



THE 50 STATES OF BROADBAND

A State-by-State Study on the State of Broadband
Investment and Activity in Each American State

APRIL 4, 2016

Overview

With a lack of comprehensive research regarding broadband activities currently undertaken by states, Strategic Networks Group (SNG) in partnership with the Rural Telecommunications Congress (RTC) sought to uncover the current state of broadband activity and investment in all fifty states.

Data collection took place during February and March of 2016. The 10-minute survey created was completed by **48 States** (Rhode Island and New Jersey chose not to participate).



SNG's core business is measuring how broadband is used by individual businesses, organizations, and households and that micro-level data developing strategies to advance the economic opportunities at a community, regional, or state level. RTC is a national nonprofit organization comprised of government, university, industry, and private citizens who are committed to addressing crucial broadband issues to ensure that citizens of rural America have access to the enabling information and technology resources they need for greater social and economic development opportunities.

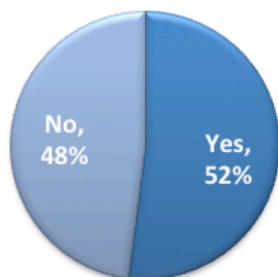
Key contributors to this initiative were:

- Michael Curri, Strategic Networks Group
- Doug Adams, Strategic Networks Group
- Lori Sherwood, Vantage Point Solutions
- Monica Babine, Washington State University
- Maria Alvarez-Stroud, University of Wisconsin-Extension

Key findings include:

- 25 Of 48 States surveyed have a state broadband office
- Only 28% surveyed said there state definitely has annual funding (budget) to support broadband initiatives. 30% were unsure while 42% said that funding definitely did not exist.
- Only 9 States are funding planning and support activities going forward... 5 are funding infrastructure

Does your state have a broadband office?



Does your state have annual funding (budget) to support broadband initiatives?



Availability

The first element used to score the states comes from FCC published availability numbers of 25/3 availability, reported by carriers in each state. The argument could be made that carrier-reported data (the source of the FCC report) could be faulty, we are making the assumption that this potential flaw in carrier-reported availability is, in essence, not markedly different from state to state.

Additionally SNG's survey among state respondents asked about the state's own mapping and availability metrics – giving a slight bump in the score if states were taking initiative themselves.

Overall, availability of broadband counted as **27.5%** of the overall ranking.

- | | | |
|-------------------|--------------------|-----------------|
| 1. New Mexico | 19. Oklahoma | 37. Wyoming |
| 2. Maine | 20. Maryland | 38. Mississippi |
| 3. Hawaii | 21. Florida | 39. Louisiana |
| 4. North Dakota | 22. Vermont | 40. Arkansas |
| 5. Oregon | 23. Ohio | 41. Kentucky |
| 6. California | 24. Nebraska | 42. Missouri |
| 7. Delaware | 25. Alabama | 43. Iowa |
| 8. Utah | 26. South Carolina | 44. Texas |
| 9. Washington | 27. Tennessee | 45. Wisconsin |
| 10. Idaho | 28. Massachusetts | 46. Arizona |
| 11. Nevada | 29. Illinois | 47. Virginia |
| 12. Connecticut | 30. Georgia | 48. Montana |
| 13. West Virginia | 31. New Hampshire | |
| 14. Minnesota | 32. North Carolina | |
| 15. Pennsylvania | 33. South Dakota | |
| 16. Michigan | 34. Kansas | |
| 17. Colorado | 35. Indiana | |
| 18. New York | 36. Alaska | |

Adoption

To score adoption we turned to the FCC's numbers for Adoption is defined as the percent of households for which service is available and that subscribe to broadband.

State data collected via SNG's survey also measured whether each state were supporting Internet adoption, providing a additional bonus points is a state is undertaking efforts to measure and foster adoption.

Overall, adoption counted as **12.5%** of the overall ranking.

