

PRINCIPLES TO CONNECT RURAL AMERICA



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OUR COALITION

Broadband Connects America is a diverse group of organizations representing the voice of rural America in the fight for affordable broadband and connectivity.



Our goal is to close today's unjust digital divide by ensuring reliable, consistent access to the internet and the economic opportunities it provides.

Together we are working to guide policymakers in considering how best to fund rural broadband projects through a set of mutually agreed upon principles. These principles outline how to modernize high-speed broadband infrastructure, address complex access and affordability problems in diverse rural areas, and deploy new broadband infrastructure to best connect all Americans.

**PRINCIPLES TO
CONNECT
RURAL AMERICA**

#1

FUNDING SHOULD BE ALLOCATED DIRECTLY TO INFRASTRUCTURE NEEDS, NOT DIRECTLY TO LAST-MILE CARRIERS

Investing in infrastructure projects like backhaul fiber and tower deployment benefits consumers directly and creates a marketplace conducive to competition. For years carriers have been granted funding for rural deployment through the Connect America Fund. Rather than repeat the design of the existing Universal Service Fund (USF) High Cost Program, which is grounded in 20th Century network technology, new funding should take advantage of the ability to divide the supply chain into different components such as towers, fiber, conduit, as well as services such as 911 and packet routing. Modern Internet Protocol (IP) networks allow carriers to share facilities such as towers for wireless transmitters, fiber for backhaul, or even just plastic conduit to make pulling fiber cheap and easy. Directing funding to shared infrastructure instead of particular carriers would allow federal and state governments to target dollars where needed to ensure efficient deployment of infrastructure that could serve multiple carriers -- rather than limiting funding to one carrier per community.

Shifting the focus from funding carriers to funding infrastructure would reduce the cost of providing service to rural areas for any carrier that wants to offer service in those areas -- including multiple carriers in competition with each other. This would lay the foundation for affordable, adequate broadband services and community-based deployment plans. Recently the Schools, Health & Libraries Broadband Coalition published a report that found that connecting anchor institutions to fiber, including anchors in rural areas (except Alaska), would cost about \$13B to \$19B. But this cost could be cut nearly in half if the broadband deployment was conducted in a coordinated manner involving national, state, and local authorities using an open and competitive application process.

Policymakers creating funding grants should also avoid complicated, lengthy processes. Instead, grants should be simple: funding sums that attach for the purpose of infrastructure development and terminate upon project completion. Additionally, funding grants should have an application process that is open so that non traditional providers -- such as electric co-ops-- can also apply for funding. This would reduce broadband build out time and costs, and prevent the need for constant renewals of funding. Further, funding should be allocated with an open access, non-discriminatory condition-- meaning any financially-responsible entity may lease fiber along the route, including any institutional customer, telecommunications carrier, or internet service provider. This would also mean that all users are offered access at the same pricing and substantially similar terms and conditions relative to their use of the network.

This principle is not meant to include funds that are directed towards specific users such as Lifeline, E-rate, or the Rural Health program.

#2

CLOSING THE RURAL DIGITAL DIVIDE WILL REQUIRE A COMBINATION OF APPROACHES THAT REFLECTS THE COMPLEXITY OF THE CHALLENGES OF DEPLOYING BROADBAND TO RURAL AMERICA

Rural America is comprised of a diverse group of less-populated areas, with each area unique in its physical terrain and constituent needs. Small towns in the desert of Arizona have different obstacles to broadband deployment than villages in remote areas of Vermont or in southern Appalachia. The strategy to deploy broadband to rural America should reflect the fact that no two communities are the same, and that different tools will be necessary to tackle different problems. There is no silver bullet to closing the rural digital divide; it is going to require a technology-agnostic approach that addresses several adoption barriers, including access and affordability. Each combination approach should be crafted to address the unique challenges of the communities it aims to serve. A community-based, combination approach can also benefit the bottom line: Wireless ISP, community anchor institutions, and public-private partnerships can cut the costs of deployment by utilizing institutions, local investments, and infrastructure already embedded in communities.

Despite the fact that millions of rural Americans still rely on the network for every-day functions like credit-card machines and medical devices, carriers are actively retiring their legacy copper networks. While some rural Americans will see an upgrade in their service through fiber, VDSL or other technologies, all rural consumers (especially vulnerable populations like the elderly or disability community) are at risk of a sudden downgrade in service. De Facto Retirement of the copper network-- essentially the purposeful, predatory deterioration by carriers in order to “push” consumers to a higher tier of service-- also threatens the viability of rural connectivity.

