



EDWARD J. MUSANTE, JR.
PRESIDENT & CEO

TESTIMONY ON S.B. 311

Chairman Osten, Chairman Miller, Senator Linares and Representative Aman,
Planning and Development Committee of the CT General Assembly
March 11, 2016

Thank you for the opportunity to submit testimony concerning **Senate Bill 331, An Act Establishing a High-Speed Internet Pilot Program**. The Greater Norwalk Chamber of Commerce, which represents nearly 1,000 businesses of the city of Norwalk and its surrounding communities, opposes this bill and urges this Committee to reject it.

The bill creates a pilot program funded with \$20 million taxpayer dollars that would compete directly with private companies that already face stiff competition. This anti-business measure is the wrong message for the state to be sending. Especially at a time when corporations are leaving the state.

The proponents of this measure have stated that Internet speeds are inadequate, however, cable companies provide up to 100 gigabytes – ample for any business. The White House, the FCC, and the pro-consumer group BroadbandNow all rate Connecticut one of the top three states in the country for Internet speeds and connectedness.

Additionally, it is difficult to imagine how a town will afford to build and maintain a government-owned Internet network. It will have to incur tremendous construction costs, create an entirely new office to manage repairs and handle service questions and billings and collections. As we know, town budgets are constricting and facing future state aid cuts due to the roughly \$4 billion state deficit in the next biennium. Towns should be looking to reduce operations, not take on entirely new and costly projects that duplicate what the private sector already provides.

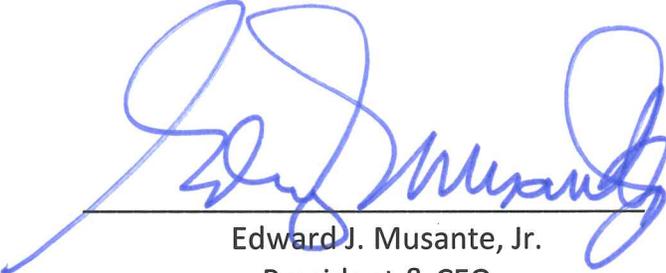
I would also ask you to consider the town of Groton's experience with creating a government owned network. It bonded the cost of creating such a system and now has about \$27 million in bonds to pay back and no Internet system. Respectfully, towns and the state are not equipped to perform these functions.

Finally, it bears noting that even if a town or the state built an Internet system, if trends persist, it would be obsolete in several years and taxpayers would bear the burden of purchasing an

updated system. Connecticut residents benefit from competition-driven innovation in the technology sector and government just does not have the bandwidth for research and development in this area.

As local property taxpayers, businesses would prefer to see the \$20 million this bill appropriates to be directed instead toward towns so they can avoid increasing local taxes.

For these reasons, the Greater Norwalk Chamber of Commerce asks that you vote against Senate Bill 331. Thank you for providing our membership the opportunity to comment on this bill.

A handwritten signature in blue ink, appearing to read "Edward J. Musante, Jr.", is written over a horizontal line. The signature is stylized and cursive.

Edward J. Musante, Jr.
President & CEO