- | | | |
|-------------------|--------------------|------------------|
| 1. New Hampshire | 17. North Carolina | 33. Mississippi |
| 2. Hawaii | 18. Colorado | 34. Kansas |
| 3. Oregon | 19. Virginia | 35. Florida |
| 4. Vermont | 20. West Virginia | 36. New Mexico |
| 5. Connecticut | 21. South Carolina | 37. South Dakota |
| 6. Wyoming | 22. North Dakota | 38. Maryland |
| 7. California | 23. Minnesota | 39. Texas |
| 8. Utah | 24. Nebraska | 40. Tennessee |
| 9. Maine | 25. Idaho | 41. Oklahoma |
| 10. Wisconsin | 26. Montana | 42. Louisiana |
| 11. Pennsylvania | 27. Kentucky | 43. Georgia |
| 12. Iowa | 28. Washington | 44. Arizona |
| 13. Delaware | 29. New York | 45. Missouri |
| 14. Ohio | 30. Nevada | 46. Indiana |
| 15. Massachusetts | 31. Illinois | 47. Arkansas |
| 16. Michigan | 32. Alaska | 48. Alabama |

Driving Meaningful Use

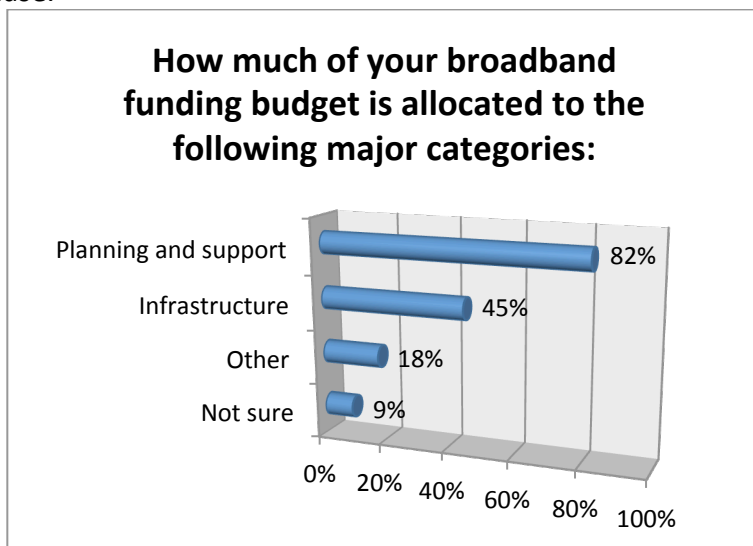
Driving meaningful use is a critical component to delivering on the promise of broadband's potential. Within our state survey, SNG asked state representatives questions regarding training programs that may exist, whether there is training for businesses, small and rural businesses, seniors and households. Additionally, we asked whether states track, measure, or estimate the social and economic benefits of broadband.

States' answers resulted in an overall score for "driving meaningful use," counting as **15%** of the overall ranking.

1. Ohio	17. Kentucky	33. Arkansas
2. Vermont	18. New York	34. California
2. West Virginia	19. Maine	34. Florida
4. Iowa	19. Oklahoma	34. Nevada
5. Montana	19. Oregon	34. North Dakota
6. Nebraska	19. Virginia	34. South Carolina
7. Michigan	23. Missouri	39. Alabama
7. Mississippi	23. North Carolina	39. Alaska
9. Illinois	25. Kansas	41. Idaho
9. Pennsylvania	25. Wyoming	41. South Dakota
9. Washington	27. Delaware	41. Texas
12. Colorado	28. Massachusetts	41. Utah
13. Minnesota	29. Louisiana	45. Arizona
13. New Mexico	30. Connecticut	45. Indiana
15. New Hampshire	30. Hawaii	45. Maryland
15. Wisconsin	32. Georgia	45. Tennessee

Growth Investment

The state survey asked quite a few questions regarding each state's ongoing investment in broadband. A critical component within this area was whether or not a state has a statewide broadband office dedicated to increasing broadband access and use in place. Additional metrics within this category included whether there are funds dedicated to support broadband initiatives, the amount, and the investment dedicated per capita. Additionally, the survey tracked whether there are rural broadband programs in place and whether investment on broadband initiatives is expected to increase, stay the same, or decrease.



States' answers resulted in an overall score for "growth investment," counting as **30%** of the overall ranking.

