



House Budget and Research Office

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Broadband in Georgia

The digital divide, or the critical lack of broadband access in rural and unserved areas throughout the country, has been a topic of discussion in political and economic circles for well over a decade; however, broadband became a more serious topic of discussion within all realms of the state, from education, healthcare, and family homes, in the mid-2010s. Broadband access had quickly become a vital component to modern society and one of the key foundational pieces to the success and growth of the state, particularly for rural Georgia. Broadband expansion is one of the defining issues of the 21st century, comparable to rural electrification in the 1930s. Following the passage of a cell tower law in 2014, the Georgia General Assembly created the Joint High-Speed Broadband Communications Access for All Georgians Study Committee in 2016 that developed several recommendations for bridging the broadband gap. In 2017, the speaker of the House created the bipartisan House Rural Development Council (RDC) to find solutions to move the entire state forward, bring momentum to lagging rural areas, and ensure that success in Georgia is not limited by zip code. For the past three years, the RDC has recommended and implemented solutions to the broadband problem, which is the key to many rural education, healthcare, and transportation issues.

Senate Bill 402

The most comprehensive piece of broadband legislation to be passed in the last half decade, Senate Bill 402, set the foundation for broadband expansion in Georgia. The 'Achieving Connectivity Everywhere (ACE) Act' passed during the 2018 Session and includes multiple initiatives, such as the framework of a grant program and a one-of-a-kind mapping initiative project. Other components of SB 402 include:

- The Georgia Department of Transportation is authorized to run fiber along interstates and lease excess fiber.
- The Department of Community Affairs (DCA) is directed to [map](#) unserved areas by using address-level data. DCA contracted with the Georgia Technology Authority (GTA) to be the mapping agent on this project. Per GTA, Georgia is the first state in the nation to gather address-level data.

- DCA is directed to develop a model ordinance of reasonable fees and time limits on application and permitting processes. Any political subdivision that enacts the model ordinance or something similar can apply for a certification as a “broadband-ready community.”
- DCA is directed to create the Georgia Broadband Deployment Initiative. This initiative is a grant program to assist local governments in becoming broadband-ready; however, a funding stream has not yet been determined. Grants or loans will be given to political subdivisions that partner with providers, and priority for the grants or loans will be given to projects that benefit public safety, health care, education centers, businesses, and others.

Funding

To comply with the ‘ACE Act’, \$334,900 was included in the FY 2019 budget. In the following FY 2020 budget, an additional \$2 million was included to enact the Georgia Broadband Deployment Initiative, a collaborative effort between DCA and GTA, which was responsible for developing the broadband maps and creating the grant program. The largest component of the \$2 million was used to contract with the Carl Vinson Institute of Government (CVIOG) at the University of Georgia. CVIOG compiled the raw data into usable information for the mapping project (\$1,005,000). Moreover, DCA entered into a contract with a mapping project management company (\$272,000). Other expenses included:

- cost model analysis (\$215,000);
- petition review and analysis resources (\$300,000);
- purchase of commercial address data (\$145,000); and
- personal services (\$63,000).

In FY 2021, \$1.75 million was reduced from the broadband budget due to the cuts the state was facing, leaving DCA with \$584,900 to continue the program. DCA has requested an additional \$1.1 million to sustain the program’s map progress. Should revenues increase, it is a priority to continue broadband expansion throughout the state for Georgians, their businesses, their educations, and their health care.

Private investment has been and will continue to be a critical component to broadband expansion in Georgia. For example, Kinetic by Windstream invested \$1.5 million in Moultrie, Georgia towards the creation of a “Gig City”. Another telling example is a \$9 million investment by Comcast in Haralson and Carroll counties. These two investments amount to expanding broadband to nearly 18,000 homes in rural counties. Furthermore, the United States Department of Agriculture administers the ReConnect Program, which is designed to bring internet service to rural America. Georgia has had four applicants awarded the following from the program:

- \$1 million to the Darien Telephone Company;
- \$4 million to the Pembroke Telephone Company;
- \$4.4 million to the Ellijay Telephone Company; and
- \$12.5 million to DoveTel Communications.

