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### Mississippi's 'Broadband Revolution' Picks Up Speed

In 2018, Mississippi ranked near the bottom of the country in terms of broadband access. Today, evidence suggests a 2019 law could forever change the status quo of high-speed Internet in rural Mississippi.

Jed Pressgrove, Government Technology | June 10, 2020 | News

Mississippi is now seeing how legislation can swing open the door for rural broadband expansion.

In January 2019, former Gov. Phil Bryant <u>signed</u> the Mississippi Broadband Enabling Act, removing a 1942 regulation that prevented electric cooperatives from offering anything other than electricity to their members.

Since the bill was approved, nine of Mississippi's 25 electric co-ops are in the process of building fiber to the home in their coverage areas, said Brandon Presley, northern district commissioner of the Mississippi Public Service Commission. Another three co-ops are in the planning stage, and six more have expressed interest in moving forward if the Mississippi Legislature allocates money for high-speed Internet service from the \$1.25 billion the state received through the federal coronavirus relief package.

In other words, a total of 18 co-ops could soon offer broadband in the state. Under this scenario, the vast majority of Mississippi's acreage would have fiber, Presley said. For perspective, of all states, Mississippi ranked 49th in broadband coverage in 2018, according to data from BroadbandNow.

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No one thought the ball could roll this quickly. Presley calls it a "broadband revolution."

"There were press reports after the governor signed the bill that there wouldn't be anyone for years deciding to do it," Presley said. "It exceeds my wildest expectations. We had hoped we would have a couple step out there and then have a snowball effect."

Mississippi Farm Bureau Federation President Michael McCormick, whose organization advocated for the 2019 legislation, said farmers and ranchers in all 82 counties of Mississippi cite lack of connectivity as a top concern. Moreover, in the wake of COVID-19, things such as telemedicine and distance learning have become significantly important in rural areas of the state. As such, McCormick fears that a "mass exodus" could occur in rural Mississippi if broadband isn't addressed.

"We're afraid it's going to drive people to where that connectivity exists," McCormick said. "I've talked to some real estate guys, and they tell me five or 10 years ago they would never have someone ask if high-speed Internet is available on a property. Now almost everyone asks the question."

In some rural parts of Mississippi, satellite Internet is an option, though McCormick believes the majority of people can't afford it. Keith Hayward, manager of North East Mississippi Electric Power Association (NEMEPA), said some residents in the state get all of their connectivity from cellular plans, which can lead to bills that easily exceed \$300.

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"One lady's bill was \$600 a month for a data plan," Hayward recalled. "That's what's going on out in rural America."

Another problem is that incumbent providers often provide lackluster connectivity in rural parts of the state, if at all. Presley cited the <u>recent</u> <u>revelation</u> that AT&T had been, by mistake, providing inaccurate broadband coverage data to the Federal Communications Commission for 3,600 census blocks in 20 states. Of those blocks, 184 were in Mississippi.

With such limitations in Mississippi, the movement among electric co-ops to provide quality, affordable broadband service to Mississippians might look like merely a function of necessity. But it's more than that. The current trend echoes the origin of co-ops.

"The idea to electrify rural America through cooperatives was born in Mississippi," Presley explained. In 1934, Alcorn County Electric Power Association became the first rural electric co-op in the nation.

As such, Presley advises any state to consider electric co-ops as the primary vehicle for rural connectivity, as the model "doesn't put profits over people."

Hayward's organization represents one of the nine co-ops that are building fiber today in Mississippi. In fact, NEMEPA plans to have high-speed Internet turned on for its first customers later this month.

NEMEPA will build 1,500 total miles of fiber over three and a half years for \$48 million, Hayward said. The time and cost could decrease based on whether NEMEPA gets any government funding. The co-op needs a 30 to 35 percent take rate to be successful. This goal looks feasible. NEMEPA provides electricity to 27,000 locations, and about 6,000 of its members have already preregistered for the broadband service.

The most impressive part of the plan? The base broadband service will provide a symmetrical download/upload speed of 100 Mbps for \$54.95. To say the least, that sort of deal is unusual in rural Mississippi.

Still, Hayward admitted offering broadband as an electric co-op is a "scary proposition." A co-op must be aware that a business can "come over the top on you."

Hayward also noted that the nine co-ops building fiber in Mississippi now are concentrated in the northern section of the state. Some co-ops have been hesitant to move as quickly due to stipulations in the 2019 legislation.

By law, an electric co-op in Mississippi must offer broadband to all of its members, regardless of whether every member ultimately chooses to purchase the service. This means that building costs can look more intimidating when it comes to locations in very isolated areas.

Furthermore, the <u>law</u> doesn't allow for a co-op to establish a simple broadband division within the existing organization. Instead, the law allows a coop to "establish, acquire and wholly or partially own one or more broadband affiliates." To use Hayward's co-op as an example, NEMEPA can't provide high-speed Internet directly to customers. It had to create another organization, North East Fiber, to fulfill the obligations in the law. While Hayward sees this type of model as an obstacle for some, he said this part of the law was a necessary compromise for legislators.

When it came to convincing the Mississippi Legislature to address the issue, Presley said an important aspect was the grassroots nature of the state's push for broadband expansion. Presley organized a task force in the 33 counties he represents. The task forces, which amounted to 1,310 people, set up meetings in settings like town halls, courthouses, community centers and volunteer fire departments.

"They wrote emails," Presley said. "They called legislators. They invited legislators to these meetings."

Even though COVID-19 has made access to high-speed Internet more essential than ever, Hayward said not everyone in rural Mississippi fully realizes that they want the service. However, he believes eyes will be opened as they were many decades ago, when the country's first electric co-ops came to life in the state.

"Think about when we took electricity to them," Hayward said. "All they wanted was a light bulb at first."

Hayward then paused before remembering a humorous modern parallel from his personal life.

"My dad never wanted a cellphone, but before he passed away, his cellphone bill was \$400 a month," he said.

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