

Georgia Tackles the Digital Divide

Rural Georgians were falling ever further behind their metropolitan neighbors in terms of broadband access. Now the state legislature is preparing a comprehensive initiative to address the problem.

By Masha Zager and Hilda Legg / *Broadband Communities*

Steve Gooch is a man with two jobs. In what he refers to as his “day job,” he is the executive director of the Lumpkin County Development Authority in northern Georgia. He moonlights, if you can call it that, as the majority whip of the Georgia State Senate, where he represents a large swath of northern Georgia. Recently, the two jobs came together in an initiative that promises to benefit all of rural Georgia.

At the development authority, where Gooch tries to create employment opportunities for Lumpkin County’s 30,000 residents, he says, “We used to talk about water, sewer, interstates and airports as key components to recruit industry. Today, ... well, [prospects] love the terrain, the quality of life and the workforce, but they want to know, ‘Is there available broadband?’”

The answer, too often, is “No,” and Gooch finds it increasingly difficult to interest businesses in relocating to the county. In 2009, he helped obtain a stimulus grant for the North Georgia Network, a middle-mile network. But though the NGN benefited Lumpkin County schools, hospitals and other anchor institutions, most of the county’s residents and businesses still suffer from low bandwidth.

Over time, Gooch began to hear from his constituents in other counties – all rural – about their broadband problems. At present, he says, broadband is the single issue that generates the most complaints: “They receive only a fraction of the service they pay for. Service is interrupted

by frequent outages. They can’t function in business at the level they need to. Children come home with homework assignments that require internet access, and their parents have to take them to a restaurant, library or school to do their homework.” Gooch suspected that the problem was specific to the major broadband provider in his district, and he decided to find out what was happening in the rest of the state.

A LISTENING TOUR

In summer 2016, Gooch and State Rep. Don Parsons formed a joint committee that included 10 members of both legislative houses and held a series of hearings all over Georgia. The committee heard testimony from local governments, state agencies, academic researchers, chambers of commerce, health care providers, incumbent telcos, trade associations and many other interested parties. In addition, it posted an online survey to ask residents about their broadband experiences. With very little promotion, the survey received 12,000 responses. Both the formal testimony and the survey responses confirmed that rural broadband was deficient all through rural Georgia – not just in the areas served by the provider in Gooch’s district.

“Everyplace outside a metropolitan area was experiencing the same issues,” Gooch says. “There was no incentive for the providers to upgrade their infrastructures. It was an eye-opening conversation – all these people were from different parts of the state and had different phone companies.”

Susan Holmes, a state representative from central Georgia and member of the joint committee, says the testimony she heard confirmed what she already knew from her rural constituents and from friends and acquaintances throughout the state. What surprised her was that Georgia's urban residents "had no clue that these problems exist out in rural Georgia." Urban areas, she says, tend to have excellent broadband service, and people there "naturally assumed that everybody else does, too."

The hearings accomplished the feat of educating urban residents – and their representatives in the state legislature – about the digital divide in Georgia and its effect on local economies. This led to a consensus that the state should do more to help rural citizens access the broadband services they need.

In December, the committee issued its final report, which documented the challenges and potential benefits of rural broadband and recommended 26 actions to encourage better broadband throughout the state.

ONLY THE BEGINNING

The report, of course, is only the beginning. In February, Gooch, along with others, introduced legislation that incorporates some of the most important committee recommendations. Georgia's 2017 General Assembly adjourned without action on broadband legislation, but Gooch is optimistic that it will be acted on in 2018. Measures that he thinks may garner widespread support include

- Allowing conduit, fiber, poles and other network assets to be installed in public rights-of-way
- Giving electric membership corporations (EMCs) clear legal authority to provide broadband services to their electric customers (currently two Georgia co-ops operate FTTH networks, but others have been reluctant to do so without legal clarity)
- Waiving the sales tax on investment in internet equipment
- Allowing cities and counties to use the special-purpose, local-option sales tax to finance capital investment in broadband projects.

In addition, the legislation expands the Georgia Universal Access Fund to include broadband as well as voice, creates a "gigabit ready" designation to help communities become more attractive environments for companies to deploy and enhance broadband, and makes broadband eligible for certain types of state funding.

WHO WILL BUILD RURAL BROADBAND?

Improving broadband in rural Georgia will take efforts by many types of providers. Even with incentives, incumbents are not likely to solve the problem alone. Holmes says she sees some incumbents trying to respond to the issues the committee hearings raised, but, she says, "I feel that more is needed." Competitive providers aren't targeting rural areas, either – Google Fiber is operating in Atlanta, but it isn't looking at Gooch's hometown of Dahlonega.

Some competitive providers may enter the market as partners of municipalities. Georgia, unlike many other states, allows municipalities to build and operate broadband networks, and a few have successfully done so already. One recommendation in the committee report is to "reaffirm the state's approval of competitive telecommunication[s] markets by continuing to permit locally owned and operated government broadband services."

Gooch expects to see more municipal broadband networks in the future as well as more public-private partnerships – in fact, he says, the committee's activities stimulated a number of conversations among cities and potential private partners.

However, he doesn't believe municipal broadband, even with private partners, offers a complete solution to the problem of rural broadband. Though towns with dense downtown areas may be suitable for municipal networks, he says, they are less feasible for the outlying areas, and counties aren't generally in a financial position to build such networks.

EMCs may become more involved

in broadband than they have been in the past, possibly in collaboration with rural telcos or other partners – though, again, no one sees them as a complete answer. Dennis Chastain, CEO and president of Georgia EMC, the association of Georgia electric co-ops, testified at one of the committee hearings about the ability of electric co-ops to offer broadband services. Later, he commented to **BROADBAND COMMUNITIES**:

"We're pleased Sen. Gooch included language in his legislation (SB 232) [that] provides statutory clarity for the EMCs to provide telecommunication services, thereby creating opportunities for EMCs to leverage our fiber backbone in currently underserved areas. Addressing legal uncertainty for EMCs to consider a range of ways to be part of the solution to expanding rural broadband alone won't be the silver bullet for rural Georgia's broadband issues, but it would position more EMCs to partner with incumbent providers, local governments, school systems, development authorities or others to improve broadband access in their local communities."

Even if legislation is enacted next year, rural broadband will be a continuing concern for the state and its legislature. Holmes notes that the legislature is forming a rural council, which will keep broadband on the front burner. "It's going to take the involvement of a lot of different groups," she says. ❖

*Masha Zager is the editor of **BROADBAND COMMUNITIES**. You can reach her at masha@bbcmag.com. Hilda Legg, a former administrator of the Rural Utilities Service, is a consultant and an advocate for rural broadband and economic development. She is the vice chairman of **BROADBAND COMMUNITIES**. Reach her at hilda@hildalegg.com.*