

March 27, 2023

The Honorable John Thune
Ranking Member, Subcommittee on Communications, Media, and Broadband
Committee on Commerce, Science, and Transportation
United States Senate
511 Dirksen Senate Office Building
Washington D.C. 20515

Dear Senator Thune,

We, the undersigned groups representing millions of taxpayers and consumers across the country, applaud your efforts to implement meticulous oversight for the tens of billions of taxpayer dollars that will be used to connect America with high-speed broadband over the next several years. In order to bolster transparency and promote effective oversight, we recommend that Congress creates a method to accurately track all of the money.

As you know, the National Telecommunications and Information Administration (NTIA) is currently in the process of distributing \$42.5 billion in funding from the Broadband Equity, Access and Deployment (BEAD) Program, which is part of the \$65 billion authorized for broadband infrastructure under the Infrastructure, Investment and Jobs Act (IIJA) (P.L. 117-58). The broadband related IIJA investments followed \$350 billion previously authorized by the American Rescue Plan Act (ARPA) (P.L. 117-2), which could be used for a variety of projects, including broadband growth.

The NTIA plans to give potential government owned networks (GONs) favorable treatment over private providers. The notice of funding opportunity (NOFO) from NTIA waives matching funding requirements from GONs while maintaining stringent thresholds for privately owned networks. The NOFO also requires justification for grantors to explain why they awarded the funds to private providers over potential municipal networks, creating a clear preference for GONs.

A 2020 report from the Taxpayers Protection Alliance (TPA) found that these systems rarely get the number of customers they anticipate.¹ This results in taxpayers or ratepayers making up the financial shortfall. BEAD money should not preference certain networks over others, especially given the historic shortcomings of GONs.

It is clear that NTIA will not waiver from its stance without congressional involvement. Taxpayers nationwide are reliant on your strong engagement with stakeholders, coupled with your steadfast desire to hold agencies accountable and using broadband funding as intended by Congress. Better methods of tracking how that money is spent will help further that cause.

There is bipartisan support for this transparency. Brookings Institution senior fellow Nicol Turner-Lee said at a recent Information Technology and Innovation Foundation event that her organization is considering developing its own tracking mechanism.²

¹ Taxpayers Protection Alliance, "GON with the Wind: The Failed Promise of Government-Owned Networks," May 13, 2020.

² Ahmad Hathout, "Panel Suggests Need for Tracking Mechanism for Broadband Infrastructure Funding," *Broadband Breakfast*, Jan. 31, 2023.

Given the unprecedented amount of taxpayer-funded broadband investments authorized under the IJA and ARPA, it is important that NTIA, as well as state and local governments, are subject to efficient and effective oversight. Congress should consider implementing an online portal and more stringent reporting requirements to promote accessibility and transparency for taxpayers.

Sincerely,

David Williams

President

Taxpayers Protection Alliance

Jeffrey Mazzella

President

Center for Individual Freedom (CFIF)

Jessica Melugin

Director of the Center for Technology & innovation

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