



Jim Matheson
Chief Executive Officer

February 9, 2018

The Honorable Rodney Frelinghuysen, Chairman
The Honorable Nita Lowey, Ranking Member
House Committee on Appropriations
United States House of Representatives
Washington, DC 20515

Dear Chairman Frelinghuysen and Ranking Member Lowey:

As you prepare to implement the budget agreement contained in the Bipartisan Budget Act (BBA), America's Electric Cooperatives urge the Committee to dedicate significant funding to rural infrastructure, particularly rural broadband, from the \$10 billion dedicated to infrastructure development.

High-speed internet access in large parts of rural America lags the rest of the nation. Democrats and Republicans across the country recognize that a federal investment is necessary to bridge the digital divide. The resources committed by the BBA provide an excellent opportunity to make a down payment toward this critical infrastructure need.

NRECA strongly recommends that at least \$2.5 billion of the FY2018 funds be dedicated to broadband deployment in rural areas of the country. Further, such funding should be provided through the US Department of Agriculture's Rural Utilities Service, and made available on a level playing field to all entities that have experience building rural infrastructure, including electric cooperatives.

Legislation has been introduced to modify the RUS broadband program and enable faster deployment of rural broadband by providing resources through a combination of loans and grants. Additionally, the Senate and House Agriculture Committees are preparing to re-write the Farm Bill as well this year, and Members of the House and Senate have indicated an interest in modifying the RUS broadband program. It would be appropriate to use the FY2018 spending package to implement a pilot program to dedicate these resources to broadband infrastructure using a loan-grant combination program.

We are long overdue to address this growing inequity in our country. Electric co-ops have been exploring many different business models and technologies to bring high-speed internet to rural areas, and several have begun deploying projects and even completing projects to meet the needs of un-served areas. While not every electric co-op may provide broadband services, all electric co-ops have an interest in ensuring that equal economic opportunity throughout rural America.

Thank you very much for your leadership, and we look forward to continuing to work with you to improve the quality of life in rural America for generations to come.

Sincerely,

Jim Matheson
CEO, NRECA

cc: The Honorable Robert Aderholt, Chair, Subcommittee on Agriculture
The Honorable Sanford Bishop, Ranking Member, Subcommittee on Agriculture