



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

June 5, 2015

Ms. Karen Hanson, Federal Program Officer
National Telecommunications and Information Association
United States Department of Commerce
ATTN: Broadband Opportunity Council
1401 Constitution Avenue NW, Room 4626
Washington, DC 20230

RE: Broadband Opportunity Council - Docket No. 1540414365-5365-01

Dear Ms. Hanson:

On behalf of the Rural County Representatives of California (RCRC), I write to thank you for the opportunity to provide comments regarding the Broadband Opportunity Council's (Council) Notice and Request for Comments in Docket No. 1540414365-5365-01.

RCRC is an association of thirty-four rural California counties and the RCRC Board of Directors is comprised of the one elected Supervisor from each of our member counties. The deployment and expansion of broadband networks in rural communities throughout California is a high priority for our member counties. RCRC has a great record of working with the Governor, California State Legislature, California regulatory agencies, and the private sector to achieve greater broadband expansion.

In order to be economically competitive, ensure access to education, health care and social services, and participate in the online economy, the federal government must dedicate and prioritize funding toward the deployment of broadband infrastructure in unserved and underserved rural communities. Despite bipartisan Congressional efforts to reform the Federal Universal Services Fund (USF) to support rural broadband deployment, the Federal Communications Commission (FCC) has maintained outdated regulations that act as disincentives to rural connectivity. Specifically, under current rules, the USF support for rural broadband deployment is intrinsically linked to a now outdated requirement that customers sign-up for traditional landline telephone services. As rural residents shift their telephone service connection from landlines toward more advanced wireless or internet-based services, smaller telecommunication providers lose access to USF and rural communities continue to go unserved. RCRC recommends

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the Council review the USF program and look for opportunities to strengthen smaller telecommunication providers' ability to compete for these monies to ensure that rural community's broadband demands are met.

As you know, rural and remote areas of the State typically fall under the high-cost category, meaning the costs to deploy and expand broadband services in these areas are disproportionately higher than their urban counterparts. The high cost of deploying broadband in these areas is due to a number of factors, including low population levels, lack of competition, and large geographic boundaries between the service provider and customer. RCRC recognizes that many of the compounding factors that inhibit rural broadband deployment will not be able to be addressed through the Council's efforts. However, there are steps the Council could take by first recognizing these challenges and others, such as the high federal match requirements for grant and loan programs, and subsequently seeking opportunities to leverage existing programs and private investments. RCRC believes Federal grant and loan programs should be evaluated to ensure local governments are an eligible applicant, have the ability to enter into public-private partnerships, and are able to obtain a waiver to increase the federal contribution for projects in high cost areas.

There are a variety of issues with regard to delivering and deploying broadband services under the Connect America Fund (CAF), namely for rural and remote communities that have been deemed high-cost areas and for price-capped service providers. To address these issues, the Obama Administration established the Rural Broadband Experiments program to explore innovative and cost-effective options for deploying and expanding broadband in rural communities. RCRC is supportive of the Rural Broadband Experiments program and looks forward to reviewing the report due later this year, which will help update rural broadband deployment and expansion efforts provided through the CAF. As part of these efforts, RCRC encourages the Council to evaluate how small telecommunication providers can participate in the program.

RCRC also urges the Council to support efforts to verify broadband speeds so that underserved areas can be correctly identified and included in broadband deployment and expansion efforts. The California Public Utilities Commission (CPUC) undertook a two-year effort, beginning in 2012, to measure actual mobile broadband speeds for comparison to carriers' reported speeds around the State. The project found that speeds were generally lower than those reported by broadband carriers, and that all major mobile network carriers had a drastically lower throughput in rural and tribal areas than in urban areas. The project also found that the speed differences between urban areas and rural and tribal areas are widening instead of improving, despite the growing attention to the digital divide in recent years. Projects like this are vital to improving rural broadband access, and we would encourage the Council to explore ways to assist agencies such as the CPUC in verifying broadband speeds.

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Lastly, the FCC is currently reviewing multiple telecommunication mergers. In the past, the FCC has required telecommunication providers to invest in expansion of infrastructure as part of an approved merger to ensure that communities are not disproportionately impacted by loss of competition. However, the FCC lacks the authority to enforce these agreements and we are not aware of any process to ensure providers are upholding agreements reached as a condition of receiving merger approval. RCRC recognizes the shortfall in this approach and encourages the Council to find ways to ensure deployment agreements are part of merger approvals.

If you should have any questions or concerns with these comments, please feel free to contact me directly at (916) 447-4806.

Sincerely,



STACI HEATON
Regulatory Affairs Advocate

cc: RCRC Member County Congressional Delegation