



December 22, 2008

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H232, The Capitol
Washington, D.C. 20515

The Honorable John Boehner
Republican Leader
U.S. House of Representatives
H204, The Capitol
Washington, D.C. 20515

The Honorable Harry Reid
Majority Leader
U.S. Senate
S221, The Capitol
Washington, D.C. 20510

The Honorable Mitch McConnell
Republican Leader
U.S. Senate
S230, The Capitol
Washington, D.C. 20510

Dear Speaker Pelosi, Majority Leader Reid, Republican Leaders McConnell, and Boehner,

On behalf of EDUCAUSE and Internet2¹, we are writing to express our support for including funding for next-generation, high-capacity broadband infrastructure as part of the upcoming economic stimulus legislation. As important and worthy as other infrastructure projects are, investment in next-generation broadband (100 mbps or higher) has the greatest potential as both a short and a long term stimulus for our economy. It is the critical infrastructure of the future. The Brookings Institute recently estimated that universal broadband connectivity could generate 300,000 additional jobs per year for every 1% improvement in its penetration. A study conducted by Criterion Economics projected that 1.2 million jobs could be created if next generation broadband technology

¹ EDUCAUSE represents over 2200 colleges and universities across the United States. Internet2 represents 200 academic research institutions in the country. Together, we have played a leading role in proving the benefits of broadband services and technologies for education, for health care, for public safety, and for economic growth.

is rapidly and ubiquitously deployed. Increased access to broadband can not only drive economic development now when we need it the most, it can support innovation and cost savings in business and play a major role in solving current problems in education, healthcare, and the delivery of government services.

Several nations who rank ahead of the US in broadband penetration, speed, and price, such as Canada, Japan, Sweden, and Australia, have committed government funds to help build their broadband infrastructure. These networks give their citizens access to advanced services and promote the creation of innovative Internet-based companies that drive economic growth. If the United States is to remain internationally competitive, it must commit to connecting all of its citizens with networks that will take them into the next century.

We support a variety of measures to promote the construction of these broadband networks. Tax law changes can encourage profitable companies to increase their investment in broadband networks. Allowing municipal governments to build their own broadband networks can also lead to the construction of networks where the private sector has not done so.

In addition, direct matching government grants can play a vital role in overcoming the key cost hurdles that inhibit investment in high-speed broadband networks. In many areas, it is the cost of digging trenches and climbing poles to deploy fiber optic cables; in other areas it is the cost of building towers for wireless antennas. These next-generation facilities are often less expensive to operate once they are installed and can provide more efficient and higher capacity level of service. Short-term funding from the federal government to pay for a portion of these construction costs can allow each and every community across the country to benefit from a state-of-the-art broadband network that can accommodate the expected future growth in Internet usage.

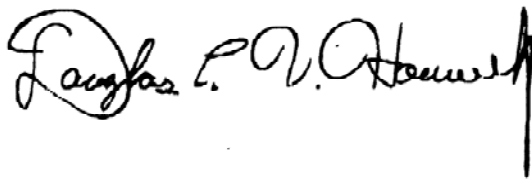
Recipients of the federal funding must ensure that they provide service to every home and business in the market, that they charge rates that are affordable, and that they maintain an open network. In contrast to some other programs, our recommendation is that funding should “sunset” after the initial construction has been completed; this program should not provide an ongoing entitlement.

Investing \$5 to \$10 billion per year for each of the next four years could ensure that all American homes, businesses, and public institutions receive 100 Megabits per second broadband. We envision funding as a public-private partnership with competitive bidders at the local level providing matching funds for build-out. The construction of next-generation networks has been endorsed by the Communications Workers of America, EDUCAUSE, Internet2, TechNet, Free Press, the Fiber-to-the-home Council, and many

others. It is time for the United States to fund development of a truly national broadband infrastructure to help revive our economy, keep us internationally competitive, and support solutions to major challenges in education and healthcare. We urge you to consider funding next-generation broadband infrastructure in the next economic stimulus package.



Diana G. Oblinger, PhD
President and CEO
EDUCAUSE



Douglas Van Houweling
President and CEO
Internet2

Staff Contact:

Wendy Wigen
wwigen@educause.edu
202-331-5372