



# THE BUCKEYE INSTITUTE

## **Expanding Broadband is Critical for Ohio**

Interested Party Testimony  
House Finance Committee  
House Bill 13

Greg R. Lawson, Research Fellow  
The Buckeye Institute

June 10, 2020

As Submitted

Chairs Oelslager and Callender, Vice Chair Scherer, and Ranking Member Cera, thank you for the opportunity to submit testimony regarding House Bill 13.

My name is Greg R. Lawson, I am the research fellow at **The Buckeye Institute**, an independent research and educational institution—a think tank—whose mission is to advance free-market public policy in the states.

Access to high-speed broadband has become essential to daily life in America. The COVID-19 pandemic dramatically highlighted the importance of high-speed broadband access as millions of Ohioans studied, worked, shopped, and remained at home for weeks. Expanded use of telehealth, online learning, internet commerce, and teleworking all depend on consumer access to reliable broadband service. And although many communities and households have multiple broadband providers offering service, there are still many across Ohio—particularly in rural areas—that do not. The economic gap between those communities with broadband access and those without will likely continue to widen, especially with the coming advent of 5G service, which will drive **economic growth** and create millions of jobs. Without plans to deliver broadband service throughout the state soon, we risk leaving many communities and families behind as other parts of the country speed ahead.

House Bill 13 takes critical and prudent steps to expand broadband access in Ohio.

First, the bill recognizes that state and local governments should not develop their own government-owned networks or GONs. As The Buckeye Institute explained in ***Broadband “GON” Wrong: Remembering Why Government-Owned Broadband Networks Are Bad for Taxpayers***, GONs generally provide poor quality service and pass along opaque and high costs to taxpayers—costs that Ohio and its taxpayers can ill-afford as tax revenues sharply decline in the wake of the pandemic. Now is no time for GONs.

Second, consistent with our recommendations in ***Policy Solutions for the Pandemic: Expanding Broadband to Underserved Areas***, House Bill 13 creates targeted grants to support private-sector broadband expansion that will close the gap between what commercial service providers can cost-effectively spend to develop a network and the full cost of providing the service to underserved communities. Importantly, the state will award the grants through a transparent process open to multiple providers using different technologies.

Finally, deploying expanded broadband access is critical, but so is maintaining the state’s fiscal discipline—especially as tax revenue shortfalls brought on by the pandemic strain Ohio’s budget. With necessary state budget cuts looming for the foreseeable future, nonessential spending should be reduced or excised to create fiscal space for House Bill 13’s broadband grant program. Bringing broadband to households throughout the state should be done quickly, transparently, and cost-effectively. House Bill 13 will help Ohio accomplish that.

The Buckeye Institute appreciates the opportunity to submit testimony on this important issue.

### ***About The Buckeye Institute***

*Founded in 1989, The Buckeye Institute is an independent research and educational institution – a think tank – whose mission is to advance free-market public policy in the states.*

*The Buckeye Institute is a non-partisan, non-profit, and tax-exempt organization, as defined by section 501(c)(3) of the Internal Revenue code. As such, it relies on support from individuals, corporations, and foundations that share a commitment to individual liberty, free enterprise, personal responsibility, and limited government. The Buckeye Institute does not seek or accept government funding.*

