



May 29, 2018

The Honorable Pat Roberts
Chairman
Senate Agriculture Committee
109 Hart Senate Office Building
Washington, DC 20510

The Honorable Debbie Stabenow
Ranking Member
Senate Agriculture Committee
731 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Roberts and Ranking Member Stabenow:

Our associations represent an industry that has invested over \$1.5 trillion in capital over the last twenty years to build out robust broadband infrastructure that spans thousands of miles and reaches millions of rural consumers and businesses. Despite this, we recognize that there are still parts of the country – most often in rural, less dense, high-cost, geographically remote areas – where market forces alone have been insufficient to drive the deployment of terrestrial broadband networks.

We share Congress' goal of deploying broadband to all Americans, and particularly to ensure that those Americans who live in hard-to-serve areas with *no broadband access* are finally reached. In those areas, government broadband programs can help bridge investment gaps, reducing the cost to companies of building networks and providing mechanisms to ensure that consumers in those areas have the access to the broadband they need for their jobs, to connect with loved ones, for health care, education, and for entertainment.

However, not all government broadband programs are effective in helping reach the last unserved areas of rural America. The RUS Broadband Loan Program requires only 15% of an applicant's proposed service area to be unserved, allowing 85% to be an overbuild of up to two already deployed private broadband providers. This practice does nothing to help those in rural America who still don't have broadband service. Additionally, this government subsidization of a competitor in a market already served by one or two providers is an inefficient use of scarce funding and puts a thumb on the competitive scale, undermining future efforts to sustain existing networks or to build out broadband networks in high-cost areas, especially when those networks are built with private risk capital.

As the Senate Agriculture Committee considers the Farm Bill, we urge the Committee to modify the RUS Broadband Loan Program to better achieve its goal of helping get broadband service to

the hardest to reach areas. We urge the Committee to modify the Program to focus funding on areas where either all, or at least 90% - as prescribed in the recently established FY18 Omnibus pilot program - do not have broadband service (defined as 10 Mbps downstream and 1 Mbps upstream).

We want to be a part of your effort to address the problem of unserved America. To this end, we look forward to engaging with you on how we can do that in a way that benefits consumers without harming those who have already invested in bringing the benefits of broadband to rural Americans across the country.

Sincerely,



Michael K Powell
President & CEO
NCTA – The Internet & Television Association



Jonathan Spalter
President and Chief Executive Officer
USTelecom – The Broadband Association



Genevieve Morelli
President
ITTA – the Voice of America's Broadband Providers



Matthew Polka
President & CEO
ACA