

**Written Testimony of Jack Waldorf, Executive Director
Western Governors' Association**

**Submitted to the United States Senate
Committee on Appropriations
Subcommittee on Financial Services and General Government
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Fiscal Year 2025 Appropriations

Chair Van Hollen, Ranking Member Hagerty, and Members of the Subcommittee, the Western Governors' Association (WGA) appreciates the opportunity to provide written testimony on the appropriations and activities of the federal agencies under the Subcommittee's jurisdiction, including the Executive Office of the President, the Election Assistance Commission (EAC), the Federal Communications Commission (FCC), and the Small Business Administration (SBA). WGA is an independent organization representing the Governors of the 22 westernmost states and territories. The Association is an instrument of the Governors for bipartisan policy development, information sharing and collective action on issues of critical importance to the western United States.

Western Governors underscore the importance of a close and productive working relationship between states, territories, and the federal government and understand that more effective cooperation depends on federal recognition of states as co-sovereigns and partners. The promotion of greater partnership between states and the federal government is central to the mission of WGA and is reflected in the Governors' Policy Resolution 2024-01, Strengthening the State-Federal Relationship. Given the numerous federal programs, policies, and regulations directly affecting states and territories, Western Governors encourage the Subcommittee to direct Congress and federal agencies to improve their internal processes and coordinate with states and territories on federal policies and procedures, as well as integrate state and territorial data into federal programs, including for policymaking purposes.

WGA has several other resolutions relevant to the Subcommittee's work, including Policy Resolutions 2022-05, Cybersecurity; 2024-04, Combating the Opioid Crisis; 2023-07, Broadband Connectivity; and 2023-06, Rural Development, that may assist the Subcommittee as it considers funding priorities for FY25.

Western Governors urge the Subcommittee to appropriate funding for the Office of the National Cyber Director (ONCD) commensurate with the importance of its position in leading federal cybersecurity coordination efforts. Strong cybersecurity is essential for the nation's critical infrastructure, which includes election systems. State and territorial election systems remain targets of foreign interference, a matter that is an imminent threat to our democracy. The Subcommittee should help states and territories combat this threat by providing adequate funding to the Election Assistance Commission for states and territories to meet election security demands.

In addition, Western Governors acknowledge the outsized harm caused by the opioid epidemic, which has become one of the nation's most devastating and lethal public health and safety crises. Reducing the effect of this epidemic involves stemming the supply of illegally produced opioids. Western Governors urge the Subcommittee to provide financial support and reimbursement to states and territories for interdiction activities, including through the Office of National Drug Control Policy's (ONDCP) High Intensity Drug Trafficking Areas Program. ONDCP should work closely with Governors to combat illicit drug trafficking.

The effects of the crisis are reaching younger populations as well, exemplified by rising rates of teen overdoses involving opioids. This alarming trend makes efforts to prevent and reduce substance use among youth even more important. Western Governors encourage the Subcommittee to focus on funding and other resources to increase the use of harm reduction strategies, such as naloxone, for youth.

Many western communities lack access to broadband internet due to the high cost of infrastructure and the economic challenges of serving low customer densities in rural and tribal areas. When communities do have access to broadband, download and upload speeds are often insufficient to meet bandwidth demands. While these realities have left many rural businesses at a competitive disadvantage and citizens without access to telework, telemedicine, and distance learning opportunities, such inequities have been difficult to address at the federal level due to inaccurate and overstated broadband data. Western Governors commend FCC's efforts to fix these issues by launching an inquiry into updating the minimum broadband speed benchmark for federal programs to 100/20 Mbps, a standard that more accurately reflects modern needs, and working to improve national broadband data and mapping. As FCC continues its iterative map challenge processes, Western Governors request ample resources to participate in data collection, verification, and mapping activities.

Western Governors also note that additional federal investment will be needed to shore up connectivity gaps and backfill Broadband Equity, Access, and Deployment (BEAD) Program funding. The Governors encourage the Subcommittee to consider supplementary funding for broadband deployment, including innovative and flexible ways to redirect existing resources, such as the Rural Digital Opportunity Fund. Furthermore, to ensure that tribal areas receive adequate investment, the Subcommittee should allocate a designated portion of funding to projects on tribal lands.

Internet affordability issues remain some of the greatest barriers to closing the digital divide. To reap the benefits of historic federal broadband deployment investments, Western Governors emphasize the need to provide underserved and disadvantaged communities with broadband connectivity at accessible costs. Western Governors are particularly concerned with the lapse in funding for FCC's Affordable Connectivity Program, which is the underpinning of states' digital equity and inclusion strategies and jeopardizes the more than 17 million households that rely on the program to pay for their monthly home internet bill. Western Governors call on the Subcommittee to continue to prioritize and fund this vital program.

The E-Rate Program also addresses internet affordability by supporting schools and libraries in obtaining discounted broadband equipment and services, especially in low-income

and rural areas. These anchor institutions serve as broadband access points and middle mile infrastructure for their surrounding communities. Western Governors are heartened by FCC's recent expansion of program eligibility to bus Wi-Fi and other creative efforts that seek to deliver home connectivity and "homework gap" solutions and past Subcommittee report language promoting similar changes. Western Governors support the continuation of the E-Rate Program in acknowledgment of its significant role in the broadband access and affordability landscape.

Finally, SBA plays a fundamental role in rural economic development. Small businesses are the foundation of rural economies; they generate tax revenue, create jobs, provide essential goods and services, and contribute to the culture and character of small towns. Building a successful business in a rural community is particularly challenging due to limited access to capital, available workforce, and smaller customer bases. Alongside the perennial difficulties with running a small business in a rural community, shifting demands in our economic, workforce, and technological environments require fundamental changes and new approaches to economic development strategies. Western Governors recommend that the Subcommittee provide support for small businesses and entrepreneurs, such as access to capital and business incubators, and an increase in the proportion of economic development funding that goes toward technical assistance and capacity building. Western Governors also request that the Subcommittee consider ways to create the conditions necessary to foster manufacturing enterprises in rural areas, including through resources dedicated to SBA's Manufacturing Office.

Western Governors recognize that it is an enormous challenge to judiciously balance competing funding needs throughout the federal government. The Governors appreciate the difficulty of the decisions you must make and stand ready to work with you in discharging these important responsibilities.