



BROADBAND FACT SHEET

Broadband infrastructure is essential to keeping rural America connected to the world. Broadband represents the critical link that enables agricultural business, teleworking, distance learning, telemedicine and even relocation of businesses to rural areas. Yet millions of rural Americans lack access to even basic broadband speeds that are taken for granted in urban America today. Access to affordable high-speed internet is vital to ensure the future of rural communities and their economies.

Modernizing rural broadband services benefits all of America. A Hudson Institute study found that investments by rural-based network operators contributed \$24.2 billion to our nation's economy in 2015. It also generated more than \$100 billion in e-commerce activity in 2015, with the largest share coming in the form of manufacturing productivity. Hudson also found that nearly \$10 billion of this economic contribution involved retail sales.

The RebuildRural Coalition believes that rural communities need the same kind of robust, affordable, and reliable broadband services available in urban areas if they are to participate meaningfully in our national and global economy. RebuildRural also believe that rural broadband service will increase if providers of all kinds, whether traditional telecom providers or other providers such as electric cooperatives who are committed to rural America and experienced in rural infrastructure, have access to effective incentives and tools to deploy and sustain broadband networks in certain rural areas.

For many network operators and rural areas, the Universal Service Fund programs are essential to enable network deployment and promote the availability of reasonably comparable voice and broadband services in rural and urban America alike. The FCC's programs are successful examples of public-private partnership in the broadband industry. While these programs don't fully fund broadband networks, they help justify the case for tens of billions of dollars of private investments in rural markets that could not otherwise justify loans or use of cash flows to build broadband infrastructure. However, the high-cost USF program has been locked at the same budget levels for nearly a decade. This hardly captures the challenges faced in rural America. This results in rural network operators increasing rates for consumers and decreasing future infrastructure investments.

At the same time, USF alone will not overcome the digital divide in rural America. We urge policy makers to create additional inclusive funding opportunities that gives providers of all kinds an opportunity to deliver the best service for rural America. Policymakers must consider the scope of capital needed to extend and sustain broadband service in rural America and allocate the resources needed to meet this need. Compounding these financial challenges are issues with permitting and access, particularly with respect to federal lands. Burdensome and time consuming application and review processes within individual federal land-managing and property-managing agencies has led to costly delays and complicated access to financing.

The broadband industry supports jobs in rural America and is critical to the future of rural communities. The RebuildRural coalition asks for a standardization of application, fee and approval policies and procedures across federal land-managing and property-managing agencies, and other measures that will facilitate reasonable sequencing and completion of environmental and historical reviews.



REBUILD RURAL COALITION

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