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Thomas L. Welch  
661 Eastside Road  
Hancock, ME 04640

Senator Woodsome, Representative Berry, and members of the Energy, Utilities and Technology Committee

My name is Tom Welch and I live in Hancock, Maine. I served as Chair of the Maine Public Utilities Commission from 1993 to 2005, and again from 2011 through 2014.

I am submitting this testimony in support of LD 256. I believe that enacting this legislation is important to ensure the continuing vitality of the Maine School and Library Network, a network that has provided important benefits to Maine's school children and communities for two decades. The legislation would maintain at FY 2012 levels the amount collected from communication service customers in Maine, and would recognize that the funding mechanism now in place does not reflect the significant changes in communications technology and usage that have rendered the current funding formula inadequate.

The value of the MSLN to Maine's school children and communities is no less today than it was when the MSLN was first implemented. As Fenwick Fowler of Western Maine Community Action urged at the time: *As we look to the future, it will be critical for our libraries to provide affordable access to the information superhighway and other technologies, especially here in the rural western mountains region of Maine.*

The Maine Department of Education voiced similar concerns: *Two key issues with regard to the development and implementation of a statewide telecommunications infrastructure are accessibility and equity.... If Maine schools are to offer equal opportunities to all students in all parts of Maine and remain competitive with schools in other states, they must be able to obtain access to on-line information services at rates that are affordable.*

The MSLN was the first of its kind in the nation, and it is no coincidence that the federal “e-rate,” which provides discounts for telecommunications services to schools, libraries and health care facilities, was successfully championed by Senator Snowe of Maine. Over the years the available speeds for the MSLN connections have improved, but the fundamental vision guiding the program has remained constant: in every community in Maine that has a school, every student and teacher has access at no cost to high speed Internet, and in every community with a library – which in Maine is virtually every community – every citizen has the same opportunity.

In Maine schools, the use of the Internet to improve education is ubiquitous. Students and teachers not only seek information and content online, but they are creating and publishing new content online. Rural schools can now close distances and create collaborations that previously would have never existed. For example, students in the one- and two-room schools on Clinton, Frenchboro, Isle au Haut, the Cranberry Islands, Matinicus, and Monhegan islands attend school together via videoconference through the Outer Island Teaching and Learning Collaborative.

Maine currently leads the nation with its 1:1 computer program, the Maine Learning Technology Initiative (MLTI). Governor (now U.S. Senator) Angus King created MLTI in 2002 and built upon the foundation of MSLN. Today, every 7th and 8th grade student and half of all high school students in Maine are provided a personal laptop computer or iPad by MLTI. Students and teachers leverage the high-speed access to the Internet provided by the MSLN and are on the forefront of the transition from traditional print materials to digital. These efforts are paying dividends for Maine’s students and their families: as the *Portland Press Herald* reported in 2013, Maine students are less likely to require remedial courses than students in other states.

With the current push for in-home broadband availability, some might suggest that the MSLN is an anachronism. Everyone, it might be argued, has a computer or some other device that has access to the information “cloud.” I disagree with both the premise and the implications of this view. For one thing, expanding broadband availability to every household in Maine is proving elusive and expensive, thus putting our most rural, and often most vulnerable, residents at a disadvantage relative to their more urban or affluent neighbors. Moreover, “bricks and mortar”

libraries and schools are among the few remaining physical places in our society where members of a local community can meet informally, can seek information without making a financial commitment, and can draw people into our revitalizing community centers. In all my frequent visits to libraries and schools scattered throughout Maine, I have rarely seen the computers sitting idle; it is common to see people waiting for a free computer to become available.

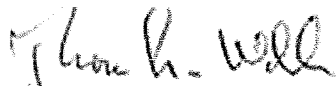
These MSLN connected computers are in essence free “kiosks,” providing inconceivably more information than the old sidewalk kiosks and their posters. The MSLN enabled kiosks, like their concrete predecessors, are available at no cost to their users, and ensure that all Maine citizens and all Maine students can participate to the extent they choose in today’s vast and interconnected universe of information.

LD 256 is, in my view, a modest but necessary change in the approach to funding the MSLN. The decline in revenues collected under the current formula – a decline driven almost entirely by a consumer shift from voice to data communication, a shift that ironically is enabled by the same high speed internet connections that the MSLN makes available to all Mainers – means that the ubiquity and functionality of the MSLN will suffer if those revenues are not restored. The proposed legislation would ensure a constant flow of funds, which in turn will continue to leverage the matching federal e-rate support and will also avoid substantial increases to library and school fees that would have the inevitable effect of further separating the “have” from the “have-not” communities. Further, the legislation would give the Commission the task of developing a collection mechanism that would take into account the changes in patterns of communication and provide a full and fair opportunity for comment and review by all interested telecommunications market participants.

I am familiar with arguments that, because MSLN serves both educational and community purposes, funding should be shifted from telecommunications users to the general fund or local taxes. Wholly aside from the practical difficulty of achieving stable tax funding, I think that the logic of collecting the modest support required by the MSLN (and the federal e-rate, which is also funded by collections from telecommunications users) remains strong. First, telecommunications users and those who benefit from MSLN are essentially the same people.

Second, while it is true that collecting MSLN funding from telecommunications users adds a very small amount to the cost of communications, the MSLN by its nature stimulates usage and demand for communications services outside the MSLN context. Thus both industry and customers benefit from what is, essentially, an investment in the computer and internet capabilities of Maine's citizens. I therefore urge the Committee to continue to allow this very modest assessment on communications services.

I am sorry that I am not able to present this testimony in person, but hope to be able to attend the work session to provide further information should the Committee find that useful.

A handwritten signature in cursive script that reads "Thomas L. Welch".

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