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June 3, 2025

The Honorable Howard Lutnick Secretary U.S. Department of Commerce 1401 Constitution Avenue NW Washington, DC 20230

Dear Secretary Lutnick:

Western Governors appreciate the National Telecommunications and Information Administration's (NTIA) willingness to engage with Western states and territories regarding the Broadband, Equity, Access, and Development (BEAD) Program, particularly in discussing upcoming guidelines. We thank NTIA and Acting Assistant Secretary Adam Cassady for their informative and helpful conversation with our states and territories on May 14.

We appreciate the Administration's commitment to reducing burdensome regulations and its focus on expediting the implementation of the BEAD Program to improve access to the internet for households across the West. States and territories share this goal and look forward to awarding funding as quickly as possible. As you develop new guidance, we want to emphasize the importance of minimizing disruptions to existing efforts that have been ongoing for nearly three years. Many western states have completed or are in advanced stages of their BEAD Programs.

Significant required alterations to state and territory plans could cause further delays by up to 12 months and increase costs for State and Territorial Broadband Offices and applicants of the BEAD Program. We underscore the need for flexibility in the implementation of any changes, as reflected in Acting Assistant Secretary Cassady's remarks, to enable us to address our states' and territories' unique needs and priorities. We suggest that if NTIA gives states the option to either opt into the revised application and bidding processes or continue with their original plans, these delays in deployment could likely be avoided.

The West faces specific challenges when deploying broadband infrastructure, often resulting in a greater number of high-cost areas to serve. WGA Policy Resolution 2023-07, Broadband Connectivity (attached), provides additional context on these challenges. Any revised BEAD guidance should account for these increased costs to support hard-to-reach households. As Governors possess specialized knowledge of the environments and circumstances within our states and territories, we urge NTIA to continue to allow states and territories to set high-cost thresholds.

It is also necessary to prioritize scalable broadband infrastructure to accommodate our communities' growing bandwidth and long-term demands, especially to support strategic investments in economically sustainable infrastructure to ensure hard-to-reach households have access to high-speed service in the years to come. We urge NTIA to continue working closely with Governors and their respective State and Territorial Broadband Offices to provide clear and direct communication channels to optimize the BEAD Program and responsibly advance broadband connectivity for western residents.

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Thank you for your attention to this critical matter. Our partnership with NTIA represents a historic opportunity to connect all Americans to the digital economy, ensuring that every community and household has access to affordable, reliable, scalable broadband to spur innovation and prosperity across the country. We look forward to working with you to improve and celebrate broadband connectivity in our region.

Sincerely,

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Governor of New Mexico Chair, WGA

Governor of Utah Vice Chair, WGA

Attachment



Policy Resolution 2023-07 Broadband Connectivity

A. <u>BACKGROUND</u>

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 and tribal western communities lack the business case for private broadband investment because of the high cost of infrastructure and the low number of customers in potential service areas. Factors such as the vast distances between these communities, challenging terrain, sparse middle mile and long-haul fiber-optic cable, and the need to permit and site infrastructure across federal, state, territorial, tribal, and private lands make planning, siting, and maintaining broadband infrastructure especially difficult. This has left many rural businesses and citizens at a competitive disadvantage compared to urban and suburban areas with robust broadband access.

Historically, federal broadband investment has struggled to address these inequities, due in large part to inaccurate and overstated data. Whether or not an area is considered "served" depends not only on if households have access to the internet, but also the speeds and bandwidth that they have access to. This determination has significant effects on a community's eligibility for federal broadband infrastructure support and can prevent businesses, local governments, and other entities from applying for and securing federal funds to assist underserved or unserved communities. High-quality data is required to ensure that current public broadband deployment efforts are cost-effective and prioritize these areas, while digital inclusion efforts are needed to provide access to affordable broadband and devices and to build the digital skills to utilize broadband.

B. <u>GOVERNORS' POLICY STATEMENT</u>

- 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, and consistent standard across federal broadband programs at least 100/20 Mbps and scalable to 100 Mbps symmetrical that more accurately reflects modern innovations and bandwidth demands.
- 2. Western Governors request that the Federal Communications Commission (FCC), National Telecommunications and Information Administration (NTIA), U.S. Department of Agriculture (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 that federal broadband investments continue to provide high-quality service.
- 3. While Western Governors are heartened by significant federal investments in broadband, principally the \$42.5 billion Broadband Equity, Access, and Deployment (BEAD) Program established through the Infrastructure Investment and Jobs Act (IIJA), it is imperative that

federal program design and implementation does not repeat the mistakes of the past. Federal funding represents a historic opportunity to close the digital divide and should help states and territories reach areas in most need of assistance. To do so, Western Governors urge the FCC, NTIA, USDA, and other federal agencies involved in broadband deployment to work closely with Governors and state and territorial agencies and respond to and address their needs and concerns prior to releasing large tranches of funding. In particular, federal agencies that make independent broadband infrastructure awards should consult with states and territories prior to finalizing awards to ensure they align with state and territorial BEAD plans.

