

October 14, 2020

Bette B. Brand Deputy Under Secretary for Rural Development U.S. Department of Agriculture 1400 Independence Avenue, S.W. Washington, DC 20250

Dear Under Secretary Brand:

The Western Governors' Association (WGA) appreciates the U.S. Department of Agriculture Rural Development's (USDA RD) announcement of expanded program eligibility to support broadband infrastructure and equipment. Such expansion, authorized by Section 6210 of the 2018 Farm Bill, will promote broadband connectivity improvements across the rural West.

WGA Policy Resolution 2020-08, Broadband Connectivity, communicates Western Governors' appreciation for USDA RD broadband programs and notes that rural organizations and businesses can face challenges in identifying and accessing federal broadband resources. The final rule helps address this concern by expanding the suite of USDA RD programs that can support broadband connectivity investments in rural areas.

The resolution also outlines the benefits of co-locating broadband infrastructure with existing structures and other linear infrastructure. We appreciate that the final rule supports efficient infrastructure investments by allowing USDA RD electric, water and wastewater, housing, energy, and economic development program participants to devote a portion of their allocated funding to broadband facilities and equipment.

WGA regards USDA RD as a critical partner in supporting broadband deployment to rural communities across the West. Please let us know how Western Governors may be of assistance as you implement these regulations.

Respectfully,

cc: Chad Rupe, Administrator, USDA Rural Utilities Service



Policy Resolution 2020-08 Broadband Connectivity

A. <u>BACKGROUND</u>

- 1. High-speed internet, commonly referred to as "broadband," is the critical infrastructure of the 21st century and a modern-day necessity for businesses, individuals, schools and government. Many rural western communities lack the business case for private broadband investment due to the high cost of infrastructure and the low number of customers in potential service areas. This has left many rural businesses and citizens at a competitive disadvantage compared to those urban and suburban areas with robust broadband access.
- 2. Broadband connectivity promotes economic prosperity and diversity. Broadband connectivity is a key element of innovations in precision agriculture, telehealth, remote work and distance learning across the West.
- 3. Many broadband applications that promote rural, economic and community prosperity rely on speeds greater than 25/3 Mbps. This is especially true for functions that upload large amounts of data, such as telehealth, e-learning and business applications.
- 4. Western states have unique factors that make planning, siting and maintaining broadband infrastructure especially challenging and costly. These include vast distances between communities, challenging terrain, sparse middle mile and long-haul fiber-optic cable, and the need to permit and site infrastructure across federal, state, Tribal and private lands. Alaska, Hawaii, and the U.S. territories face particular broadband deployment challenges due to factors involving distance, cost and applicable technologies.
- 5. Western Governors and states are taking significant action to accelerate broadband deployment in rural communities. These actions include direct investment of state funds, reduction of regulatory hurdles, and promotion of public-private partnerships to deliver digital connectivity to unserved and underserved areas.
- 6. Many western states have sought to expedite broadband infrastructure deployment by adopting "Dig Once" policies, granting non-exclusive and non-discriminatory access to rights-of-way and facilitating efficient "co-location" of new broadband infrastructure on existing structures.
- 7. A number of federal agencies directly support rural broadband deployment projects and data collection in western states. These include the Federal Communications Commission (FCC), U.S. Department of Agriculture (USDA), National Telecommunications and Information Administration (NTIA) and Economic Development Administration.

-

¹ The Federal Communications Commission defines fixed "broadband" as service offering minimum speeds of 25 Megabits per second (Mbps) down and 3 Mbps up.

