



**EMPLOYMENT AND
ECONOMIC DEVELOPMENT**

Broadband Discussion
AMC Fall Policy Conference
Transportation & Infrastructure Policy Committee
September 14, 2023

Diane Wells, Deputy Director



Agenda

1. About the Office of Broadband Development
2. Existing Infrastructure Grant Programs
 1. Border-to-Border
 2. Lower Population Density
 3. Line Extension Connection
3. Infrastructure Investment and Jobs Act (IIJA) and the Digital Equity Act
4. Minnesota's Digital Equity Planning Strategy
5. Questions?

Minnesota Office of Broadband Development (OBD)

- Created in State Law in 2013, first grant round 2014
- 11 staff and growing
- Purpose: to encourage, foster, develop, and improve broadband within the state in order to: drive job creation, promote innovation, and expand markets for MN businesses; to serve the growing needs of Minnesotans for education, healthcare, public safety, industries and businesses, governmental operations and citizens; and improve accessibility for underserved communities and populations (Written **7 years** before COVID!)

MEET OUR TEAM

Grant Administrators



Jenn Frost



Karrie Jansen



Megan Moudry



Mike Wimmer

Coming
soon!

Coming
soon!



Carol Bossuyt
Program Assistant



Bree Maki
Executive Director



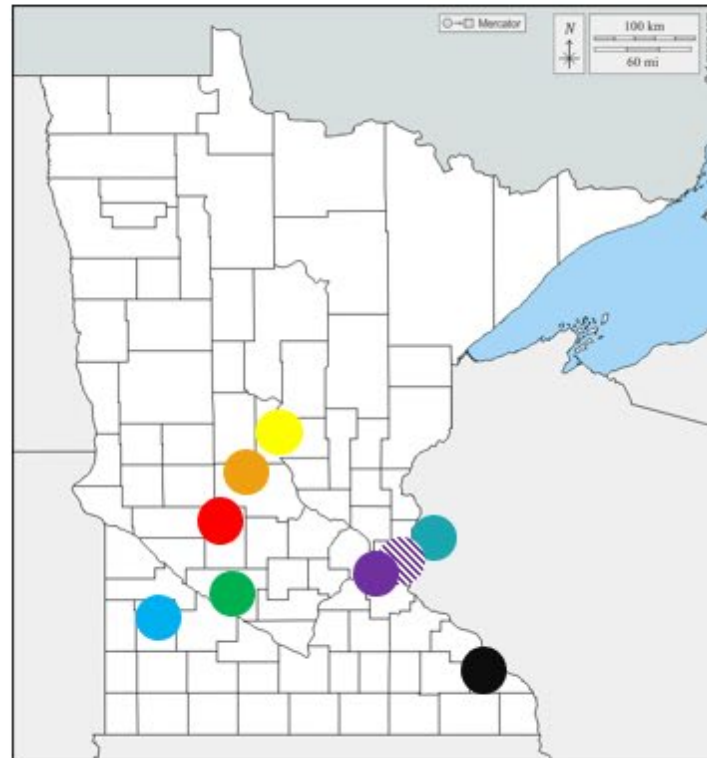
Diane Wells
Deputy Director



Hannah Buckland
Digital Equity Lead



Jared Haas
