

Minnesota's Broadband Voice

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Agriculture Finance & Policy Committee

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Minnesota Telecom Alliance

- We are 42 broadband providers who serve rural Minnesota.
- Members range from Lumen to one member with 260 telecom customers.
- Almost every telecom company, except Frontier and Windstream.
- Who we are not:
 - Cellular companies
 - Vonage & Magic Jack
- MTA Members have transitioned from landline telephone companies to broadband providers.

Where are we with Broadband Deployment?

 1.6 million residential locations served at 100Mbps/20Mbps (State 2026 speed goal)

189,000 residential locations left to serve

 Over 88% of Minnesota served, Less than 12% unserved

Private Investment

MTA members have invested \$359.4 million in 2023 and \$293.7 million in 2024

Total Private investment: \$653.1 million

Year	Grants awarded	Local Match	Total
2014	\$ 18,778,801	\$ 27,980,795	\$ 46,759,596
2015	\$ 13,769,984	\$ 21,958,060	\$ 35,728,044
2016	\$ 33,197,935	\$ 40,092,318	\$ 73,290,253
2017	\$ 26,475,556	\$ 34,247,589	\$ 60,723,145
2019	\$ 23,075,085	\$ 35,730,023	\$ 58,805,108
2020	\$ 20,575,164	\$ 33,625,018	\$ 54,200,182
2022	\$ 99,612,713	\$ 152,259,622	\$ 251,872,335
2023	\$ 36,907,763	\$ 60,858,890	\$ 97,766,653
2023LD	\$ 29,961,246	\$ 10,760,594	\$ 40,721,840
2023LE	\$ 4,395,257	\$ -	\$ 4,395,257
2024(9)	\$ 33,302,177	\$ 44,535,843	\$ 77,838,020
2024LD	\$ 19,729,816	\$ 6,576,605	\$ 26,306,421
2024(10)	\$ 24,963,338	\$ 368,677,181	\$ 393,640,519
2024LD2	\$ 26,999,984	\$ 9,791,057	\$ 36,791,041
	\$ 411,744,819	\$ 847,093,595	\$ 1,258,838,414

Federal Dollars Coming into Minnesota

- Universal Service Fund High-Cost fund (total of over \$1.2 billion from 2016 – 2028)
 - Connect America Fund II (CAF II)
 - Alternative Connect America Model (A-CAM)
 - CAF II Auction
 - A-CAM II
 - RDOF
- Rural Utilities Service (RUS) Re-Connect Grants/Loans
 - Over \$44 million through 5 rounds

Broadband Equity Access and Deployment Program (BEAD)

- \$652 Million awarded to Minnesota
- Three Sub-Grantee rounds starting soon
- State must have a plan by 10/3/25 to build to every eligible Minnesotan.
- Four years to build out

Federal Obstacles to Participation

- Lien Requirements
- Open Access Requirements
- Archeological and environmental requirements to have permits in place BEFORE the contract is signed.

State Obstacles to Participation

- Self-funded Low-Cost Program
- Prevailing wage
 - Additional reporting requirements
 - No telecom specific job classifications
- Workforce Plan Data Reporting Requirements
- New Certification requirements for telecominstallers
 - Only applies to certain telecommunications installers
 - Pipelayers (4 hours of training), us (40 hours of training)
 - Requires training on directional boring machines, whether you have one or not.

What's the answer?

- More carrots, less sticks!
 - Work to remove obstacles to participation
 - Incentivize rural Broadband providers
- Work together to go after bad actors using existing Office of Pipeline Safety authority

Questions?

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