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A Bold Goal

- Broadband Connectivity was a major campaign promise for Governor Northam, and a priority for his administration
- Set the goal of <u>Universal Coverage no later than 2028</u>
- Created the Chief Broadband Advisor and tasked it with:
 - Scoping the problem
 - Developing a plan to solve it
 - Implementing that plan



The Problem, Part 1: Access

- ~500,000 Virginians without broadband infrastructure across ~350,000 home and business locations
- Primary problem is the economics of the infrastructure to serve these areas
- Impetus to solve the problem comes from many angles:
 - Economic



Economic Impact

- Without access to broadband, a local economy WILL NOT GROW
- According to an Amazon/US Chamber of Commerce Study, increased connectivity will impact Virginia's rural economic growth tremendously. They estimate:
 - <u>\$2.24 billion increased annual sales</u>
 - <u>\$1.29 billion annual value added</u>
 - <u>9,415</u> added jobs
 - <u>\$452.4 million</u> in annual wages
- According to a 2019 USDA study, if broadband and precision agriculture tools were ubiquitous, the U.S. could realize economic benefits of 18 percent of total production. For Virginia, 18% would be equivalent to a <u>\$16.3 billion increase in VA Agriculture and Forestry output</u>.

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The Problem

- 550,000 Virginians without broadband
- Primary problem is the economics of the infrastructure to serve these areas
- Impetus to solve the problem comes from many angles:
 - Economic
 - Social/political



Socio/Political Impacts

- Not just people watching Netflix
 - Even if it were, that's enough
- Our discourse, as a nation, requires all of our participation
- We are servants of the public, and are obliged to be responsive



The Problem

- 550,000 Virginians without broadband
- Primary problem is the economics of the infrastructure to serve these areas
- Impetus to solve the problem comes from many angles
 - Economic
 - Social/political
 - Moral



Moral and Equitable Responsibility

- It is unacceptable that hundreds of thousands of Virginians are not enjoying service and a standard of living that most Virginians would consider essential
- Our most vulnerable populations suffer most:
 - Children and their education, especially post-COVID: More than 10% of kids don't have access to broadband
 - The elderly and their ability to age in place
 - Our veterans population and their need for telehealth
- If we are going to meet our constitutional and moral obligations to our citizens, we must afford
 equal opportunity to all Virginians to participate in modern society, to do business in the modern
 economy, and to receive services to which they're entitled.



The Plan

- Proceeding along three tracks:
 - 1. **Direct grants to public private partnerships to "make the math work"**
 - 2. Policy changes
 - 3. Local planning support
- All supported by over 120 members of Commonwealth Connect Coalition



Grant Programs

- Department of Housing and Community Development Virginia Telecommunication Initiative (VATI)
- Tobacco Region Revitalization Commission Regional Economic Development Program
- Community Development Block Grant Planning Grant (CDBG)
- Department of Housing and Community Development GO Virginia
- Appalachian Regional Commission (ARC)



Current VATI Round

• Applications came in August 17th

Applications	45
Localities	53
ISP Partners	27
Proposed Passings	<u>66,383</u>
Total Requested Funding	\$105,22 <mark>4,</mark> 623.91

- Currently in challenge process
- Decisions announced by year's end



Broadband Legislation

<u>HB 2691</u>

- Utility leverage program which will allow Dominion and AEP to build and lease excess fiber to internet service providers (ISPs) during their grid modernization.
- Adding more middle-mile fiber throughout the state will increase competition and improve economics for ISPs.

<u>HB 1675</u>

- Allows localities to negotiate with new solar development if solar facility is located in an opportunity zone. This includes financial assistance by the solar developer for the deployment of broadband.
- Great opportunity to raise local broadband matching funds and pursue broadband grants like VATI.

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Local Planning Support

- Comprehensive toolkit for local leaders <u>www.commonwealthconnect.virginia.gov</u>
- Contains:
 - Step-by-step guide
 - Model Solicitation
 - Example Solicitations from Virginia localities
 - FAQs, Potential Pitfalls, and Benefits of Broadband



The Problem, Part 2: Affordability

- This is the tougher challenge: ~1,500,000 Virginians are low or moderate income
- We have convened a working group and continue to develop policies internally
- Outside researchers also involved
 - Benton Institute
 - Pew Charitable Trusts
 - National Governors Association
- Currently hoping to pursue models that include:
 - Partnerships between localities/regions/the Commonwealth and ISPs with low-income programs

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- Innovative business models that would include provision of service to students/low-income
- Municipal assets/networks where that makes sense
- Potential revenue streams not currently in existence

The Problem, Part 2: Affordability

- Recommendations will be made to the Governor
- Additional recommendations will be in the Commonwealth Connect
 3.0 Report next year



How can you help?

- Call your <u>state</u> delegate and senator: <u>https://whosmy.virginiageneralassembly.gov</u>
- Make sure your county/city has a plan or is developing one
- Support local efforts to facilitate distance learning



Thank You!

Be sure to visit: CommonwealthConnect.Virginia.Gov

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