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GIS Analyst



Special Project Coordinators



Olu Oresanya

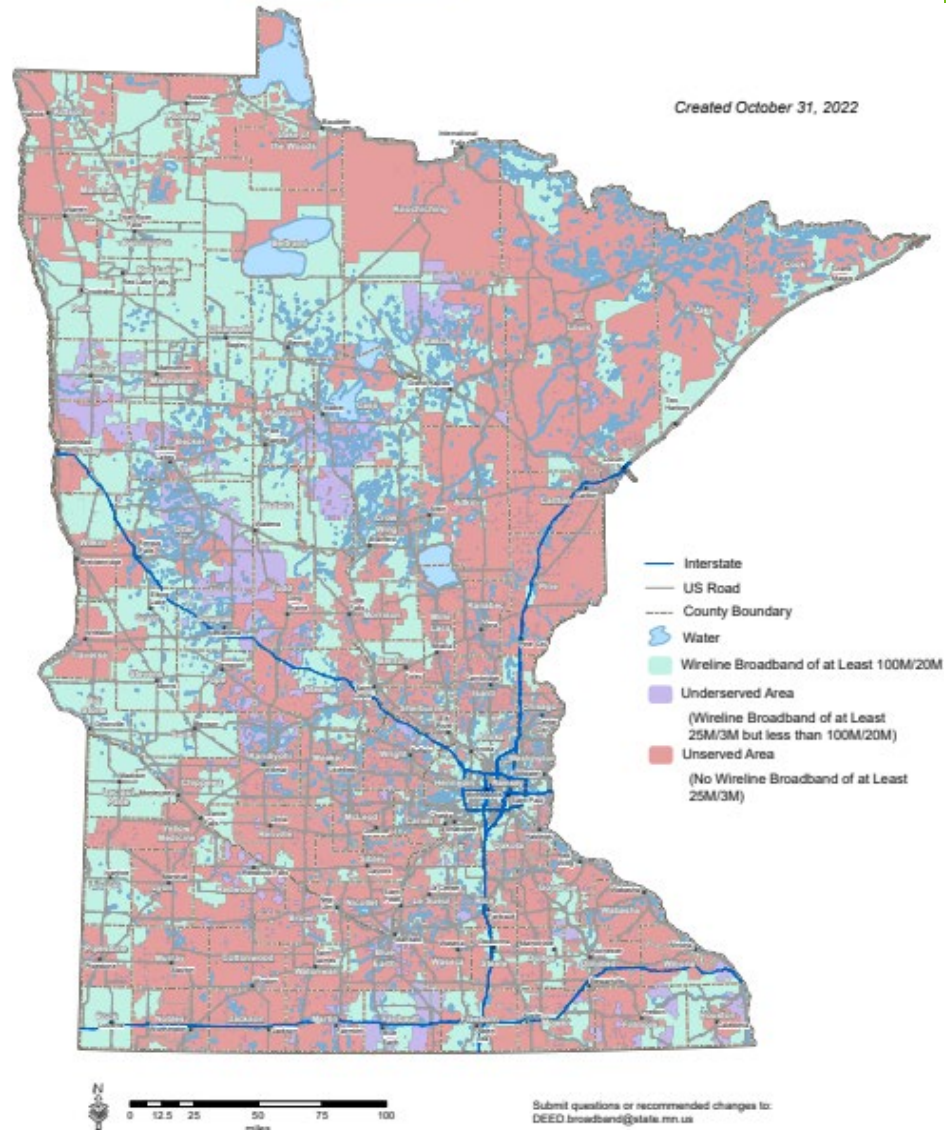


Kate Stower

2022 Provider Broadband Service Inventory

Border-to-Border Broadband Development Grant Program

Unserved, Underserved and Served Broadband Areas



Minnesota's Unmet Needs

- **198,000** households without access to 25/3 (2022 goal)
- **291,000** without access to 100/20 (2026 goal)

State Statutory Broadband Goals:

All homes and businesses will have access to broadband service of at least:

- 25 Mbps download by 3 Mbps upload (current FCC definition) by 2022
- 100 Mbps download by 20 Mbps upload by 2026

Numbers from November 2022

Infrastructure Grant Programs

- Border-to-Border Broadband Infrastructure Grant Program (established in 2014)—fund up to 50% of eligible costs and cap of \$10M;
- Lower Population Density Program (within Border-to-Border program framework—established in 2022 law)—fund up to 75% of eligible costs and cap of \$10M;
- Line Extension Program—also established in 2022 law.



2022 Border-to-Border Grant Round

- Historic award announcements made in December 2022 (Border-to-Border)
- Just under \$100 million in grant funding for 61 projects.
 - \$70M from ARPA Capital Projects Funding
 - Over \$25M in State General Revenue Funding
- Projects in 48 counties.
- 130 applications received.

