Georgia’s River Valley Regional Commission

Rural broadband recommendations
June 10, 2019

Laura Sibilia | I.E.D.C. volunteer |
lsibilia@gmail.com
Key takeaways:

The RVRC region and its cities and counties are struggling with rural depopulation and economic issues attributable to global demographic and technological shifts being seen in many other rural parts of the country. Exacerbating these challenges are natural disasters – largely impacting the agriculture sector - and a large percentage of population and businesses that do not have access to reliable 25/3 broadband speeds. In many parts of the country we see a familiar pattern:

Internet Service Providers (ISP) providing wired and wireless internet are federally preempted from state and local regulation and build out is market driven. The internet is not regulated as a critical utility. The Federal Communications Commission (FCC) is an independent government agency responsible for regulating the radio, television and phone industries. The FCC regulates all interstate communications, such as wire, satellite and cable, and international communications originating or terminating in the United States.

Landline telephone is still state regulated. The Georgia Public Service Commission ensures that consumers receive safe, reliable, and reasonably priced telecommunications, electric, and natural gas services. The five members of the commission are determined by statewide election.

ISP and cable companies that offer voice service (Voice Over Internet Protocols or VOIP) are federally preempted from and build out is market driven – this likely has weakened the remaining landline telephone network and may jeopardize public safety in areas where this is limited or no cell service. Interviews in region have claimed that AT&T is no longer hooking up new landline phone customers.

The State of Georgia has taken numerous actions.

Georgia Broadband Deployment Initiative Governance includes oversight from Georgia Department of Community Affairs and Georgia Technology Authority

The Georgia State Broadband Plan primary is to identify, evaluate and recommend options which can be implemented by governments and providers. This plan explains the detailed framework development efforts underway, including enhanced mapping of unserved areas, local broadband planning, and development of a grant program framework and it supports broadband providers who are actively pursuing grant and loan funding through the US Department of Agriculture’s ReConnect Program. An unfunded proposal for implementing the initiative has received minimal comments outside of industry professionals.
Interviews:

A number of interviews, meetings and visits were conducted over the May 28-31 period by a volunteer with experience in rural disaster recovery and rural broadband policy and planning key findings in green:

- Traveled with Sarah Walls, Assistant Executive Director and Allison Slocum AICP, Senior Planner/Historic Preservation Planner River Valley Regional Commission to Shellman “below the gnat line” and met with Mayor Paul Langford after a meeting wrapping up a local transportation project. The town center has had a significant amount of building reinvestment with more in the works – but cell and broadband coverage are limited in areas. The mayor noted the need for a tornado warning system and shelter in the town. That the townspeople are already struggling to provide critical safety infrastructure speaks to the need for technical and financial packaging assistance and most likely state and federal funding to expand broadband and cell in these rural cities and counties.

- Spoke on the phone with Heather Maxfield - Vice President, Government Affairs and Statewide Economic Development Technology Association of Georgia: [https://www.tagonline.org/](https://www.tagonline.org/) who described the finding from the Governor’s listening tour on the economy: Businesses need broadband and a skilled workforce. Speaker and LG have pulled together Rural Development Council last 4-6 years - study areas around state. DCA and GTA have come together to map broadband in area - mapping where vendors have fiber and AT&T and Verizon are mapping where broadband is. Maps are not complete. Legislative initiatives:
  - New Internet sales revenue may be source of revenue for as yet unfunded new state broadband program Senate Bill 402 – the Achieving Connectivity Everywhere (ACE) Act.
  - Verizon and AT&T worked with municipalities on 5G legislation, municipalities can have right of way and annual fee. Provision for historic buildings, small cells, one touch make ready. This legislation limits municipal fees and timelines for approving 5G permits.
  - SB.2 allows electric utilities to get into broadband

