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September 15, 2020

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Representative Michele Hoytenga
Chair of the Communications and Technology Committee
Anderson House Office Building
S-1386 House Office Building
Lansing, MI 48933

Re: HR 0283 – Appreciation and again, Opposition

Dear Representative Hoytenga,

This letter is written on behalf of my client PROTEC <https://www.protec-mi.org/>, a consortium of over 100 Michigan local community governments which addresses telecommunications, energy, pipelines and other utility issues facing local community governments. PROTEC provides educational services on matters involving these issues and offers the following comments on HR 0283.

At the outset, we wish to express our appreciation for the concept of seeking greater funding for Broadband (BB) from the federal government. BB is a nationwide issue and should be broadly coordinated and contributed to by the federal government.

However, as with our concerns about HB 4288, we are concerned that federal money, like all taxpayer dollars, should only be spent where it will truly do valuable good. Accordingly, we suggest strongly that federal funds should only be spent on state BB programs that address our previously stated concerns with HB 4288. These include but are not limited to the following key concerns:

1. **Why eliminate Municipal BB as a Market Force?** Lack of competition is one of the key problems our current BB system suffers from. The exclusion of Municipal BB projects from such funding eligibility in the current Bill eliminates a significant source of competition that could spur BB growth and innovation that a free and open market place should provide. And this elimination is particularly repugnant as it is the tax dollars from the resident tax payers of the very communities being eliminated from eligibility that will suffer from whatever uncompetitive BB product is ultimately offered.
2. **No Ascertainable Requirements on Recipients:** In return for this taxpayer giveaway, exclusively to a wildly profitable industry, the Bill fails to require any verifiable BB standards such as rates, service standards, data cap regulation etc. Where is the ascertainable benefit and consideration to taxpayers for this giveaway? Over-priced and poorly serviced BB is not "available" BB.
3. **The original H-1 upgrade in speeds to 25/3mbps is appreciated but, it should also provide for automatic increases in speeds based upon future FCC upgrades:** The FCC's five year old standard of 25mbps/3mbps is due for a significant upgrade and any revised definition in this Bill should allow for increases to at least the FCC definition at a given time.
4. **Unserved as well as underserved areas should be eligible:** Limiting consideration to "unserved", at the expense of vast areas that are underserved, is unnecessarily restrictive and wrongfully perpetuates the monopolies in this business which have led us to the conundrum we now face.

We also adopt those concerns expressed by the Michigan BB Coop, bearing this same date as to HB 4288 and by reference, resolution 0283.

Our comments are intended to spur further conversation and improvement of a Bill and resolution which at their core, are good concepts for Michigan; Not as an attempt to terminate efforts on the subject.

Thank you for the opportunity to present these thoughts on HR 0283 Madam Chair.

September 15, 2020

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We are available to offer whatever assistance the Committee might be interested in for the purpose of aiding in a thoughtful discussion of these issues.

On behalf of PROTEC,



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MJW: