

June 19, 2020

Sent via Email to broadband@commerce.idaho.gov



Tom Kealey, Idaho Department of Commerce Director
700 West State Street
P.O. Box 83720
Boise, Idaho 83720-0093

RE: Request for Comments on Idaho Broadband Grant Application and Guidance

Dear Director Kealey:

Next Century Cities is dedicated to expanding affordable and reliable high-speed connectivity to every resident in every community. Our organization is composed of mayors and local officials who are united in their commitment to ensure that their residents can have meaningful participation in a digital society. Our membership includes three Idaho cities, **Emmett**, **Ammon**, and **Boise**. All three municipalities that have shown the success of public-private partnerships and underscore why the eligibility guidelines for this grant must be amended.

Since 2016, Next Century Cities has supported local officials willing to come up with their own connectivity solutions. In October of 2017, our organization celebrated local leadership in Idaho as they launched one of the first open access fiber networks in the country, a movement that quickly spread from coast to coast.

The open access revolution in municipalities across Idaho immediately stole the spotlight. Ammon's networks, for example, provide some of the fastest and cheapest fixed broadband options [nationwide](#). State and federal officials have applauded the City's efforts just as public interest organizations regularly reference its network as proof of a successful public-private partnership model.

Grant funding should provide opportunities for communities that are still waiting for digital opportunities to replicate this kind of success. Unfortunately, the Department of Commerce's decision to exclude municipally owned or operated open access networks from this grant funding opportunity is wrong and short-sighted. It undermines the overarching goal to bring high-speed connectivity within reach for all Idaho residents, especially those in hard to reach areas.

Achieving Gigabit Speeds at Low Costs. Since March 2020, due to the COVID-19 outbreak, millions of Idahoans shifted to distance learning and telework, but were confronted with broadband speeds that do not meet the needs of a 21st century world. In the proposed grant application, the State of Idaho requires that providers meet the Federal Communications Commission's (FCC) current minimum broadband speeds (25mbps upload/3mps download). Yet, this benchmark does not recognize the current nor the future needs of Idaho or the country and needs to be adjusted.



Open access networks, supported by Idaho municipalities, regularly provide residents with 1000mbps symmetrical at low costs, which should serve as the goal for the entire state. This standard must be upgraded to not only connect Idaho communities today, but to equip them with networks that will meet the high usage demands of the future.

Funding Should Support Network Upgrades and Expansions. Section iii of the proposed grant application specifies that grant funds are to be used in areas defined as “underbuilt.” An underbuilt area is defined as one where “less than 50% of households have access to broadband service.” In short, this definition is underinclusive. That coupled with flawed FCC data locks too many Idaho residents out of viable options to get connected.

Additionally, over or under building networks necessarily implies that a majority of these funds will be used to expand new network infrastructure into an area already served by existing network infrastructure. Projects may include the expansion of networks, however, this forces projects centered around upgrading performance and resilience of existing networks to take a back seat to the creation of new networks.

Allowing providers to use CARES act funding to build out connectivity in areas with over 50% of the households served may be the difference between completely connecting an area with high-speed broadband in a relatively short time frame, or not. With usage demands increasing nationwide, often a slow internet connection is equivalent to no connection at all, especially in the time of COVID-19 recovery. Accordingly, the Idaho Department of Commerce should amend the proposed grant application to allow providers to use CARES Act funds to support upgrades and expansions of existing network infrastructure to promote the ultimate mission of the CARES Act to connect every American, and close the digital divide.

Current Language Excludes Municipally Owned or Operated Open Access Networks. In section iv of the proposed grant application, the state moves to unfairly exclude municipally owned or operated open access networks. A requirement that CARES funding be allocated to “only new broadband service, installed, owned, and operated by for-profit companies and not the applicant” contradicts the state’s previous position and recognition that municipal supported networks are the backbone of connectivity in Idaho.

In November of 2019, the Governor’s office received a [report](#) from the Department of Commerce and the Idaho Broadband Taskforce that explicitly recommended protecting public open access networks. The Taskforce found that, “any state action should still allow for municipalities to build out retail or wholesale models.” This draft application now restricts CARES act funding, public funding, from supporting public-centric models.

On the specific topic of funding, the Taskforce also found that the state should not only prevent action that harms open access networks, but take active funding steps “that would bring local municipalities, private companies, and the state together to expand urban



infrastructure.” Adjusting the language in this grant application to allow for retail or wholesale municipal networks is a key step towards improving virtual education, expanding telehealth opportunities, and rebooting local economies. Otherwise, the restrictive language will only serve to hamper competition across the state and allow substandard broadband services and standards to restrict Idaho residents’ ability to participate in a digital economy.

Amend the Grant Eligibility Criteria. The eligibility criteria outlined in the draft broadband grant application creates a program where countless invaluable projects will be overlooked entirely because of their support model. Public open access programs, supported and owned by the people of Idaho, deserve the same support and recognition from the Department of Commerce as well as the state government.

Prior to COVID-19, these networks were reaching the far corners of the state and serving communities that private internet service providers long passed over due to cost and lack of density. Across the state, at least 300,000 residents still lack access to at least 25/3 broadband speeds with over 20% lacking access to speeds of at least 100mbps.

In the Governor’s original executive action to establish the Coronavirus Financial Advisory Committee, he highlighted the costs that local governments will incur to respond on various fronts. Making these funds available to all communities will not only help them recover from the COVID-19 pandemic and economic fallout, but allow for network upgrades that will prepare Idaho residents for the internet-centered world of tomorrow.

Respectfully submitted,

Next Century Cities
Benton Institute for Broadband & Society¹
Center for Rural Strategies
Institute for Local Self-Reliance
Public Knowledge

¹ Benton, a non-profit, operating foundation, believes that communication policy – rooted in the values of access, equity, and diversity - has the power to deliver new opportunities and strengthen communities to bridge our divides. Its goal is to bring open, affordable, high-capacity and competitive broadband to all people in the U.S. to ensure a thriving democracy. These comments reflect the institutional view of the Benton Institute for Broadband & Society, and, unless obvious from the text, is not intended to reflect the views of its individual officers, directors, or advisors.

