



Ohio House Finance Committee
Ohio House Bill 2 Proponent Testimony
Peter Voderberg, BroadbandOhio
February 11, 2021

Chairman Oelslager, Vice Chair Plummer, and Ranking Member Crawley, BroadbandOhio, an office within the Development Services Agency, is pleased to present written testimony in support of House Bill 2. This testimony is in support of the grant provisions of the legislation. BroadbandOhio is neutral on the other provisions of the bill that do not involve the grant.

The DeWine - Husted administration has taken a deliberate, thoughtful and methodical approach to tackling the broadband challenges facing the state. As the administration began, InnovateOhio was established to help streamline government processes and consider new initiatives, including expanding broadband access. Connected Nation Ohio was provided a grant of nearly \$1 million from the Third Frontier to improve upon our outdated coverage maps for the state. A request for information was released in June of 2019 seeking input on how to best leverage state assets in expanding broadband.

Ultimately, the responses to the RFI, coupled with additional research, led to Ohio's Broadband Strategy, which was released in December of 2019. The major categories of that strategy are telehealth, regulatory reform, economic development and entrepreneurial activities, digital literacy, rights-of-way, an office of broadband, and a statewide grant.

The administration has already had early successes in executing the plan. For telehealth, BroadbandOhio is working with Switzerland Local Schools in Monroe county. The district encompasses over 500 square miles and has eight separate buildings. The project allows a behavioral health therapist to provide services to students from one building to any other building in the district through telehealth, instead of having to travel up to an hour between schools.

On regulatory reform, the Ohio Department of Transportation (ODOT) has created an online permitting process for access to non-interstate rights-of-way to maintain consistency in how people interact with the state, and the Common Sense Initiative is identifying key regulatory issues that stand in the way of broadband expansion. For economic development and entrepreneurial activities, JobsOhio has partnered with Starlink in a pilot project in Union County to see how well this new technology can work in an area that has limited internet connectivity.

The Office of Workforce Transformation is working with the Ohio Library Council on digital literacy programs so that people understand how to use technology and how it can benefit their lives. As for rights-of-way, ODOT, in conjunction with BroadbandOhio, is finalizing a statewide interstate right-of-way access plan so companies can work with a single entity from one side of the state to the other on broadband issues.

In early spring of last year, the administration established the office of BroadbandOhio. Our office is the administration's lead organization addressing connectivity issues. Our sole focus, day in and day out, is to increase broadband access throughout Ohio.

The office has two guiding principles. The first is to bring high-speed internet access to every Ohioan. That does not mean that every Ohioan will choose to have internet access. It does mean that BroadbandOhio will make sure that no matter where you live, you will have at least one provider who give internet that meets the federal definition of high speed, which is currently 25 Mbps download speed and 3 Mbps upload.

The second principle is to build a best-in-class broadband network in Ohio. The administration would like to see Ohio have a reliable and dependable broadband network across Ohio. To accomplish this, Ohio will partner to help establish this network. It does not mean that state of Ohio will own the network

It is also important to note that BroadbandOhio is technology and provider neutral. Our goal is to increase access to broadband throughout Ohio and we want to find innovative solutions to do so. What works in Appalachia may not work in northwest Ohio, so we must be flexible and innovative as we work to increase access to Ohio families.

And as for the statewide grant, House Bill 2, and its companion legislation, Senate Bill 8, has been the focus of the efforts of BroadbandOhio. We know that during this pandemic, the digital divide has grown more apparent. Many students could not connect to the internet from home to be able to do schoolwork, talk to their teachers, or continue their education. School districts did a phenomenal job keeping those students engaged through take home packets, providing technology, or even putting Wi-Fi hotspots on busses to drive them through areas that lack internet access. The state also provided \$50 million through the BroadbandOhio Connectivity Grant to help school districts pay for the technology needed to keep their students connected to the internet.

Companies sent workers home with the technology they needed to work from home, but without a reliable internet connection, employees had no way of operating remotely. And for people in recovery or with chronic conditions, receiving telehealth was safer than coming to a hospital, but is impossible without a stable internet connection.

Two main issues prevent people from being connected – availability and affordability.

Availability: do you have internet access in your home? This problem affects rural, suburban, and urban communities, where they have no internet providers at all.

Affordability: can you afford to pay for the service? Even when internet is available, it may not be affordable, which creates a barrier that keeps Ohioans all over the state from being able to use the internet in their homes.

HB 2 tackles the issue of availability. The legislation creates a grant authority within the Development Services Agency, a scoring metric, and the start-up funds for grants to provide money to internet service providers to

assist them in reaching unserved and underserved areas in the state. The bill will allow a company to ask for the difference between the amount of money that is expected on a return on investment and the money that needs to be there to make them invest. The state will be incentivizing the expansion of broadband through private companies instead of building its own state-owned infrastructure.

The bill also provides safeguards to make sure we do not overbuild. The legislation allows a company to challenge the request for a grant if the company can show it either already provides adequate service in an area or plans to in the next two years.

BroadbandOhio supports this legislation. In fact, the administration worked with the sponsors to identify the source of the \$20 million for the initial grants. This legislation addresses the administration's goal of increasing access to broadband, and BroadbandOhio will continue to find innovative solutions to address affordability. For instance, the MARCS Tower pilot program is offering space on state infrastructure to expand broadband and a main scoring metric is how affordable the internet will be to the end user. And on Monday, the Controlling Board approved a request to allow BroadbandOhio to invest in a pilot project in Columbus to bring telehealth to the area at an affordable rate. The administration will continue to work on affordability while using the framework of HB 2 to tackle availability.

BroadbandOhio supports the hard work of Representatives Carfagna and Stewart in their efforts to pass this legislation. Thank you again for the opportunity to provide written testimony on behalf of this important bill.

###