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The Honorable Janet Yellen  
Secretary of the Treasury  
United States Department of Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Secretary Yellen,

Thank you for your leadership in the implementation of the American Rescue Plan. Over the last three years, The Pew Charitable Trusts has examined how states are bridging the digital divide. Our research has found that state programs have made meaningful progress in improving the availability of broadband connections and, with federal support, can continue that leadership.

Based on our research, we request the following as the Department of Treasury develops guidelines for Section 604:

- 1) Establish high federal standards on speed and accountability, which are already used by successful state broadband programs; and
- 2) Provide states with the authority and flexibility to meet those federal standards in a way that best aligns with their respective priorities.

### **Establish High Federal Standards**

Setting higher federal standards for broadband speed can ensure that public funds are efficiently and effectively spent. The Federal Communication Commission's current definition of broadband - 25 Megabits per second (Mbps) download and 3 Mbps upload - are too slow for the way Americans use the internet today. Importantly, these speeds will be obsolete by the time ARP-funded networks funded are operational. Establishing funding requirements that prioritize faster speeds and scalable technology will ensure federal investments will meet current and future needs.

Likewise, Treasury can set accountability standards to ensure that funds are achieving their intended purpose. Reporting requirements should be clearly defined and established before funding is awarded, as should the consequences for failing to meet those requirements.

These standards draw from the work of leading state programs, which use high speed standards, competitive grant programs, and accountability measures to make progress on their connectivity goals.

### **Provide Flexibility for States**

While federal guidelines should set high standards for deployment and accountability, they should also allow states to set priorities for project implementation. This includes allowing states to go beyond federal standards for speed, technology, and reporting requirements. Nearly all states have a broadband program and over half of states have established broadband funds. But the specifics of the digital divide look different across states; therefore, states need the flexibility to prioritize and support the projects that best meet local needs.



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States should also have the flexibility to apply funds to planning and technical assistance efforts, in addition to funding infrastructure. Pew's research has documented the importance of these efforts for informing effective capital projects. Relative to infrastructure investments, planning and technical assistance efforts are low-cost, but provide communities a more active role in setting priorities for broadband deployment, forming public-private partnerships, and securing infrastructure funding from both state and federal programs.

Setting high federal standards for deployment and accountability while providing states with the flexibility to deploy the funds in a way that best addresses their broadband needs will maximize the impact of the federal government's investment. Pew's research into state broadband initiatives has identified specific activities and lessons learned that could inform federal efforts and we would be happy to share additional findings from this research.

Respectfully,  
Anna Read  
Senior officer, broadband access initiative  
The Pew Charitable Trusts