AT&T Written Comments Texas House Public Education Committee Interim Charge 2

AT&T has been in the business of connecting consumers for over 140 years. As experts in the broadband business, we are proud to partner with policymakers across our great state as we work together to meet the needs of Texas communities. We appreciate the opportunity to submit comments to the Public Education Committee as you pursue your interim charges related to digital learning environments.

At AT&T, we support efforts to bridge the digital divide in unserved areas, where connectivity is needed the most. Now, more than ever, it is critical for Congress to take up this issue and provide a cohesive solution for the entire country.

We share the goal of ensuring connectivity for those in need. In the midst of unprecedented demand during the COVID-19 crisis, American broadband networks have proven up to the task in keeping Texans connected to each other, their schools and their jobs. This achievement is no accident and is the result of decades of bipartisan public policies that have encouraged more than a trillion dollars in private sector investment in our nation's broadband networks.

While the networks did not buckle as some predicted they might, the pandemic has revealed challenges related to broadband accessibility, affordability and adoption in many Texas households.

In the event Congress does not pass a unified solution for the entire country, and as Texas lawmakers consider ways to address the digital divide, AT&T has developed Texas Broadband Policy Recommendations as a framework for this important work. We support the creation of a Texas Broadband Plan that incorporates the recommendations below.

AT&T Texas Broadband Policy Recommendations

- Federal funding must be explored and exhausted before expanding state funding.
- Pending the FCC broadband mapping effort, identify with geographic precision where broadband is not available so that investments and build are focused on unserved areas as a top priority; precious funding should not be spent building additional infrastructure where broadband already exists nor should it be directed to address areas being funded by other government broadband programs, such as Connect America Fund, Rural Digital Opportunity Fund and ReConnect.
- Future technologies, such as 5G, and where society as a whole is moving is also important to this discussion. This is why mobile, wireless broadband and satellite are an important piece of the broadband discussion.
- If the State does create a broadband fund, funding needs to come from general revenue since broadband is deemed a "universal need" so not one class of customers bears the

- burden of cost. Since the TUSF is funded by a select group of Texans and only one industry, it is not the best source of funding for broadband.
- Government should work with ISPs to explore the best options for investment and deployment instead of attempting to build their own, often overbuilt, broadband infrastructure.
- The State of Texas should work with Congress to revamp the <u>federal</u> Lifeline program to make broadband more affordable for low-income households.
- Support an increase in the current <u>federal</u> Lifeline subsidy and modernize the program via digital payments similar to the SNAP program.
- It is important to recognize that the benefits of high-speed broadband connectivity are only achieved if Texans with broadband service options actually subscribe to the service. Texas must provide targeted efforts towards encouraging adoption of broadband services.
- We must avoid treating broadband as a utility. The light-touch approach to broadband and its infrastructure has worked with proven results.

Regarding the issue of mapping, last month, the Federal Communications Commission (FCC) adopted new rules related to data collection and mapping of broadband availability to better identify connectivity gaps across the country. In addition, Congress recognized the need for better, more granular maps, in March by passing the Broadband DATA Act, which will create a more accurate and detailed map of broadband availability.

AT&T is committed to expanding coverage and improving connectivity in more communities. From 2017-2019 alone AT&T invested nearly \$8.2 billion in our wireless and wireline networks in Texas. In addition, we continue to be active participants in Operation Connectivity, working with school districts to connect students and bridge the "homework gap".

As we continually expand and upgrade our networks, it is important to recognize that the benefits of high-speed connectivity are only achieved if Texans with access to broadband services actually subscribe to the service. FCC data shows that 86.4% of Texans have access to broadband at speeds of 100/10 Mbps. However, only 29% of Texans actually subscribe to the service.

For some Texans, cost may pose a barrier to broadband adoption. Our Access from AT&T program provides low-cost internet service for eligible households. In response to the recent public health crisis, Access from AT&T is making some temporary changes to the program to make home internet more widely available to those in need. Program eligibility has been temporarily expanded to include households participating in the National School Lunch program, Head Start and households with an income of 135% or less than the federal poverty guidelines.

Beyond cost, a recent news story by Houston Public Media noted that 25% of Texas kids do not have access to an acceptable device at such as a computer or laptop. As policymakers develop broadband policy, we encourage them to recognize these trends and consider ways to

encourage consumers to use and subscribe to broadband services, as well as explore options for deploying the technology needed for subscribing to broadband services.

Again, now more than ever, it is critical for the Texas Legislature to remove regulatory hurdles and curb onerous permitting requirements that impede broadband deployment and investment.

Thank you again for the opportunity to be part of this important conversation. And as always, please do not hesitate to contact us with any questions or concerns.