

# Cornhusker Economics

## Broadband Availability Is Improving – There Is More to Do.

Market Report	Year Ago	4 Wks Ago	4-22-17
<b>Livestock and Products,</b>			
<b>Weekly Average</b>			
Nebraska Slaughter Steers, 35-65% Choice, Live Weight. . . . .	125.00	*	*
Nebraska Feeder Steers, Med. & Large Frame, 550-600 lb. . . . .	180.56	158.80	18.92
Nebraska Feeder Steers, Med. & Large Frame 750-800 lb. . . . .	150.18	137.50	149.00
Choice Boxed Beef, 600-750 lb. Carcass. . . . .	222.27	223.12	215.63
Western Corn Belt Base Hog Price Carcass, Negotiated . . . . .	66.45	64.07	53.77
Pork Carcass Cutout, 185 lb. Carcass 51-52% Lean. . . . .	79.54	78.44	74.51
Slaughter Lambs, woolled and shorn, 135-165 lb. National. . . . .	132.70	148.05	157.27
National Carcass Lamb Cutout FOB. . . . .	340.05	333.99	359.09
<b>Crops,</b>			
<b>Daily Spot Prices</b>			
Wheat, No. 1, H.W. Imperial, bu. . . . .	3.77	2.86	2.70
Corn, No. 2, Yellow <b>Columbus</b> , bu. . . . .	3.44	3.18	3.24
Soybeans, No. 1, Yellow <b>Columbus</b> , bu. . . . .	9.12	8.79	8.73
Grain Sorghum, No.2, Yellow Dorchester, cwt. . . . .	5.30	4.85	5.11
Oats, No. 2, Heavy Minneapolis, Mn, bu. . . . .	2.53	2.75	2.82
<b>Feed</b>			
Alfalfa, Large Square Bales, Good to Premium, RFV 160-185 Northeast Nebraska, ton. . . . .	150.00	133.75	125.00
Alfalfa, Large Rounds, Good Platte Valley, ton. . . . .	80.00	67.50	67.50
Grass Hay, Large Rounds, Good Nebraska, ton. . . . .	85.00	65.00	65.00
Dried Distillers Grains, 10% Moisture Nebraska Average. . . . .	128.00	98.00	103.25
Wet Distillers Grains, 65-70% Moisture Nebraska Average. . . . .	47.00	41.31	41.00
<b>* No Market</b>			

The Intelligent Communities Institute recently released the **Digital Divide Index (DDI)** based off of 2015 data. The DDI is a county-level index score that measures the digital divide. The higher the number, the larger the digital divide. The objective of the DDI is to serve as a descriptive and pragmatic tool for policymakers, community leaders and residents. The index consists of two components: infrastructure/adoption and socioeconomic characteristics.

*Nebraska’s broadband vision is that residents, businesses, government entities, community partners, and visitors have access to affordable broadband service and have the necessary skills to effectively utilize broadband technologies. Nebraska Statewide Broadband Plan adopted 2014.*

Data for the report was obtained from the FCC Form 477 and focuses on the percent of people with/without access to 25/3 fixed broadband, number of residential fixed broadband connections per 1,000 households, and average advertised upload/download speeds. A high infrastructure/adoption score implies investments need to be made regarding broadband infrastructure, including improving speeds.

The second component measures socioeconomic characteristics that traditionally lag behind in adoption such as those older than 65, education less than high school and individual poverty rate. [Source: <http://ici.msucare.com/resources/ddi>].

## How Does Nebraska Compare

Nebraska ranks fairly well on socioeconomic indicators, ranking 21 out of the 50 states and District of Columbia and scores a not-great-but-respectable 35 on the composite index for both socioeconomic and infrastructure measures. However, the report ranks Nebraska 48<sup>th</sup> on infrastructure measures, ahead of only Mississippi, Montana, and Alaska.

