

1. Introduction

Our nation has a persistent digital divide -- an estimated 42 million Americans don't have the ability to purchase broadband, and almost half of the country doesn't access the internet at broadband speeds (currently defined as 25/3 Mbps upload and download speed, respectively). Rural, Tribal, and minority communities are particularly impacted by the digital divide, where 26% of rural Americans -- and almost half of rural Americans on Tribal lands -- lack access to fixed broadband. Moreover, just 66% of African Americans and 61% of Hispanics report having broadband at home.

Broadband Connects America ("BCA") is a coalition of diverse organizations that advocate for policies to promote broadband access and adoption in underserved rural areas. The coalition includes national, state-based, and local nonprofit organizations as well as state agencies.

We believe there are three pieces to solving the digital divide puzzle that the incoming administration needs to address: (1) deploying broadband to all areas that need it -- particularly rural, Tribal, and low-income areas; (2) ensuring that everyone can afford to connect to broadband; and, (3) protecting access to high-quality, reliable, and resilient broadband. Policymakers need to take action on all three in order to close the digital divide. Below are our suggestions for connecting America.

2. Deployment

Closing the rural digital divide is imperative. Many rural areas have inadequate broadband available to ensure rural and low-income households are connected. The failure to connect rural and low-income Americans to broadband means they do not have access to digital services that most Americans rely on, whether it's applying for government programs, accessing employment and educational opportunities, or even utilizing precision farming. The lack of density in rural markets, the higher costs of deployment, and the generally lower incomes of rural residents mean that it is often uneconomic for the private sector to bring sufficient broadband to these rural markets. Governments at all levels must take aggressive steps to ensure that high-capacity affordable broadband is made available to everyone, including rural communities -- and this means providing funding.

Increase Rural Broadband Funding

Through the Rural Digital Opportunity Fund (RDOF), the Federal Communications Commission has proposed to allocate \$20 billion over the next 10 years to fund broadband networks capable of providing a minimum of 25/3 Mbps service in rural markets. However, this won't ensure universal connectivity. A previous study by the FCC estimated that it would cost

about \$80 billion to connect all Americans to broadband, and the "Accessible, Affordable Internet for All Act" (sponsored by Representative James Clyburn and Senator Amy Klobuchar) would provide that exact amount of appropriations for rural markets, plus additional funding to promote broadband adoption. If Congress provides for additional deployment, the FCC should prioritize funding for entities that will be motivated to close the digital divide expeditiously, including municipalities and other alternative providers (discussed below), and providers building future-proof networks. The 25/3 target was adopted by the Commission in 2015 and is not adequate today, let alone 10 years from now. The FCC should increase the minimum amount of capacity to at least 100/100 Mbps, so that rural residents can engage in the full suite of services that the internet has to offer and that consumers need in order to fully participate in our digital economy. A symmetrical speed will ensure that multiple people within a household can engage in high-bandwidth activities, such as simultaneous video conferencing and streaming.

There should also be greater coordination between the federal government and state and Tribal broadband programs in order to ensure that the needs of each locality are taken into account. First, federal agencies should coordinate so that they have the same standards for project eligibility and metrics for success. Second, the federal government should make funding available for state, Tribal, and local governments. Broadband expansion is often a street-by-street battle, so these entities are best prepared to understand the local problems and implement the best solutions. To date, nearly three out of four states have a dedicated broadband office. The federal government should leverage the work states are already doing to help close the digital divide.

Improve Broadband Data Collection

Broadband maps can be useful to determine how federal, state, and local funding should be directed to areas, communities, and locations that currently lack adequate broadband. However, the current collection of broadband data is flawed in several ways. The FCC's Form 477 -- which is the form Internet Service Providers use to submit data to the FCC -- does not request information specific enough to determine what locations are served by broadband, and the FCC relies upon industry-provided data that tend to overstate broadband availability. Congress recognized these flaws when it passed the "Broadband DATA Act" in 2020, but that Act has not been fully implemented, and the proposed rules would not require data collection for each home and business (just for each "area"), nor would it map broadband for anchor institutions.

