THE BOND BUYER

COVID prompts calls to build out broadband

By Paul Burton

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U.S. Commerce Secretary Gina Raimondo looked out at the Economic Club of New York luncheon gathering.

"It's been a hard year. We can't sugarcoat that," the former Rhode Island governor said. "But there are a lot of reasons to be optimistic ... We ought to take a second to look at the bright side."

One area, she said, is broadband expansion. The COVID-19 pandemic exposed nationwide disparities in Internet access as schools and colleges transitioned to remote learning. The dynamic is resurfacing amid the spreading of the omicron variant.

Raimondo worked with the Biden administration on that component of the $1.2 trillion, bipartisan infrastructure bill that became law. It includes $50 billion to the Department of Commerce.

"Our job is to administer that in a way that brings about high-speed, affordable broadband for every single American," she said.

"You've got to work with the states, give them some flexibility, let them do what has to be done, but with a ton of oversight," U.S. Commerce Secretary Gina Raimondo said. **Bloomberg News**

That includes grants to states.

"Every state's different," she said. "There's no 'rural Rhode Island,' for example. You've got to work with the states, give them some flexibility, let them do what has to be done, but with a ton of oversight."

Congress had already appropriated federal funds for broadband deployment through the American Rescue Plan's state and local fiscal recovery and capital projects mechanisms.

According to Boston University political science professor David Glick, while a survey of mayors cited so-called hard infrastructure a pressing need, "not far behind, the next sort of biggest categories" were municipal facilities including broadband, parks and water investments.

"So that's kind of the big picture," he said at an event sponsored by the Volcker Alliance and the Penn Institute for Urban Research.

Raimondo said "unlike many commerce secretaries who spend a vast majority of their time on a plane doing trade missions, I'll probably be equal parts domestic and international. Because if we're going to compete, we have to invest in America."

Raimondo was Rhode Island governor from 2015 until January, when the Senate confirmed her appointment by Biden. She and Biden developed a rapport during her efforts to improve Rhode Island's tattered infrastructure while she was governor and Biden was vice president in the Obama administration.

Before her public service, Raimondo co-founded venture firm Point Judith Capital.

The infrastructure bill, she added, will also help her department manage supply-chain challenges.

"Commerce, because we're very involved in tech, and tech standards and manufacturing, we're kind of in the red-hot center of national security,

economic security, economic development and technology, which is the sweet spot for all this domestic competitiveness," she said.

As state treasurer for one term beginning in 2012, Raimondo championed a public pension-overhaul bill that Rhode Island's legislature passed during a special session.

"Rhode Island was a manufacturing hub once upon a time, actually a jewelry manufacturing hub," she said. "And we had an incredibly vibrant ecosystem of what was then advanced manufacturing. And it all went away.

"Some of you know my story, my dad lost his job. All the jobs went to China. And we struggled, the state struggled.

"I'm not saying bring back my dad's manufacturing or old-line manufacturing. I'm saying we're struggling now, in part, because we don't make enough semiconductors in America. We don't make enough advanced equipment in America and we're paying the price for that."

Keeping schools open helps enhance access to broadband, Raimondo added. She said half the people who live on tribal land and one-third of people in rural communities lack broadband while in many cities, it is accessible but simply unaffordable.

"So many of my students at Girls Who Code were accessing Wi-Fi at Burger King parking lots and we have an opportunity to change that," said Reshma Saujani, founder and chief executive of the nonprofit that looks to close the gender gap in technology.

According to Pew Charitable Trusts, most state broadband deployment programs emphasize unserved areas, but eligibility, funding requirements and accountability measures vary.

As of this fall, Pew said, 44 states had established grant programs to cover the costs of broadband deployment in areas where it would otherwise be too expensive.

"Further, while some state programs must adhere to strict requirements for what types of projects or providers can receive funding, others have more flexibility to change and adapt," Pew said in its [report](#).

Some states, according to Pew, have more restrictive eligibility rules than others.