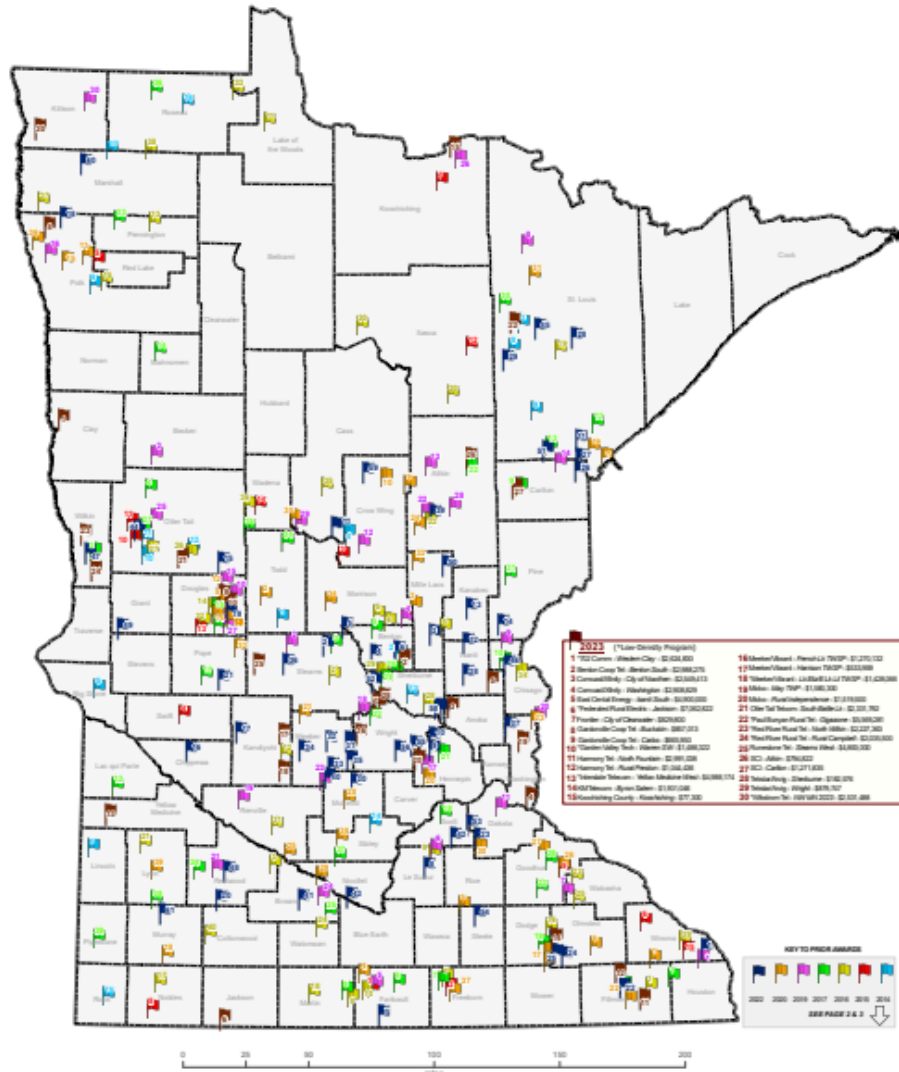


March 2023 Grant Round Demand

Program	# of Applicants	Total Grant Request
Low-Population Density Pilot	28	\$80,716,373
Border-to-Border	60	\$104,560,099
Total	88	\$185,274,471

- **\$30 million** was available for the Low-Population Density Pilot Program (ARPA/CPF)
- **\$37 million** was available for the Border-to-Border Broadband Infrastructure Grant Program (\$12M ARPA/CPF and \$25M state general revenue funds)
- **9** Low-Population Density and **21** Border-to-Border projects awarded June 2023

All Grant Rounds 2014-2023

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Line Extension Program

Funded with \$15M from ARPA CPF--New as of 11/1/22

- Person registers unserved home or business via online portal or by calling 651-259-7610.
- Six-month cycles (first found of registered addresses currently out for bid).
- OBD sends list of addresses to each broadband provider offering service in Minnesota; providers have 10 days to notify OBD that they can provide service to addresses. OBD will contact people to let them know the broadband provider that can offer service.
- For addresses not served by a provider or in an area that will be built with awarded Border-to-Border Broadband grant project or other funded project (ReConnect, Community Connect, RDOF, Enhanced ACAM, etc.), OBD will hold a 60-day reverse auction. In their bid, providers will identify the grant amount requested to extend the broadband service.
- Within 60 days of the auction closing, OBD will select the bids that request the least amount of financial support from the state and that are a cost-effective expenditure of state resources.
- OBD will then enter into line extension agreements with each winning bidder. Winning bidders will have one year from the date the contract is signed to complete. Winning bidder must build broadband service that offers speeds of at least 100Mbps download and 100Mbps upload.



Future Grant Rounds

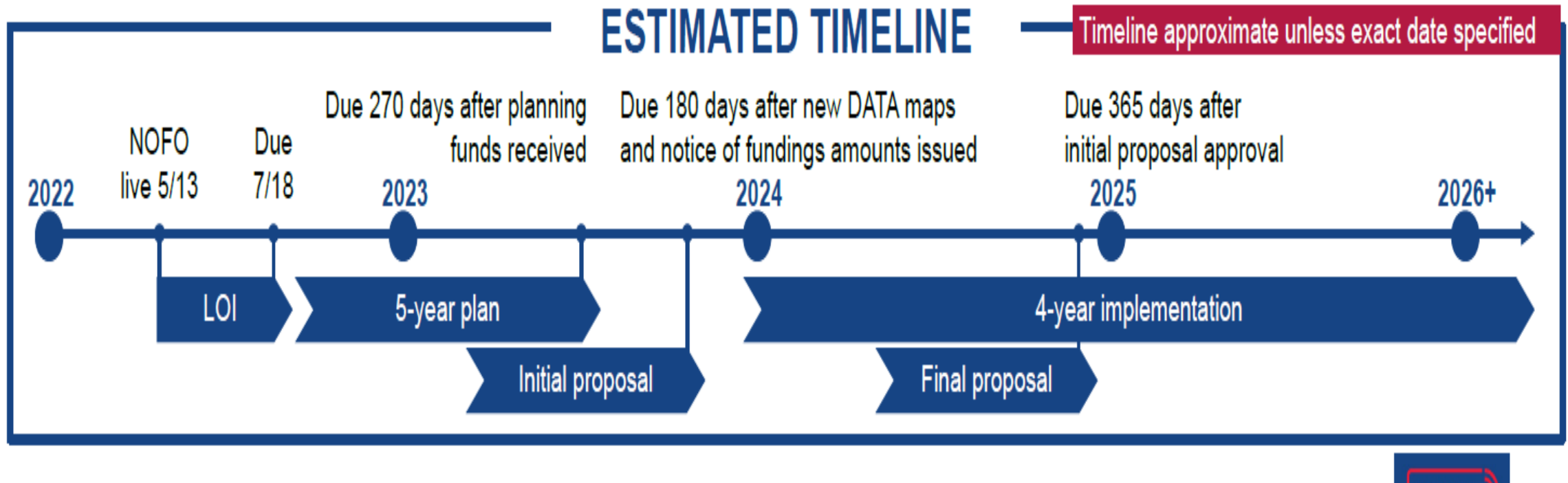
- 2023 Legislature allocated an additional \$100M for broadband infrastructure
 - \$50M for FY24 and \$50M for FY25
 - For each \$50M allocation: \$30M for traditional Border-to-Border and \$20M for Low Population Density
- OBD intends to open a \$50M grant round in October 2023
 - All state general revenue funding (FY24 allocation)
 - \$30M for Border-to-Border and \$20M for Low Population Density
 - Applications submitted in new grants management system
- Likely a \$50M grant round in 2024 with the FY25 funding of \$50M
- Line Extension Connection Program—cycles every six month with the \$15M appropriation

