerings that were the only previous offerings available. Eight of the ten largest employers' contract with Medina County Fiber for multiple circuits and multiple carriers. With over two-hundred fiber customers in Medina County, MCFN is the largest commercial fiber provider in the county, but the real success story is the generation of economic development within the county by Medina County Fiber Network customers.

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The initial goal of the MCFN, was to drive economic development throughout the county, by providing a robust information network so existing companies could expand locally and new companies would be able to establish a foundation in Medina County that would support their business as they grew. Within the past three years, the Medina County Economic Development Corporation has closed \$650M in capital investment, with MCFN fiber customers contributing the following:

	Fiber	Non Fiber	Total	Fiber Customers %
Capital Investment	\$415,080,344	\$243,598,866	\$658,679,210	63%
Jobs Created	635	696	1,331	48%
Payroll Created	\$20,013,000	\$16,847,675	\$36,860,675	54%
Retained Jobs	4,855	506	5,361	91%
Sq Ft of Building Space	1,858,254	954,832	2,813,086	66%

Before the MCFN was built, businesses looked outside the county for investing their growth dollars, but since the network has existed, Medina County businesses invest in growing their businesses locally, being able to connect around the country and around the worldwide, with affordable services and a selection of carriers. This not only drives local investment, but it increases the rate at which new businesses are moving into Medina County, which means an increase in support services, community services and county growth.

As our nation enters into a new “normal”, with telecommuting, remote educational services and telemedicine taking the forefront, broadband infrastructure, at a residential level, is just as important as commercial services. As the MCFN enters the residential environment, offering a 100 x 100 Mbps fiber-based minimum service, residents will be able to support true telemedicine applications that go beyond a video call, students will be able to access digital textbooks and workers will be able to connect to critical business systems. We are attracting equity investors to our network, that recognize the benefit of investing in a community infrastructure. We have been collecting demand aggregation data, showing us where residents have service that is basically unusable. The benefits of this bill can extend our residential services into those areas where fiber services are sorely needed.