

**Center for Rural Pennsylvania**  
**Broadband Availability, Accessibility and Affordability in Rural Pennsylvania**  
**Thursday, April 5, 2018**  
**Penn Wells Hotel - Wellsboro, PA**

**Pennsylvania Office of Broadband Initiatives**  
**Mark Smith, Executive Director**

Broadband access is essential to growing our economy, supporting our agricultural businesses, expanding educational opportunities for our children, increasing access to modern healthcare, and improving the safety of our communities. It is as important to our economic well-being as our roads, rail systems, bridges, ports, waterways, hospitals, and educational institutions. It warrants the utmost public-sector investment and support.

Pennsylvania businesses, large and small, rural and urban, should have every opportunity including access to High-Speed Internet in order to be competitive, expand their markets and operate efficiently in today's global marketplace.

Every student, regardless of location or socio-economic status, should have high quality access to the internet. Graduation rates are higher among high school and college students who have access to High-Speed Internet.<sup>1</sup>

High-Speed Internet access is key to delivering modern healthcare. It saves time and money, keeps the elderly at home with families, and most importantly it can help save lives. Studies show that rural communities have higher rates of chronic illness and poorer overall health. Unfortunately, those same rural communities lack access to important tele-health services that could alleviate some of these disparities by providing instant, online access to routine, preventative care.<sup>2</sup>

Ensuring our first responders and police have real time information and the ability to communicate can only be done by making sure that Pennsylvania has a robust broadband infrastructure. It's become indispensable to the interoperability of emergency responders and is increasingly important to ensure real time communication of events as they unfold. Robust broadband access ensures safer communities.

Despite its importance, over 800,000 Pennsylvanians still lack access to robust, reliable, High-Speed Internet. Of that number, over 520,000 reside in rural areas and over 250,000 residing in urban areas still lack this critical access.

For Pennsylvania to succeed we must close the digital divide to ensure every citizen and business has the access it needs to connect to the ever-expanding digital world in which we live and work.

To meet the challenge of delivering broadband service to every Pennsylvanian, Governor Wolf announced the creation of the Pennsylvania Office of Broadband Initiatives on March 19, 2018.

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<sup>1</sup> Using Learning to Support At-Risk Students' Learning, <https://all4ed.org/wp-content/uploads/2014/09/UsingTechnology.pdf>

<sup>2</sup> <https://muninetworks.org/sites/www.muninetworks.org/files/Cooperatives-Fiberize-Rural-America.pdf>

The office is responsible for developing efforts to ensure every Pennsylvanian gains access to High-Speed Internet.

This will be a difficult goal to achieve. It will require creative approaches in which the state partners with the private sector and invests resources to leverage outside funding sources.

Prior to the Governor officially announcing the office just a few weeks ago, much work had already been done to further the state's efforts of broadband expansion.

The administration is working to more effectively market and lease state assets to service providers willing to expand access in rural areas with the added benefit of generating revenue for the state. As part of this effort the administration has inventoried and geo-located every single building, tower, bridge, and every other usable structure that may be of benefit to service providers.

In 2017, Pennsylvania opted into the deployment of the interoperable Nationwide Public Safety Broadband Network (NPSBN) as proposed in Pennsylvania's FirstNet's State Plan. The network will be available through a public-private partnership with FirstNet and AT&T to provide the nation's first reliable communications broadband network for first responders across Pennsylvania, including those in rural areas.

In 2015, Verizon declined \$139.6 million in FCC Connect America II Funds that could have been utilized to provide broadband access in rural Pennsylvania. Although the state petitioned the FCC to have the money allocated back to Pennsylvania, the petition was denied in January. The administration continues its efforts to partner with the FCC.

To re-capture as much of the declined funding as possible, the Office of Broadband Initiatives is leading an important effort called the Broadband Investment Incentive Program.

The Program is offering \$35 million in financial incentives to private providers interested in bidding on service areas within Pennsylvania in the FCC's upcoming Connect America Fund Phase II Auction. This auction is making \$2 billion available nationwide to companies willing to expand broadband access in unserved areas. Our goal, through the incentive program, is to attract private sector investment in Pennsylvania through the FCC auction.

The \$35 million of incentive funding is being provided through PennDOT to fulfill its strategic goal of building network along roadways, right of ways and intersections and furthering connections between all of its facilities. The needs and demands of vehicle technology, including autonomous vehicles, will continue to increase as will the demands on the state to support digital transportation needs.

This is an opportunity to attract investment in many of Pennsylvania's rural areas to provide service to many unserved residents, businesses, and farmers.

Any provider who wishes to participate will be subject to state guidelines and requirements that will ensure service is available by mid-2022 and broadband speeds meet or exceed 100 Mbps, with a preference to those providers that can deliver one gigabit service.

This is the first but not the only effort the Office of Broadband Initiatives will undertake to expand broadband access. Only 84,551 housing and business units are available to be served under the FCC CAF II Auction, yet there are well over 500,000 housing and business units in

Pennsylvania that do not have broadband access as defined by the FCC. In light of those figures, the administration is developing future programming efforts that can deliver access to those areas not served by the FCC CAF-II auction. The state's future efforts will require further assistance from the private sector, federal partners and the Commonwealth. As our current incentive program gets underway, the Office of Broadband Initiatives will continue working to develop solutions to expand access to every resident and business in the state.

The Office of Broadband Initiatives is building a database of publicly supported broadband projects that are currently funded or are under construction. The office is also working to consolidate the resources and efforts of all state agencies around a single strategy for broadband expansion.

As other states work to improve networks they become more attractive to businesses and will offer a better quality of life. To remain competitive, Pennsylvania must invest in its digital future. These incentives are a first step to attracting much needed private sector investment and build the partnerships necessary for future efforts.

In a recent survey Pennsylvania ranked 27<sup>th</sup> among states in broadband availability and ranked 43<sup>rd</sup> among states investing in the expansion of broadband access.<sup>3</sup> Governor Wolf believes this must change and that Pennsylvania becomes a leader in the expansion of broadband access.

Equal access to High-Speed Internet, regardless of location or income, must be provided if Pennsylvania is to increase its competitiveness, if every child is to be given the best education, if we want to live in a state where we all can access modern day healthcare options, if we want a state where our farms and other businesses thrive and the jobs of tomorrow are created.

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<sup>3</sup> Rural TeleCon Strategic Networks Group's (SNG) "State-by-State Study on the State of Broadband Investment and Activity in Each American State (2017).