1. New York	16. Arkansas	33. Hawaii
2. Nevada	18. Delaware	33. Oklahoma
2. North Carolina	18. Colorado	33. South Carolina
4. New Mexico	20. Alabama	36. Washington
4. Virginia	21. Iowa	36. North Dakota
6. Kentucky	22. Mississippi	36. Louisiana
7. Maine	23. Pennsylvania	39. Alaska
7. Wisconsin	23. Arizona	40. Maryland
9. Minnesota	25. California	40. South Dakota
10. Connecticut	26. Nebraska	40. Michigan
11. Wyoming	27. Tennessee	40. Texas
12. Utah	28. Kansas	44. West Virginia
13. Massachusetts	29. Oregon	44. Georgia
14. Vermont	29. Illinois	44. Missouri
15. Ohio	29. Idaho	44. Florida
16. New Hampshire	32. Montana	44. Indiana

Regulation

For this category, SNG looked at the regulatory environment in each State as a factor in the overall ranking. By itself, the presence of laws that place restrictions or conditions on the municipal (or other) ownership or operation of networks does not necessarily indicate a lack of availability, adoption, driving meaningful use or investment. However, it is an important element to consider in evaluating its potential impact to each of these other 4 categories.

There are 2 tiers of metrics within this category and they include:

- Whether a State has restrictions limiting municipal (or other) ownership or operations of a broadband network; and
- If regulations are in place do they:
 - Require a ballot initiative to overcome the limitation; and/or
 - Does the regulation either explicitly or by effect – constitute a total or partial ban on municipal (or other) ownership or operations of a broadband network.

The evaluation does not consider whether one state's laws are more or less restrictive than another other than providing deductions for the categories listed above.

Scores for "regulation" counted as **15%** of the overall ranking.

No regulation in place

Alaska
 Arizona
 Connecticut
 Delaware
 Georgia
 Hawaii
 Idaho
 Illinois
 Indiana
 Iowa
 Kansas
 Kentucky
 Maine
 Maryland
 Massachusetts
 Mississippi
 New Hampshire

New Jersey
 New Mexico
 New York
 North Dakota
 Ohio
 Oklahoma
 Oregon
 Rhode Island
 South Dakota
 Vermont
 West Virginia
 Wyoming

Regulation in Place

Alabama*
 Arkansas**
 California
 Colorado*

Florida
 Louisiana*
 Michigan**
 Minnesota*
 Missouri**
 Montana**
 Nebraska**
 Nevada**
 North Carolina*
 Pennsylvania
 South Carolina
 Tennessee
 Texas**
 Utah
 Virginia**
 Washington
 Wisconsin

*Regulation requires a Referendum

** Regulation either explicitly or by effect – constitutes a total or partial ban on municipal (or other) ownership or operations of a broadband network.

Overall Ranking

Folding each one of our five weighted categories into one overall score for each one of the states participating. In summary, these categories were:

