



BROADBAND DEPLOYMENT

Issue:

Rural broadband is essential to modern agriculture, the farmers and ranchers who grow our food, and the quality of life for rural Americans.

Precision Agriculture

Farmers and ranchers depend on broadband just as they do highways, railways and waterways to ship food, fuel and fiber across the country and around the world. Many of the latest yield maximizing farming techniques require broadband connections for data collection and analysis performed both on the farm and in remote data centers. However, 29 percent of U.S. farms have no access to the Internet according to the USDA report, "Farm Computer Usage and Ownership, 2017."

America's farmers and ranchers embrace technology that allows their farming businesses to be more efficient, economical and environmentally responsible. Today's farmers and ranchers are using precision agricultural techniques to make decisions that impact the amount of fertilizer they need to purchase and apply to their fields, the amount of water needed to sustain crops, and the amount and type of herbicides or pesticides needed. These are only a few examples of how farmers use broadband connectivity to achieve optimal yield, lower environmental impact and maximize profits.

Farmers and ranchers rely on broadband access to manage and operate successful businesses, the same as small businesses do in urban and suburban America. Access to broadband is essential for farmers and ranchers to follow commodity markets, communicate with their customers, gain access to new markets around the world and, increasingly, to ensure regulatory compliance.

Quality of Life

Rural communities need access to health care, government services, and educational and business opportunities. For many rural communities, access can only be gained by using broadband services and sophisticated technologies that require high-speed connections. According to the Federal Communications Commission, 39 percent of rural Americans lack access to 25 Mbps/3 Mbps service, compared to only 4 percent of urban Americans. Current and future generations of rural Americans will be left behind their fellow citizens if they are without affordable high-speed broadband service that enables them to tap into health care and education services, government agencies, and new business opportunities.

Background:

The main source of funding for the deployment of broadband is the Universal Service Fund (USF). The USF was created by the Federal Communications Commission (FCC) in 1997 to ensure that consumers in all regions of the nation have access to quality telecommunications and information services at affordable rates. In 2014, universal service disbursements totaled \$7.8 billion.

There are four funds within the USF.

1. Connect America Fund – Supports services to areas that are currently unserved by broadband service or where support is needed to extend and support broadband networks. Annual funding is capped at \$4.5 billion.
2. Lifeline Program – Supports telecommunications companies that in turn offer discounts on telecommunications services to low-income families. Annual funding is capped at \$1.6 billion.
3. Rural Health Care Program – Supports eligible rural health care providers that qualify for reduced rates for telecommunications services and broadband access that is similar to urban centers. Annual funding is capped at \$400 million.
4. E-rate Program – Supports eligible schools and libraries that qualify for reduced rates for telecommunications services and necessary Internet connectivity infrastructure. Annual funding is capped at \$3.9 billion.

Regulation:

- The 2018 farm bill included the Precision Agriculture Connectivity Act provision that creates a task force to focus on the connectivity and technology needs of precision agriculture. AFBF supported this provision and will work with the FCC and USDA once the task force is created.

AFBF Policy:

Farm Bureau supports using the USF to provide affordable communication services for rural areas and to ensure rural telecommunication technology is equitable to the infrastructure in urban and suburban areas. Farm Bureau also supports using a combination of tax incentives, grants and/or regulation to increase the use of broadband access in rural areas. Using USF funding to improve rural access to modern, affordable broadband services is critical for the economic sustainability of rural Americans.

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February 2019