- 4. Due to their unique characteristics, western states and territories have a disproportionate amount of high-cost areas to serve. Federal funding and allocation formulas should reflect the exorbitant costs and challenges that the West faces when deploying broadband so that states and territories receive adequate funding to bring sufficient internet access to as many hard-to-reach households as possible.
- 5. The FCC should recognize state and territorial institutional knowledge about broadband needs and ensure that they have a significant role in data collection, verification, and mapping. The FCC should also make map challenge processes transparent and give states and territories ample time and resources to participate in these processes.
- 6. Western Governors note that continued federal investment will be needed to shore up connectivity gaps and backfill BEAD funding. We encourage Congress to consider supplementary funding for broadband deployment, including innovative and flexible ways to redirect existing resources, such as the Rural Digital Opportunity Fund.
- 7. Western Governors recognize that rural communities have unique challenges related to completing broadband deployment objectives for federal grant requirements. We recommend that the federal government allow states and territories to assume control of these funds for broadband purposes if grantees do not meet their objectives. Recovering funding at the state and territorial level would help communities seek a new solution in response to a state or territorial Notice of Funding Opportunity or redirect the capital to other pressing broadband needs.
- 8. Streamlining permitting processes is critical for western states, territories, and partners to meet federal funding deadlines. Western Governors encourage federal agencies to pursue strategies to prioritize reviews and standardize requirements for broadband infrastructure permits on federal lands and improve planning and permitting coordination between public land management agencies. We support efforts to reduce permitting timelines for broadband infrastructure co-located with existing structures and other linear infrastructure, such as roads, transmission lines, and pipelines. The Department of the Interior (DOI) and the U.S. Forest Service's online mapping platforms identifying telecommunications infrastructure sites on their lands will be helpful tools to accomplish this goal. Further, Governors urge DOI, USDA, and other federal land management agencies to allocate sufficient funding to support additional permitting staff. Without sufficient staff, western states and territories will see backlogs and long permitting timelines that will jeopardize projects that cross federal lands.

- 9. 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.
- 10. 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. The Governors have highlighted substantive policy recommendations related to these barriers in our rural development policy resolution. Western Governors are also committed to sharing best practices on how to collaborate with organizations, localities, and tribes in our states and territories, and establish a strategy among these partners on applying for federal broadband programs to enhance success and reduce competition for funds.
- 11. Western Governors appreciate USDA and FCC efforts to promote on-farm connectivity and the growth of the precision agriculture sector, which reduces water and pesticide usage and increases productivity. We request that Congress provide additional funding to support the adoption of precision agriculture and extend connectivity from the home to the field and encourage both agencies to engage with Governors' offices, state and territorial broadband representatives, and state departments of agriculture as they pursue policy and program initiatives to support this technology.
- 12. Western Governors recommend that adequate wireless spectrum be allocated to support rural residential connectivity and advanced and emerging agricultural technologies.
- 13. Western Governors emphasize the growing importance of internet exchange points (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.
- 14. 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.
- 15. Western Governors urge federal agencies and Congress to expand 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.
- 16. 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.
- 17. Western Governors appreciate USDA Rural Development's efforts to promote broadband connectivity across the rural West and responsiveness to our recommendations. We encourage the federal government to streamline USDA's many broadband offerings and

authorize the Rural eConnectivity Program, otherwise known as the ReConnect Program. In so doing, USDA should require ReConnect to consult with state and territorial broadband offices prior to making awards to ensure coordination with state and territorial broadband infrastructure deployment plans.

- 18. Western Governors support efforts to promote flexibility within the FCC 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.
- 19. Western Governors recognize the importance of ensuring that individuals and communities have the skills, technology, and capacity to reap the benefits of our digital economy. The Digital Equity Act within the IIJA provides states with capacity grants to address needs for digital skills in newly connected communities. Western Governors encourage NTIA to speed up the review and approval process for these funds so states and territories can begin to deploy funds. Further, Governors encourage Congress and federal agencies to work with states and territories to ascertain unmet and ongoing needs for digital equity following the expenditure of capacity grant funds in 2026.
- 20. Notwithstanding the many federal, state, and territorial initiatives to date to bring better connectivity to communities, internet affordability remains the largest barrier to closing the digital divide. Eighteen million households have access to the internet but cannot afford to connect to it. The Affordable Connectivity Program is a foundation of states' digital equity and inclusion strategies. Over 17 million households now rely on the program to pay for their monthly home internet bill each month. Western Governors call on Congress to continue to fund this vital program, without which future infrastructure projects may be underutilized.

C. <u>GOVERNORS' MANAGEMENT DIRECTIVE</u>

- 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.

This resolution will expire in June 2026. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <u>http://www.westgov.org/resolutions</u> for the most current copy of a resolution and a list of all current WGA policy resolutions.