

Bret Allphin, Development Director - Buckeye Hills Regional Council Senate Bill 225: Ohio Developmental Services Agency Budget Interested Party Written Testimony: Ohio Senate Finance Committee

May 31, 2018

Chairman Oelslager, Vice Chair Manning and members of the Senate Finance Committee, thank you for the opportunity to present this interested party written testimony on the proposed Senate Bill 225 – Ohio Broadband Development Grant Program.

I am Bret Allphin and I serve as the Development Director for the Buckeye Hills Regional Council (Buckeye Hills) located in Marietta. We serve eight counties in the Appalachian portion of southeastern Ohio. As a regional council of governments, our members are made up of representatives from Boards of County Commissioners and mayors of the region's cities and villages.

Research from The Ohio State University Swank Program in Rural-Urban Policy indicates that more than one million Ohioans still lack access to fast, reliable broadband services in their homes.ⁱ This underserved population largely lives in less populated rural regions like ours. They still experience digital isolation due to their geographic location.

As many of our local elected officials and citizens have communicated, we echo to you that there are still communities in Appalachia that have no access broadband services. Other counties in eastern Ohio have 40-60% connectivity to broadband. In fact, there is a gap of 30 percentage points between households with services meeting the FCC definition of broadband; only 52.8% of households in Appalachia have access to the benchmark broadband speed, compared to 82.9% statewide.ⁱⁱ



In an area larger than the states of Massachusetts, Connecticut and Rhode-Island combined, Ohio's Appalachian region is home to 17 percent of the state's residents.ⁱⁱⁱ

It is expensive for internet service providers to extend service in these rural areas, but no less critical to Ohioans' daily lives for education, business, health care and more. This obviously puts the greater region at a disadvantage. In rural areas, research suggests that broadband can be an effective economic development tool.

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Ohio State University's research shows that bridging the broadband divide and extending access to under-served areas of the state like ours will require a focused state effort. This legislation would provide critical financial support to encourage vital broadband investment and infrastructure expansion in Ohio's vast unserved areas.

Broadband is no longer a luxury, it is a necessity.

Portions of our region are in the heart of the economic development growth areas above the Marcellus and Utica Shale plays. We are experiencing tremendous growth and change, and more is on the horizon. Yet some commercial sites in the play still have little to no access to commercial broadband services.

There are an estimated 88,500 Ohio businesses with no broadband access. Ohio's businesses need broadband to grow and to compete in a connected global marketplace.

Ohio's children and non-traditional learners also need broadband to excel in school and to advance their education and career pathways. At a time when national data indicate that the great majority of jobs (65-70%) require some postsecondary education and training beyond high school, while a full 35% require a bachelor's degree and beyond^{iv}, only 16.7% of Ohio's Appalachia residents have a bachelor's degree, lagging behind the state (26.1% with degrees). Increased access to broadband for online education is critical, especially considering that access to in-county higher education courses and curriculum in some Appalachian counties remains limited.

Broadband is also a critical tool for the unemployed. As Ohio has invested in the development of Ohio Means Jobs for access to job listings and other support services to the unemployed, it is increasingly important for job seekers to have internet access at home to utilize these services. Similarly, limitations in access to broadband also limits work from home opportunities, which are becoming increasingly common as people choose our part of the state to live for quality of life reasons.

With Ohio's *Third Frontier* program focused on transforming the state's economy through the accelerated growth of diverse startup and early stage technology companies, it will be necessary for businesses and entrepreneurs in Appalachia and other rural Ohio communities to have greater access to broadband services in order to fully capitalize on these important resources.

Since 1968, Buckeye Hills has been a voice for the residents across rural Southeast Ohio. We are determined to improve conditions in our region and to provide residents the resources and services to build their communities and reach parity with the nation. As an Appalachian local development district (LDD) working with the Appalachian Regional Commission (ARC), Ohio's Development Services Agency and its Ohio Governor's Office of Appalachia we have remained focused on supporting projects in local communities. Other committed Ohio partners involved in this long term effort include the Eastgate Regional Council of Governments (Youngstown), the Ohio Mid-Eastern Governments Association (Cambridge) and the Ohio Valley Regional Development Commission (Waverly).

Expanded broadband access to all Appalachian Ohioans will continue to build on support provided by the federal ARC and the Ohio Governor's Office of Appalachia. As a local development district, we



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are poised and at the ready to assist local entities in applying for Ohio Broadband Development Grant Program to achieve the greatest regional impact, and to assist the Ohio DSA in administering the program in any way possible.

We thank Senators Schiavoni and Eklund for their sponsorship of SB225, and Senator Hoagland for his continued advocacy for the residents in our region without access or with limited access to critical broadband services. It's been said that a rising tide lifts all boats – the same is true with Ohio's access to broadband – it can only strengthen underserved communities making Ohio even stronger.

We support passage of SB225 to ensure that Ohio residents and businesses not only survive but prosper in the Digital Economy. Thank you for your consideration and please do not hesitate to contact me, at 740-374-9436 or at <u>bretallphin@buckeyehills.org</u>, with any questions.

ⁱ Connecting the Dots of Ohio's Broadband Policy: OSU's S. William Swank Program in Rural-Urban Policy – April 2017

ⁱⁱ Ohio's Appalachian Children at a Crossroads. pg. 13 Children's Defense Fund – 2016

ⁱⁱⁱ The Annie E. Casey Foundation & Ohio JFS

^{iv} Appalachian Regional Commission Analysis of Census Bureau and American Community Survey Data — <u>www.arc.gov/data</u>