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# ConnectME Authority: Facilitate Universal Availability of Broadband Service in Maine, 2013

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# CONNECTME AUTHORITY

## Facilitate Universal Availability of Broadband Service in Maine

<http://www.maine.gov/connectme>



### ConnectME Authority Objectives:

- Expand broadband in Maine. To date awarded \$8 million in grants, to 99 projects, with total project values of over \$15 million.
- Administer the process for selecting specific broadband projects; and providing funding, resources and incentives.
- Administer \$6 million in federal funds to map broadband in Maine, plan growth , build capacity and provide technical assistance to increase digital literacy.
- Focus on supporting economic development, health information technology, education, eGovernment.

### Why Broadband?

- Ubiquitous broadband deployment across the U.S. would produce as much as \$460 billion in economic growth per year.
- Internet business solutions have enabled private companies in the U.S. to save \$155 billion.
- For every percentage point increase in broadband penetration employment increases by .2% - .3% per year. <sup>1</sup>

<sup>1</sup> <http://www.incontext.indiana.edu/2011/may-jun/fullissue.pdf>

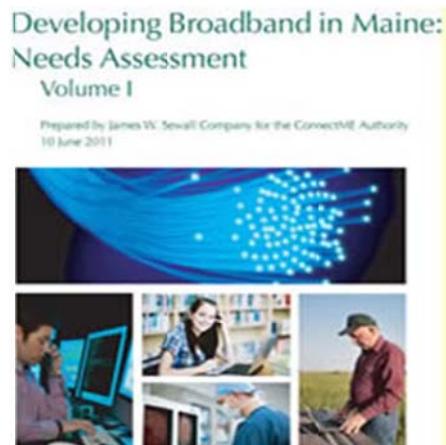
## CONNECTME AUTHORITY

### Facilitate Universal Availability of Broadband Service in Maine

- An estimated 60 million Americans go online every day to find a product or service, but only 24% of small businesses use e-commerce applications to sell online.<sup>2</sup>
- 141,000 small businesses in Maine.
  
- Small businesses say more competition for high-speed Internet services are key to innovation, better customer service and lower prices.<sup>3</sup>
- For every \$1 invested in broadband, \$3 is directly returned to the economy, without a multiplier effect. With an economic multiplier, every \$1 invested in broadband returns \$10.
- U.S. households that use the Internet save \$7,707 per year.<sup>4</sup>

"I have heard from numerous small business owners from across Maine who depend on a fast and reliable broadband connection as a matter of basic business survival, but who regrettably are struggling for increased access and speed because rural areas still lack adequate broadband service," Sen. Olympia Snowe said. "Maine is a prime example of a state where increased broadband utilization can have a dramatic impact on businesses' ability to grow and expand by selling goods to new markets, both domestic and foreign."<sup>5</sup>

### Needs Assessment June 2011 – 10,000 residents – 3,500 businesses



### Findings

- Factors that increase broadband use – Maine ranks low
  - Households with one or more children under 18 (Maine is 48<sup>th</sup> out of 50)
  - Households with more than 3 people (Maine is 48<sup>th</sup> out of 50)
  - Small businesses in finance & insurance sectors (Maine is 48<sup>th</sup> out of 50)
- Factors that decrease broadband use – Maine ranks high

<sup>2</sup> National Broadband Plan - <http://www.broadband.gov/plan/>

<sup>3</sup> <http://techdailydose.nationaljournal.com/2010/11/report-finds-rural-small-busin.php>

<sup>4</sup> -U.S. Bureau of Economic Analysis <http://www.bea.gov>

<sup>5</sup> <http://www.inc.com/news/articles/2010/11/small-businesses-want-broadband-choice-and-competition.html>

## CONNECTME AUTHORITY

### Facilitate Universal Availability of Broadband Service in Maine

- Households with annual income under \$15,000 (Maine is 1<sup>8th</sup> out of 50)
- Households comprised of people over age 64 (Maine is 5<sup>th</sup> out of 50)
- Small businesses with fewer than 5 employees (Maine is 9<sup>th</sup> out of 50)

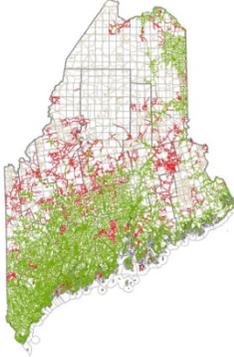
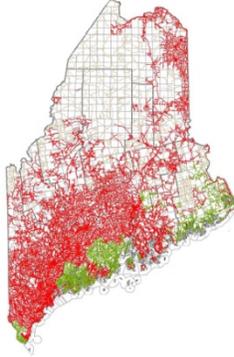
### Maine is on the wrong side of both factor sets!

