



# Broadband

## The Road to Maine's Future

*A Summary of Task Force Recommendations*

The internet is fun. It's a way to keep up with your friends, follow sports teams, play games and shop.

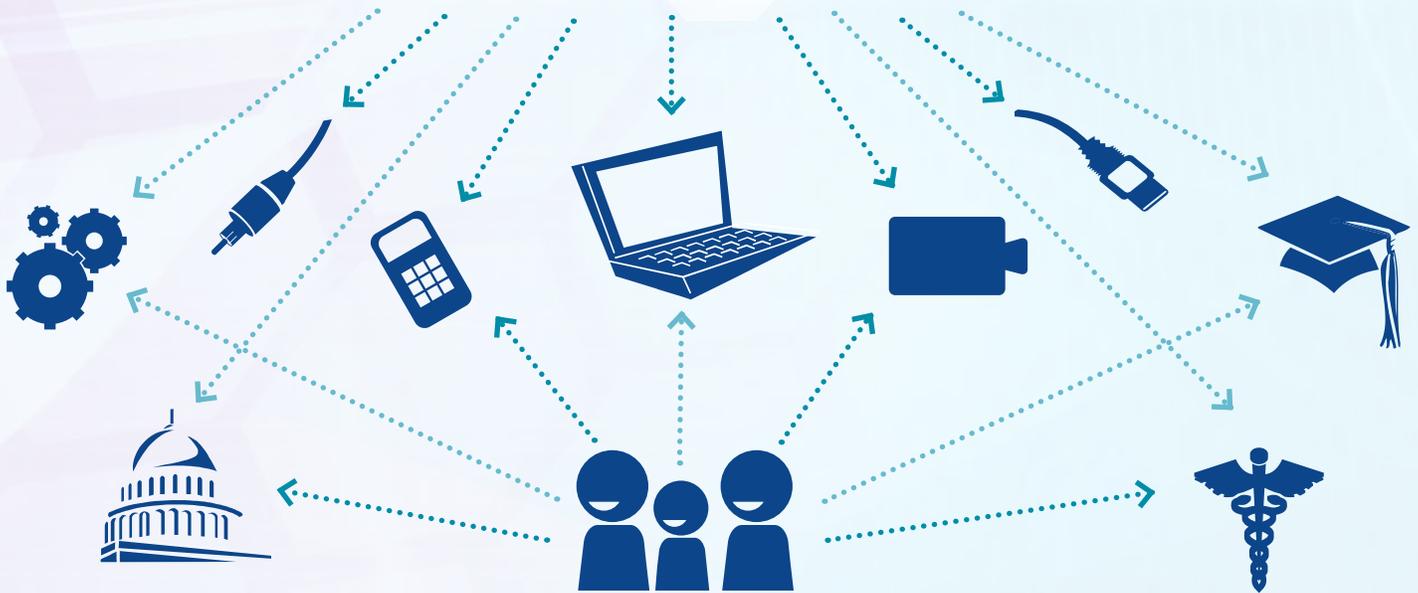
But it is also something very serious – a technology that offers the promise of more jobs, better health care, more effective schools, and less expensive government services for Maine. It is a vital connection to the world economy. It brings us into intimate contact with people around the nation and the world.

The internet presents us with a great opportunity if we take advantage of it.

This report provides a strategy for using broadband - i.e., high-speed internet connections that are always on - to transform Maine.



# The internet is a vital connection to the world economy.



## We see Maine businesses using the internet to:

- communicate rapidly with customers;
- stimulate new ideas and reach new markets;
- create jobs and attract talented young workers.

## We see health care organizations enabling:

- specialists to consult directly with patients;
- people with chronic diseases to monitor themselves;
- elderly to stay in their homes;
- health planners to use in-depth data.

## We see schools empowering:

- students to have access to the most talented teachers in the world;
- teachers to make use of diagnostic information;
- principals to collaborate with neighboring schools.

## We see local governments:

- sharing back office functions electronically - assessing, budgeting, licensing;
- providing a wide range of other services more effectively and less expensively—from tax filing to camp site reservations to appointment scheduling;
- attracting visitors.

This strategy envisions a Maine that is attractive to young people as a place to live, work, and play; that is growing in jobs and income; that has reduced the cost of living, the cost of health care, and the cost of government; and that provides individuals with choices at work, at school, in health care, and in dealing with government.

In fact, if Maine follows the recommendations set forth within, the cumulative impact on the Maine economy over the coming decade would be to add 11,000 jobs, create \$500 million in new income, and pass along \$70 million new dollars a year to state and local governments.

About 75% of Mainers use broadband in the home. That's about the U.S. average. But it's below other places. Neighboring New Hampshire and Canada are somewhat higher, and the Nordic countries and South Korea (at 98%!) are much higher. Not surprisingly, the rate of annual economic growth from 2003-2013 roughly corresponds with broadband usage: U.S. (1.7%); Canada (1.9%); Sweden (2.3%); and South Korea (3.7%).

