



A Touchstone Energy® Cooperative 

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Members of the Joint Legislative Budget Committee,

The need for increased broadband availability across Kansas predates the outbreak of the COVID-19 pandemic. With the increased reliance in telehealth services, distance learning and online business activities conducted from home during the imposition of safer-at-home orders arising from the COVID outbreak, the pandemic certainly reinforced the need for increased connectivity.

That need is not going away. As schools plan to start fall classes at home or under hybrid school-home schedules, students with insufficient broadband access will be further disadvantaged. Patients and health care providers hoping to decrease exposure potential want to rely more and more on telehealth services. Additionally, as many businesses moved to work-at-home arrangements, they are discovering that this is a viable strategy even after the crisis is over. This presents a tremendous economic development opportunity for the state of Kansas. By becoming a telecommuter-friendly state, Kansas can attract those employees who are able to live wherever they want. But this all requires reliable, adequate, and affordable broadband access for schools and students, healthcare providers and patients, and businesses, their employees and their customers.

Over time, the nation's concept of infrastructure has evolved. Good roads, bridges, railroads and water, gas and utility services are no longer enough. Telecommunications and broadband are also essential components of modern infrastructure systems. Where those systems exist and provide needed levels of service and reliability, businesses can flourish and communities can thrive.

Some may wonder why electric cooperatives are interested in broadband. The answer is simple – it matters to our members and to the communities where they work and live. That has prompted many co-ops to examine how they can best address their members' needs for affordable, sufficient broadband service. Some, like Butler Rural Electric Cooperative Association, Inc. and Wheatland Electric Cooperative, Inc., will enter the provider market. Others will look at partnering with local telecommunications/broadband providers to enhance service opportunities. Some will be fortunate enough to be operating in an area where another entity will offer quality service. For a vast number of electric co-op members, sufficient, reliable, affordable broadband service is an unmet need.

KEC, individual electric cooperatives and their consumer-members understand the long-term economic implications good broadband connectivity has for their communities. In an economy increasingly reliant on service industries, many businesses can be conducted anywhere in the country, provided there is adequate broadband service. Existing businesses connect to worldwide markets, kids return home to raise families and run home-based businesses, and technology brings new enterprises to small towns. This strengthens local communities and grows area economies. The

economic benefits of broadband to rural areas are staggering. Recent research by Purdue University showed that every one dollar invested in rural broadband returns nearly \$4 to the state's economy.ⁱ

That expansion will hopefully increase electricity sales resulting in a greater base for spreading fixed costs, resulting in price stability, or slowing price increases.

These are some of the concerns and considerations that have spurred KEC to engage in state-level broadband discussion and look for avenues to advance broadband buildout in a more comprehensive framework. There are a lot of options for piecemeal approaches to broadband build-out, but the coalition proposal before you today offers a broad-based, comprehensive plan for meaningful investment in broadband infrastructure. As such, KEC is pleased to join the Kansas Farm Bureau, Communications Coalition of Kansas, and University of Kansas Health System in support of the plan to use CARES Act relief dollars to improve broadband connectivity in Kansas.

Thank you for considering our coalition's proposal. We know there are many ideas for using the CARES Act relief dollars. As you evaluate proposals, we respectfully encourage you to look at projects with lasting value to maximize investment. We certainly think the coalition's broadband proposal will do just that. If you have questions regarding our perspectives on broadband and the coalition's proposal, please contact us.

Sincerely,



Lee Tafanelli, CEO
Kansas Electric Cooperatives, Inc.

ⁱ "[Estimation of the Net Benefits of Indiana Statewide Adoption of Rural Broadband](#)," Purdue University, August 2018.