Policies that open access to spectrum as public infrastructure on a very localized basis is a cost-effective way to facilitate more high-speed and affordable internet access for rural America by a wide range of providers. Access to wide channels of spectrum with good propagation equips small and tier-two ISPs, as well as community networks, to deploy high-capacity fixed wireless broadband where trenching fiber is not economic or will take too long. Both small licensing areas for mid-band spectrum—including shared access to vacant C-band satellite spectrum—and to wide-area unlicensed spectrum, such as TV White Space channels, is often the most cost-effective approach to providing fixed broadband services to homes and small firms in rural areas where low population density is a physical and financial deterrent to wireline buildout.

The use of TV White Spaces to bring high-speed internet to rural schools, libraries, homes, and small businesses across the country serves as another important example of how policies supporting unlicensed spectrum can help bridge the digital divide.

The Federal Communications Commission has a statutory obligation to prevent harms precisely like these. This obligation includes ensuring that consumers have fair notice before the retirement of legacy networks, that replacement services are adequate for community needs, and that consumers are not forced to pay higher prices for similar levels of service.

#3

DEPLOYMENT SHOULD BE FOCUSED ON ACHIEVING TANGIBLE, AFFORDABLE UNIVERSAL SERVICE TO ALL RURAL AMERICANS RATHER THAN ALLOCATED BASED ON PROFIT PER POPULATION DENSITY

Bringing reliable, affordable broadband to all rural Americans is not only a top priority for rural policymakers, it is also a dire 21st-century need. Regulatory schemes that continue to allow ISPs to dodge rural buildout based on profit-driven plans leave millions of Americans without broadband because their geographic location is too remote to turn a profit. Instead, policies to promote rural broadband should ensure that all consumers in rural areas have access to affordable service, regardless of population density or physical terrain.

Rural broadband solutions that provide for tax incentives and remove regulatory barriers are disconnected from the physical problem at hand. Rural America is often serviced by small business ISPs or non-commercial providers such as cooperatives or municipal networks that do not benefit from tax incentives the same way large carriers do. Further, there is no evidence that regulations targeted for repeal increase the cost of deployment in rural areas or discourage investment. Closing the rural digital divide requires a meaningful nexus between problem and proposed solution.

Though some areas of rural America are fortunate enough to have access to high-speed broadband, it can still be unreliable, and rural communities are significantly more likely to have only one choice of broadband provider. Strong net neutrality protections are critical to ensure ISPs don't block websites or applications or slow down web traffic -- practices that would make rural broadband connections even less reliable and deepen the troubling digital and economic divide between rural and urban America.

In December 2017, the FCC repealed its net neutrality protections. As a result, small ISPs (who typically serve rural areas) may be charged more by large ISPs to connect these rural areas to the global network. This increased cost will likely be passed on to consumers, and rural families will face higher prices for internet access and could face increased obstacles to accessing the online sites, products, and services they want.

Net neutrality protections also ensure a free market and level playing field online so businesses in every city and town can reach customers anywhere in the world. In small towns and rural areas, high-speed internet access provides new economic opportunities for small local businesses to be part of the digital economy and connects local businesses to the global marketplace. Protecting rural consumers from unfair discrimination is crucial to the successful deployment of broadband to rural America.

#4 RESTORING NET NEUTRALITY IS ESSENTIAL TO CLOSING THE RURAL DIGITAL DIVIDE

#5 RURAL AMERICANS' ACCESS TO HIGH SPEED INTERNET SHOULD NOT BE DISADVANTAGED BECAUSE OF GEOGRAPHY

The digital divide between rural and urban America is the largest gap among demographics in the country, with 39 percent of rural Americans lacking access to high-speed broadband and only 4 percent of urban Americans lacking access. Bridging that gap and connecting rural America will require the same standards for service or deployment that are used in urban America. Without equivalent services, rural America will continue to be left behind.

Adequacy can be measured by several different metrics and may be a progressing standard. The FCC's benchmark for broadband is actual download speeds of at least 25 Mbps and actual upload speeds of at least 3 Mbps. However, metrics other than speed should be factored into deployment success, including affordability, latency, two-way communication capability, reliability, functionality of fixed versus mobile connections, copper retirement, and competition.

