



**EMPLOYMENT AND
ECONOMIC DEVELOPMENT**

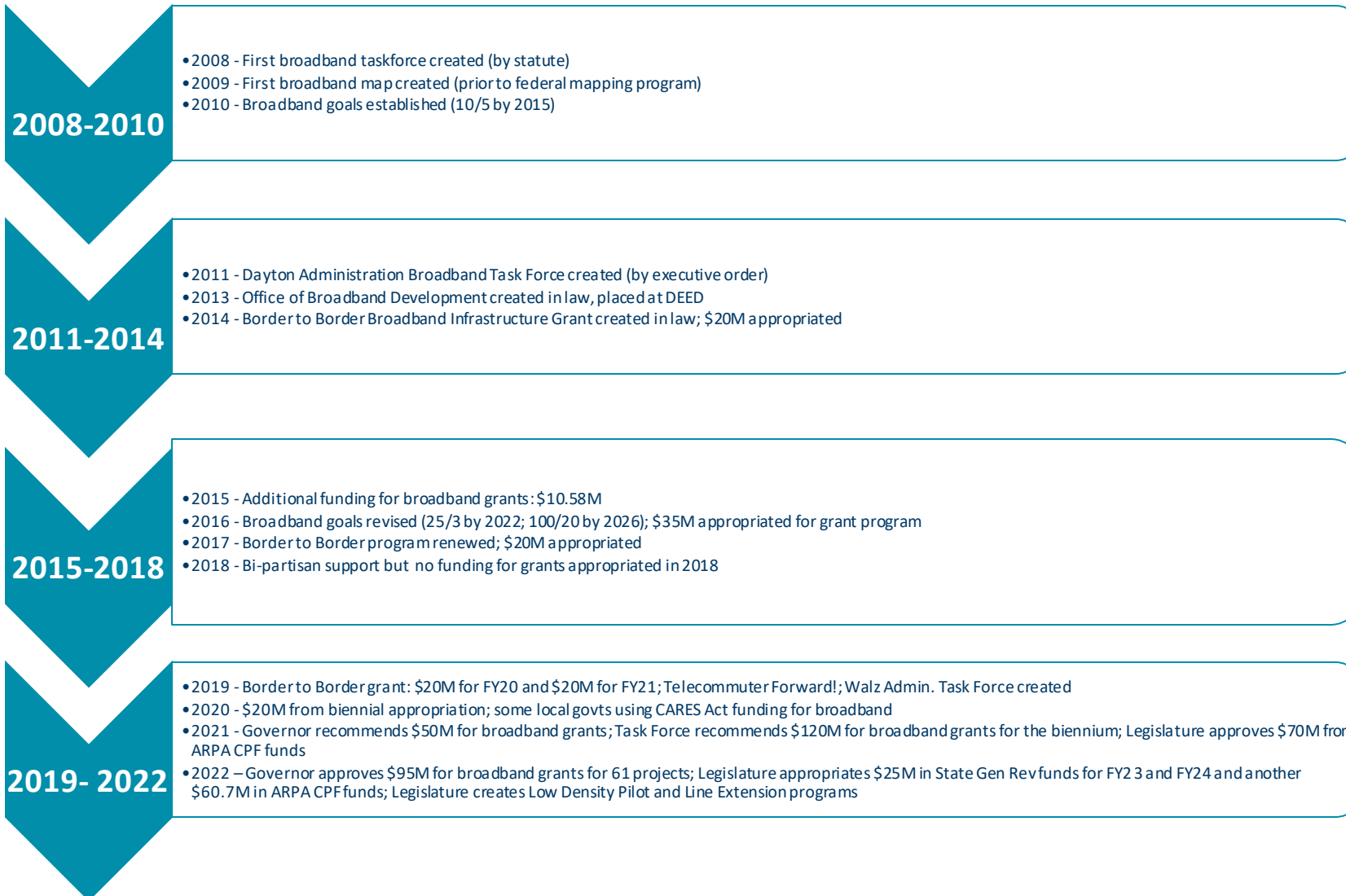
Office of Broadband Development
Senate Agriculture, Broadband, and Rural Development Committee

