

Broadband Funding Gets Respect, But Not a Final Law ... Yet

There are provisions common to multiple pending broadband funding bills; expect them to end up in H.R.2, which the Senate should vote on after the November 3 elections.

By Steven S. Ross / *Broadband Communities*

More than 30 members of Congress are pushing bills that would fund broadband deployments and subsidize users. Two (H.R.2 and the HEROES Act) have passed the House. None have passed the Senate. In fact, none except H.R.2 has even had a committee hearing in the Senate.

Nevertheless, staffers and bill sponsors have high hopes that the lame duck session, after the November 3 election, will get the job done. The bills propose as much as \$101 billion in federal loans, grants and subsidies – enough with private and local government investment to make good broadband universal in the United States. The reason is simple: Broadband is needed for home delivery of education and health care and to support remote work opportunities. The various bills on the table recognize that and also anticipate that COVID-19 will require continuing restrictions on the population for a long time to come.

The bills share some common themes:

- They usually include monthly subsidies for low-income families and tribal members. This pleases existing broadband providers that, since last spring, have been giving away broadband connections for home schooling to people who cannot afford them. The new bills would provide \$50 to \$75 per month, paid to carriers.
- They would ban or sharply restrict states' abilities to bar public broadband. Depending on how those restrictions are defined, 19 to 22 states hobble or ban public entities or electric cooperatives from building their own broadband

networks, even if commercial carriers cannot or will not do so.

- They would force or provide incentives to states to implement “dig once” regulations and install conduit whenever streets are repaired or new roads built.
- They call for better mapping of existing customers to aid prospective applicants for federal funds. Several would give the FCC money to implement its own expanded mapping program.
- They look askance at data caps, ban or hobble subsidies for satellite broadband, and discourage or refuse to subsidize most wireless service, even though 5G and other wireless backhaul help justify the economic case for deploying fiber. But they encourage or require free Wi-Fi hot spots during the COVID-19 emergency.
- Federal funds would be allocated, at least in part, by the number of residents in each state who live in poverty or without broadband (usually defined as 25 Mbps download speed, 3 Mbps upload).
- They generally would have prospective operators “bid” for federal loans, grants and subsidies – a process pioneered by the FCC. The lowest cost per customer to the federal government wins. That methodology would be used whether the federal government or a state hands out the money. Sponsors say that is the fastest way to get money into the hands of as many deployers as possible while minimizing complexity of grant applications.
- Some funds would be earmarked to connect public facilities – schools, government offices, libraries and so

BILLS TO WATCH

H.R.2, Moving Forward Act

H.R.6800, The Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act

H.R.6881 and S.4095, Emergency Broadband Connections Act

S.4131, Accessible, Affordable Internet for All Act

S.4113, Broadband Reform and Investment to Drive Growth in the Economy (BRIDGE) Act of 2020

forth. Some would fund wireless hot spots there and aboard school buses. Some would expand the Rural Health Care Program (now funded by the Universal Service Fund and administered by the FCC) to make all nonprofit and public hospitals eligible.

- Some would pay for training and equipment for students and for classroom networks.

H.R.2, which is furthest along, is mainly a huge, 1,300-page, \$1.5 trillion highway and transportation bill that would provide \$100 billion to build networks in unserved and underserved rural, suburban, and urban communities, with priority for communities in persistent poverty. It includes an extra \$685 million for the State Digital Equity Capacity Grant Program aimed at promoting digital equity. Another \$625 million, over six years, would be for grants to any state agency or nonprofit organization that

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manages workforce training programs.

Various bills would incentivize winners of the U.S. Department of Agriculture/Rural Utilities Service auctions to deploy rural broadband faster, award USDA funding without auction to some gigabit deployers, earmark 10 percent of spectrum auction proceeds to rural broadband, and expand the reach of the Universal Service Fund to include broadband and voice telecommunications.

In short, everyone seems on the

same page, although the devil is in the details. Existing carriers would get a generous subsidy payment to provide for the poor and gain potential customers for their content. Deploying good broadband to almost all premises in the country should diversify local economies, cut energy consumption and improve the nation's resiliency. ❖

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