

PUBLIC ASSETS & INFRASTRUCTURE – COMMUNITY BROADBAND STRATEGY

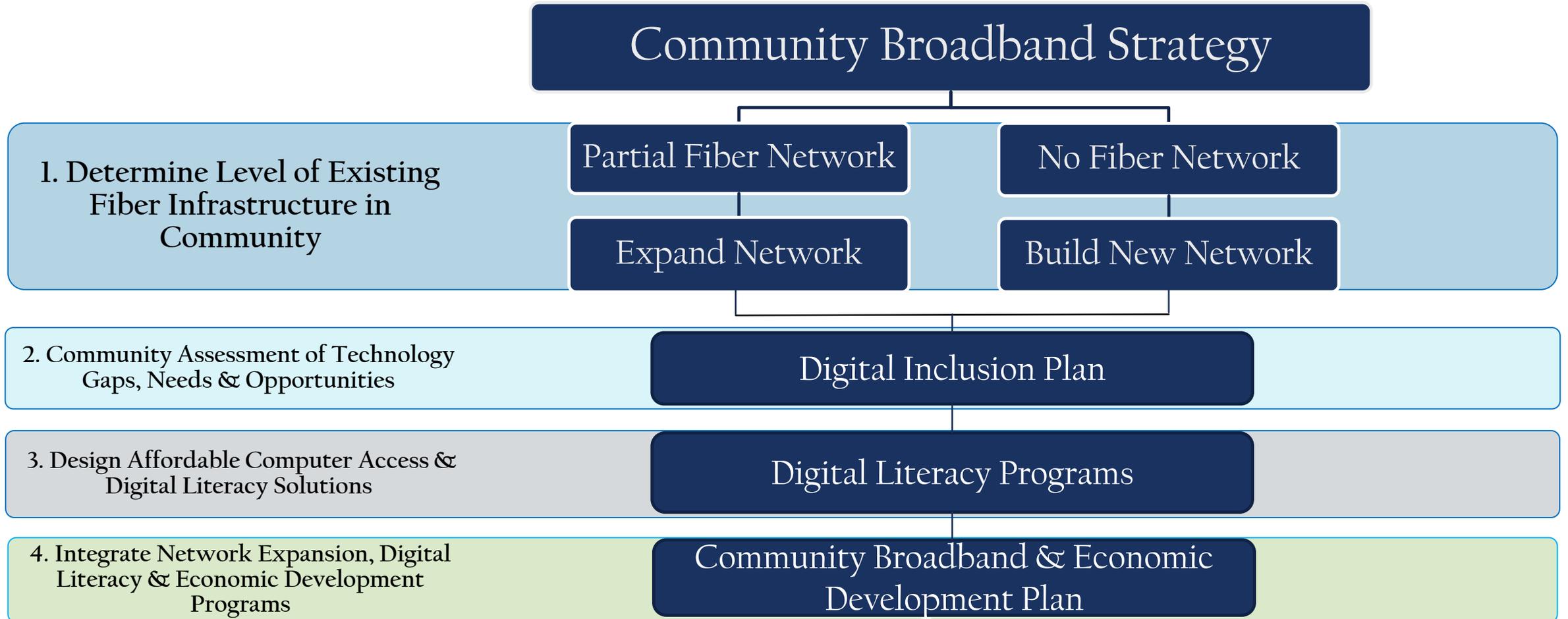
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COMMUNITY BROADBAND STRATEGY



BROADBAND DEPLOYMENT RESPONDS TO COMPETITIVE MARKET CONDITIONS

Legal Perspective

- **No Buildout Requirement** – Private providers have no legal obligation to deploy broadband networks throughout any community.
- **Information Service** – Broadband internet service is considered an *information service* exempt from *common carrier* regulation.

Economic Perspective

- **Luxury Good** – Broadband internet service is considered an economic *luxury good* subject to competitive pricing.
- **Maximize Profit** – Private firms will deploy broadband networks only where they can recover their costs and maximize return on investment.

Broadband deployment is sensitive to population density, income level, and education in a community leading to non-deployment areas – Digital Divide.