January 11, 2023

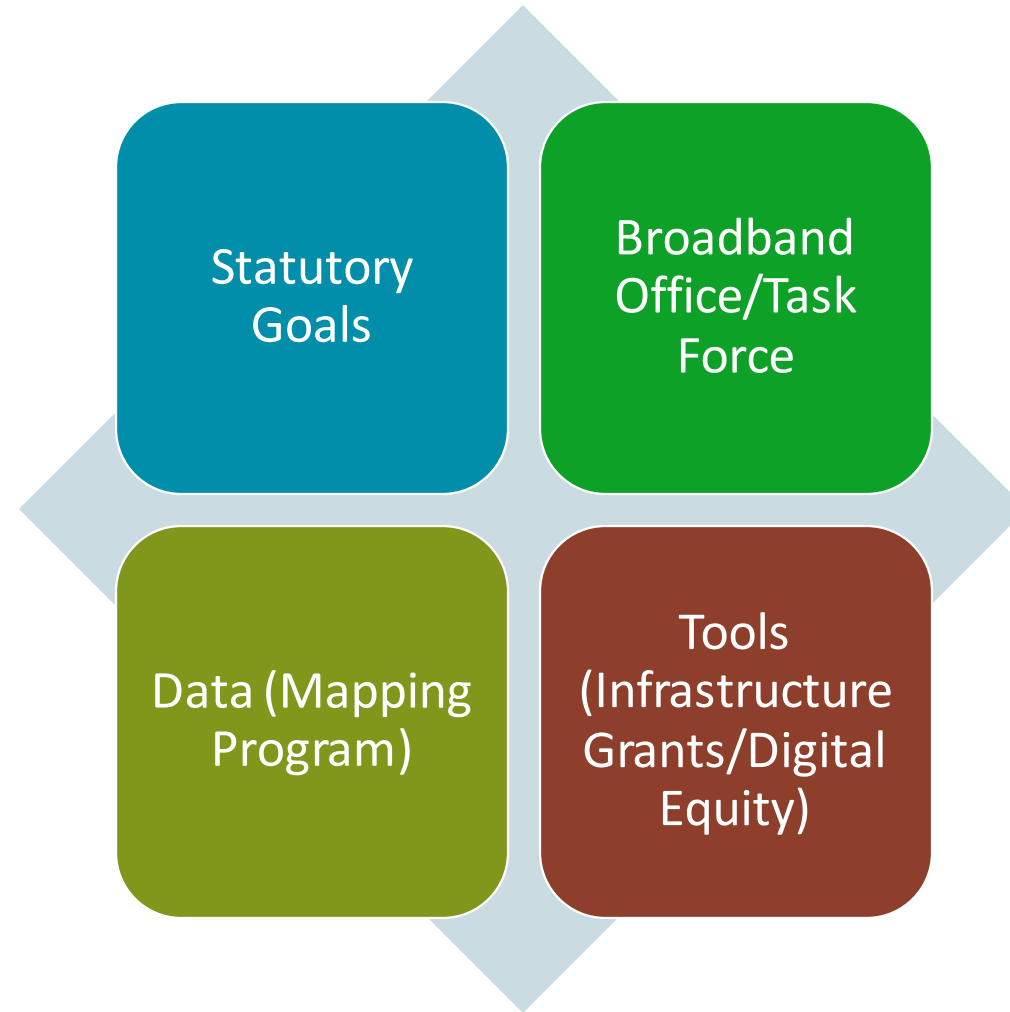


Bree Maki, Executive Director

Timeline - Minnesota Broadband Development Policy



MN Broadband Policy Framework



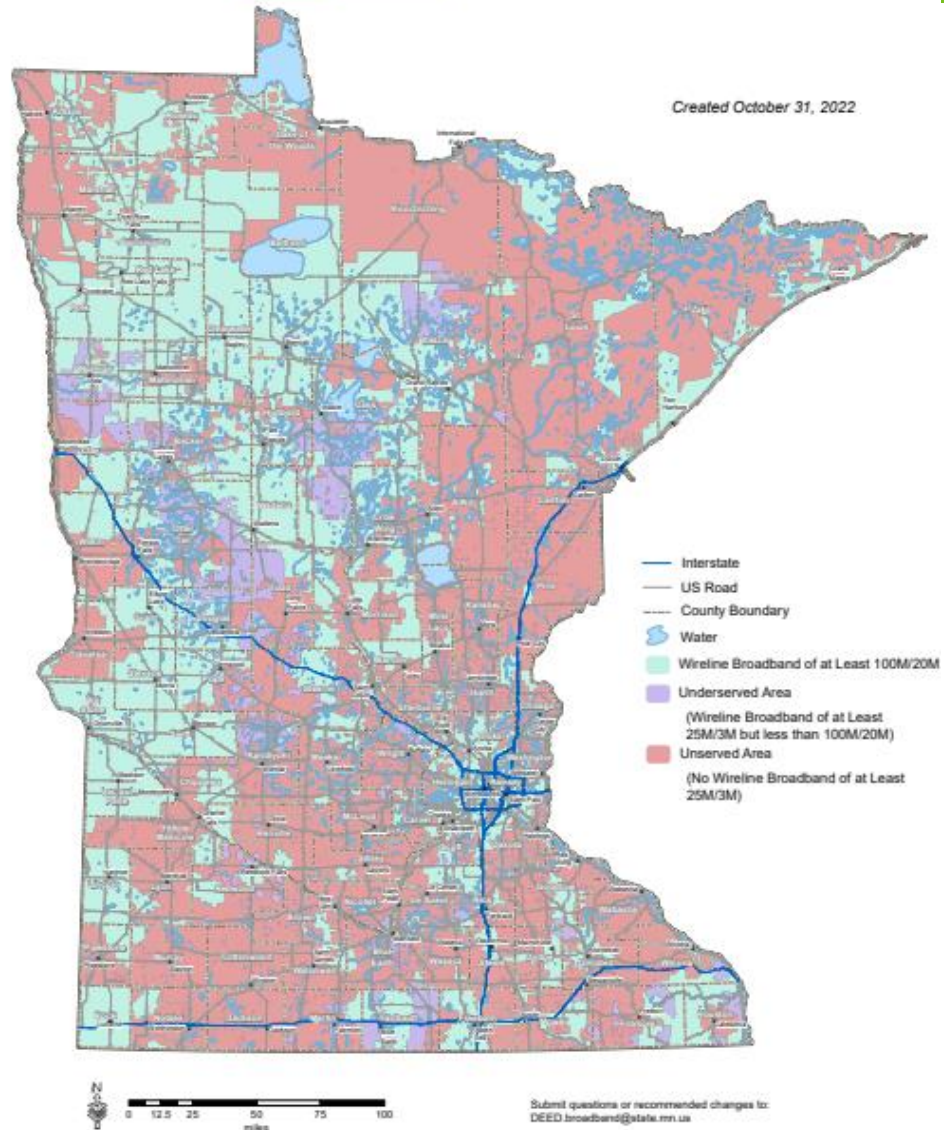
MN Broadband Speed Goals

- By 2022, all homes and businesses have access to broadband service of at least 25Mbps download and 3Mbps upload.
- By 2026, all homes and businesses have access to at least one provider offering service of at least 100Mbps download and 20Mbps upload.

