



Promoting Broadband Competition

Congress can promote universal access to broadband by removing barriers to competition and by directing funding to support local broadband solutions. These policy recommendations can be leveraged together to promote competitive broadband markets

Promote Open Access Infrastructure

When existing incentives fail to bring about broadband competition, open access infrastructure can create conditions that support competitive markets. Open access infrastructure is built and owned by local governments in which the local government functions as a wholesaler. Service providers lease its infrastructure and provide broadband services to homes and commercial entities.

- Promoting open access Infrastructure is particularly beneficial for areas in which providers are still reluctant to offer service even with the aid of existing government deployment subsidies.
- This <u>strategy</u> was successfully deployed broadband in Lincoln, Nebraska, when the Public Works Department identified over 350 square miles of decommissioned pipelines that they were able to use as conduit to lay fiber. This attracted multiple providers, since they were able to pull fiber through the area cheaply.

Remove "Overbuilding" Prohibitions

When an area is already served by a broadband provider, investment in broadband infrastructure is seen as wasteful. However, policymakers should consider whether an increase in investment could bring down the cost of service and increase the quality of broadband.

- Localities in which a single broadband provider offers services can be considered a "covered" area, even if the cost is unaffordable or the quality of service is poor. The use of federal funds to support new infrastructure in these areas is characterized as "overbuilding," thus prohibiting investment in new networks or upgrades that could bring in competition to lower costs and improve service.
- Prohibitions on "overbuilding" prevent public spending where consumers could benefit from a competitive market. Simply, underserved areas remain underserved.

Prioritize Funding Municipal Broadband and Other Alternative Providers

Congress should encourage municipal broadband and broadband cooperatives to step in areas that lack sufficient competition or where established companies do not see worthwhile business opportunities. Offering affordable broadband can be a natural fit for these entities because they already have experience running utilities, like water and electric.

- Municipal networks can put competitive pressure on incumbent providers by offering better quality of internet service and by <u>bringing down</u> the average price of broadband. However, nineteen states have "<u>legal barriers or</u> <u>bans</u>" on municipal broadband.
- Blocks or bans on municipal broadband harm competition at a time when federal and state policies should promote local connectivity solutions.

Congress should promote innovative and flexible strategies to increase broadband competition so that consumers can experience lower prices and better quality of service.