OVERCOMING THE DIGITAL DIVIDE

Economic Opportunity

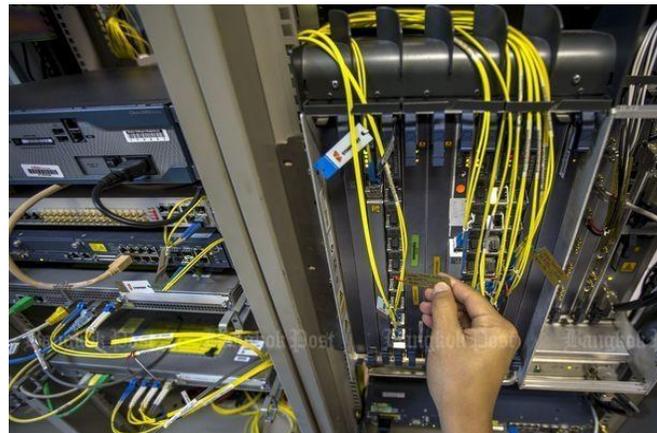
“I believe the future belongs to the connected. That’s because a broadband connection is more than a technology – it’s a platform for opportunity. No matter who you are or where you live in this country, you need access to modern communications to have a fair shot at 21st century success. That’s a fact.”



Educational Opportunity

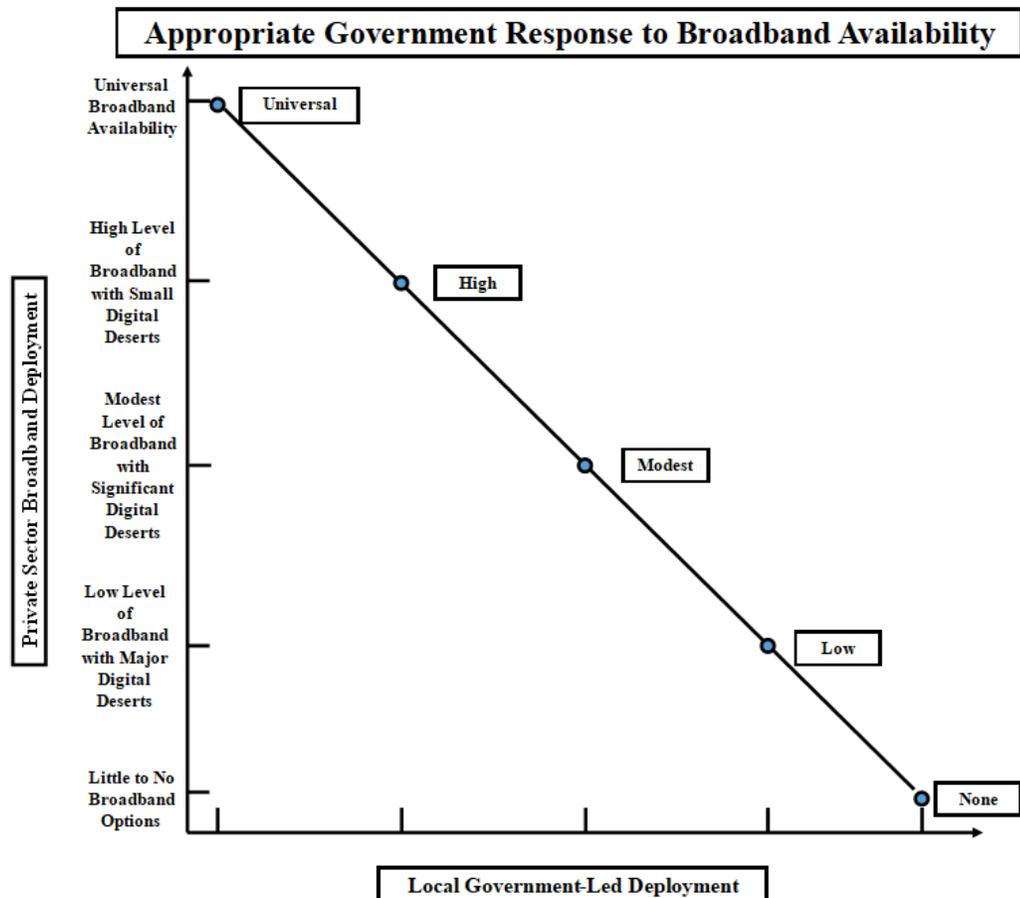
“This is what I call the homework gap, and it is the cruelest part of the digital divide.”