2022 Provider Broadband Service Inventory

Border-to-Border Broadband Development Grant Program

Unserved, Underserved and Served Broadband Areas



Progress...but not done yet

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

State Statutory Broadband Goals:

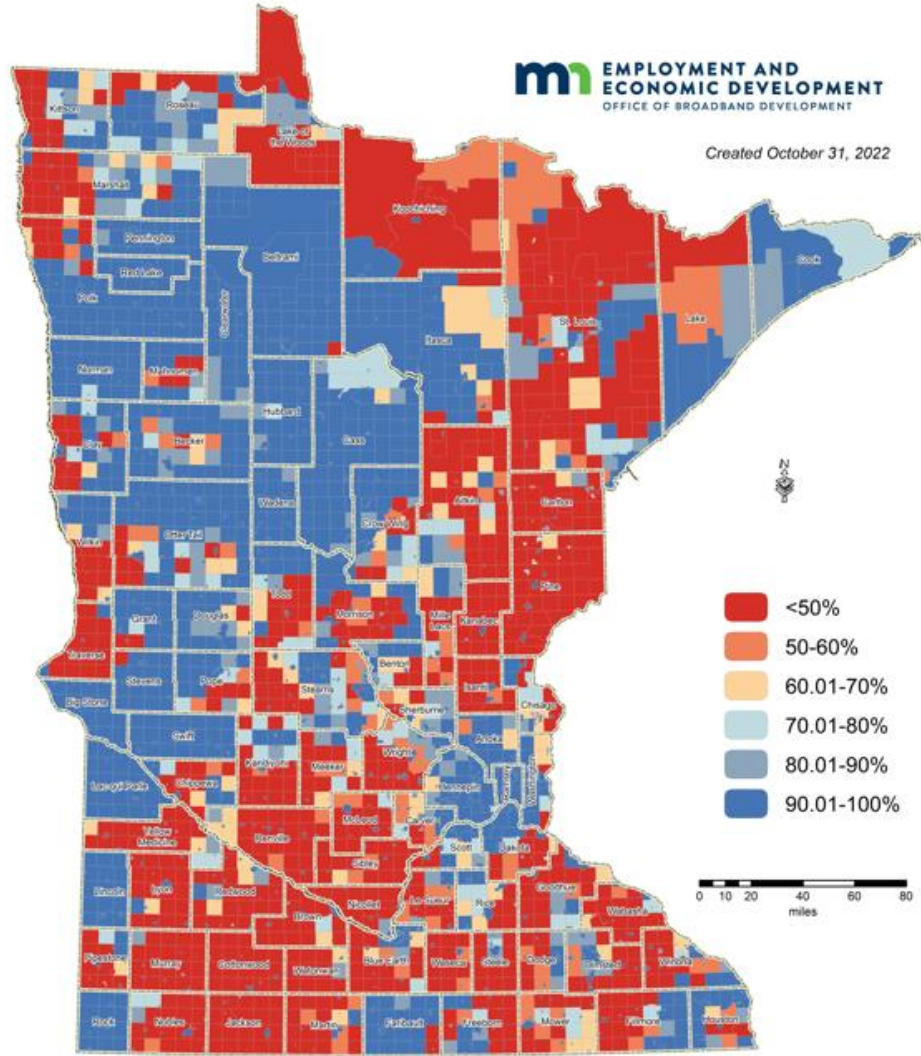
All homes and businesses will have access to broadband service of at least:

