

# ONE COUNTRY

## RURAL ROADMAP: EXPANDING BROADBAND ACCESS

### Background:

Reliable internet service has become a necessity for creating rural jobs, attracting Main Street businesses, and accessing markets, education, and health care in the 21st century. However, a vast number of rural Americans remain digitally underserved, contributing to stark inequality between rural and urban regions and disproportionate economic distress in non-metro communities:

- Of the 13.4 million people who do not have access to broadband, most are rural residents - leading to the digital divide between urban and rural populations.
- 39 percent of rural Americans lack access to high-speed broadband service, compared to 4 percent of those living in cities.
- Only 65 percent of rural Tribal populations have access to high-speed internet, and 32 percent of American Indians and Alaska Natives are unable to obtain a computer without a broadband subscription.
- Without broadband service, farmers are unable to tap into key markets or use new agricultural techniques that increasingly rely on internet analysis and technology to optimize efficiency and yield.
- The COVID-19 pandemic shed a spotlight on the impacts of the digital divide and underscored the necessity of reliable internet connectivity to access jobs, education, and health care in the modern economy.

# Why Rural Broadband Is Important

The already present digital divide was catalyzed by the COVID-19 pandemic, and now more than ever, rural Americans are grappling with the devastating consequences the lack of broadband access creates.

Investing in broadband expansion can bring massive economic opportunities and increase quality of life for rural residents by:

1

Introducing new online markets and other economic opportunities for farmers and rural small businesses;

2

Increasing access to telehealth for patients who live far from health care facilities;

3

Expanding opportunities for online learning and higher education, allowing students to receive high-quality education from their home;

4

Opening new high-income industries like graphic design, web development, and technology to rural communities;

5

Providing opportunity for rural residents to participate in remote work, which has increasingly gained popularity during the COVID-19 pandemic; and

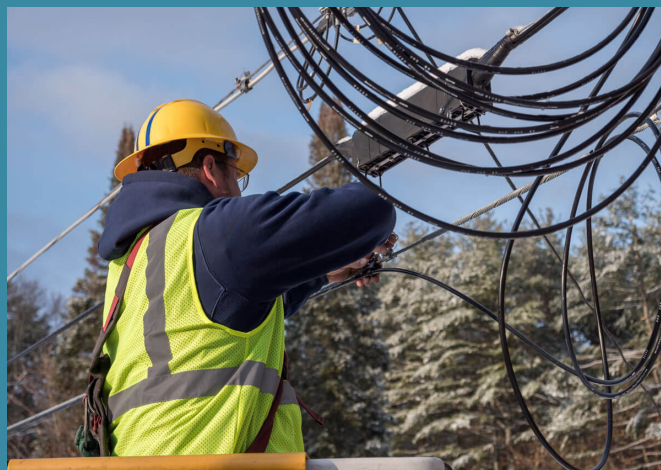
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Providing the opportunity to utilize new, innovative farming technology for more efficiently growing increased yields.

# How to Expand Rural Broadband Access

Expanding rural broadband access requires significant investment from federal and state governments and private partners, including internet service providers and other broadband programs. Specific, actionable steps to expand rural broadband access include:

- **Building capacity to educate local communities** and execute high-speed broadband infrastructure projects.
- **Supporting state and local governments** with innovative, individualized strategies for implementation, and providing local governments with the resources to manage and execute their own projects to ensure community-wide broadband.
- **Ensuring local governments can combine traditional infrastructure and broadband expansion projects**, such as burying fiber in the ground as road construction projects take place.



Source: Otelco

# Policy Solutions: Infrastructure Investment & Jobs Act

The recently passed bipartisan infrastructure package, the **Infrastructure Investment and Jobs Act (IIJA)**, includes a total of \$65 billion in funding for broadband expansion, which does much to address the needs for broadband connectivity in rural America, including:

- The **Affordable Connectivity Program** provides more than **10 million American households a discount on their internet** service. Low-income households can receive up to \$30 per month toward internet service and up to \$75 per month for eligible households on Tribal lands.
- Establishes **a minimum acceptable standard of connectivity** to be considered a broadband connection. A service must deliver a minimum of 25-mbps to the end user to be considered broadband.
- **\$42.45 billion in grants** to states focused on funding high-speed **broadband deployment to households and businesses that currently lack access** to such services. States will be required to work with broadband providers to ensure each broadband provider that receives funding offers at least one affordable service plan.
- **\$2 billion for Tribal broadband grants.** These dedicated broadband funds give tribes the opportunity to determine how best to meet the broadband needs of their own communities.

# Infrastructure Investment & Jobs Act Continued

- **\$2.75 billion to fund Digital Equity.** The Digital Equity Act, which was included as a part of IJA, provides three grant programs to promote digital inclusion and equity for communities that lack the skills, technologies and support needed to take advantage of broadband connections.
- **\$1 billion for middle-mile connections** to build a high-speed backbone for communities, businesses, and anchor institutions. This new program provides grants on a **technology-neutral, competitive basis** to eligible entities for the construction, improvement, or acquisition of middle-mile infrastructure.



Source: U.S. Department of Agriculture

# Infrastructure Investment & Jobs Act Continued

- **\$600 million to finance broadband deployment.** It also allows for the issuance of private activity bonds for financing qualified broadband projects, allows for issuers of broadband infrastructure bonds a credit for interest payments under the bonds and allows for a 10 percent investment tax credit for qualified broadband. This program was based on the **Rural Broadband Financing Flexibility Act introduced by Sen. Maggie Hassan, supported by One Country.**
- Provides **additional funding for the Secure Rural Schools Program** to provide or expand access to broadband services at local schools, or technology and connectivity necessary for students to use digital learning tools outside of a local school campus.



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