

Issue: AZ Broadband Digital Divide

Broadband Digital Divide Talking Points

Broadband Access is Essential

From online job postings and email to accessing portals for banking, commerce, and social services, access to the internet via broadband technology is critical. Now, during a raging pandemic, reliance on broadband has become more critical than ever with doctors increasingly using telemedicine for patient care, students studying remotely, and workers shifting from office to home settings. Even food and basic household supplies are safely accessible only via remote means in many cases.

Much of Arizona is Left Behind

For many of Arizona's poorest residents living in rural or tribal areas, broadband technology is simply not available. And in urban areas, where there is extensive broadband coverage, many low-income families are unable to afford the technology and computers required for access. In Mesa Public Schools, for example, Arizona's largest school district serves 64,000 children, yet 7,000 of those elementary school families lack broadband access. These children cannot participate in online schooling, and their parents are unable to work remotely, much less access telemedicine.

The digital divide between those with broadband access and those without has resulted in a lack of economic and educational opportunities for over one of every ten Arizonans (11.3%) who do not have access to stable broadband. As of May 2020, this leaves Arizona ranked a dismal 36th nationwide on BroadbandNow's state broadband access ranking. Arizona deserves better.

How Did We Get Here?

Billions of dollars in federal subsidies and grants have gone to large for-profit telecom carriers to extend and improve broadband across the country. These major players, however, have done a notably poor job of delivering rural broadband—because it is not profitable for them to install cable beyond urban concentrations to rural areas with far fewer customers.

Compounding the problem, there has been very little funding at the state level for broadband development. Since the mid-1990s, Arizona's Republican-controlled legislature has passed tax cuts benefiting its wealthiest citizens, leaving little room for broadband expansion. And now, due to the pandemic, recent efforts to boost broadband access in rural areas have been put on hold for the foreseeable future.

Going Forward

There are a number of favorable opportunities that state legislators can focus on based on lessons learned during the COVID-19 crisis and the forthcoming budget scramble that is bound to ensue.

- Increased state funding to the Arizona Universal Service Fund (AUSF) would result in larger matching grants from the federal E-Rate program for improved broadband access and related equipment for Arizona's schools and libraries.
- In areas that already have broadband, AUSF funding can contribute to subsidizing the cost for low-income families, thereby helping to bridge Arizona's digital divide.

- At a minimum, the \$60 million broadband line items that were dropped from the FY21 “skinny budget” that passed due to the COVID pandemic should be reinstated. These funds would provide both jobs and, over time, enable broadband access in rural areas.
- The state budget should target additional funding allocations for rural broadband expansion projects that take advantage of the leverage provided by federal funds through the FCC.
- State entities concerned with broadband access must act in a *concerted effort* and monitor emerging technologies including 5G networks and especially Low Earth Orbit Satellite Constellations (LEO), such as the StarLink project. While such technologies could help solve the availability problem, there will still need to be funding to subsidize the cost of service.
- Return on investment analyses for broadband budgeting must factor in the economic gains the technology yields including: telehealth, education, and enabling a remote workforce.

In today’s global economy, access to broadband is essential. Unfortunately, insufficient funding, failure to adopt community-based service providers, and the lack of a comprehensive rural broadband plan implementation have left many of Arizona’s poorest citizens without remote access to education, health care, jobs, goods, and services.

Should Arizona’s legislators fail to act, they will ensure the continuation of a persistent gap between early-adopters and their lower-income and rural peers, as ever-newer, ever-faster technology becomes available.

See www.localmajority.org/research-reports for our complete report:

Broadband and the Digital Divide

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