



June 6, 2017

The Honorable John Thune  
Chairman  
Senate Committee on Commerce, Science,  
and Transportation  
511 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Bill Nelson  
Ranking Member  
Senate Committee on Commerce, Science,  
and Transportation  
716 Hart Senate Office Building  
Washington, DC 20510

The Honorable Greg Walden  
Chairman  
House Committee on Energy  
and Commerce  
2185 Rayburn House Office Building  
Washington, DC 20515

The Honorable Frank Pallone, Jr.  
Ranking Member  
House Committee on Energy  
and Commerce  
237 Cannon House Office Building  
Washington, DC, 20510

**Re: Prioritizing broadband investment to create good jobs and economic opportunity for all Americans**

Dear Chairman Thune, Chairman Walden, Ranking Member Nelson, and Ranking Member Pallone:

The Communications Workers of America (CWA) urges you to prioritize broadband investment in any national infrastructure plan, creating good jobs and economic opportunity for all Americans.

Broadband is the essential infrastructure of the 21<sup>st</sup> century. A high-speed Internet connection provides a gateway to economic development, jobs, education, healthcare, public safety, energy efficiency, civic participation, and communication among friends and family. Yet, the Organization for Economic Co-Operation and Development (OECD) ranks the U.S. 16<sup>th</sup> in the world in broadband access and 13<sup>th</sup> in terms of average broadband speed.

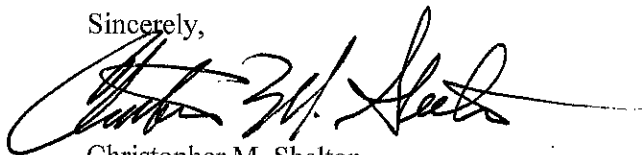
The United States has made much progress over the past decade spurring investment in high-speed networks and closing the digital divide, but significant gaps remain. More than 34 million Americans lack access to broadband at the Federal Communications Commission's (FCC) definition of 25/3 Mbps network speed, including 23 million in rural areas and 11 million in urban communities. According to Pew surveys, one-quarter of all Americans, and fewer than half (47 percent) of low-income households, subscribe to broadband at home, many because they cannot afford it. Gigabit networks are fast becoming the global standard for broadband, yet more than half (55 percent) of American households – 88 million households – lack competitive choice for high-speed broadband.

To ensure that every community in our nation has access to this critical infrastructure, the Communications Workers of America urges Congress to prioritize broadband in any infrastructure bill through a \$100 billion program that includes direct funding, tax incentives, support to schools and libraries, and digital inclusion initiatives. A comprehensive broadband bill should include:

1. **\$40 billion in direct funding to accelerate broadband deployment to unserved communities.** An unserved community eligible for support would be defined as a community lacking access to broadband at 25/3 Mbps, the FCC's definition of broadband. The FCC calculates that \$40 billion would provide the support the private sector needs to reach 98 percent of currently unserved, largely rural communities with future-proof, fixed broadband networks. In structuring a broadband infrastructure program, Congress should set standards that require robust speeds, low latency, and other quality measures, including the employment of skilled, career employees sustaining good jobs in local communities. To ensure efficient allocation of resources, the broadband infrastructure program should avoid duplicative overbuilding and build upon the success of the FCC's Connect America Fund in leveraging expertise, maximizing sustainability, and speed of deployment. Reverse auctions can serve as an effective distribution mechanism.
2. **Tax-related initiatives to spur investment in gigabit networks.** Changing tax treatment of new fiber infrastructure would lower the cost of capital and spur investment in next-generation gigabit networks. Potential areas include clarifying and accelerating depreciation schedules for broadband-related capital expenditures on fiber and fiber-related equipment, and targeting tax credits for broadband-related investments, such as fiber deployment to low-income or rural communities.
3. **\$10 billion to supplement the FCC's E-Rate program of support to schools and libraries.**
4. **Digital inclusion initiatives to make broadband more affordable.** The FCC's Lifeline for broadband program is an important first step to help low-income families purchase broadband service. Congress should also consider a \$100 per year tax credit for purchase of broadband service by families with an annual income below \$35,000, and a new education program available to schools to subsidize the purchase of a tablet or laptop computer for low-income students.

High-speed Internet is the foundation for economic activity, employment opportunity, and full participation in our society. CWA joins the growing bipartisan chorus in support of funding broadband in an infrastructure bill.

Sincerely,



Christopher M. Shelton  
President