



## **Title: Answers Sought for U.S. Broadband Decline**

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A U.S. innovation brain drain, coupled with sloppy government handling of subsidy programs and data collection, have contributed to a decline in the country's broadband standing, technology experts told the Senate Commerce Committee on Tuesday.

The committee convened the hearing for a discussion on how the U.S. measures up against other countries in broadband competitiveness.

The hearing was held a day after the Organization for Economic Cooperation and Development (OECD) issued new global broadband per-capita penetration data that saw the U.S. fall from 12th to 15th place out of 30 countries. Some viewed the results as a sign that the U.S. is falling behind its global counterparts, while others said it was unfair to compare the U.S. against the smaller and more densely populated countries that beat the U.S. in the OECD rankings.

The questions that panelists tangled with mainly dealt with issues of geography. In Europe, where per-capita broadband penetration is growing, world powers like the United Kingdom are smaller geographically than California. The person-to-person proximity also allows infrastructure buildouts to serve more people. While this isn't a problem in major cities, serving rural customers with broadband access is still a thorny issue.

One of the issues left undefined was the definition of "broadband". Add to that the lack of reliable government data, and the problem becomes even more complicated, witnesses said.

Sen. Daniel Inouye, D-Hawaii, who chairs the Commerce Committee, said that he would soon introduce a bill to promote innovation and improve the federal commitment to basic research on communications. He is also penning broadband data development legislation that would call for the collection of broadband data collection at the federal and state levels, a complaint that was voiced by several speakers.

## **The numbers problem**

"We need better data" from the Federal Communications Commission (FCC), said Ben Scott, policy director of Free Press, an organization dedicated to media reform. The FCC currently collects data based on ZIP codes, which could be misleading, Scott said. "We need information on a block-by-block basis."

Jeffrey Eisenach, chairman of Criterion Economics, a Washington-based consulting firm, agreed. "Current FCC data is not useful. It doesn't tell us how many households or businesses in that ZIP code have broadband availability. Nor does it tell us anything about quality."

Meanwhile, the last time the national census gathered broadband data was 2003, Eisenach said. "It might as well have been collected in 1903," he said.

Throwing government funds at an issue, however, does not always solve the problem. Sen. Claire McCaskill, D-Mo., questioned why millions that were allocated by the Rural Utilities Service for rural areas were actually being used in urban areas like Houston and Los Angeles. Panelists also tangled over the benefits of the Universal Service Fund (USF), money intended to provide telecommunications service to all Americans.

Brian Mefford, whose public-private ConnectKentucky partnership initiative managed to increase the state's broadband availability by 32 percent in three years, did not rely on USF monies for the project. "It needs some retooling," he says of the fund.

One retooling suggestion is to require broadband ISPs to contribute to the USF. Currently, only interstate telecom providers like phone, long distance and cell phone providers have to put money into the fund

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