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Testimony in Support of HB2 Susan Jagers, Director Ohio Poverty Law Center Senate Financial Institutions and Technology Committee March 9, 2021

Chair Wilson, Vice Chair Hottinger, Ranking Member Maharath, and members of the Senate Financial Institutions and Technology Committee, thank you for the opportunity to provide testimony in support of House Bill 2. My name is Susan Jagers and I am the Director of the Ohio Poverty Law Center. The Ohio Poverty Law Center's mission is to reduce poverty and increase justice by protecting and expanding the legal rights of Ohioans living, working and raising their families in poverty. We work closely with Ohio's legal aid programs that provide civil legal services to low-income Ohioans.

For many Ohioans, the pandemic has turned the internet into a critical lifeline. It is how we connect to our jobs, our doctors, education, and family and friends. But, there are more than one million Ohioans who lack internet access and they are even more disadvantaged amid the pandemic. The reality of our digital divide has come into sharp focus during this crisis.

Many of these households are in areas where the infrastructure for high-speed broadband service does not exist. By establishing the Ohio Residential Broadband Expansion Grant Program, HB2 will help connect many of these households. We support this investment as a critical first step to getting all Ohioans connected.

While expanding infrastructure is important, it is only part of the solution. The majority of households are without access because of cost. For example, in the city of Cleveland, 27 percent of households had no internet access of any kind.

In 2018, two-thirds of Ohio households without broadband had household incomes below \$35,000, and nearly half had incomes below \$20,000. The monthly bill for a home internet connection in most Ohio communities is now at least \$60 to \$70 per month which is not affordable for many Ohioans who are already struggling to get by.

While we understand the primary objective of the Ohio Residential Broadband Expansion Grant Program is accessibility, affordability should still be a consideration.

With a total of \$210 million available for the grant program, all providers should be eligible to apply for funding. There are many examples of governmental and quasi-governmental entities succeeding with broadband expansion efforts including Zanesville's Downtown Fiber Optic Network in Muskingum County; Gahanna's GahannaNet in Franklin County; FairlawnGig in Summit County, and Medina County's Fiber Optic Network. According to research from BroadbandNow, municipal broadband access is a predictor of low-priced broadband availability. Nonprofit providers may be more likely than for-profit providers to expand services to areas with lower incomes.

We ask that you improve HB2 by making the following changes:

- Include government and quasi-governmental entities in the definition of eligible broadband providers. HB 2 excludes government and quasi-governmental entities from the definition of Broadband Provider which means they are not permitted to submit a grant application. In some communities, the best entity to expand service may be a government entity.
- Include the cost of services in applications and reports. Scoring criteria for proposals should include the cost of service. Annual grant award reports and Authority grant program reports should include price points for service, in addition to addresses served.

We need to make broadband available and affordable so that all Ohioans can be connected. We look forward to working with you to ensure that all Ohioans have access to the internet for school, work, health care, and other critical services.