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WRITTEN TESTIMONY
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Concerning

Proposed Bill 572 An Act Concerning Gigabit Internet Access

February 10, 2015

Senator Doyle, Representative Reed, Senator Formica, Representative Ackert, and Members of the Committee:

Thank you for the opportunity to testify in support of Proposed Bill 572, An Act Concerning Gigabit Internet Access. This legislation has the potential to energize and expand Connecticut's economy in a way that will have lasting effects for decades.

I am honored to be working with one of the bill's introducers, Senator Beth Bye, and New Haven Mayor Toni Harp, who is here with me today, as part of a coalition effort that is engaging both state and municipal leaders to deploy higher speed, reliable and more affordable broadband service for everyone, including underserved areas. I would like to thank them, along with Consumer Counsel Elin Katz, West Hartford Deputy Mayor Shari Cantor and Stamford Mayor David Martin for their leadership on this issue.

Last November, a call to action went out to all Connecticut municipalities to join a growing economic development movement pushing for gigabit broadband service for residents and businesses in their communities. It is exciting to note that today, over 100 Connecticut cities and towns have expressed their interest in bringing gigabit technology to their communities.

Gigabit broadband service would rapidly deliver information--serving as a superhighway for researchers, schools, businesses large and small and every household. It would be the ultimate economic assistance incentive program because it would reward all business and industries, new ones and those already established here, with a superior infrastructure and an open door.

A gigabit broadband network is capable of 1,000 megabit-per-second (Mbps) upload and download speeds. The current average home speed in Connecticut is only 9 Mbps download and even slower upload. To give you a practical understanding of these numbers, on a gigabit network, one would be able to download a two hour, high

definition movie in 33 seconds; on the average broadband network, like that here in Connecticut, it takes 25 minutes.

This initiative, however, is about much more than movie and music downloads. In fact, it's hardly about entertainment at all. It's about economic development and innovation.

Some of Connecticut's businesses are experiencing impediments to their day-to-day work because of the lack of this technology in the state. The Connecticut office of Jackson Labs recounted that if they want to transfer data overseas, it has to be sent on discs because the data is massive and the network cannot handle it.

As a result, some simply see their businesses unable to expand to their full potential. There is the New Haven based SeeClickFix, which created an app that enables people to report non-emergency problems in their communities to their municipality. Network costs and limits on the state's internet technology capability create great challenges for them and similar businesses as they transact business each day with global clients.

Gigabit broadband service will provide a strong economic development incentive to business and bring more competition to the broadband market, reducing costs and improving service for all businesses and households that are suffering from high broadband, cable and phone bills. At recent forums hosted by the Consumer Counsel and CT Technology Council, companies reported the extreme cost of receiving ultra-high speed broadband service under Connecticut's existing infrastructure, and the enormous benefits that a gigabit network could provide in the state's most high-tech fields like bio-tech, precision manufacturing and technology companies.

In one memorable instance, a multi-national corporation with a precision manufacturing facility stated that the only other location in the world in which the company struggled to receive necessary gigabit broadband service was in a rural Mexican town.

To get a full understanding of the potential success this could bring to our state, one only needs to look where they are already doing this. The development of gigabit networks in areas like Kansas City, MO; Austin, TX; and Chattanooga, TN is spurring new start-up communities and attracting new corporate residents.

Chattanooga in particular has shown great success. City officials have credited the gigabit system with creating 1000 jobs in the last four years. Businesses in place have become more successful, including one that attracted roughly $3 million in investments within two years of its inception. A new population of computer programmers, entrepreneurs and investors are attracted to the mid-sized city, where empty factory buildings are being converted into loft apartments, office space, restaurants and shops.

Not only are new and existing entrepreneurs able to plug into a reliable and worthwhile network, but consumers and businesses alike are able to reap more competitive pricing for broadband service. In gigabit municipalities, customers are seeing improved customer service and reduced costs for higher-speed broadband service-- in some cases going from several thousand dollars a month to roughly $70/a month. For residential consumers of cable, phone and internet services the costs for bundled services have been reduced significantly.

The economic benefits are real.

The state needs to start thinking about high-speed internet the way it thinks about rails and roads. But fortunately, unlike roads that have to be maintained every three or four years, this infrastructure will long outlive any financing. As a small state with high population density we have a real opportunity to leapfrog other states by having access to gigabit broadband service statewide. Gigabit broadband networks are coming. Connecticut can get on board or be left behind.

I urge your support. Thank you.