

United States Senate

WASHINGTON, DC 20510

September 26, 2018

The Honorable Sonny Perdue
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, DC 20250

Dear Secretary Perdue,

As the U.S. Department of Agriculture (USDA) begins to develop the new e-Connectivity Pilot Program established in the Consolidated Appropriations Act (P.L. 115-141), we appreciate this opportunity to share our perspective on what needs to be done to ensure this program is a success. We were proud to help lead the bipartisan effort to dedicate \$600 million for this program, but we remain concerned that – absent a dedicated high cost set aside – these funds will fail to reach the rural, geographically challenging areas of the country that need it most.

A child should never have to sit outside their school or neighborhood library in order to get online and do their homework. No working adult should have to choose between living near their family and friends and having gainful employment because they cannot get an adequate internet connection where they live. A state should never have to fear being under-represented in the upcoming Census because they do not have the broadband infrastructure for their citizenry to fully participate in the increasingly important online portions of it. Unfortunately, while we know these things should never happen, we know that they do. Our states deal with these and the other negative consequences that accompany a lack of reliable broadband access day after day. The longer this issue persists, the further we will fall behind, making it impossible to participate in a 21st century economy.

According to the Federal Communications Commission (FCC), of the 24 million American households that do not have reliable, affordable, high-speed internet, 80 percent are located in rural areas. For far too long, our states have been on the wrong side of the digital divide. We are hopeful that the USDA's new pilot program will help our children have the tools they need to finish their school work, assist our states in attracting new residents and businesses, support seniors aging in place, strengthen digital literacy and inclusion, and ensure our communities are receiving their fair share of federal funding for important services like healthcare and telemedicine, job training, education and distance learning, tourism, and connectivity that supports rural economic development.

As you know, rural America is largely at a disadvantage for broadband deployment as a result of low population density, which makes these areas less attractive to the average broadband provider looking for a large return on investment. Certain areas, however, face even bigger obstacles to deployment because of their challenging topography. Mountains and valleys, desert terrain, working forests, islands, remote coastal areas and ribbons of winding roads are central to the identity of the communities we represent, and their beauty is what draws people to visit from around the world. Unfortunately, these same natural features make it far more expensive to

construct critical broadband infrastructure. For example, during the first phase of the Mobility Fund, the average cost of Auction 901 greenfield sites constructed by U.S. Cellular in West Virginia came in at about \$1.2 million, three times more expensive than flatter, easier to serve states like Oklahoma which only had an average cost of about \$400,000.

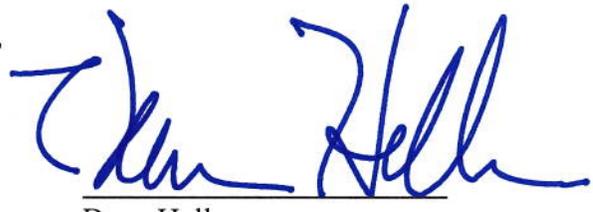
With the additional effort and higher costs associated with this difficult and remote terrain, it is clear why providers would choose to avoid broadband deployment in high cost, geographically challenging areas. Many of our states must absorb these high costs and invest their own resources into building out broadband infrastructure in hopes of reducing the financial barriers to attracting private partners, but they cannot afford to do it alone. We need a federal partner that understands these unique challenges our states face when trying to expand broadband service and we ask that USDA consult with states to create a "high-cost" definition that accurately reflects the significant additional costs associated with deploying broadband in these areas so that our states can effectively compete for grant funding with other states that can build out for pennies on the dollar. We strongly encourage you to address this disparity and ensure our states have a fair shot at this funding by establishing a reasonable set aside within this \$600 million allocation for high-cost, hard to serve areas like the places we represent.

Once considered a luxury, access to the internet has now become a critical lifeline to society and the future of our economy. We need your help to ensure that all Americans, no matter their area code, have access to a high-speed, reliable internet connection. We thank you for carefully considering this request and look forward to working together to ensure that this program helps those that need it most.

Sincerely,



Joe Manchin III
United States Senator



Dean Heller
United States Senator



Dan Sullivan
United States Senator



Shelley Moore Capito
United States Senator



Margaret Wood Hassan
United States Senator



Jeanne Shaheen
United States Senator



Susan M. Collins
United States Senator



Angus J. King, Jr.
United States Senator