- Spoke Deana Perry Executive Director of the new Rural Broadband Program, which resides at [Georgia’s Department of Community Affairs](https://www.gadoe.org/). The program was created by Senate Bill 402 – the Achieving Connectivity Everywhere (ACE) Act. The state’s goal is to make a difference in the number of unserved and view broadband as critical utility. Currently program will require 50% match. Georgia Tech Authority is mapping 25/3. This is going to require verifying E-911 addresses – is there a local or regional role to assist in that verification process? Map will not include wireless (which is good because industry wireless mapping is notoriously inaccurate). Only Georgia telecom association members are commenting on the plan – municipalities should be reading and commenting on the plan! No planning dollars currently available with state program and 61 County
plans already have broadband element included (RVRC may be falling further behind). RFP process for qualifying providers will take a year, no further timeline known. 1000 customer min. for qualified providers will not be the case - will be lower

- Representative Debbie Buckner D - Junction City, District 137 Title: Minority Caucus Secretary The legislation empowers local electric companies to begin offering internet and sets up a system for future government subsidies for internet construction.

- Tom Horn, Columbus Waterworks and leading Valley Partners Broadband Task Force. Who are Tom and the Task Force’s counterparts for the rest of the region? Valley Partners could be a key leader in any regional matchmaking event effort. Focus of this group is on businesses and Fort Benning, and the question was asked how a lack of broadband impacts these major employers. Housing, healthcare and education are all impacted by populations of the communities they serve. As we see less densely populated areas continue to lose population, financial pressures become greater on rural housing, healthcare and education facilities and the commercial market for these services is degraded. A lack of access to high speed broadband in a town puts downward pressure on home prices, because it is much less attractive to new buyers. This will increasingly impact retention of existing workforce and inhibits recruitment of new workers.

- Greg Turton, Southern Fiber Works, a start-up Internet Service Provider with system is underground. They have 6 employees - want to be at 10 to 12. Company made 250K profit last year. Just asked county if he could lay cable then Jim Hayes watched videos on how to build network. That’s extremely unregulated – qualifying providers process and RFP noted above will be important to safeguard any public investments.
  - They are competing with incumbent and cable and averaging a 45% connection rate with 600 customers and 90 businesses. Using dark fiber from electric utility - $50 mile per strand.
  - Spent 800K before going to bank. Bank would lend on his house but not network. Received some revolving loan funds and private equity then SW Georgia United. State backed lending program would be helpful.
  - AT&T will not build new landline customers.
  - Barriers to others following in his stead: funding, training, technical assistance. 300 hours plus required to use all new equipment with USDA
Suggested Action Items:

1. Submit comments on Phase 1 plan for Georgia Broadband Deployment Initiative
   1. Suggested: Number of customers for providers to be “qualified”
   2. Suggested: Technical assistance funding for regions, cities, counties is needed. Allow for public planning grants and public project management capacity
2. County level effort to assist in E911 Address Verification for mapping
3. Hold a broadband matchmaking event

Outline of event:

RVRC Matchmaking event
Event focused on funding, training and technical assistance for startup ISP and public regional, county, city last mile connectivity efforts. Attendees will leave with:

1) A shared understanding of the recent Georgia broadband laws.

2) Knowledge on how to:
   a) Put together a local team to find a provider and put together financing
   b) Get a Broadband Ready Designation
   c) Verify your communities E-911 address

3) The knowledge that across the U.S.A., where there is a competitive market, private industry has filled the need for building maintaining and upgrading communications networks. If access to the internet is a necessity for healthcare, education and government access, that will require a federal, state and local public role

FOR: cities, counties, healthcare and education institutions, anchor businesses
PANEL PRESENTATIONS by:

1. Communities
   a. Cities who have addressed the broadband issue on their own
   b. Counties who have had success addressing the problem on their own
   c. Healthcare/Education facilities that are innovating/partnering solutions
2. Utilities
   a. GA Public Utilities Commission
   b. Georgia Electric Membership Corp
   c. USDA REDLG program
3. Providers
   a. National – AT&T, Comcast
   b. State - Windstream Communications
   c. Start-up – Southern FiberWorks
4. Technical assistance
   a. DCA
   b. Georgia Tech Authority
   c. USDA – planning dollars
   d. Public grants
Steps unserved cities and counties can take right now:

1. **Find a provider and put together financing**

   Greg Turton of Southern Fiber Works has created a startup ISP teaching himself how to lay out and operate a fiber network. He maintains the network and bills customers. This began as a self financed endeavor with a private outlay of $800K and lending on his home prior to securing a loan from SW Georgia United. He is looking for a $3MM loan and struggling to engage with RUS due to time required and requirement that equipment purchased must be new. Greg identified barriers for others following him as funding, training and technical assistance. That is a good theme for a matchmaking event.

