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.).