

LANSING

GRETCHEN WHITMER
GOVERNOR

GARLIN GILCHRIST II LT. GOVERNOR

April 14, 2021

Michigan House of Representatives State Capitol Building Lansing, MI 48909-7514

Representatives,

I am returning Enrolled House Bill 4210 to you without approval. This bill would amend the State Utility Property Tax Act to exempt certain broadband equipment from taxation.

Broadband delivers access to the education, skills, and opportunities Michiganders need to compete in the global economy. To that end, my administration has funded over \$12 million in grants through the Connecting Michigan Communities broadband expansion program. And Michigan has more broadband money on the way via the American Rescue Plan recently signed by President Biden and the American Jobs Plan pending in Congress.

I am proud of our collaboration with internet providers, local communities, and other stakeholders to ensure all Michiganders have access to affordable, high-speed broadband. Building on our tremendous success with the FCC's Rural Development Opportunity Fund action last December, my administration is working with eligible applicants to ensure they have the information and resources needed to successfully obtain Tribal Connectivity grants, Broadband Infrastructure Deployment grants, Connecting Minority Communities grants, and other similar opportunities, and to encourage broad participation in the Emergency Broadband Benefit Program.

I am grateful to have legislators with me in this fight, working to expand access to broadband. Unfortunately, this bill falls short: it would cost schools millions without spurring high-speed broadband development. In fact, the bill's target of 25 mbps service would deliver a mere fraction of the speeds well in excess of 100 mbps that U.S. broadband users have come to expect. If Michiganders are going to spend their hard-earned tax dollars to incentivize broadband development, it better be fast.

Although I am vetoing HB 4210, I look forward to working with the Legislature on a spending bill to put American Rescue Plan funds to work strengthening Michigan's broadband infrastructure.

Respectfully,

Gretchen Whitmer Governor