To better understand the 48th ranking that Nebraska received, Anne Byers with the Nebraska Information Technology Commission studied the data in depth. *The Nebraska Broadband Special Report: Nebraska and the Digital Divide Index* highlights some key factors:

- Broadband availability in Nebraska is improving. Broadband of at least 25 Mbps down and 3 Mbps up was available to 84.6% of Nebraskans in 2015, up from 79.3% in 2014. Nebraska ranked 34th out of the 50 states and the District of Columbia.
- Average advertised download and upload speeds in Nebraska lag behind the United States and most neighboring states.
- There are significant differences in average upload and download speeds between the state's more populous and less populous counties. Nebraska counties with populations greater than 20,000 had an average advertised fixed download speed of 36.5 Mbps and an average advertised fixed upload speed of 16.2 Mbps. In comparison, Nebraska counties with populations less than 20,000 had an average advertised fixed download speed of 16.8 Mbps and an average advertised fixed upload speed of 6.8 Mbps.
- Additionally, affordability and adoption of broadband at higher speed tiers—especially in some of the state's more rural counties—may be exacerbating the Digital Divide in Nebraska. Nebraska lags the U.S. and our neighboring states in the subscription rate to higher speed tiers of broadband (10 Mbps down and 3 Mbps up or greater). In over half of the counties in Nebraska, fewer than 20% of households subscribe to broadband at speeds of 10 Mbps down and 1 Mbps up or greater.

The Digital Divide Infrastructure Score was derived by first calculating county scores for broadband availability, average download speed, average upload speed, and subscription rates. The state score for each indicator was calculated by averaging the county scores. Because Nebraska has more counties with fewer than 1,000 people than any other state, this method probably disadvantaged Nebraska to a greater extent than other states.

The 2016 Nebraska **Rural Poll** asked questions regarding price, reliability and speed of broadband services. Satisfaction has decreased and supports the analysis that affordabil-

ity in some of the state's rural counties may be exacerbating the Digital Divide in Nebraska.

**Nebraska Rural Poll:** *Individuals living by the smallest communities are most dissatisfied. Within the persons living outside city limits, differences by community size are present for speed of mobile Internet service, price of home Internet service, reliability of home Internet service, and overall home Internet service. In each case, people living by the smallest communities are most dissatisfied.*

The full **Nebraska Broadband Special Report** highlights counties with the greatest percentage of at least 25 Mbps down and 3 Mbps up available to over 90% of residents. In 2015, Merrick County led this ranking with Douglas and Nance coming in second and third. In 2015, ten counties in Nebraska did not have any access to broadband with 25 Mbps Down/3 Mbps up. This includes many of Nebraska's most rural counties.

### What are the implications, what is being done and what can your community/region do?

Omaha and Lincoln are being referred to as the Silicon Prairie. High tech companies such as **Bulu Box** have relocated to Nebraska. The higher populated areas are seeing the benefits of increased broadband. The opportunity is not the same across Nebraska.

Building a business case for broadband across Nebraska will take creative solutions. What can be done to strengthen broadband availability?

- Bring attention to the issue. Understand the importance of broadband for the future of your community. Community leadership is key.
- Talk to your broadband provider to understand future deployment plans and what your community can do to encourage broadband deployment. The data is from 2015 – what has already changed?
- Talk to broadband providers and officials in Nebraska in order to better understand factors impacting broadband deployment and adoption in Nebraska.
- Support efforts to improve broadband access at public libraries. Libraries are an important access point in communities especially to those that currently do not have access.
- Join the conversation at the Nebraska Broadband Today Conference on October 26, 2017 in Lincoln, Nebraska. A focus of the conference will be on finding solutions and identifying strategies and resources.

- Help to identify additional strategies and resources.

Availability alone will not improve the digital divide. Adoption and utilization are also important to increase quality of life factors. One tool available to better understand how to utilize broadband across community sectors is the Intelligent Communities check list. The check list looks at broadband utilization through various community sectors. Using this check list, a community can begin to document demand. Contact one the team members below if you are interested in utilizing this checklist.

The Nebraska Information Technology Commission, Public Service Commission and Nebraska Extension are also willing to help communities work through broadband issues. Conversations can help to document demand or bring together providers to meet with community members. The broadband initiative encourages communities to consider people living outside city limits in their efforts.

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The Nebraska Information Technology Commission is documenting the progress made on the Statewide Broadband Plan. The full analysis of how Nebraska compares is available at [http://www.nitc.ne.gov/community\\_council/documents/newsletters/Nebraska\\_and\\_DDIApril2017.pdf](http://www.nitc.ne.gov/community_council/documents/newsletters/Nebraska_and_DDIApril2017.pdf).

While the landscape has changed, there is more to be done. Broadband deployment is costly and finding solutions to reach all of Nebraskans is a challenge. Broadband providers and state leaders are working to identify ways to meet demand. ***Communities, businesses and those living outside of city limits need to document demand and understand how new technologies can be utilized to attract and retain new residents, improve quality of life and increase community & economic vitality.***

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