- 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

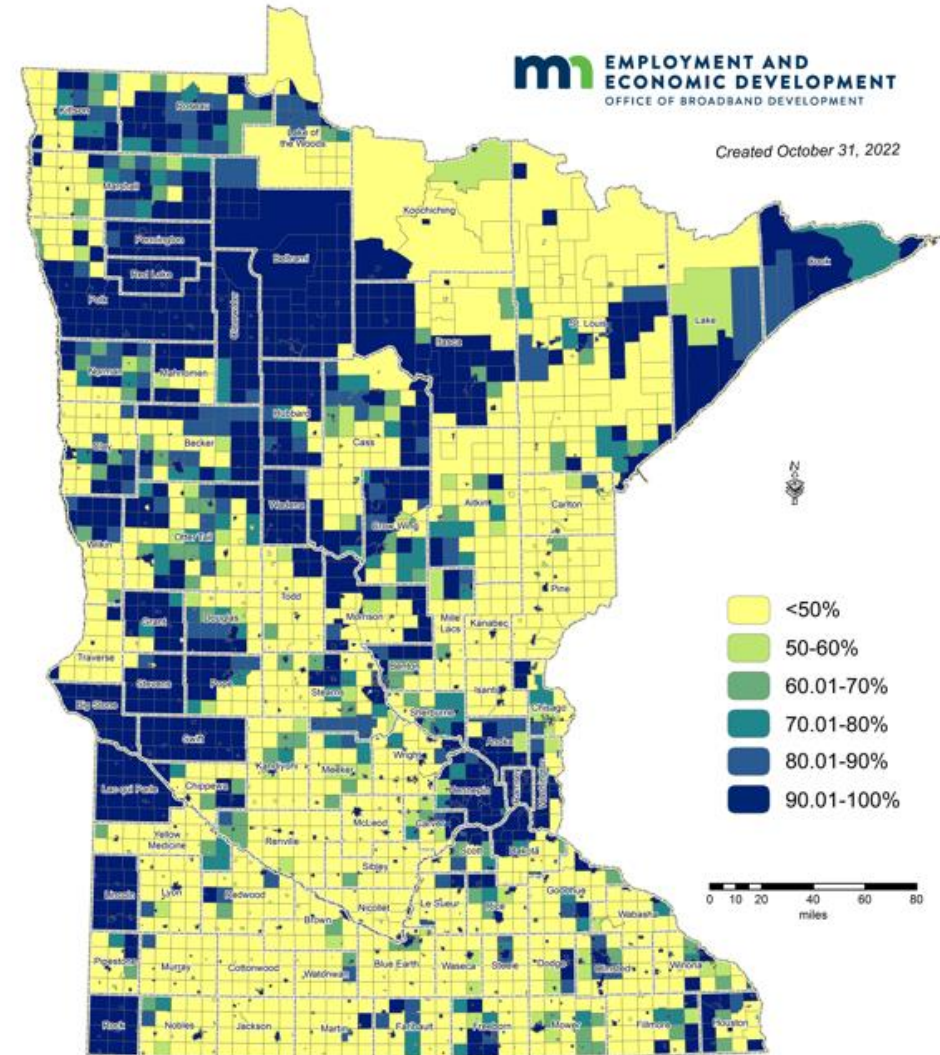
2022 Broadband Availability in the State of Minnesota

Percentage of Housing Units Served by Wireline
Broadband Service by City/Township
At Least 25 Mbps Download/3 Mbps Upload Speeds
Statewide Availability: 92.03%, Rural: 74.42%



2022 Broadband Availability in the State of Minnesota

Percentage of Housing Units Served by Wireline
Broadband Service by City/Township
At Least 100 Mbps Download/20 Mbps Upload Speeds
Statewide Availability: 88.29%, Rural: 62.46%