IIJA - Federal Funding – Signed Nov. 2021

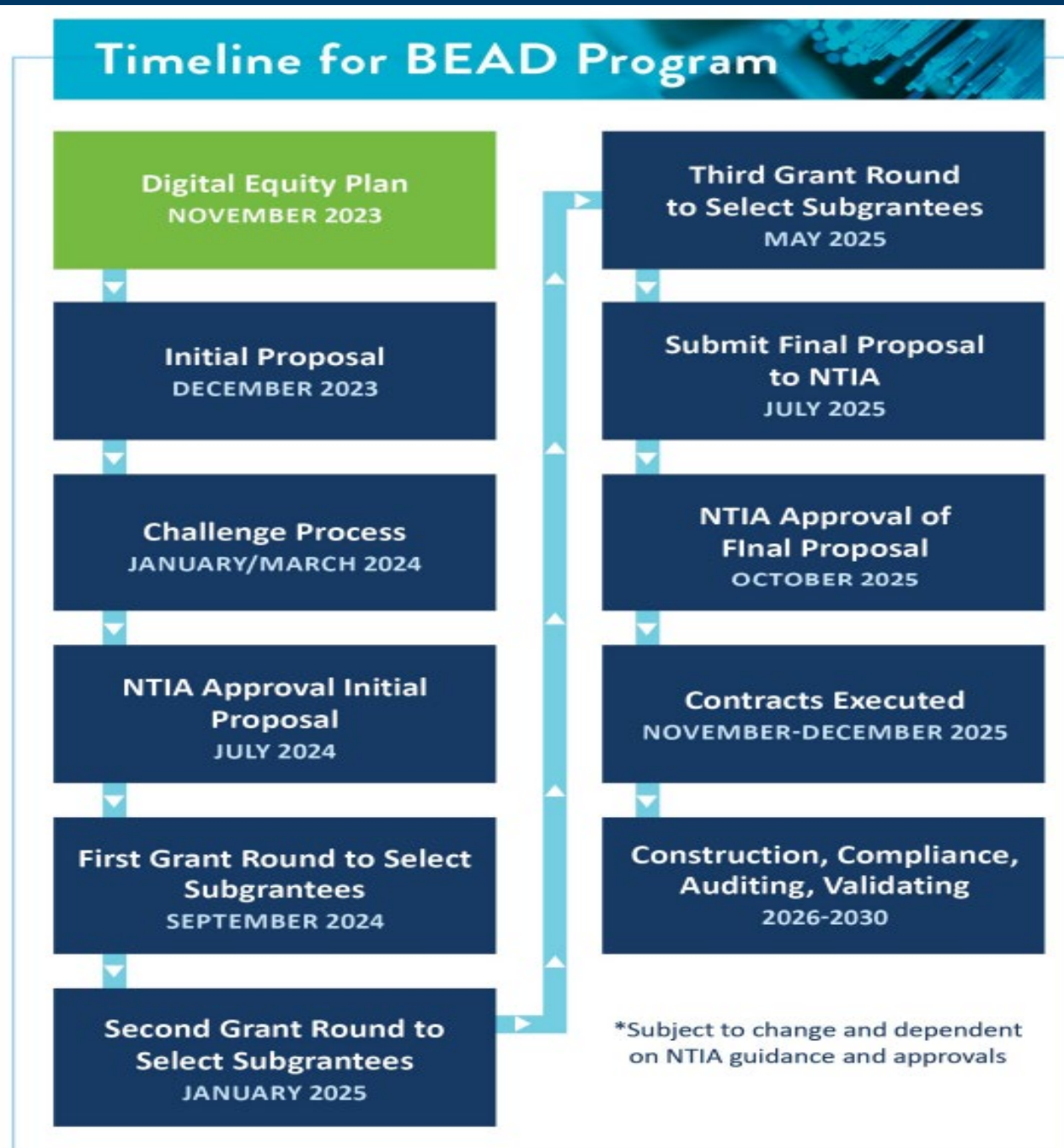
The Federal Government is making approximately \$65 billion available for broadband nationwide. Two programs under that broadband funding include state involvement with funding administered through the National Telecommunications and Information Administration (NTIA) of the U.S. Dept. of Commerce:

- **The Broadband Equity, Access and Deployment (or BEAD) Program**
 - Broadband Equity, Access, and Deployment (BEAD) - Minnesota's allocation is **\$651,839,368**
 - **We do not anticipate receiving BEAD infrastructure funding until 2025 at the earliest.**
 - Current federal guidance provides **four years to expend the funds** once our final plan is approved.
- **Digital Equity (or DE) Program**
 - Minnesota's draft Digital Equity Plan available for comment; listening sessions underway

