

Broadband: Two New Ways to Fund It

State and local governments that invest in broadband infrastructures reap rewards that range from job creation and improved services to educational excellence and a competitive edge in attracting businesses.

Now governments have two ways to bring broadband to the community for less cost. One is getting funds through the American Recovery and Reinvestment Act (ARRA) of 2009. The other is sharing the infrastructure with other agencies.

Broadband Rewards: Immediate and Long-Term

Broadband infrastructure helps communities meet top goals:

- **Job creation, both immediate and long range.** Employees are needed to build the broadband network, maintain it, and manage the new services it makes possible. For each 1 percent increase in a region's broadband penetration, employment is projected to increase by 0.2 to 0.3 percent (source: Brookings Institute).
- **Cost savings from sharing network infrastructure and services.** Instead of buying and maintaining their own equipment and applications, communities can share the costs with others.
- **Travel reduction.** Government employees, including teachers and healthcare professionals, can conduct meetings with Cisco TelePresence and Cisco WebEx technology instead of traveling, saving time, fuel costs, and carbon emissions.
- **Sustainable economic value that increases the community tax base.** Broadband access makes the community more attractive to businesses and families. Citizens in remote areas can work near or at home and earn nationally competitive wages that they spend locally. Businesses, in turn, can establish a presence in areas with a low total cost of doing business.
- **Boost for education.** Broadband infrastructure helps schools create next-generation learning environments that bring renewed excitement to the classroom. Schools with 21st-century learning environments also gain an edge in attracting and retaining the best teachers.
- **Support for political priorities.** These might include online access to child support payments, online Medicaid assistance, communitywide electronic health records, telemedicine, and more.

Serve the Underserved, Qualifying for Stimulus Funds

Communities that have put off broadband projects because of budget constraints or other priorities now have a rare opportunity. Governments can qualify for limited-time stimulus funds through the ARRA if their broadband project extends to unserved, underserved, and rural neighborhoods. "Providing service parity for all citizens is good government and good for the local economy," says Brian Grundei, global industry solution manager, Cisco. "Communities are laying cable so that it routes through underserved neighborhoods as well as the downtown, schools, and other neighborhoods."

Pooling the Investment

Another way governments fund broadband within their budgets is to share the investment with other adjacent cities or counties. Eliminating duplicate equipment and resources reduces initial and ongoing costs.

Shared broadband is not only economically attractive, it also improves collaboration between the entities sharing the network. For example, the City of Albuquerque provides fibre to the Albuquerque Public School District as well as the University of New Mexico and the Technical Vocational Institute. And Cleveland County Public Schools in North Carolina shares Advanced Placement (AP) teachers in one school with students in another, using Cisco video collaboration solutions. AP scores for the students in the remote classroom were on par with the other students' scores.

"The ultimate goal is for the state to build a robust network infrastructure that it uses internally and also shares with counties and municipalities," Grundei says. States that join local networks together lead their constituents into the 21st century. Multiple states have already done this, and the State of Michigan has plans in the works.

Find Partners First, or Build First: Your Choice

The first step is finding a group of agencies to share the investment with. The partners might be multiple agencies within a single city, or multiple jurisdictions. "Regardless, if they pool their resources and put in the right core network, they can share services to gain economies of scale," says Grundeil.

Of course, teaming up with other municipalities can take time and patience. "If you don't have partners lined up, you can be ready when the time comes by investing today in an open standards-based infrastructure that's scalable," Grundeil says. "You'll get immediate economic rewards and could be eligible for stimulus funds. Later you can interconnect with other agencies or communities for even more benefit."

Cisco is actively working with multiple state and local governments adopting shared broadband infrastructure. Cisco's Borderless Networks architecture provides proven designs.

To watch a short video on the role of government networks in the American Recovery and Reinvestment Act of 2009, visit: www.cisco.com/web/strategy/government/us_state_local/economic_stimulus_for_government.html

To read a case study on the City of Albuquerque, visit: www.cisco.com/en/US/prod/collateral/voicesw/ps6788/phones/ps379/prod_case_study0900aecd804654bd_ps5861_Products_Case_Study.html

To read a case study on OneCommunity (formerly OneCleveland), visit: www.cisco.com/web/about/ac79/docs/wp/OneCommunity_CS_0908.pdf




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