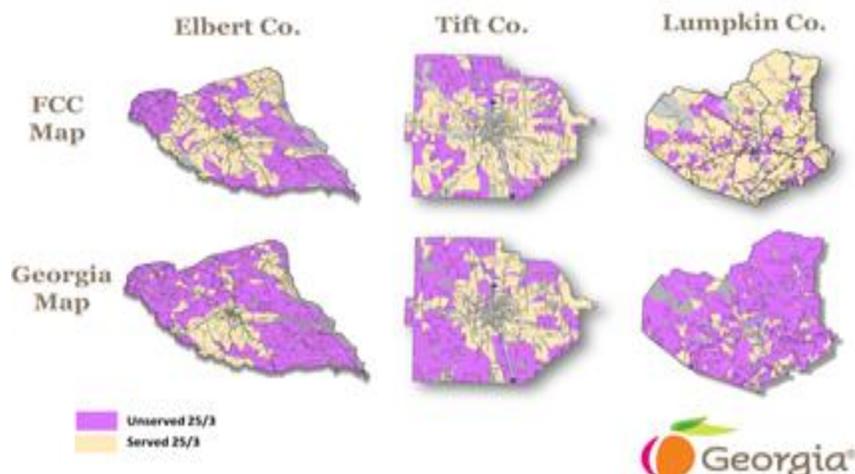
These grant funds will allow service to be expanded to approximately 6,000 households.¹

Grant Program

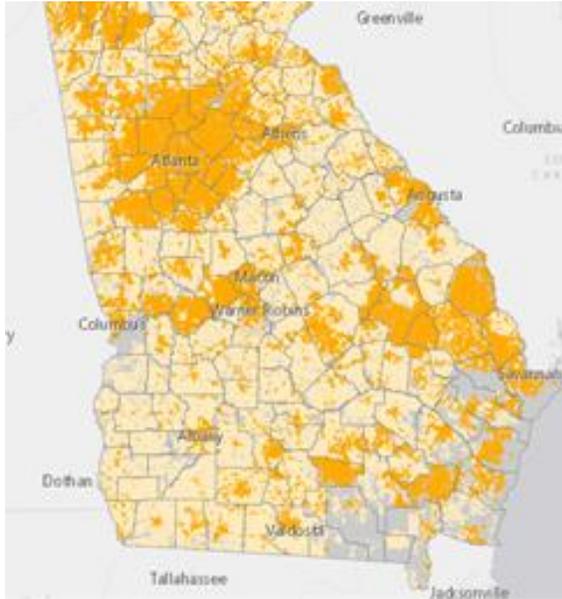
Although DCA has created the framework for SB 402’s grant program, or the Georgia Broadband Deployment Initiative, the state still must determine a funding stream to put it into effect. Several ideas for funding have been proposed over the last two years, including the elimination of franchise fees and the implementation of a flat Communications Service Tax (CST). Once the initiative receives funding, eligible applicants for financial assistance include any or all public bodies that are designated as political subdivisions of the state by DCA. A minimum 50 percent match is required during the application process. Additional points will be awarded to applicants with increased capital contribution. Award limits will be based on final annual funding; however, the minimum amount of funding per award will be set at \$250,000 and the maximum will be 15 percent of the total funds available.

Broadband Mapping

The state of Georgia’s mapping initiative is the first of its kind in the country, gathering address-level data to determine who has broadband access and who does not. The first version of the map was finalized on June 30, 2020, although the map will continue to be updated periodically to show the state’s progress. The Federal Communications Commission (FCC) broadband maps designate a census block as served if one person in the census block has access to broadband services, while the state’s map designates a census block as unserved if 20 percent or more of the locations within the census block do not have access to broadband speeds of 25 Megabits per second (Mbps) in the downstream direction and 3 Mbps in the upstream direction. A pilot program within Elbert, Lumpkin, and Tift counties was completed in 2019 and shows how much the FCC overestimated the served areas in the state.