Estimated Federal Funding Timeline



Timeline from
the Minnesota
Five Year
Action Plan
submitted to
NTIA in July
2023

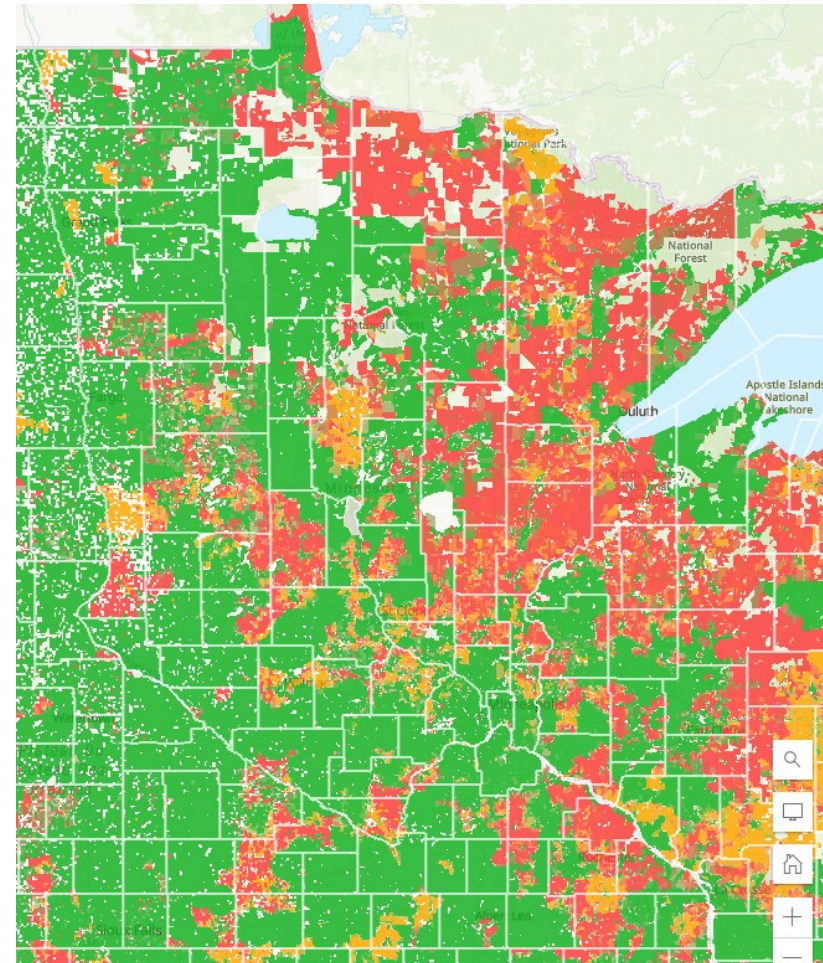


How BEAD Funds Will Be Used

- The MN Legislature has directed that any funding from IIJA for Broadband flow through the existing Border-to-Border programs
- Details will be in the Initial Proposal (challenge process, eligible locations, subgrantee selection, high-cost threshold formula)
- BEAD has priorities that the Initial Proposal has to demonstrate are met:
 - 1. Service to all unserved locations (those identified on FCC maps as not having broadband service at speeds of at least 25Mbps download/3Mbps upload from broadband service provided over a wired connection or licensed fixed wireless)
 - 2. Service to all underserved locations (those identified on FCC maps as having broadband service of at least 25/3 but not at or above 100/20 over a wired or licensed fixed wireless service)
 - 3. Gigabit symmetrical service to Community Anchor Institutions
- Minnesota's \$652M allocation will all be needed to address priorities #1 and #2
- Challenge process in early 2024 to establish final list of eligible locations—only local governments, nonprofits and providers can participate in the challenge process—more information will be coming on how to participate
- Separately, OBD has a project with State of Minnesota's geospatial office (MNGEO) to identify all broadband serviceable locations – MNGEO is working with counties to develop the data on a county by county basis. So far, Aitkin, Becker, Fillmore and Wabasha have participated. This won't impact BEAD funding or eligibility but will help us clarify actual serviceable locations by county for any future funding.