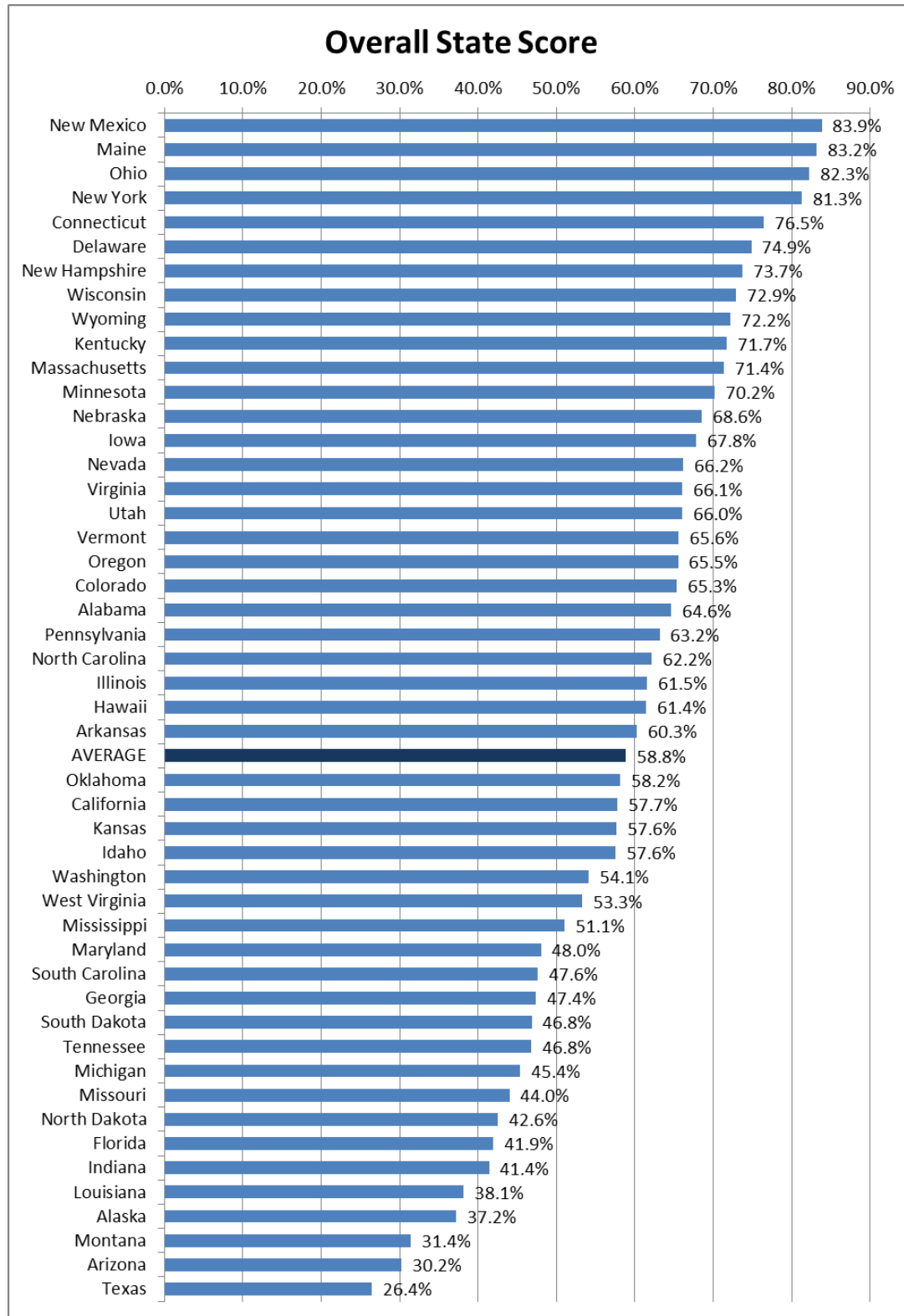
- Availability – 27.5%
- Adoption – 12.5%
- Driving Meaningful Use – 15%
- Growth Investment – 30%
- Regulation – 15%

1. New Mexico*	17. Oregon	34. Maryland
2. Maine*	18. Wisconsin*	35. Alaska
3. Ohio*	19. Colorado*	36. South Carolina
4. New York*	20. Pennsylvania*	37. Georgia
5. Vermont*	21. Nevada*	38. South Dakota
6. Connecticut*	22. Illinois	39. Tennessee
7. Delaware*	23. Hawaii	40. Michigan
8. New Hampshire*	24. West Virginia	41. Arkansas*
9. Wyoming*	25. Oklahoma	42. Arizona*
10. Kentucky*	26. California	43. Florida
11. Massachusetts*	27. Kansas	44. Indiana
12. Minnesota*	28. Idaho*	45. Louisiana
13. Iowa*	29. North Dakota	46. Montana
14. North Carolina*	30. Alabama*	47. Missouri
15. Mississippi*	31. Washington	48. Texas
16. Utah*	32. Nebraska	
	33. Virginia*	

