

Chairman Wilson, Vice Chair Hottinger, and Ranking Member Maharath, and members of the Senate Financial Institutions and Technology Committee, thank you for the opportunity to offer testimony on House Bill 2. My name is Lydia Mihalik, and I am the Director of the Ohio Development Services Agency.

At Development we are focused on community and economic development, making sure our communities can attract or keep job creators in Ohio. We work with a network of business centers across the state to support our small and minority-owned businesses. We provide resources to train our workforce for technology-based careers, and we help our communities with much needed infrastructure to improve the quality of life. And there is one challenge, a consistent thread that weaves among all of our work at Development – the lack of access to reliable internet service.

Prior to the pandemic, the DeWine-Husted administration set out to address the state's broadband challenges. We learned that more than 300,000 households, which is almost 1 million Ohioans, did not have access to high-speed internet. In households across Ohio children couldn't do homework, parents couldn't look for a new job or participate in a training program, and our small businesses couldn't sell their products online. Then, the pandemic hit, and the need for fast, reliable internet became essential.

The Ohio Third Frontier, partnering with InnovateOhio, provided \$1 million to map internet service across the state. The new maps allow us to see where service is provided, where it doesn't meet the federal standard, and where it isn't available. We all assume we know where service is readily available, in or close to metropolitan areas. However, what the maps showed us were the gaps. For example, in Allen Township, just outside of Marysville, there are families and businesses without access to high speed internet. The DeWine-Husted Administration, through the Ohio Department of Transportation, also released a Request for Information to gather public input for how the state could expand broadband access. Using the new maps, responses to the RFI, and additional research, the state published the Ohio Broadband Strategy in 2019. This is our blueprint for how we will increase access to broadband service across the state.

Part of the strategy was to establish an office dedicated to identifying and implementing strategies to expand broadband access across Ohio. That office, called BroadbandOhio, opened within the Development Services Agency in March of 2020. Since the plan was released and the office was established we have launched a telehealth pilot with the Switzerland Local Schools in Monroe County to support the district's behavioral health specialists, improved the permitting process at ODOT for access to rights-of-way, and with JobsOhio, we have partnered with Starlink to provide service via satellites in Union County. BroadbandOhio has also worked with the Office of Workforce Transformation and the Ohio Library Council to develop digital literacy programs.

House Bill 2 will help us expand broadband into areas that lack high-speed internet. The funding will help providers establish service in areas with no access or areas that have access to internet speeds lower than the federal definition, which is 25 Mbps download speed and 3 Mbps upload speed. The grants will connect the last mile of service – bringing the internet into Ohio homes. BroadbandOhio and Development will execute a grant program for internet providers. Together we will take the grant guidelines provided by the General Assembly to develop and implement rules and scoring criteria that are technology and provider neutral. Grant

applications will be reviewed by the Development Director, the InnovateOhio Director, and three appointed representatives. Should challenges to a grant application arise, they will be resolved by the grant review panel.

The administration committed \$20 million to this program. Governor DeWine also proposed an additional \$150 million in his recent Investing In Ohio's Future Initiative for this internet infrastructure grant program, and another \$20 million per year in the biennial budget. The House added all this funding together into HB 2, along with an emergency clause, to allow us to start this important work as quickly as possible and expand even more networks. The result, even more Ohio households connected to internet service.

Development and BroadbandOhio are committed to finding innovative solutions to providing Ohioans with broadband service. We know that no one solution will work for our state. Whether it's satellites, or using state MARCS towers, we will do all we can to establish a reliable statewide broadband network.

Thank you for your time today. I'd be happy to answer any questions you may have.