Broadband Programs

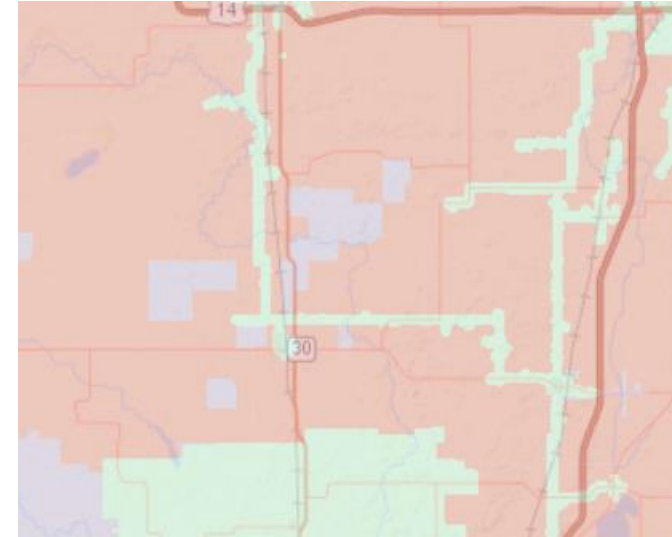
- Border-to-Border Broadband Infrastructure Grant Program (premier program);
- Lower Population Density Pilot Program (within Border-to-Border program framework);
- Line Extension Program;
- Digital Equity;
- Telecommuter Forward certification; and
- Other federal programs.

MN Border to Border Broadband Development Grant

- **Grant purpose:** To provide financial assistance for the acquisition and installation of middle-mile and last-mile broadband infrastructure to areas of the state that do not have wireline access at federal and state minimum standard speeds.
- **Allowable costs:** Examples of allowable costs include: final project design; obtaining construction permits; purchase and/or construction of facilities, including construction of both “middle mile” and “last mile” infrastructure; and installation and testing of the equipment used to provide broadband service.

Border to Border Broadband Development Grant – Overview - Eligibility

- Who is eligible to apply?
 - An incorporated business or partnership;
 - A political subdivision;
 - An Indian tribe;
 - A Minnesota nonprofit organized under 317A;
 - A Minnesota cooperative organized under 308A or 308B;
and
 - A Minnesota limited liability corporation organized under 322C for the purpose of expanding broadband access.



Border-to-Border Broadband Development Grant Overview

- Annual general fund appropriations in 6 out of 8 years.
- Distributed in a single competitive grant round each FY funding received.
- Technology must be scalable to at least 100Mbps Up/Down.
- Cap of \$5M per grant award.
- At least 1 to 1 match (50% of eligible expenses) required (More points awarded for higher match).
- Grant awards are to be geographically dispersed.
- Speeds offered must achieve 25/3, most offer 100/20 or 1G.

