

1 [Agriculture & Rural Affairs Steering Committee]

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3 {Closing the Digital Divide}

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5 **Issue:** Rural residents lag behind their urban counterparts with respect to access to reliable and
6 high-speed Internet services.

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8 **Proposed Policy:** NACo urges Congress to strengthen sustained funding for rural broadband
9 deployment and support cooperatives deploying telecommunications services by leveraging and
10 streamlining key federal programs: the U.S. Department of Agriculture’s Rural Utilities Service
11 (RUS); the Federal Communications Commission (FCC) Connect America Funds (CAF); U.S.
12 Economic Development Administration grant program; and, the Rural Infrastructure Program.

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14 **Background:** At least 25 million Americans still lack access to high-speed Internet.
15 Telecommunication services should be delivered in an affordable, accessible, reliable,
16 competitive, and nondiscriminatory way to all Americans.

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18 NACo supports leveraging federal funding to bring broadband services to underserved areas.
19 Federal grants have bolstered smaller providers to engage in highly impactful public-private
20 partnerships across rural America. NACo supports the \$600 million for rural broadband
21 deployment through a pilot program administered by RUS in the \$1.3 trillion omnibus spending
22 bill.

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24 NACo supports the \$50 billion made available to the Rural Infrastructure Program for capital
25 investments in rural infrastructure investments in the \$1.5 trillion infrastructure package. NACo
26 strongly urges that Congress make a portion of this funding dedicated to broadband deployment
27 in unserved and underserved areas located in rural America.

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29 Much like electric cooperatives built distribution networks for electricity to be purchased from
30 utilities and resold to members, supporting cooperatives to build telecommunications network is
31 essential. A 2017 Policy Brief by the Institute for Local Self-Reliance states that over 300
32 cooperatives or their subsidiaries are providing fiber internet access to homes or businesses
33 across the country.

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35 NACo supports strengthening broadband funding in the 2018 Farm Bill. NACo urges Congress
36 to expand eligibility for the RUS grants and loans to telephone and electric cooperatives
37 engaging in broadband deployment.

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39 NACo urges Congress to streamline the cumbersome RUS application process, which dissuades
40 smaller entities from applying for funding.

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42 **Fiscal/Urban/Rural Impact:** Would strengthen reliability of federal funds and encourage
43 cooperatives to further their involvement in bringing broadband to rural America

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45 **Sponsor:** [Harrison Moody, Supervisor, Dinwiddie County]

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