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State broadband plan won't help rural communities

Bulk of funding will go where it's needed least

By Dr. Theodore Bolema and Jarrett Skorup | November 2023

Michigan will soon receive more than \$1.5 billion in federal taxpayer funding from the 2021 infrastructure bill for broadband deployment and adoption programs.

In authorizing the funds, Congress made crystal clear that Broadband Equity Access and Deployment Program funding must focus first and foremost

on bringing high-speed internet service to unserved rural areas of our state. In announcing the funding, Gov. Gretchen Whitmer said, "Today, we have won a game-changing investment to expand access to reliable, affordable high-speed internet to 210,000 more homes across Michigan."

The Michigan High-Speed Internet Office's initial plan for this funding will do nothing of the sort. Instead of enacting universal build-outs and creating "internet for all," MIHI's plan will leave gaps in rural areas. It will steer tax dollars to build duplicative internet lines to buildings in populated areas that already have gigabit-speed networks at their front door.

In short, the MIHI plan will fund politically connected interests, mostly in populated areas that already have high rates of access to high-speed internet, while doing little to address the access concerns of rural

areas and largely ignoring the causes of the current digital divide.

The MIHI plan also creates a mad rush to pass out the funding with only a single round of competitive

applications for funding grants. If that first round ends up leaving any gaps – or if providers that are awarded the funds prove unable to deliver on their commitments – the rural communities that could not meet the accelerated MIHI application deadline will be out of luck. Michigan should take a lesson from other states like Ohio, Wisconsin, Illinois and Minnesota. They are all taking a phased approach to BEAD grant applications.

MIHI took comments on its initial plan until Oct. 31.

Michigan's metropolitan areas are doing very well, compared to other metropolitan areas in the country, in terms of providing high-speed internet access. Yet,

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the MIHI plan appears to be structured to send the bulk of the BEAD funding to these areas, with rural areas left as an afterthought.

To the extent there is a digital divide in populated areas of Michigan, it has very little to do with a lack of infrastructure of the type the MIHI program would fund. Instead, the digital divide is caused by low broadband adoption rates. Even though fast service is available, only 65.1% of Detroit households, 70.6% of Flint households, 78.2% of Grand Rapids households and 78.7% of Macomb County households subscribe to the home broadband services already available to them.

This means that closing the digital divide would come from spending on human infrastructure, not physical infrastructure. Fast networks are already in place, but what could be helpful is equipping community organizations with resources to get more people connected. This would include things such as providing outreach and enrollment campaigns for the federal Affordable Connectivity Program and hiring digital navigators, who can help communities target the use of their digital assets.

Giving subsidies for free broadband to low-income families, providing digital skills training classes to help digital newcomers thrive online, and offering low-income families free or low-cost computers or

tablets will do far more to close the digital divide than burying more wires. Programs like these, unfortunately, are not a priority under the MIHI initial plan, which emphasizes doling out as much physical infrastructure funding as quickly as possible.

Michigan's urban areas already have fast, gigabit-capable networks, available almost universally. BEAD funding should be spent carefully to reach every rural community, and the state should work on getting more people connected to the networks already in place with the remaining funds. And to the extent the choice is between distributing the funds quickly or more carefully, Michigan should slow its funding decisions to create multiple opportunities for local communities to take advantage of this opportunity.

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