   NTIA is announcing a new [searchable database](#) of 50 federal broadband programs, spanning a dozen federal agencies with billions of dollars for broadband grants, loans and other resources. The database, created with help of participating federal agencies, fulfills a goal set out in the American Broadband Initiative [announced](#) in February to make it easier for community leaders to find federal funding and permitting information. Most cities and counties won’t be able to do this because of a lack of technical knowledge and human resources.

2. **RVRC and/or other regional development entities engage the regions EMCs**

   The legislation passed this year empowers EMCs to get involved in solving the rural broadband challenge. From the Georgia EMC site on rural development:

   **What can EMCs do?**

   *Rural Georgians are at a digital disadvantage due to limited access to quality broadband services. This directly impacts access to telemedicine, education, employment opportunities and economic growth prospects for hundreds of thousands of our state’s citizens. By removing barriers in the deployment of broadband, rural Georgians can get a fair chance in the state’s evolving economy.*

   On April 26, Governor Brian Kemp signed into law state legislation empowering Georgia EMCs to consider offering rural broadband services in their communities. This legislation, championed by Senator Steve Gooch and Representative Jay Powell, removes key barriers for EMCs considering offering broadband services to their rural communities and members.

   This is a new opportunity for EMCs that offers great potential for rural Georgia yet comes with its own set of challenges, but each EMC will have to evaluate what is financially and operationally feasible regarding the expansion of broadband in their community. This process will not happen overnight, and there are no quick fixes. Preparing for a challenge of this magnitude will require time and patience as each EMC explores the various options and determines which is best suited for its members.
3. Consider a Broadband Ready Designation

LS comments on designation - this process appears to get cities and counties ready to assist national broadband providers. It provides a point of contact for a provider to work with and ensures a community wants to move forward through the inclusion of the ordinance. The process appears to prohibit units of government from showing preference to any provider, prohibits requiring coverage of the entire city or county, prohibits moratoriums on issuing permits or building projects and requires all permits to build the network be under $100. This appears to be heavily weighted in favor of national providers receiving state allocated funds and maintaining federal level accountability. This may be the best option for cities and counties that will be unable to negotiate with EMCs or start up providers or otherwise organize themselves. It is likely this process will not result in everyone in the city or county being able to access broadband, and it is possible that it may only result in the most densely populated areas being served. This seems similar to the MA Broadband model that Comcast ended up heavily utilizing.

From DCA:

The purpose of the Broadband Ready Community Designation is for a community to demonstrate that a local unit of government has taken steps to reduce obstacles to broadband infrastructure investment. Any political subdivision in Georgia pursuing improved broadband access is eligible for the Broadband Ready Community Certification. A unit may be certified as a Broadband Ready Community by:

1. Completing the online application form,
2. Demonstrating compliance with the adoption of a Comprehensive Plan, since October 1, 2018, inclusive of the promotion of the deployment broadband services (amendment is possible) and
3. Demonstrating compliance with the adoption of a Broadband Model Ordinance (identifying a single point of contact)

Designation has to be recertified every year. And cities and counties can be decertified: A political subdivision that the department has certified as a broadband ready community under Code Section 50-40-41 may be decertified by the department if it:

1. Imposes an unreasonable or noncost based fee to review an application or issue a permit for a broadband network project. Any application fee that exceeds $100.00 shall be considered unreasonable unless such political subdivision can provide documentation justifying such fee based on a specific cost;
2. Imposes a moratorium of any kind on the approval of applications or issuance of permits for broadband network projects or on construction related to broadband network projects;
3. Discriminates among broadband services providers with respect to any action described in this article or otherwise related to a broadband network project, including granting access to public rights of way, infrastructure and poles, river and bridge crossings, or any other physical assets owned or controlled by such political subdivision;
4. As a condition for approving an application or issuing a permit for a broadband network project requires the applicant to:
   (a) Provide any service or make available any part of the broadband network project to such political subdivision; or
   (b) Except for reasonable and cost-based fees allowed, make any payment to or on behalf of such political subdivision.