



[Newsletters](#)

[Donate](#)

[Home](#) [About](#) [Contact](#) [Topics](#)

**RURAL VOTERS**

# Research Report: States with Broadband Funding Program Have Better Access

*State broadband policies make a difference, a new report says. In particular, residents of states that have their own broadband funding programs did better. And in states that restrict municipal broadband, residents fared worse.*

---

by **Roberto Gallardo**, **Brian Whitacre** and **Kathryn de Wit**

September 1, 2020





**Working on a line used to provide broadband internet service in a rural area of Stowe, Vermont, in late July 2020 (AP Photo/Wilson Ring)**

As the current public health emergency has shown, adequate and affordable broadband infrastructure is critical for communities and individuals trying to fully participate in this evolving digital age. Over the past several years, state governments have taken a more active role—launching state broadband offices, broadband grant infrastructure programs, and/or implementing specific regulatory policies—in the construction of these broadband networks.

Recent studies have found that broadband matters for jobs, income, business relocation, civic engagement, and health among other things. What has not been understood, however, is whether state-level policies actually influence the availability of 25 Megabits per second download and 3 Mbps upload (25/3) service, fiber availability, or more homes having access to two or more 25/3 providers.

New research (Brian Whitacre, PhD, from Oklahoma State University and Dr. Roberto Gallardo, PhD, from Purdue University) looked at the impact state policies had on the availability of 25/3 networks, fiber, and access to two or more 25/3 providers during a seven-year period (2012-2018).

We focused on three key policies: availability of state-level funding, existence of a state-level broadband office or task force with full-time employees, and restrictions on municipal/cooperative broadband provision. These policies were notoriously difficult to gather across all states but recently, The Pew Charitable Trusts compiled [a database on multiple state-level broadband policies](#). We contacted members of the [State Broadband Leader's Network](#) to further corroborate the existence and accuracy of these policies.

State-level interest in broadband policy increased dramatically over the time period of analysis.



Other variables known to affect broadband deployment were also included in the analysis, such

**as population density, income, poverty, educational attainment, and land topography. In addition, two variables capturing political ideology were utilized under the assumption that more conservative residents and legislatures are less likely to support a broadband office or funding efforts and more likely to impose municipal restrictions.**

After taking into account political ideology and factors known to affect broadband deployment (as well as the overall upward trend in access), the results show that counties in states with municipal broadband restrictions had lower 25/3 availability. Alternatively, counties in states with their own broadband funding programs had higher 25/3 and fiber availability. State broadband offices did not influence 25/3 or fiber availability, but did matter for increased competition (percent homes with access to two or more 25/3 providers).

When looking only at rural areas, we found that municipal restrictions led to lower levels of 25/3 and fiber availability; and that state broadband funding programs resulted in higher levels of 25/3, fiber, and two or more 25/3 providers in rural areas. On the other hand, having a state broadband office benefitted rural areas with higher fiber availability but did not affect more competition or 25/3 availability.

The table below summarizes the findings focusing on the specific state policies analyzed.

Do these state broadband policies matter?	<i>State broadband office</i>	<i>State broadband funding</i>	<i>Municipal network restrictions</i>
<b>Overall</b>			
25/3 availability		Yes (higher)	Yes (lower)
Fiber availability		Yes (higher)	
Two or more 25/3 providers	Yes (higher)		
<b>Rural</b>			
25/3 availability		Yes (higher)	Yes (lower)
Fiber availability	Yes (higher)	Yes (higher)	Yes (lower)
Two or more 25/3 providers		Yes (higher)	

What does all this mean? After taking into account other variables that affect broadband deployment, state broadband policies do matter.

However, different policies affect specific broadband-related outcomes and areas differently. For example, state broadband funding benefits rural

**areas across all broadband outcomes discussed (25/3 and fiber availability as well as competition). Moreover, when combining state policies, the impact is greater. Our research quantifies this affect: if a state started a funding program and repealed existing municipal restrictions, a typical rural area would experience a 5-percentage point increase in availability.**

While the analysis did not take into account federal investments—such as the Federal Communications Commission (FCC) Connect America Fund and USDA’s broadband-related programs—our work shows that there were no differences in these awards to states with / without different policies. **It is important to note, however, that the availability metrics come from data widely recognized as flawed, and that this is a limitation of the analysis. But if the data quality has been improving over time, it would actually understate the policy impacts found.**

At the end of the day, state broadband policies are **having a measurable impact on broadband availability. The Pew Charitable Trusts has some great case studies of what states are doing and highlights of recent changes in state approaches. However, more work to reduce the digital divide remains as more states implement similar policies. For example, in 2019 – immediately after the period**

of analysis – seven more states set up their own broadband funding structures and five reduced restrictions on broadband provision. Ideally, state policies could be augmented by being able to not only leverage federal funds (most states exclude funding areas that have received federal funds) but also align with a (currently nonexistent) updated federal broadband plan. State budgets are already suffering from the pandemic and will continue to do so for the near future. Subsequently, discussions about how to best maximize public funds to increase broadband connectivity will become even more important.

Finally, Americans need more than a connection to thrive in today's digital age: they need a connection that is affordable and adequate, access to reliable and affordable devices, and to possess more than basic digital literacy skills. Although states are taking important steps forward to increase connectivity, the long-term impact of these investments would be further enhanced by addressing those issues of affordability, devices, and skills. In other words, states need to address these issues to become digitally inclusive.

*Roberto Gallardo is the director of the Purdue Center for Regional Development and Brian Whitacre is a Sarkeys Distinguished Professor at Oklahoma State University, respectively. Kathryn*

de Wit manages the broadband research initiative at the Pew Charitable Trusts.

#### **You Might Also Like**

### **Broadband Economic Benefits: Why Invest in Broadband Infrastructure and Adoption?**



### **The Downside of Rural Broadband**



### **Research Report: Broadband and Job Productivity – What Matters?**



**SIGN UP FOR OUR NEWSLETTERS**

---

Get the latest rural news delivered directly to your inbox.

**CONNECTIONS**

---





[Home](#) [About](#) [Contact](#) [Topics](#) [Donate](#)

© 2020 Center for Rural Strategies.

Proudly powered by [Newspack by Automattic](#)

[Privacy Policy](#)