Locations Eligible for BEAD Funding

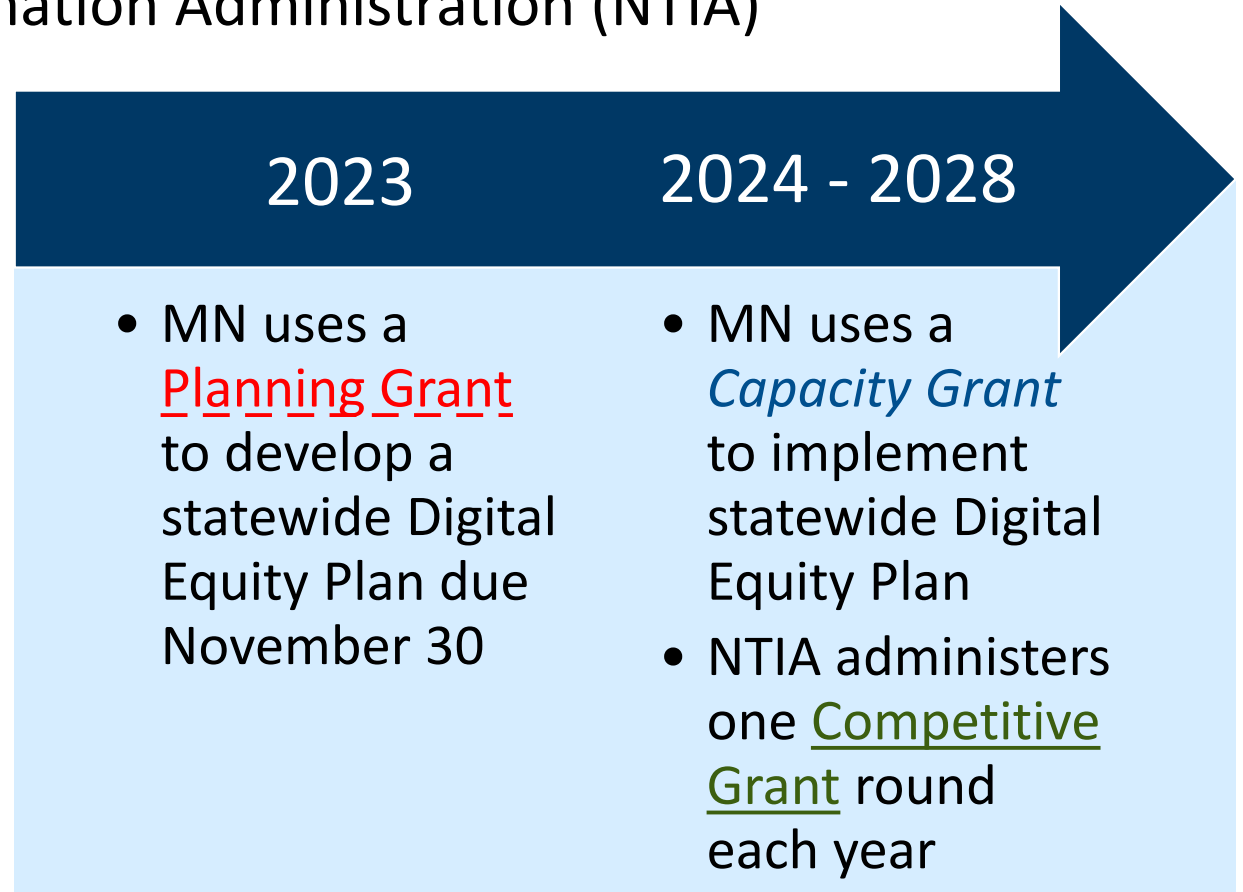
- NTIA defines eligibility--
 - If a location does not have reliable broadband service of 25/3 it is unserved (red on map)
 - If a location has reliable broadband service of 25/3 but not at or above 100/20 it is underserved (orange)
 - If a location has reliable broadband service at or above 100/20 it is served (green on map)
- Reliable broadband service per NTIA includes wired or licensed fixed wireless service
- State eligibility for Border to Border and Lower Population Density grants have historically only considered wired broadband service
- We are planning the challenge process which will follow guidelines issued by NTIA—possible some areas that are green on map will flip to red if valid challenges are filed



Digital Equity Act: The Basics

the condition in which all individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy

- Included in IIJA/Bipartisan Infrastructure Law (November 2021); administered by National Telecommunications and Information Administration (NTIA)
- Provides \$2.75B for digital equity work
- Three funding categories:
 - \$60M in planning grants to states, tribes, and territories (MN = \$881,905.10)
 - \$1.44B in capacity grants to states, tribes, and territories
 - \$1.25B in competitive grants to local governments, anchor institutions, etc.



Digital Inclusion

the **activities** necessary to ensure all individuals and communities, including the most disadvantaged, have access to and use of technology

1. affordable, robust broadband internet service;
2. internet-enabled devices that meet the needs of the user;
3. access to digital literacy training;
4. quality technical support; and
5. applications and online content designed to enable and encourage self-sufficiency, participation and collaboration

National Digital Inclusion Alliance

Draft Digital Opportunity Plan

- August 21st: Draft digital opportunity plan released using data on digital inclusion assets, needs, and goals gathered by Digital Connection Committees
- Focus on digital *opportunity* instead of digital *equity*
- Scope: “an exploratory document coupled with programmatic goals that are achievable through a State Digital Equity Capacity Grant”
- Vision: “This plan envisions a future where digital equity connects all Minnesota residents to opportunities, options, and each other.”

