



**Task Force on Rural Internet, Broadband, Wireless
and Cellular Service
Sustainable Growth Commission
November 26, 2018**

Status of Rural Broadband

- According to Congressional Research Service, over 324,000 rural Marylander's lack access to high-speed internet.
- Task Force adopted the Federal Communication Commission's standard of high-speed broadband as 25 megabits per second download and 3 megabits per second upload.
- Using the Federal Communications Commission, only 64% of Marylanders have access to high-speed internet.



Task Force on Rural Internet, Broadband, Wireless and Cellular Service

- History
 - Created in 2017
 - Issued report January 2018 that recommended:
 - Moving Office of Rural Broadband from the Maryland Department of Information Technology to the Maryland Department of Housing and Community Development
 - Creating a statewide inventory of the State's assets that could be utilized for broadband deployment
 - Met six times during 2018 with a final meeting on November 9, 2018
- Governor announced hiring of Kenrick Gordon as Director of the Office of Rural Broadband in May 2018



Southern MD Demand Survey Results

- 11.2% of respondents reported not having access to broadband at home.
- Almost 72% of the respondents or someone in their home had home offices and connected remotely.
- 86% of the respondents indicated they are interested in switching service providers. The challenge is most of the respondents, do not have another viable choice.
- 77% of respondents are not satisfied with the speed of their current provider.
- Over 50% of the respondents are paying more \$80 a month, just for Internet access. This high cost is being paid, despite the survey response indicating over 40% of the respondents Internet access service, doesn't meet the FCC definition of "broadband".



Other Concurrent Considerations

- Small Cell regulation – addresses permitting and access to rights-of-way
- First Net
- Next Generation 911



State Grant Programs

- Office of Rural Broadband received \$2 million in FY2019.
 - Have issued a RFP for technical assistance and potential matching funds for projects
- Rural Maryland Prosperity Investment Fund – received \$6 million in FY2019
 - 5 broadband projects funded
- Rural Broadband Assistance Fund
 - Administered through Department of Commerce
 - Last funds received in 2010 awarded to the Maryland Broadband Cooperative



RMPIF Projects

- Two broadband projects supporting the Town of Denton's municipal network 2018
- Southern Maryland demand survey
- FY2017 Myersville (Frederick County) extension from Myersville Elementary School to new Myersville library
 - Ran into issues with pole attachments which resulted in delays
- FY2018 Garrett Community Action to install broadband in 200 low-income homes as a last mile project. Expect to complete by the end of the year with minor delays



Policy Considerations

- Spent a lot of time reviewing broad tax policy considerations that are not targeted or focused necessarily in rural – property tax credits, depreciation on equipment, sales tax exemption on broadband equipment
- Support for additional resources from the State Government to address the problem
- Allowing electric cooperatives access to rights-of-way for broadband deployment (currently only allowed to access for electricity).