Measuring broadband is not solely a "have and have not" question. There are currently no requirements that the FCC collect and display accurate and granular data about the cost of broadband and the quality of broadband service. Without information about network reliability, speed, latency, and, in particular, granular pricing, we can't know if broadband is affordable for all, and is meeting subscriber needs. For the maps to be useful, the FCC must ensure it provides the entire picture, including the customer's actual experience in using the infrastructure and whether broadband is affordable.

Improve Connectivity on Tribal Lands

Simply put, broadband is not being deployed on Tribal lands to the same extent as in non-Tribal lands. In order to improve Tribal connectivity, the FCC must help Tribes access secure spectrum. The Commission should consider granting Tribes autonomy of spectrum licenses over their lands, as has been proposed in the "DIGITAL Reservations Act," to allow Tribes to offer their own internet to Tribal residents. To do this, the Commission should be required to engage in meaningful Tribal consultation before licensing spectrum over Tribal lands, and consider in each instance granting that spectrum to Native Nations. Opening Tribal priority windows when spectrum becomes available may be a useful tool in providing Tribal Nations the ability to obtain spectrum. Rules mandating that those who own spectrum over Tribal lands build networks or divest their spectrum will also help Tribes get better access.

Provide Competitive Access to Spectrum

Spectrum is critical to rural economic development. In addition to providing affordable high-speed internet connectivity for rural residents and businesses, spectrum is needed for wide area network uses for Internet of Things (IoT) applications, such as precision agriculture. Open access to spectrum facilitates rural broadband buildout and competition. It also allows rural areas to meet their broader connectivity needs.

Congress and the FCC should adopt policies that make spectrum more accessible to small and rural Internet Service Providers. Making spectrum more accessible will ensure that all ISPs can provide innovative and competitive service to Americans. These policies should include supporting more unlicensed spectrum at robust power levels for outdoor operations, particularly in the 5.9 GHz and 6 GHz bands. The three-tier spectrum sharing framework of the Citizens Broadband Radio Service (CBRS) should be extended to the adjacent 3350-3550 MHz bands. The CBRS framework effectively protects military use while also giving rural ISPs, school districts, and a wide variety of enterprises direct access to both licensed and unlicensed (General Authorized Access or GAA) spectrum. Additionally, the FCC should auction spectrum in small geographic license areas (e.g., counties and census tracts). These smaller licenses are more affordable for small and rural ISPs, making it more likely that they can secure the spectrum access they need to offer service in currently underserved areas. More generally, the FCC should extend the use-it-or-share-it rules currently used in the CBRS bands to more underutilized bands, authorizing at least opportunistic use of the locally-vacant spectrum most plentiful in underserved rural areas.

3. Affordability

Bringing affordable broadband to all rural Americans is not only a top priority for rural policymakers; it is also a <u>dire 21st century need</u>. Even if broadband is available, it is not always affordable and, consequently, it is not adopted. The price that American subscribers pay for broadband is among the <u>most expensive in the world</u>. Furthermore, rural subscribers are <u>paying up to 37% more</u> for broadband than those in built-up areas. Unsurprisingly, these higher prices are considered the <u>primary reason why people do not subscribe</u> to broadband services.

Increase Competition in the Market

A competitive market for ISPs, where multiple service options are available, can lower the broadband cost and increase the quality of service for subscribers. Unfortunately, <u>over 70%</u> of American households only have the choice of one or two broadband providers. However, policymakers can address this issue by encouraging competition and supporting local broadband solutions.

To increase competition, the FCC should support <u>open access infrastructure</u> programs that lower barriers of entry for independent ISPs. With these programs, local governments and other network owners can build out broadband network infrastructure. Acting as a wholesaler, they can then lease access to multiple independent ISPs who, in turn, provide broadband services directly to subscribers. In this competitive environment, multiple ISPs differentiate themselves based on price, innovation, and service quality to gain market share.