*Have a State Broadband Office

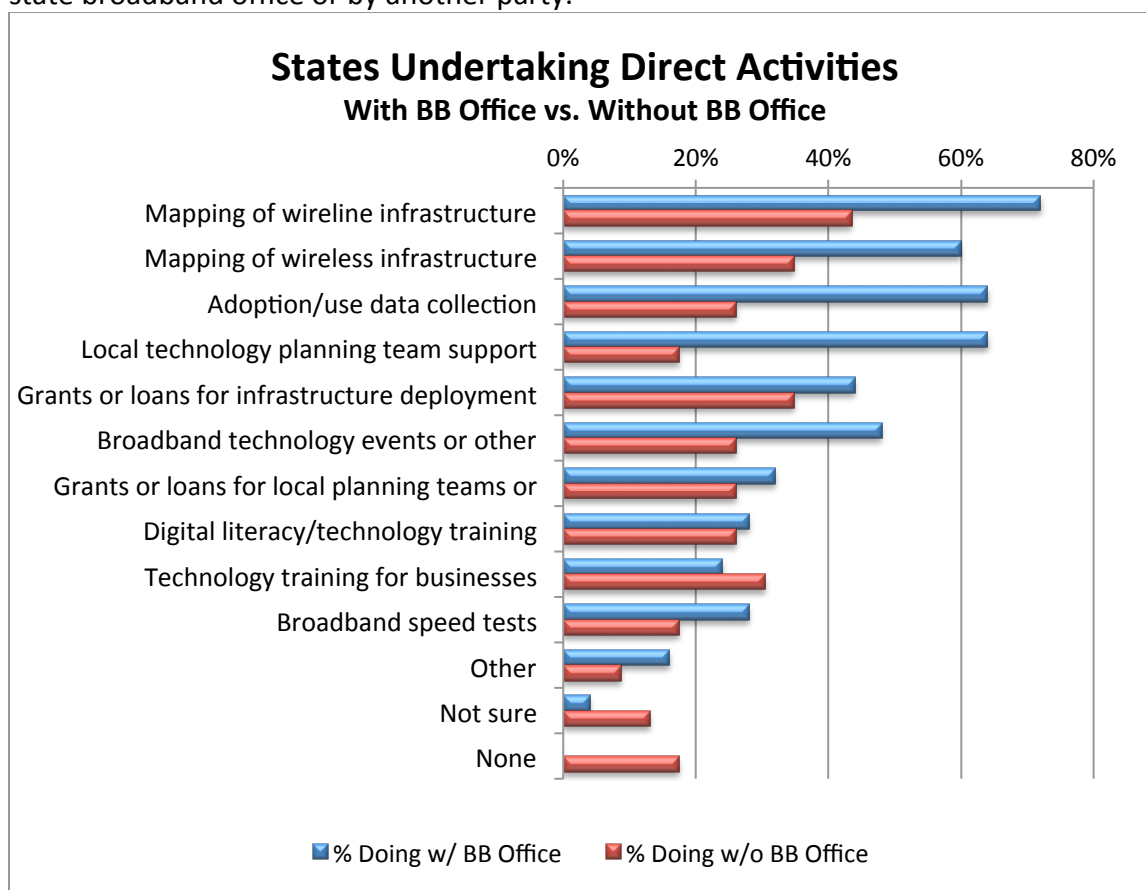
Overall Score

More specifically, each data point was assigned a score to determine ranking. Each state's score is below:



State Activities

Each state was asked whether key broadband activities were taking place either in a state broadband office or by another party.



Open Ended Feedback

As the survey concluded states were asked: “Are there any additional activities, comments or suggestions you would like to share?” Some highlights follow:

New Mexico (#1)

The NTIA funded SBI (State Broadband Initiatives) Grants were incredibly successful and an efficient use of public funds to enhance broadband programs throughout the nation and territories. Totally assisted New Mexico in moving forward. When the grant cycle ended there was a large amount of momentum lost, not to mention viable projects in the important realm of digital literacy, direct relationships with providers, significant engagement of rural communities, and so on. To not continue funding the SBI even on a very limited basis, say 1/4 of the original grant (\$250K annually for NM), was a limited vision. Be great to reconsider that support as part of the Broadband USA function.

New York (#4)

As part of Governor Cuomo's New NY Broadband Program, New York State is investing an additional \$500 million in funding for high-speed Internet access to unserved and underserved areas across the state. Program criteria for the New NY Broadband program include:

- Access to broadband at speeds of at least 100 Mbps; 25 Mbps in the most remote areas of the state,
- Public-private partnership with a 50 percent match in private sector investment targeted across the program
- High priority for unserved areas, libraries and educational opportunity centers

Pennsylvania (#20)

Pennsylvania leadership recognizes the importance of broadband to Pennsylvania's future economy and is actively seeking ways in which to advance this very important topic through strategic partnerships with various stakeholders.

Virginia (#33)

Connectivity means everything to rural communities in terms of them being able to attract new business and investors, and to help strengthen and grow their communities. New funding sources and programs would be of great assistance as we try to assist those communities.

South Carolina (#36)

We're working hard to get some state funding for broadband initiatives in SC. Since Federal SBI funding concluded in January 2015, it's been very difficult to provide a lot of services of work with communities directly.

Looking Ahead

SNG will be providing a full-report of results. SNG will conduct this survey on a regular basis, no less than once a year, to track results.

For more information you can email states@sngroup.com or visit www.sngroup.com/states.

States and survey participants will receive the full report and a rundown on the results in a special webinar.

As for what states say they want now, according to the survey two-thirds of surveyed states said that new private investment was the most critical component for broadband growth. Training and public investment is also seen as critical components.