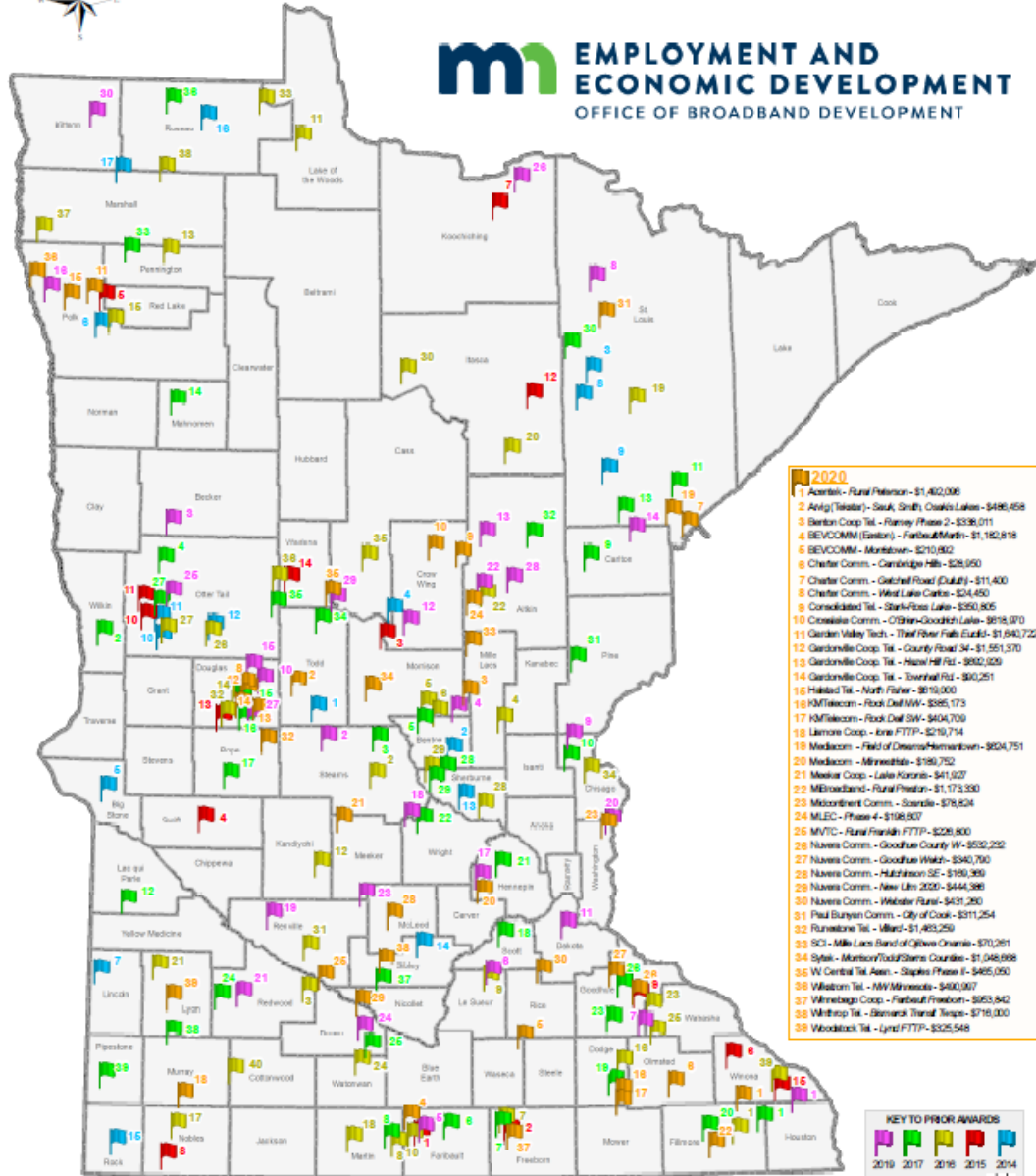
Border-to-Border Grant Program 2022

Border to Border Broadband Grant Program 2022 Updates

- Award announcements Dec. 8, 2022
 - Just under \$100 million in grant funding for 61 projects--\$25M in state general revenue funding (FY23) and \$70M in ARPA CPF funding administered by the U.S. Dept. of Treasury.
 - Projects in 48 counties.
 - 130 applications received during Summer 2022 application window.
 - 75 challenges submitted on 64 projects.
 - 44 not recommended for funding due to part or total credible challenge.

Minnesota Border-to-Border Broadband Development Grant Program

2014-2017, 2019-2020 Project Awards



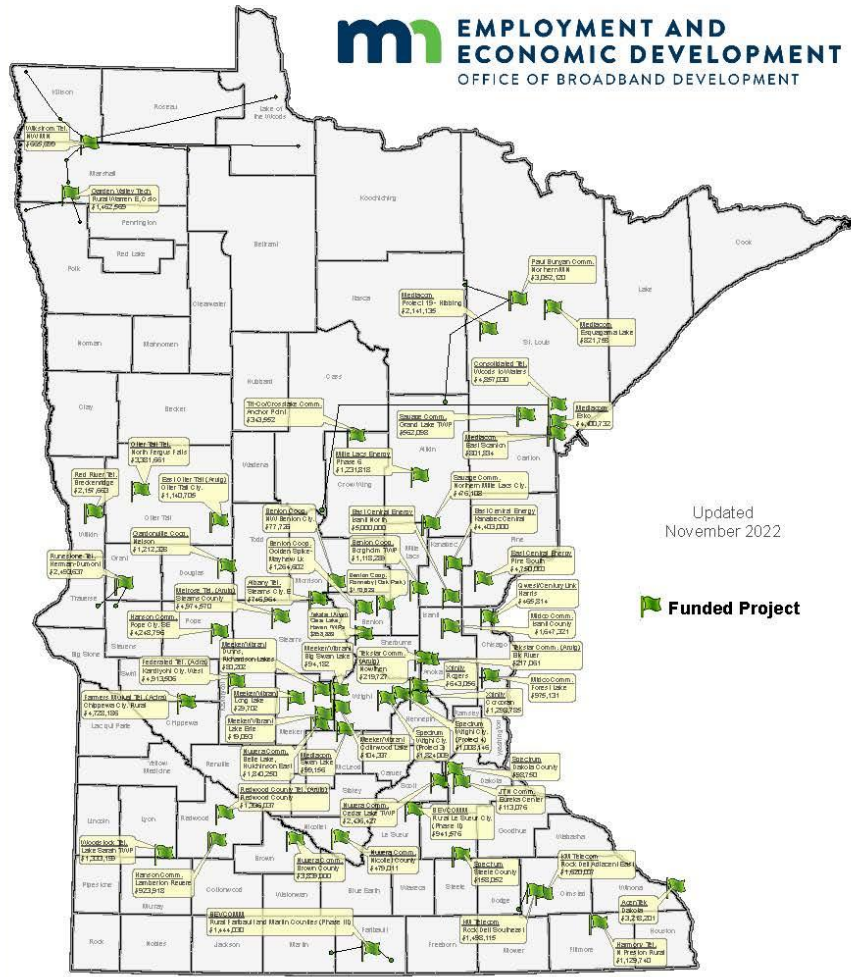
MN Border-to-Border Broadband Incentive Grants