# So how do we get there? And how do we pay for it?

## 1. Build the demand.

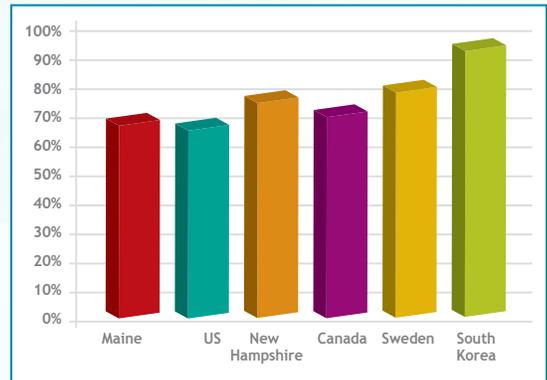
8% of Maine households (50,000) don't have broadband access. It will cost \$60 million to build the infrastructure to reach them. How can we stimulate the private sector to pick up more of this tab? The answer is to increase the take rate—the proportion of households who subscribe to broadband internet when it is available. In Maine today the take rate is around 75%.

## 2. Be neutral among technologies.

Broadband technology is rapidly changing. There are multiple ways to access the internet that meet multiple needs. Government must be open to least-cost solutions to the problem, without preconceptions.

With these two principles in mind, we recommend the following broadband strategy.

Maine Household Broadband Use, 2013



*The Whole Picture: Where America's Broadband Networks Really Stand, February 12, 2013, by Richard Bennett, Luke A. Stewart and Robert D. Atkinson, <http://www.itif.org/publications/whole-picture-where-america-s-broadband-networks-really-stand>.  
Exploring the Digital Nation: America's Emerging Online Experience, Prepared by National Telecommunications and Information Administration and Economics and Statistics Administration, June 2013, <http://www.ntia.doc.gov/report/2013/exploring-digital-nation-america-s-emerging-online-experience>.*

## Broadband Policy Recommendations

- 1. Help Maine businesses move to the internet:** We recommend a 3-year tax credit for internet-related staff training and marketing expenditures for all Maine small and medium-sized businesses.
- 2. Help Maine elderly stay home:** We recommend changing MaineCare program incentives to grow the proportion of elderly receiving home care in Maine from 35% today to 80% in 2020.
- 3. Educate health data analysts:** We recommend expanding the talent pool of health data specialists by upgrading data competency in elementary and high schools, and expanding health data offerings at the college level.
- 4. Make the UMaine system a model for blended learning:** The University of Maine is ideally configured to create blended learning opportunities statewide. We recommend that the UMaine System get 25% of courses online by 2015.
- 5. Provide every elementary and high school student an internet connected device:** Maine's laptop initiatives have improved student test scores. We recommend expanding Maine's middle school laptop program to all students K-12, and paying for this expansion by switching to digital textbooks.
- 6. Save tax dollars by shifting administrative functions online:** We recommend reducing state and local government administrative spending by expanding the use of InforMe, the public-private state internet provider.
- 7. Make the Maine Turnpike a model for smart roads:** We recommend that the Maine Turnpike Authority make its roadway "smart" by installing fiber optic cable for the entire length. We also recommend that the State Government develop and adopt a state Dig-Once policy in 2014. A Dig-Once policy would make the installation of broadband conduit a regular practice in road construction projects. This would decrease the costs of deploying fiber and eliminate the need for multiple excavations.
- 8. Redeploy existing funds to support broadband growth:** Maine has a Universal Service Fund, supported by fees on telephone use. We recommend that companies receiving Maine State Universal Service Fund assistance be required to support broadband expansion as well as telephone service. Maine also has a ConnectME Fund to support broadband extension. We recommend this fund be allowed to support broadband expansion projects with a major economic impact - even if the project does not involve extending service to an unserved area.

# Broadband Resources in Maine

## Get Online and Trained at Your Local Library

All Maine public libraries provide free public access to broadband internet connections. The Maine State Library website offers free online tutorials on basic computer skills, social media, email, Microsoft Office, job searches, and other internet uses.

<http://www.maine.gov/msl/digital/resources.shtml>

## Get the Skills

Adult Ed Classes

Centers throughout Maine offer internet and computer skills classes, from beginning to advanced levels. Use their web page to find a course near you at <http://www.maineadulted.org/>

## Get the Website

Google's "Get Your Business Online" project offers free website design, business listing on Google, a customized web address and free website hosting for a year - see <http://www.gybo.com/maine/>

## Get on Social Media

Facebook can help build a page for your business and Twitter offers "Twitter 101" for businesses:

<https://www.facebook.com/business>

<https://business.twitter.com/twitter-basics>

## Get Help

For information about broadband availability at your address, and state policies concerning broadband expansion, see the ConnectME website at <http://www.maine.gov/connectme/index.shtml>

## Maine Broadband Task Force Members

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