To locate where broadband is and is not, visit ConnectME's map galleries:

Dynamic Map Gallery: <http://www.maine.gov/connectme/broadbandmapping/index1.htm>

Static Map Gallery: <https://geopower.jws.com/connectme/> (finely detailed PDF maps)

**Greatest barrier to adoption for both households and businesses is lack of perceived need or value in owning a computer, cost is second.**

FCC Tier 1 Coverage	FCC Tier 3 Coverage
	
Tier 1 - 91% of Maine locations have access, Maine's' avg. download speed is 768 Kbps	Tier 3 - preferred level of speed for funding ConnectME projects & conducting business. Avg. speed 3 Mbps
Basic email and web browsing capable - Difficulty accessing video, music, telecommuting, telemedicine, educational services & many business needs	Red indicates areas NOT covered by Tier 3 service

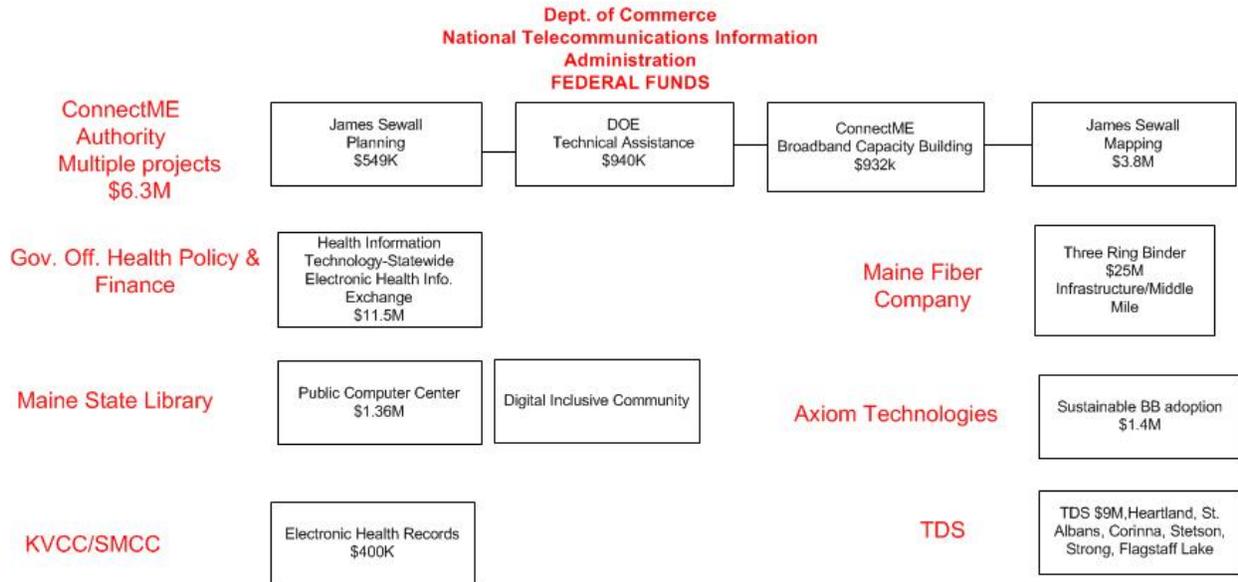
- While Maine has good coverage for basic broadband service (Tier 1), current service levels are too low to realize most advantages broadband will offer (Tier 3).
- There is a lack of perceived value in computer use & internet adoption.
- Maine's demographics and geography present a challenge to broadband advancement.
- Maine ranks 43<sup>rd</sup> in internet speeds in the nation.
- Maine ranks 45<sup>th</sup> in deployment of broadband.
- Maine ranks 41<sup>st</sup> in number of IT professionals in non-IT industries.
- Maine ranks 35<sup>th</sup> in high-tech jobs.

# CONNECTME AUTHORITY

## Facilitate Universal Availability of Broadband Service in Maine

In 2006, the Legislature created the ConnectME Authority to develop and carry out its broadband strategy by identifying unserved areas of the state; developing proposals for broadband expansion projects, demonstration projects and other initiatives; administering the process for selecting specific broadband projects; and providing funding, resources and incentives. The Authority works closely with all broadband initiatives in the State of Maine and initiatives on the federal level as well.

### MAINE BROADBAND PROJECTS



ConnectME Authority Grant funds for "last mile" infrastructure projects to customers in unserved areas of Maine.

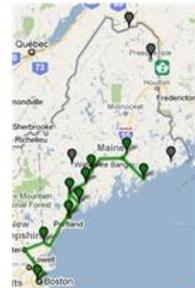
6 Grant Rounds to date  
33,539 served  
Total project cost: \$12 mill.  
Total grant award: \$6 mill.  
49% grant match  
76 total grants

#### NON FEDERAL FUNDED EFFORTS



Gigabit Maine Street  
Ultra High Speed Network  
in Orono and Old Town

Regional Optical Network (RON) servicing Maine's Research & Education community.



## CONNECTME AUTHORITY

### Facilitate Universal Availability of Broadband Service in Maine

Duties of the ConnectME Authority include:

1. Establish criteria defining unserved and underserved areas;
2. Enhance communications technology infrastructure;
3. Monitor wireless coverage in areas where the authority determines the quality of the coverage is inadequate;
4. Expand the availability of broadband to residential and small business customers in unserved or underserved areas;
5. Expand the availability of broadband with bandwidth, synchronicity, reliability and security adequate to serve business, education and enterprise consumers in unserved or underserved areas;
6. Otherwise enhance the State's communications technology infrastructure in unserved and underserved areas;
7. Collect, aggregate, coordinate and disseminate information and data concerning communications services and advanced communications technology infrastructure in the State;
8. Track investment in advanced communications technology infrastructure;
9. Continually assess the availability of and need for advanced communications technology infrastructure in unserved or underserved areas within the State;
10. Identify and secure federal and other funding sources for broadband or wireless deployment or education;
11. Identify opportunities for coordination among providers, consumers and state and local governmental entities, including coordination with the statewide emergency radio network; and
12. Create and facilitate public awareness and educational programs to encourage the use of broadband services.

# CONNECTME AUTHORITY

## Facilitate Universal Availability of Broadband Service in Maine

The ConnectME Authority  
 Grant Award Projects  
 Rounds 1 - 7  
 Current as of June, 2012