FCC Commissioner Jessica Rosenworcel



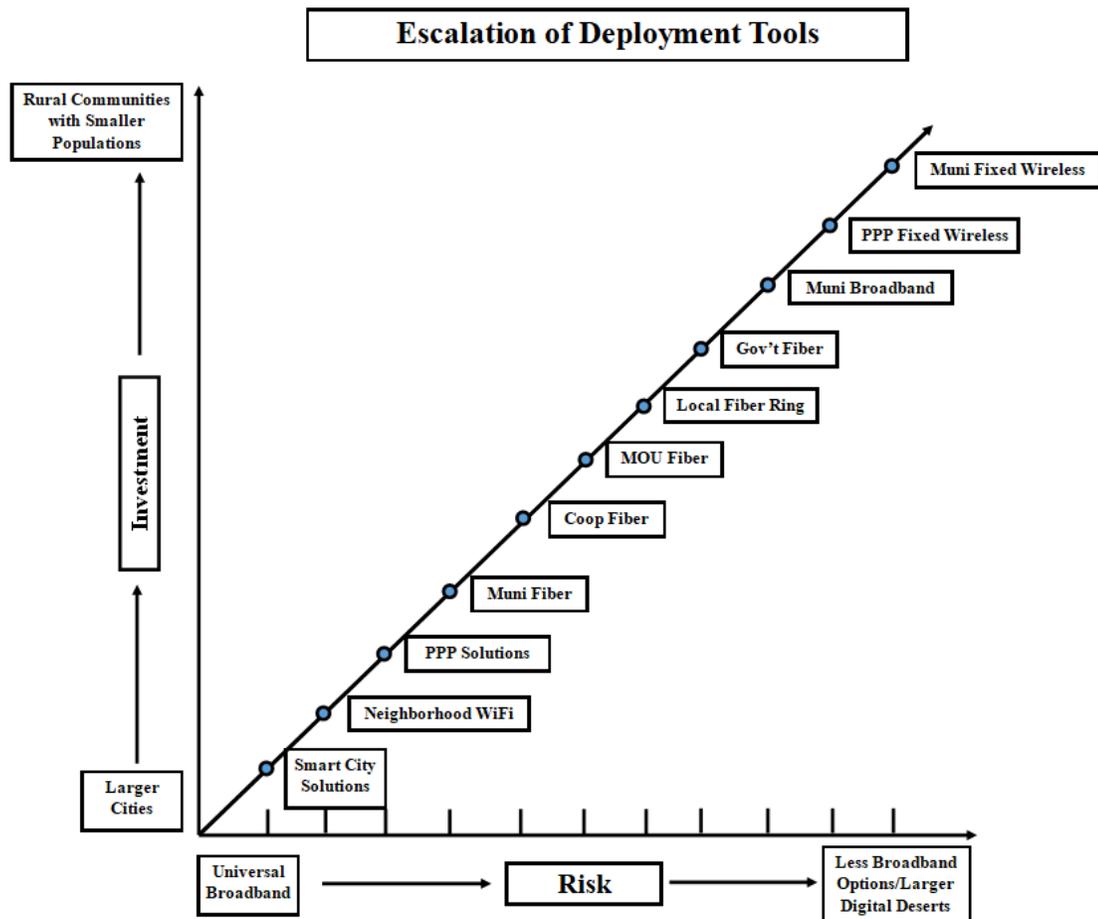
Communities must act or stay behind.

FIBER IS ESSENTIAL INFRASTRUCTURE



- **Economic Opportunity** – For local communities experiencing the digital divide, economic opportunity is the driver for incentivizing fiber deployment.
- **Appropriate Response** – Local government response in promoting deployment of broadband infrastructure – the less broadband available, the larger the role for local government.
- **Economic Failure** – Fiber infrastructure is to the digital economy what the railroad was to the industrial economy. Without it a community does not have the tools to compete.
- **Source:** Forthcoming publication, “Guide to Local Broadband Connectivity, Federal Reserve Bank of Dallas, 2019, Garcia, Gabriel and Barton, Jordana.

COMMUNITY BROADBAND DEPLOYMENT SOLUTIONS



- **Economic Risk** – Local elected official must understand the economic risk from a lack of broadband infrastructure.
- **Investment** – The higher the economic risk from lack of broadband infrastructure, the larger the necessary community investment for broadband deployment.
- **Broadband Solutions** – There is a range of broadband solutions available to communities - from deploying off-the-shelf connectivity devices to building a new fiber network.
- **Political Will** – The political will from elected officials is essential, without it nothing happens.
- **Source:** Forthcoming publication, “Guide to Local Broadband Connectivity, Federal Reserve Bank of Dallas, 2019, Garcia, Gabriel and Barton, Jordana.



THANK YOU



QUESTIONS?