

Ohio Senate Finance Committee
Hearing on Senate Bill 225
Submitted in writing for Committee hearing on June 5, 2018

Proponent testimony of Angela Siefer, Executive Director, National Digital Inclusion Alliance

Chairman Oelslager, Vice Chairman Manning, Ranking Minority Member Skindell, and members of the Committee:

This testimony is submitted by Angela Siefer, 745 S Cassingham Rd, Columbus, Ohio, on behalf of the National Digital Inclusion Alliance (NDIA), which I serve as Executive Director.

NDIA is a national nonprofit organization providing a unified voice for home broadband access, public broadband access, personal devices and local technology training and support programs.

NDIA currently has 335 affiliated organizations across the country, including 41 national nonprofits and 253 local public and nonprofit organizations in 39 states, the District of Columbia and the US Virgin Islands. Here in Ohio, where NDIA itself is based, our affiliates include local nonprofit organizations, libraries, college and local government programs in Cleveland, Shaker Heights, Parma, Youngstown, Columbus, and Montgomery and Hamilton Counties. We're also happy to count Connect Ohio and the Ohio Public Library Information Network as affiliates. NDIA works collaboratively with our affiliates to craft, identify and disseminate financial and operational resources for digital inclusion programs while serving as a bridge to policymakers and the general public.

More information about NDIA, our affiliates and our work can be found at <http://digitalinclusion.org>.

What NDIA affiliates have in common is a shared commitment to Digital Inclusion. Digital inclusion refers to the activities necessary to ensure that all individuals and communities, including the most disadvantaged, have access to and use Information and Communication Technologies (ICTs).

Our affiliates operate, advocate or support strategic efforts to help disconnected people become digitally literate and connected. In general, that means overcoming barriers those people face in one or more of five areas:

- affordable access to broadband Internet service,
- affordable access to devices (like a cheap computer) to get online,
- basic digital skills,
- reliable technical support,

- useful applications and online content.

Obviously, the first of these five areas is critical. If fast Internet access itself isn't available, or is available only occasionally at a library, or costs so much that a household of limited means can't reasonably maintain it, then the possibilities for members of that household to gain digital skills and function effectively in the online world will be very limited.

And that, in turn, means their possibilities for education, employment, entrepreneurship, informed citizenship, and connection to the community will also be very limited.

This is the situation still facing millions of Ohioans. According to the most recent U.S. Census, in 2016 about 33% of all Ohio households – a million and a half – lacked fixed broadband Internet connections such as cable modem, DSL or fiber, at *any* speed. More than 880,000 of these households – one in five Ohio homes – lacked even a smartphone connection.

We know that these Ohioans remain disconnected for a variety of reasons.

Even where fast broadband service is readily available, the cost of service is a major barrier for many households, as reflected in the even higher percentage of low-income homes that don't have it: The Census says that 42% of Ohio households with incomes below \$20,000 lacked any kind of broadband access in 2016, compared to 20% of households with incomes between \$20,000 and \$75,000, and just 5% of households above \$75,000. There are hundreds of thousands of residents without home broadband service in Ohio's central cities, where cable Internet access is fairly universal – if you can afford to pay \$65 a month.

There are Ohioans who could be connected, but aren't, for reasons of fear, lack of education or basic literacy, other cost barriers (e.g. a computer), or simple lack of interest.

One very important reason is the one most often discussed in the Ohio State House, and the one addressed by Senate Bill 225: The fact that some Ohio communities still have no fast broadband service available to their residents from any provider at any price.

Connect Ohio estimates more than 300,000 Ohio households are located in areas of the state where no provider offers fixed broadband service with download speeds at or above the Federal Communications Commission standard of 25 megabits per second. These “unserved” areas, as SB 225 characterizes them, are almost all in non-urban counties, distant from telecom central offices and not lucky enough to be in the territories of either big or small cable providers.

Senate Bill 225 targets these specific unserved areas and households for \$100 million in



competitive state grants to subsidize new broadband deployments. The proposed grantmaking process for the Ohio Broadband Development Fund is carefully designed to give local governments and community nonprofits the initiative to make network projects come together where they're needed – even potentially building and operating local networks if necessary – along with the leverage to ensure that funded projects serve community residents' needs, even when actually built and operated by commercial ISPs. NDIA appreciates the sponsors' recognition of the critical role of local communities in bringing about a fair, complete broadband infrastructure where existing providers have failed to do so.

NDIA supports Senate Bill 225 as introduced. It addresses an important part of Ohio's digital inclusion problem – an incomplete fast broadband infrastructure that doesn't reach hundreds of thousands of rural Ohioans, including some of the state's poorest communities. It appropriates a reasonable two-year \$100 million budget to promote local initiatives to fill in the gaps in that infrastructure. It gives local governments and community nonprofits a strong defining role in the use of those funds.

In addition, the bill provides renewed funding for updated, comprehensive mapping of broadband network access throughout Ohio. NDIA applauds this provision of the bill and looks forward, with our affiliates, to providing any assistance or support we can for this critical work.

But, we hope that the General Assembly's willingness to address this component of Ohio's digital divide will prove to be just a first step. Underserved rural communities and residents are not the only Ohioans whose economic, educational and community lives are being marginalized and damaged by their lack of access to fast, affordable broadband services. This bill is intended to bring a measure of badly needed broadband equity to at least some of rural Ohio; but it will not help to promote digital inclusion for hundreds of thousands of Ohioans who remain unconnected in our urban communities.

We urge the Committee to take that first step by approving Senate Bill 225. Then we ask the Senate, and all our elected representatives in state government, to take the next logical step: A serious, comprehensive examination of our state's overall broadband divide, and how to repair it.

NDIA and our affiliates are eager to encourage that discussion in any way we can.

Thank you.