

***LD 256 – An Act to Ensure Continued Availability of High-speed Broadband Internet  
at Maine's Schools and Libraries***

**COMMITTEE ON ENERGY, UTILITIES AND TECHNOLOGY  
February 14, 2017**

Senator Woodsome, Representative Berry, and distinguished members of the Committee on Energy, Utilities and Technology, my name is Jeff Letourneau and I am testifying today in support of LD 256, An Act to Ensure Continued Availability of High-speed Broadband Internet at Maine's Schools and Libraries.

I currently serve as the Executive Director of Networkmaine and I am speaking today on behalf of the Networkmaine Council which is comprised of school, library, state and university members. During much of my tenure at the University of Maine System, I have been involved in the operation of the Maine School and Library Network, often referred to as MSLN.

In 1996 MSLN first provided 56 Kbps connections to every school and library in Maine all of which shared 10 Mbps of connectivity to the Internet. Back then search engines were just coming into existence, (Who remembers AltaVista?) computers didn't even come with built-in network ports, and the precursor to what we now call Wi-Fi was still being developed in a university lab in Australia.

MSLN was initially funded through a \$20M PUC rate-case ruling against the incumbent telephone company of the time, Bell Atlantic. Bell contracted with the University of Maine System to operate the network and for the first 5 years of its existence MSLN was largely administered by the PUC advised by a board made up of stakeholders.

Flash forward 20 some years and things look a bit different these days. Google is not just the name of internet search company but is an actual verb. Who hasn't googled something lately. Wi-Fi is nearly everywhere. The internet is an integral part and everyday life. Maine schools and libraries, with few exceptions, now have connections ranging from 100 Mbps to 1 Gbps (at least 1,600 times faster those original 56K connections) and require 40 Gbps of connectivity to the Internet, 4,000 times more than in 1996.

MSLN is now overseen by a collaborative formed by the MDOE, Maine State Library, Office of Information Technology and the University known as Networkmaine. For the past 18 years MSLN has been funded by the Maine Telecommunications Education Access Fund (MTEAF) created by the Maine legislature in 1999 and the federal E-Rate program.

In the early 2000's funding from these two sources supported the connectivity needed by schools and libraries along with a variety other services that helped ensure MSLN was being leveraged to its fullest potential. However, the ability of MTEAF to provide adequate funding has greatly diminished as consumer preferences and provider offerings have moved away from voice services to data services. For the past few years MSLN has had to turn to a variety of additional sources of funds including the schools and libraries.

MTEAF collects 25% less today than they did just 5 years ago. That's amounts to about \$1M a year. In adapting to the reduction in available funding we have had to make tough decisions to cut costs by prioritizing the services available through MSLN and who can receive them.

In 2010, we removed MSLN connections from the community college libraries and the county law libraries. Their MSLN connections were secondary connections and weren't absolutely necessary for the patrons of those libraries to access the internet. The Department of Education also began to provide support for the administrative costs of MSLN.

In 2011 we stopped funding "innovative and technologically advance projects". Prior to 2011, Maine statute required that 25% of MTEAF funds be spent on such projects. MTEAF was simply not able to collect enough money to fund such projects while providing the connectivity required by the schools and libraries. We sought and received statutory relief of that requirement.

In 2012 and 2013, not fully understanding the cause of the decline in MTEAF funds, we initiated several cost savings measures in an attempt to "ride-it-out". We delayed the replacement of aging equipment, reduced the amount of on-site support available to schools and libraries, and started to phase out both e-mail and web hosting services encouraging schools and libraries to find other solutions.

In 2014, after much deliberation, the painful decision was made to start charging a participation fee to K12 schools. It was hoped that the participation fees were a temporary measure to bridge the funding gap while other sources of funding were identified.

In 2016, libraries were accessed participation fees for the first time. The Department of Education provided limited funding to offset the need to increase the fees to schools and once again the MSLN budget was reduced.

In drafting the operating budget for 2017 it has become clear that once again, MSLN faces an annual budget gap, this time amounting to almost a quarter of a million dollars, due the continued decline in funding available from the MTEAF. In other words, a million dollars of funding outside of MTEAF and E-Rate will need to be secured to maintain the services provided through MSLN. With little room to cut elsewhere, and no appetite for increasing the participation fees, the amount of funding available for on-line content subscription services, which are heavily used in both schools and libraries, will be reduced by 36% to close the gap. It is hoped that through strong negotiations with the content providers and perhaps some one-time contributions from charitable parties we will be able to minimize the loss of books, periodicals, and other on-line content currently available in the schools and libraries.

We have hit a tipping point. Without action being taken to stabilize funding, MSLN will no longer be able to meet the needs of Maine's schools and libraries. It is my hope that I have provided a clear picture of the financial difficulties MSLN is facing. To help visualize our situation I have provided a couple of graphs in my written testimony that detail MSLN's increasing dependency on local funding and how funds from MTEAF and the E-Rate program are being allocated.

Thank you for your attention and time today. I ask for your support of LD 256. I am happy to answer any question you may have at this time.

**Jeff Letourneau**  
**Executive Director, Networkmaine- University of Maine System**

207-581-3507  
JeffL@maine.edu