

## **States Seek Strong Role in Broadband Deployment**

WASHINGTON—The National Association of Regulatory Utility Commissioners told Congress today that States should play a lead role in ensuring that any investments in broadband infrastructure are deployed efficiently.

In a letter to the leadership of the Senate Committee on Commerce, Science, and Transportation, NARUC President Frederick Butler of New Jersey said State agencies, rather than their federal counterparts, are better suited to disperse any broadband stimulus funds because of their proximity to the consumer and knowledge of the competitive marketplace.

"[N]o one can question that: (1) States have intimate knowledge of the communications environment, geography, and demographics within their boundaries; (2) States can assure efficient utilization and targeting of stimulus monies; and (3) States have every incentive to make certain the money is not wasted," President Butler wrote.

Additionally, the letter provides a list of principles and other recommendations for Congress to consider as part of any State grants for broadband infrastructure. NARUC's Broadband Stimulus Working Group developed the recommendations after holding discussions with congressional staff.

The principles are as follows:

1. Any broadband program should allow for the diversity of State approaches. States are at different stages in broadband rollout. Each State is best situated to know its unique needs and to use funds efficiently by recommending, approving and completing the most necessary projects quickly. Any program should provide States the flexibility to administer the funding with accountability and transparency.
2. Early adopter States should not be penalized. States that have already spent time and money on broadband initiatives should not be disadvantaged. Likewise, States that are behind in stimulating broadband should have equal ability to access federal funds to expand their broadband efforts.
3. "Shovel ready" should be defined as a broadband project, not necessarily a capital

expenditure, that can be initiated within four months and completed within eighteen to twenty-four months. A shorter timeframe may prove problematic because of State and local zoning and permitting requirements.

4. Any action should allow States to pursue their policies with respect to fostering competition.

5. Federal legislation aimed at distributing broadband infrastructure funds to the States should also be used as a vehicle to put into place other critical provisions such as broadband data collection and mapping needed to evaluate and manage broadband policies and ensure transparency and accountability.

6. Broadband is defined as wired or wireless Internet access at a minimum bandwidth of 3 megabits per second (Mbps) downstream and 1 Mbps upstream. Projects should not be rejected, however, if they do not meet this minimum but do increase existing bandwidth. This bandwidth requirement should be adjusted over time as technology advances.

7. Any program should be technology neutral and not favor one communications mode or broadband provider over another. The program should be open to non-certificated broadband carriers. Support should be targeted to the most efficient and economical technology that provides the necessary speed. Any analysis should be based on the relative costs/benefits of the technology chosen.

The letter is available on the NARUC website at <http://www.naruc.org/Testimony/09%200126%20BB%20Stimulus%20LTR.pdf>

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*NARUC is a non-profit organization founded in 1889 whose members include the governmental agencies that are engaged in the regulation of utilities and carriers in the fifty States, the District of Columbia, Puerto Rico and the Virgin Islands. NARUC's member agencies regulate telecommunications, energy, and water utilities. NARUC represents the interests of State public utility commissions before the three branches of the Federal government.*

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