Public Comment Period: Listening Sessions

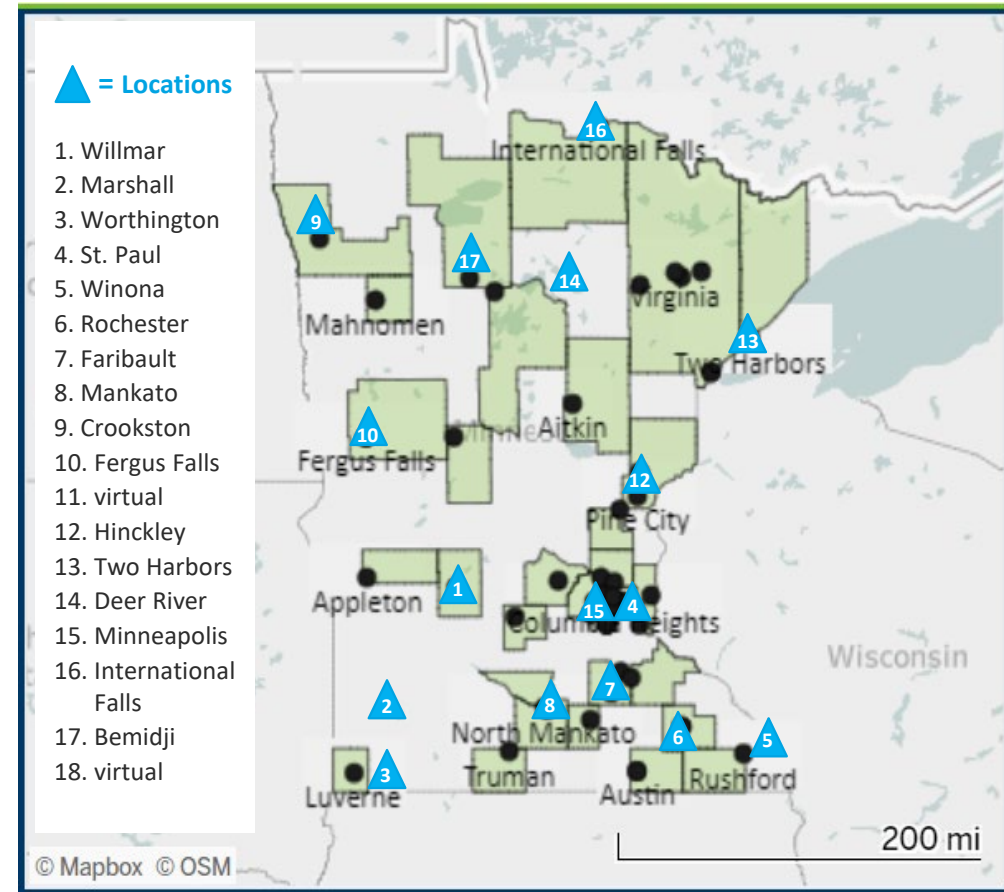
Aug. 29-Sept. 29

- OBD collects feedback on draft plan via surveys, in-person listening sessions (16), virtual listening sessions (2), and online public comment

Use the QR code on final slide to:

- View the draft plan
- Comment on the draft plan
- See when/where listening sessions are happening
- Register for listening sessions

Regional Digital Opportunity Listening Sessions



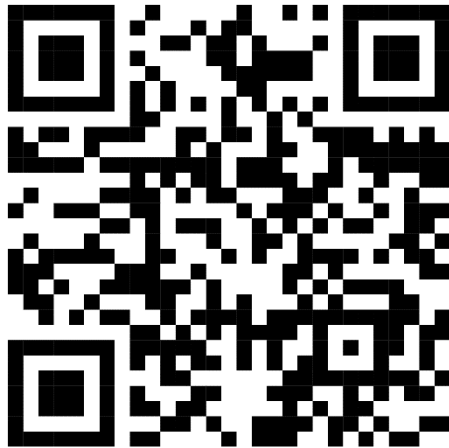
Contact Information

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deed.broadband.equity@state.mn.us

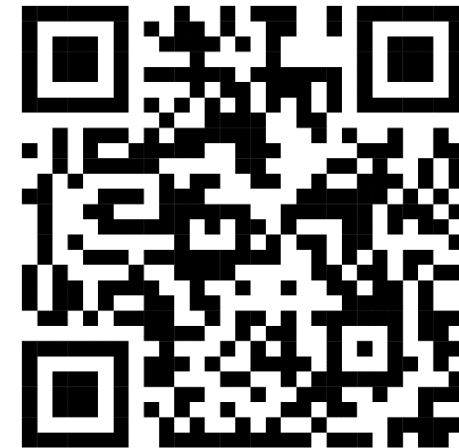
(651) 259-7610

OBD's Main Website



tiny.cc/OBDwebsite

Digital Equity Plan



tiny.cc/OBDinclusion

FCC Affordable Connectivity Program

- Funding (up to \$30/month for eligible households, \$75/month for eligible households on tribal lands) to assist with the monthly cost of broadband service
- Administered by the FCC (not OBD)—households sign up and funding goes to participating provider serving the household—funding could exhaust by May 2024
- [More information is available on our website](#) and on the [FCC's website](#)



Questions?

Contact us at

deed.broadband@state.mn.us or 651/259-7610