

TO: Members of the 118th Congress

FROM: USTelecom—The Broadband Association

RE: Agenda 2023: Making the Most of America's Broadband Opportunity

Congratulations on your election to the 118th Congress. Across the many challenges facing our nation—from inflation to education, health care to social and economic divisions—meaningful solutions hinge on the ability of every home and business to connect to affordable, high-speed broadband. We ask that you consider USTelecom and our members as trusted resources and committed partners in achieving the shared goal of connecting every home and business to broadband's many opportunities.

Each year, broadband providers invest billions in our nation's connected infrastructure. As a result, American broadband is a model of security, efficiency and affordability. Our ongoing capital investments, \$86 billion in 2021 alone, together with recent federal investments included in the Infrastructure Investment and Jobs Act (IIJA), have the potential to finish the job of fully connecting our nation—if we work together to make the most of this historic moment.

Our nation stands at a connectivity crossroads. Our collective leadership over the next two years will play an outsize role in shaping what comes next for our information economy and connected lives. While the promise of ubiquitous broadband is within reach, the success of this endeavor hinges on critical factors that require us to roll up our sleeves and do detailed work together.

To advance this work, USTelecom's Agenda 2023 below outlines a concrete set of common sense actions that can be taken by Congress now to invigorate and accelerate efforts underway to maximize America's broadband opportunity.

Again, congratulations on your election and willingness to serve the American people as part of this historic Congress.



Jonathan Spalter

Maximize the Impact of Community Broadband Grants

Under current law, all broadband grants, including those in the IIJA's Broadband Equity, Access and Deployment program and the American Rescue Plan Act's (ARPA) Capital Projects Fund, must be treated as taxable income. Without timely Congressional action, as much as \$1 in every \$5 flowing to communities for infrastructure must be diverted back to Washington to the IRS. Congress should act quickly to make clear these federal resources should remain in the communities they seek to serve rather than be taxed back to Washington.

Congress should eliminate the tax on broadband grants as soon as possible to ensure BEAD and ARPA projects are fully funded and can meet the buildout goals envisioned in the IIJA.

The Bottom Line

It will take an all-out effort across public, private and community-led organizations to achieve our shared national objective of affordable and secure high-speed internet for every U.S. home and business. The nation's broadband providers can't stop and won't stop until the job is done. We look forward to working with you to redouble our collective work to be diligent, methodical and relentless in pursuing this critical national objective.

ENDNOTES

1 America's Broadband Providers Invested \$86 B In Networks In 2021, USTelecom, July 18, 2022; available at: <https://www.ustelecom.org/2021-infrastructure-investment/>

2 2022 Broadband Pricing Index, USTelecom, June 29, 2022; available at: <https://www.ustelecom.org/research/2022-bpi/>