Prioritize Funding for Municipal Broadband and Remove Legal Barriers

The FCC should encourage municipal broadband services where local governments can enter the market as an additional supplier if an area lacks sufficient competition. Municipal broadband providers can put competitive pressure on incumbents by offering faster, more affordable services. Providing these services can be a natural fit for local governments that already have experience supplying utilities like water and electricity. Municipal broadband services drastically reduce subscriber costs. Despite this, and despite the broader economic opportunities they offer communities, municipal broadband is roadblocked or outlawed in 19 states. These prohibitions harm competition at a time when federal and state policies should promote local connectivity solutions. In many cases, local governments would like to partner with local providers to expand access, but these laws stymie such partnerships. The FCC should consider ways, as it has in the context of tower siting, to overcome these access-stifling laws to ensure local residents have access to broadband in a timely manner.

Remove "Overbuilding" Prohibitions

The Commission should remove prohibitions on "overbuilding," which prevent public spending on supporting new network infrastructure in areas already served by a broadband provider. A common misconception is it is wasteful to invest in these "covered" areas. However, limited network infrastructure in areas may only allow for a single ISP. When a monopoly exists in a "covered" locality, subscribers may bear the burden of higher prices and poor quality of service. Public spending on new network infrastructures to promote competition is economical. When overbuilding prohibitions on this type of spending are removed, subscribers can benefit from a competitive market.

Subsidize Broadband Access

The Commission or Congress should design a permanent credit of at least \$50 per month that increases with inflation, to ensure low-income Americans can access broadband from a provider of their choice. Current federal benefits are not adequate because they fail to

account for the gap between the true cost of broadband and the amount low-income subscribers can afford. This subsidy should have broad eligibility, and could go through Congress or the <u>Lifeline program</u>. The subsidy should also be higher for those on Tribal lands to account for their higher connectivity costs. In addition, the Commission should tie any deployment dollars to a requirement to offer an affordable option.

Commission Funds Should Subsidize Devices and Promote Digital Literacy Initiatives

Finally, the Commission must work to ensure that subscribers have the devices and skills they need to access the internet. While we await Congress passing the "Digital Equity Act," the Commission has the authority and should consider extending Lifeline funding for devices to access the internet, and as well as consider ways in which it can support digital literacy efforts.

Quality of Service

Access without quality service defeats the purpose of rural broadband deployment. Unfortunately, the quality of service is particularly problematic for rural Americans, who often only have access to outdated, slow, and easily disrupted service. By including policies that promote access to quality internet service, Congress can ensure that Americans are actually able to use the online services they need.

Future-Proof Networks

Subscribers are demanding faster speeds and lower latency than ever before. However, the FCC and the Department of Agriculture broadband deployment programs only require new networks be built at speeds of 25/3 Mbps. This is not enough to meet the *current* demand of a multi-device household and certainly is not enough for our increasingly connected world. The FCC should regularly assess the needs for additional speed and increase its benchmark speed to meet those demands. If it doesn't, we will continue to spend money to deploy networks that will be outdated before they are built. The FCC to encourage terrestrial fiber deployment over other technologies. It has scalability to meet demand at a lower cost of upgrade than other technologies, which require replacement.

Resiliency

Network resiliency means that a network is re-established quickly after an outage. Policymakers can ensure networks aren't down for long by <u>requiring</u> providers to adhere to the <u>Wireless Resiliency Cooperative framework</u> and participate in emergency alerts (both of which are currently voluntary).

Tech Transitions

Many providers are upgrading older copper lines to fiber or wireless networks. However, the FCC under Chairman Ajit Pai significantly repealed previous rules that required incumbent phone providers notify subscribers and retailers before abandoning their copper networks, and weakened rules that required providers to consider how service changes impact the community.

Currently, the FCC essentially rubber stamps ISP requests to retire copper networks. This can leave subscribers who don't have other options to be simply disconnected. Policymakers must prohibit providers from retiring telecommunications and broadband technology without making a technology of equal or better quality available to all customers. It is critical that the FCC put "transition" back into its regulatory approach.

Net Neutrality

The FCC should immediately reclassify broadband as a Title II telecommunications service, thereby enabling the Commission to regulate broadband so that subscribers can get the broadband access they need. The Commission should also reinstate net neutrality regulations, prohibiting blocking, throttling, and paid prioritization. This action will ensure that subscribers don't have to pay more to access the online content of their choice. Without these net neutrality regulations, rural broadband connections are even less reliable, and the digital and economic divide between rural and urban America is wider.