- 8. Federal land management agencies, particularly the U.S. Forest Service (USFS), Bureau of Land Management (BLM) and Bureau of Indian Affairs (BIA), play a crucial role in permitting and siting broadband infrastructure in western states.
- 9. Both the Department of the Interior (DOI) and USFS recently launched online mapping platforms identifying telecommunications infrastructure sites on federal lands. This information can be used to inform private and public broadband infrastructure investments.
- 10. High-quality data is necessary to ensure that public broadband deployment efforts are cost-effective and prioritize areas that either wholly or significantly lack access. Under its current Form 477 reporting protocols, the FCC considers a census block "served" if a single residence in the block has access to broadband. This practice overstates broadband availability in larger, rural census blocks common in western states. The FCC's use of "maximum advertised," not "actual," speeds when mapping broadband coverage further distorts reporting on the service customers receive.
- 11. Whether or not an area is considered "served" has significant effects on its eligibility for federal broadband infrastructure support. Inaccurate or overstated data prevents businesses, local governments, and other entities from applying for and securing federal funds to assist underserved or unserved communities.
- 12. S.1822, the Broadband Deployment Accuracy and Technological Availability (DATA) Act (Pub. L. 116-130), was enacted in March 2020. This law requires the FCC to change the way broadband data is collected, verified, and reported. Specifically, the FCC must collect and disseminate granular broadband service availability data from wired, fixed-wireless, satellite, and mobile broadband providers. The FCC is required to establish the Broadband Serviceable Location Fabric, a dataset of geocoded information for all broadband service locations, atop which broadband maps are overlaid, to report broadband service availability data.
- 13. Given the number of federal agencies and programs involved in supporting rural broadband deployment, it can be challenging for small, rural providers and communities to identify and pursue appropriate deployment opportunities. Businesses, local governments, electric and telephone cooperatives, Tribes and other rural entities can also face burdens in applying for and managing federal funds. These barriers include areas being incorrectly identified as "served" on broadband coverage maps, excessive application and reporting procedures, and significant match or cash-on-hand requirements.
- 14. Wireless spectrum is a valuable resource that can help support innovative and cost-effective connectivity solutions in western states.
- 15. Internet Exchange Points (IXPs) are vital elements of Internet infrastructure that enable networks to exchange traffic with each other. IXPs help promote low-cost data transmission and improved overall local Internet performance in the areas in which they are located.

- 16. Electric and telephone cooperatives have invested in broadband infrastructure across the West. In certain states, these cooperatives are the entities principally providing broadband to rural communities, often at relatively low costs to their members.
- 17. The FCC's 2020 Broadband Deployment Report estimates that 27.7 percent of Americans residing in Tribal lands lack fixed terrestrial broadband coverage, compared to 22.3 percent of Americans in rural areas and 1.5 percent in urban areas. A 2018 Government Accountability Office (GAO) Report² asserts that the FCC overstates broadband coverage on Tribal lands.
- 18. Tribal Nations, the majority of which are in western states, face many barriers to the deployment of communications services. These include rural, remote and rugged terrain; areas that are not connected to a road system; minimal access to middle mile and long-haul fiber-optic cable; and difficulty in obtaining rights-of-way to deploy infrastructure across some Tribal lands. These factors can all increase the cost of installing, maintaining, and upgrading infrastructure.
- 19. Tribal Nations also face challenges securing funds through federal broadband deployment programs. A separate 2018 GAO Report³ included a review of four federal broadband programs (three FCC, one USDA), and found that from 2010 to 2017, less than 1 percent of funding has gone directly to Tribes or Tribally owned providers.
- 20. Access to wireless spectrum is another crucial issue for Tribal Nations. In February 2020, the FCC opened a priority filing window for rural Tribes to access 2.5 GHz spectrum in advance of an upcoming spectrum auction. This spectrum is well-suited to provide low-cost broadband service in rural areas.
- 21. Federal programs often direct broadband infrastructure funding to community anchor institutions such as schools, libraries and health centers. These anchor institutions can help leverage additional public and private investments in surrounding rural areas. Holistic funding approaches that support infrastructure deployment "to and through" community anchor institutions can help promote connectivity for students, patients and community members.
- 22. Western Governors appreciate USDA Rural Development's efforts to promote broadband connectivity across the rural West. USDA's many offerings, including the ReConnect Program, Community Connect Grants, and Distance Learning and Telemedicine Grants, all help promote prosperity and quality of life in western states.
- 23. Western Governors have provided significant feedback on the design of the ReConnect program, launched in December 2018. Notably, Western Governors recommended that the ReConnect Program, "prioritize communities that either wholly or severely lack access to broadband," and, "reward project applications that will deliver speeds that ensure rural communities can prosper now and into the future as their data transmission needs expand."

² Government Accountability Office: FCC's Data Overstate Access on Tribal Lands. September 2018.

³ Government Accountability Office: Few Partnerships Exist and the Rural Utilities Service Needs to Identify and Address Any Funding Barriers Tribes Face. September 2018.

- 24. The ReConnect Program contains a requirement that areas designated to receive support through the FCC's Connect America Fund Phase II (CAF-II) can only pursue ReConnect funding through the entity that is receiving CAF-II support. This restriction limits deployment of adequate broadband capability in many rural areas.
- 25. The COVID-19 pandemic has amplified the importance of reliable broadband connectivity as businesses, schools and health care systems have transitioned to digital platforms and practices. The transition to digital learning has been particularly difficult for many rural and low-income communities and K-12 schools due to lack of broadband connectivity at home. Western states have employed creative strategies to address student connectivity and "homework gap" issues within our communities. These efforts include using parking lots and school and transit buses to launch public wi-fi hotspots.