	2020	All 6 Years
Funding	\$20.6M	\$126.2M
Applications Received	64	360
Awards:		
Awards Made	39	179
Households Served	5180	48,430
Businesses Served	1708	8,377
Institutions Served	34	394
Projects:		
Matching Investments Completed	\$33.7M	\$180.2M
	--	~109



Minnesota Border-to-Border Broadband Development Grant Program

2022 Project Awards



For further information, please visit:
<https://mn.gov/deed/programs-services/broadband/grant-program/>



© Copyright 2022, State of Minnesota, St. Paul, MN

2022 MN Border-to-Border Broadband Incentive Grants

	2020	2022	All 7 Years
Funding	\$20.6M	\$99,592,711	\$225,792,711M
Applications Received	64	130	490
Awards:			
Awards Made	39	61	240
Households Served	5180	24,482	72,912
Businesses Served	1708	3,552	11,929
Institutions Served	34	137	531
Projects:			
Matching Investments	\$33.7M	\$152.3M	\$332.5M
Completed	--	--	145



Border-to-Border Grant Program - 2023

Border-to-Border 2023 Updates

- Announced 2023 Grant Round 12/19/2022
 - \$67 million in funding available
 - Traditional Border-to-Border Program
 - \$25M state general revenue funds (FY24); \$12M ARPA Capital Projects Fund = \$37M
 - Fund up to 50%; cap of \$5M per project
 - \$30M Low Density Pilot Program
 - Fund up to 75%; cap of \$10M per project
 - Applicants choose one or the other program to apply under
 - Same application as B2B, additional questions to justify need for higher cost share/amount due to low density in project area
- Anticipate award announcement in early Summer 2023

Line Extension Program

Line-Extension Program – currently 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 period to submit your unserved address.
- OBD will send a 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 of broadband provider that can offer service.
- Addresses not served by a provider or in an area that will be built with awarded Border-to-Border Broadband grant project, 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.

Telecommuter Forward Certification Program

- Telecommuter-friendly policies create new potential for improving the quality of life for employees, encouraging economic innovation and vitality in communities throughout Minnesota.
- Cities, townships, and counties that receive the Telecommuter Forward! Certification have adopted a model resolution that includes a statement of support and commitment to promoting telecommuting.
 - The community appoints one employee or department as the single point of contact for coordinating telecommuting opportunities with that community.
 - Committing to improving the quality of life in Minnesota and encouraging economic vitality.
 - OBD provides communities a model resolution template and instructions on becoming certified below.
 - This certification expands upon border-to-border broadband efforts by providing a way for communities to promote themselves to Minnesotans interested in telecommuting and to businesses that support growing their telecommuting workforce.
 - Online map available of current communities.

<https://mn.gov/deed/programs-services/broadband/telecommuter-forward/>

Infrastructure Investment and Jobs Act (IIJA)

- 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 - \$42.5 billion
 - Digital Equity (or DE) Program at \$2.75 billion
 - Minnesota will receive a formula-based allocation for each program. Each program also requires the state to develop a plan for how it will spend its allocation.
 - More details on the development of the BEAD and DE plans will be on the OBD website.

Broadband Equity, Access and Deployment (BEAD) Act Infrastructure Investment and Jobs Act (IIJA)

FCC Maps

- If a location does not have a good internet connection as determined by new maps the FCC launched, it will count towards Minnesota's allocation of federal funding.
- "Good internet" means having broadband service at speeds of at least 25Mbps download/3Mbps upload from a wireline provider or provider using licensed spectrum.
- An accurate map is an important resource for targeting funding and other efforts to bring broadband to unserved and underserved communities.
- Minnesota's allocation will be based on those new FCC maps. We encourage everyone—providers and customers—to be reviewing those maps online to make sure the FCC has it right.
- Deadline for guaranteed review by FCC was January 13, 2023 for access challenges. Fabric challenges can continue.
- <https://broadbandmap.fcc.gov/home#/>

Five-year infrastructure investment plan

- Minnesota's plan must be submitted to the federal government by July 12, 2023.
- The five-year plan will include steps the state will take to get a good broadband connection to every home and business in Minnesota. The legislature has directed that federal funding for broadband follow the Border-to-Border Broadband Grant program so that will impact the framework for the plan.