Virginia, for instance, offers grants to public-private partnerships only within a specific structure: a government entity applies for the grant, which is cosigned by an Internet service provider that commits to own and operate the completed network.

Arizona and Indiana require ISP applicants to demonstrate a history of providing service in the target area and the capacity to achieve project goals. Massachusetts makes funds available only to towns seeking to build municipally owned networks through its last-mile infrastructure grant program.

"Which areas or providers are eligible for funding, how the money is allocated, and how states incorporate priorities such as affordability and adoption determine how and where broadband gets deployed," Pew added. "As policymakers look to design or update their states' grant programs, they should consider how each of these elements will affect program outcomes and whether and how they will help the state achieve its broadband goals."
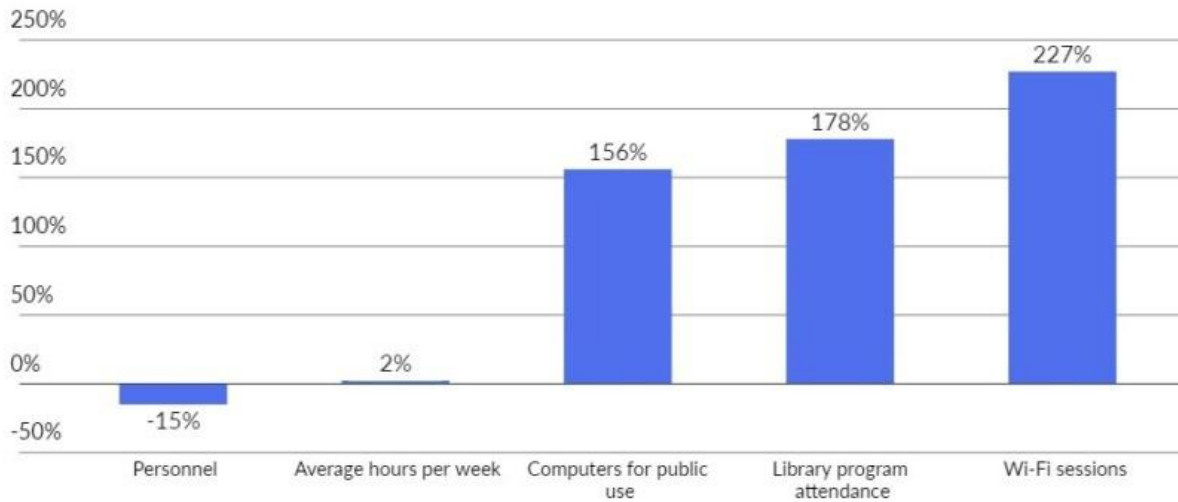
Broadband expansion in schools will be one of the challenges for incoming New York Mayor Eric Adams and his new schools chancellor, David Banks.

"The kids with broadband and the iPads got their education without interruption," outgoing city Comptroller Scott Stringer told the business group Association for a Better New York.

Branch libraries are positioned to enhance Internet access in a city where 777,000 households do not own a computer, think tank Center for an Urban Future said in a [report](#).

Pressing needs for broadband

Key New York City library programs and services surged while staffing decreased

Source: Center for an Urban Future analysis of data from NYC Mayor's Management Report. Figures compare FY 2009 and FY 2019.

CUF called for greater library capacity to lend laptops and hotspots and provide extended Wi-Fi.

"The city should provide libraries with the funding to triple the number of Internet-enabled laptops and tablets available for home lending," CUF said.

CUF also recommended scaling up teen tech training programs and adding 10 STEM (science, technology, engineering and math) centers in branch libraries citywide.

Broadband gaps also hurt city businesses, according to Elizabeth Lusskin, president of the Long Island City Partnership, a neighborhood development organization for that part of Queens.

"Perhaps surprisingly, many businesses are also experiencing major gaps in broadband service—particularly those located in the city's industrial areas," Lusskin said in a CUF commentary.

"This is hurting the city's economic competitiveness at a time when manufacturing companies are getting more advanced and as companies in

other fast-growing sectors — from tech to life sciences — are increasingly considering industrial neighborhoods for their growth."