B. GOVERNORS' POLICY STATEMENT

- 1. Western Governors encourage Congress and federal agencies to recognize that the current definition of broadband 25/3 Mbps does not correspond with the requisite download and upload speeds necessary to support many business, education and health care applications that promote economic and community prosperity. We support efforts to adopt a higher, scalable standard that more accurately reflects modern innovations and bandwidth demands.
- 2. Regulations affecting broadband infrastructure permitting and siting vary by state and can create additional obstacles to private and public investment. Where possible, Western Governors should work together to minimize this barrier.
- 3. Western Governors recommend the FCC, USDA and other federal agencies involved in broadband deployment pursue strong partnerships with Governors and state agencies. Improved coordination related to broadband coverage data collection and verification and public investment can help ensure that public funds are directed to areas in most need of assistance.
- 4. Western Governors encourage the BLM, BIA and USFS to pursue strategies to prioritize reviews for broadband infrastructure permits on federal lands. We support efforts to improve permitting timelines for broadband infrastructure co-located with existing structures and other linear infrastructure, such as roads, transmission lines and pipelines. We encourage improved planning and permitting coordination between public lands management agencies, as telecommunications projects in western states can cross multiple federal lands jurisdictions. DOI and USFS's online mapping platforms identifying telecommunications infrastructure sites on their lands will be helpful tools to accomplish this goal.
- 5. Western Governors are encouraged that new data and mapping platforms established by the Broadband DATA Act (Pub. L. 116-130) incorporate state-level data wherever possible. State broadband offices and representatives can offer invaluable information and on-the-ground perspectives regarding broadband coverage in western states. We encourage Congress to provide the FCC with the necessary funds to implement the Act.

- 6. Western Governors encourage Congress and federal agencies to address application barriers for businesses, local governments, cooperatives, Tribes and other entities involved with broadband deployment in rural communities.
- 7. Western Governors appreciate the USDA and the FCC's efforts to promote on-farm connectivity and the growth of the precision agriculture sector. We encourage both agencies to engage with Governors' offices, state broadband representatives and state departments of agriculture as they pursue policy and program initiatives to support advanced agriculture technology development and adoption.
- 8. Western Governors recommend that adequate wireless spectrum be allocated to support advanced and emerging agricultural technologies.
- 9. Western Governors emphasize the growing importance of IXPs in promoting cost-effective, reliable broadband service in rural areas. We encourage Congress and federal agencies to promote investment in rural IXPs via applicable broadband deployment programs, legislative proposals addressing infrastructure, and other methods.
- 10. Western Governors encourage federal agencies to continue expanding the eligibility of electric and telephone cooperatives to pursue USDA and FCC broadband deployment program support, as cooperatives' existing infrastructure and access to rights-of-way can help promote low-cost connectivity solutions for rural communities.
- 11. Western Governors urge federal agencies and Congress to pursue policy, programmatic and fiscal opportunities to improve broadband connectivity on Tribal lands. This includes designing federal programs in a way that promotes partnerships between Tribes, states and various broadband providers. We recommend that federal broadband programs allocate a designated portion of their available funding to supporting projects on Tribal lands.
- 12. Western Governors encourage Congress and federal agencies to leverage community anchor institutions in rural communities to spur connectivity to surrounding areas. We support efforts to advance "to and through" policies that provide flexibility to incentivize additional private or public broadband infrastructure investment beyond connected community anchor institutions.
- 13. Western Governors encourage USDA to address the ReConnect Program eligibility criteria related to areas designated to receive satellite support through the FCC's CAF-II auction. This will enable many communities to pursue ReConnect connectivity solutions that will support increased data transmission needs into the future.
- 14. Western Governors request that FCC, USDA and other federal entities prioritize scalable broadband infrastructure investments that meet communities' increased bandwidth demands into the future. Funds for equipment maintenance and upgrades are essential to ensure federal broadband investments continue to provide high-quality service.
- 15. Western Governors request that Congress and the FCC leverage states' on-the-ground expertise by providing substantial block grant funds to address rural connectivity challenges. We support the use of state block grant funds to address general broadband

- infrastructure issues and respond to connectivity challenges raised by the COVID-19 pandemic.
- 16. Western Governors support efforts to promote flexibility within the FCC's E-Rate Program in order to deliver home connectivity solutions for unserved and underserved students, and respond to connectivity issues associated with the COVID-19 pandemic. We encourage the FCC to support bus wi-fi and other creative efforts that seek to address the homework gap.

C. GOVERNORS' MANAGEMENT DIRECTIVE

- 1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

Western Governors enact new policy resolutions and amend existing resolutions on a bi-annual basis. Please consult www.westgov.org/resolutions for the most current copy of a resolution and a list of all current WGA policy resolutions.