

# STATES MUST WISELY SPEND FEDERAL FUNDS ON BROADBAND

The COVID-19 pandemic magnified the digital divide across the country. As virtual learning, telehealth, and working from home went from a luxury to a necessity, state lawmakers looked for ways to close the digital divide.

Policymakers are now in a unique position to address this issue due to the billions of dollars given to states and localities through the American Rescue Plan of 2021. But, ensuring these funds are spent effectively and efficiently to close the digital divide is far from a certainty. To better spend these funds to close the digital divide in our states, the organizations listed below make the following recommendations.

## **Focus Funds on Unserved Areas:**

With billions of dollars available for broadband and other infrastructure, many densely populated areas with political clout have lobbied for these funds. State lawmakers should ensure broadband funds flow to areas that lack broadband access, defined as 25 Mbps download and 3 Mbps upload, rather than providing funding for areas that already meet these benchmarks. Expanding access should be lawmakers' No. 1 priority.

## **Avoid Investment in Government Owned Networks:**

Many of our states have had experiences with costly government owned networks that have done little to expand access or adoption. Instead, they have often been mired with political favoritism, inefficiency, and corruption. Furthermore, since government owned networks require ongoing taxpayer dollars to run, building networks will almost certainly lead to local taxpayers footing the bill.

## **Reduce Red Tape Around Deployment:**

The money flowing to state coffers is not without limits. States should work to stretch every dollar as far as possible by removing red tape and passing policies like "dig once," which can reduce the cost of broadband deployment by 90 percent.

## Ensure Adequate Resources For Permitting Approval:

One of the most common excuses for delays in the deployment of both fiber and 5G equipment from regulators is a lack of resources or staff to sift through the many applications. With rapid deployment being more important than ever, regulators should use the funding provided to them to assist in quickly reviewing and approving applications.

States have a once in a generation opportunity to close the digital divide in their states. Lawmakers and local officials should ensure that taxpayers see their money well spent to provide internet access to those most in need as quickly as possible.

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