



INTERGOVERNMENTAL ADVISORY COMMITTEE
TO THE
FEDERAL COMMUNICATIONS COMMISSION
POLICY RECOMMENDATION 2013 –2

Regarding Public-Private Partnerships in the Expansion of a “World-Class Broadband Infrastructure” (Sharing of Federally Funded Broadband)

I. INTRODUCTION

Deployment of broadband infrastructure has often included federal grant money. Traditionally this infrastructure was restricted to uses specified in the grants. These constraints were not challenged and accepted as part of receiving the grant funding. As broadband deployment and adoption has become a national priority an argument can be made for use of excess capacity to accelerate broadband deployment through private/public partnerships.

In December 2011, Chairman Genachowski challenged the newly formed Intergovernmental Advisory Committee to help identify barriers to broadband adoption. The opportunity to share, lease, or swap excess capacity was identified which would create a triple-win scenario where local government gains through better utilization of their fiber/conduit capacity and potential revenues, the private sector doesn’t need to overbuild to gain access to areas where there is public fiber and the consumer gains through quicker deployment of broadband in their neighborhoods.

II. THE ISSUE

Federally funded broadband (fiber) is often limited to the original and specific use as granted. Often there is excess capacity available beyond these uses and there is a desire to share this publicly funded fiber with private industry. Not being able to share excess fiber seems to be one of those impediments for rapid broadband deployment. When Chairman Genachowski spoke to the IAC in December he asked that we help identify and explore these opportunities. Cases exist where we have federal highway and CMAQ funded fiber in conjunction with highway projects. Only 20% of what is in the ground is needed for the original purpose and there is an opportunity to lease, sell or

share the rest with private industry, which in turn would allow them to connect more communities without overbuilding. This represents a "win-win" scenario for public and private entities and accomplishes the goal of expansion of a world-class broadband infrastructure.

Analogous to the federal highway system, there are not separate highways for public versus private industry. In fact, this would not be in the best interest of the public. Likewise, the broadband infrastructure should be shared between public and private entities in the interest of lower costs and speed of broadband deployment.

Another issue related to the state and local use of federal funds is the expectation that grant recipients will put the fiber and conduit in the ground. However, what if grant recipients can buy existing capacity from the private sector as opposed to building it? In many cases, grant funds may not be used to do this. This issue is illustrated by a Virginia/Verizon matter that a member of the IAC discussed with Aneesh Chopra last fall where Verizon had fiber infrastructure along the east coast and the state built a parallel line ten feet away.

III. BEST OUTCOMES

1. Integrate what is in the ground: The cost is in digging not in the glass. All projects involving federal funding should consider multiple public and private uses.
2. Local, State and Tribal Control: Once the funded purpose is met, local, state and tribal governments should have the ability to use excess capacity without amending the grant agreements.
3. Choice to buy instead of build: If the private sector has capacity in the area served by the grant award, there should be an option to use the grant funding to buy capacity rather than overbuild.
4. Public funding for the deployment of the nationwide interoperable public safety communications network should provide for these flexible uses of network capacity.

IV. RECOMMENDATION

The IAC recommends that the Commission join with us to advocate throughout the federal government that all governmental entities be authorized at their discretion to use or reuse excess capacity in broadband facilities which are installed with public funding in any manner which furthers the deployment of broadband connectivity in the community. This includes the use of broadband infrastructure for multiple uses, and may also include the lease, sale or trade of such facilities with public and private partners, where such arrangement advances this important public priority; provided that such additional uses or the lease, sale or trade does not compromise the original purpose for which such facilities were constructed.

Approved on this 7th day of January, 2013.

INTERGOVERNMENTAL ADVISORY COMMITTEE

Joyce Dickerson, Chair