

The Broadband Solution West Virginia Needs



The solution is simple – the state should immediately rework its current plan to ensure that the stimulus funds are used for the construction of a data superhighway that will benefit all West Virginians and not to worsen the monopoly already held by Frontier Communications. If state officials will not do the right thing, then the federal government must step in, suspend the grant and compel the state to follow the funding requirements.

Unlike the state's current approach, any network developed under a new state plan should be an open access network that promotes capacity, competition, lower prices, innovation and quality. All companies providing data services should be able to access the assets constructed using the taxpayer funds. Access and data transportation prices should reflect the fact that federal taxpayer funds are being used to construct the network. The state's current plan contains no price reductions despite the tens of millions in taxpayer subsidies.

A reworked state plan for high speed Internet would provide state and local governmental agencies, as well as businesses and households, with access to high speed Internet at competitive prices. The current state plan, on the other hand, simply promotes a monopoly and will cost the state significantly more for high speed Internet over the long term. The current approach is a complete waste of taxpayer dollars. We in West Virginia currently pay significantly more for high speed Internet services than surrounding states and that will continue to be the case after the state implements its flawed plan. If the current plan is not altered, businesses in the state will not be able to compete with companies outside the state for 21st century commerce and jobs.

The state plan should not fund "last mile" infrastructure (i.e., one lane roads to nowhere). Rather, the state should promote "middle mile" infrastructure. In other words, the taxpayer funds should be used to build data superhighways. The state should leave last mile development to the private telecommunications companies, just as other states have done. The creation of a data superhighway will spur private development of last mile facilities.

In addition, the state should not waste tens of millions of dollars on administrative costs. Instead, the vast majority of all stimulus resources should be devoted to the development of a middle mile infrastructure.

West Virginia is at a crossroads. We can develop a middle-mile solution for high-speed Internet infrastructure and create jobs, or we can stick with the status quo and once again watch West Virginia fall further behind other states. The outcome will determine our state's economic growth for generations to come.