



May 27, 2020

The Honorable Scott Oelslager and Jamie Callender
Ohio House of Representatives
77 S. High Street
Columbus, Ohio 43215

RE: Ohio Residential Broadband Expansion Grant Program

Dear Co-Chairmen Oelslager and Callender and Members of the House Finance Committee,

I am writing on behalf of the Ohio Telecom Association (OTA) and its member companies to respectfully asks that the House Finance Committee favorably consider provisions of Substitute House Bill 13 that would create and fund the Ohio Residential Broadband Expansion Grant Program. The proposed program will provide a needed injection of funding to extend broadband facilities on a neutral basis to unserved and underserved areas in Ohio. While we are proud of the investment our companies have made to build the broadband network in Ohio, we believe that with additional state and federal support, we can close the gap in areas that still require more investment.

High-speed broadband facilities support education, health care, and Ohio's commercial industries and local governments. However, some communities remain underserved and unserved because the cost to serve them is high in areas where expected revenue is too low to justify the investment. Government support will allow for the extension of access to higher speeds of broadband service. Some of that support will come through federal grants, emergency programs in response to the recent medical emergency, and universal service funding. Funding gaps, however, will remain unless new sources of funding are identified.

For many months, interested parties including OTA and OCTA have been working with Representatives Carfagna and O'Brien and the Governor's Office to craft a substitute bill that will help broadband providers expand into unserved and underserved areas. To that end, Substitute House Bill 13 will:

- Allocate up to \$20 million in fiscal year 2020-2021 for broadband expansion.
- Provide the Department of Commerce and a new agency within the Department with authority to award qualified applicants with grants to cover a portion of the cost of last mile construction on a facilities-neutral basis.

- Award grants through a competitive process that ranks the applications based on the benefits of proposed projects to the communities to be served.
- Award grants so that funding goes to those communities without current broadband service or an expectation that service will be available in the next two years, with an additional priority for distressed communities.
- Through monitoring, testing and enforcement, assure that the programs are completed and provide the level of connectivity that the grantee has promised.
- Create a point of information to monitor the needs of Ohio's constituents for improved services and better broadband security.

We will continue to work with the sponsors and the Committee as it works through other provisions of the bill that remain under discussion.

To assist communities in need of those higher broadband services, OTA urges you to support residential broadband expansion program. Thank you for your consideration of this important legislation.

Sincerely,

A handwritten signature in black ink that reads "Charles R. Moses". The signature is written in a cursive, flowing style.

Charles R. Moses
President
Ohio Telecom Association

About the OTA

The Ohio Telecom Association represents all the Incumbent Local Exchange Carriers (ILECs) in Ohio, with companies ranging from serving a few hundred customers to millions of households across Ohio. The OTA also represents two wireless carriers and more than 100 associate members who provide goods and services to the telecommunications industry. OTA member companies contribute more than \$4 billion annually to the state's economy and employ more than 16,000 Ohioans. For nearly a decade, OTA companies have invested more than \$1 billion in Ohio's telecom network infrastructure each year.