¹ DCA; 2020 Broadband Report



An FCC/Georgia map comparison tool can also be found on DCA's map [webpage](#). The FCC is now working on a more granular map for the country. Georgia's map shows 10 percent of the state's locations are unserved with 25/3 Mbps broadband access, which equates to 507,341 locations. The online [maps](#) can be overlaid by counties, House districts, Senate districts, congressional districts, and census blocks.

The dark orange on the map above shows served areas in the state, while the light yellow designates unserved areas.²

FCC Rural Digital Opportunity Fund

The FCC passed a ruling on January 30, 2020, which creates a \$20.4 billion rural broadband fund that will be supported by the federal Universal Service Fund. The fund features a two-phase reverse auction program designed to bring up to gigabit-speed networks to unserved areas in rural America over the next 10 years. Bidding is expected to begin on October 29, 2020 for the first phase of the program, which will target census blocks that are wholly unserved with fixed broadband speeds of at least 25 Mbps in the downstream direction and 3 Mbps in the upstream direction. The fund will deliver up to \$16 billion in areas where existing federal mapping data shows census blocks with no service. The multi-round reverse auction will be similar to 2018's Connect America Fund (CAF) II auction process. Preliminary estimates show approximately six million rural homes and businesses are located in areas initially eligible for funding, including the 189,042 eligible locations in Georgia. The fund will prioritize broadband networks with higher speeds and lower latency in order to meet current and future needs.³ There are approximately 255,067 unserved locations in Georgia, according to the Department of Community Affairs 2020 Broadband Report, that the FCC methodology considers served. These locations are not eligible for any funding. The Georgia Broadband team will continue to work with the FCC to encourage integration of the state's mapping methodology into the program.⁴

Phase II of the auction, with at least \$4.4 billion in funding, will target partially-served areas and census blocks where some locations lack access to 25/3 Mbps broadband, in addition to census blocks not awarded in the first phase. The second phase will use the more granular mapping data that the FCC is currently developing. The FCC plans to revisit the budget for Phase II when they ascertain the eligible areas.⁵

² Georgia Broadband Deployment Initiative

³ Federal Communications Commission; Commission Documents

⁴ DCA; 2020 Broadband Report

⁵ Federal Communications Commission; Commission Documents

Additional State Actions

There have been several other legislative actions, found below, to increase broadband expansion in Georgia.

HB 176 by Representative Don Parsons (2014 Session)

- 'Mobile Broadband Infrastructure Leads to Development (BILD) Act'
- Allows previously approved wireless support structures and wireless facilities to be modified or collocated without additional zoning or land use review beyond the typical local government requirements for building or electrical permit issuance.
- Limitations on the time allowed for review of new wireless facilities and fees charged for such by local governing authorities are outlined as well.

SB 2 by Senator Steve Gooch (2019 Session)

- Allows electric membership corporations (EMCs) to provide broadband services.

SB 17 by Senator Steve Gooch (2019 Session)

- Allows rural telephone cooperatives to provide broadband services.

SB 66 by Senator Steve Gooch (2019 Session)

- Provides for the streamlining of rights-of-way usage for small cell technology.

HB 244 by Representative Ron Stephens (2020 Session)

- Requires EMCs to comply with certain requirements when determining rates for attachments to utility poles by communications service providers.
- The Public Service Commission (PSC) shall publish the rates and conditions for pole attachments by January 1, 2021.
- Rates and conditions will become effective on July 1, 2021, for any pole attachment agreement entered into by a provider and an EMC, except for a mutual agreement between the parties, which differs from the PSC rates.
- The PSC shall have jurisdiction to enforce compliance with the provisions.

Continuing Efforts

Although Georgia has developed a sound state broadband program, the work is not completed.

The following issues and programs may continue to be discussed in the General Assembly:

- Mapping updates: to ensure lawmakers and providers continue to have a proper tool to be used for broadband expansion, consistent updates to the broadband map are needed. DCA has expressed the need for \$1.1 million annually to continue purchasing mapping data.
- Issues for further consider: environmental permitting requirements, broadband grant program funding, local government revenue bonds, and franchise fees and the Communications Service Tax (CST).