Digital Equity Act - Infrastructure Investment and Jobs Act (IIJA)

- Focus is to enable the development of a digitally inclusive ecosystem in which all residents will have the digital access and the tools necessary to thrive.

Digital Equity Plan

- Meaningful community engagement and outreach with placeholders and partners in an effort to identify current assets as well as identify gaps and barriers for improvement.
 - Digital Equity Lead
 - Community Engagement/Program Management Coordinator
- This work will be aligned with the BEAD Program outreach.
- Development of Plan from December 1, 2022 – November 30, 2023, including a 30-day comment period on the draft plan.

Internet for All: Connecting One Minnesota

Wednesday, January 25, 2022

Mystic Lake Center

2400 Mystic Lake Blvd, Prior Lake, MN 55372

This event is co-hosted by the National Telecommunications and Information Administration, Minnesota Office of Broadband Development, Association of Minnesota Counties, League of Minnesota Cities, and the Minnesota Association of Townships.

All states will receive federal funding for broadband infrastructure (to build fiber to connect everyone to high-speed internet), this is called BEAD (Broadband Equity, Access and Deployment). Some compare it to electrification to all US homes in the 1930's. All states are also receiving funding for Digital Equity (DE) which will help people adopt and use high-speed internet, particularly those that have historically been excluded from access. This event will provide more in-depth information on these programs.

Event registration page open. Virtual option available.

Other Federal Broadband Programs - Infrastructure Investment and Jobs Act (IIJA)

- **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—households sign up and funding goes to participating provider serving the household.
- [More information is available on our website](#) and also on the [FCC's website](#).

- **ReConnect Program**

- The U.S. Department of Agriculture (USDA) received funding under the IIJA for its ReConnect program.
- The ReConnect Program provides loans, grants and loan/grant combinations to facilitate broadband deployment (infrastructure) in rural areas with up to \$1.9 billion available this round.
- Round 4 ReConnect window for submitting applications was September 6, 2022 to November 2, 2022.
- Information is on our website regarding [ReConnect](#) and on the [USDA website](#).

Other Federal Broadband Programs - Infrastructure Investment and Jobs Act (IIJA)

- **Tribal Broadband Connectivity Program**

- Additional \$2 billion for NTIA's Tribal Broadband Connectivity Program.
- Direct funding to tribal governments to be used for broadband deployment on tribal lands, as well as for telehealth, distance learning, broadband affordability, and digital inclusion.
- NTIA is the administering agency for this funding and has information on its website on [how to apply and eligible uses](#).

- **Enabling Middle Mile Broadband Infrastructure Program**

- NTIA is also administering the Enabling Middle Mile Broadband Infrastructure Program.
- Applications for that program were due to NTIA by September 30, 2022. Awards will be announced in March 2023.

Other Federal Broadband Programs

- Rural Digital Opportunity Fund (RDOF)

- The Rural Digital Opportunity Fund is the FCC's program to bridge the digital divide. On August 1, 2019, the Commission adopted a Notice of Proposed Rulemaking (NPRM) to establish the \$20.4 billion Rural Digital Opportunity Fund to bring high speed fixed broadband service to rural homes and small businesses that lack it. On January 30, 2020, the Commission adopted the Rural Digital Opportunity Fund Report and Order which established the framework.
- Areas that were eligible for the Rural Digital Opportunity Fund auction included census blocks where no provider was offering, or had committed to offering, either via the CAF II auction, the USDA ReConnect program, or state-specific programs, service of at least 25/3 Mbps.
- B2B program FAQs had indicated that applications that included RDOF-eligible areas would be accepted and, for applications that scored well, OBD would check with federal agencies to see if an enforceable commitment was in place (per ARPA CPF guidance).
- RDOF II Auction – will be directed to address locations without 25/3 service but not until the CPF and BEAD funding is distributed (possibly not awarded by FCC until 2026 or later).

Questions?

- Visit OBD's website: [Office of Broadband Development / Minnesota Department of Employment and Economic Development \(mn.gov\)](https://www.mn.gov/deed)
 - Sign up for email updates on grant program on “Contact Us” page of website.
 - Review maps and data; watch recorded webinar on how to use the interactive map.
 - See past projects funded.
 - Locate additional federal resources.
- Contact us at deed.broadband@state.mn.us or 651/259-7610
- Bree Maki at bree.maki@state.mn.us or 651/259-7289

Thank you!