



**EMPLOYMENT AND
ECONOMIC DEVELOPMENT**

**2024 – Celebrating 10 Years
of
Connecting One Minnesota**

Bree Maki | Executive Director, Office of Broadband Development



MN Broadband Policy Framework

OFFICE OF BROADBAND DEVELOPMENT

Statutory Goals

Broadband Office/Task Force

Data (Mapping Program)

Tools (Infrastructure Grants/Digital Equity)

Meet the OBD Team



Michelle

Megan

Jared

Karrie

Bree

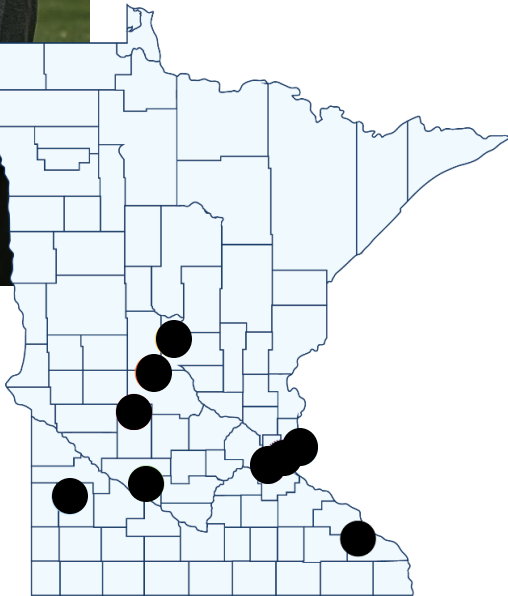
Jenn

Mike

Hannah

Carol

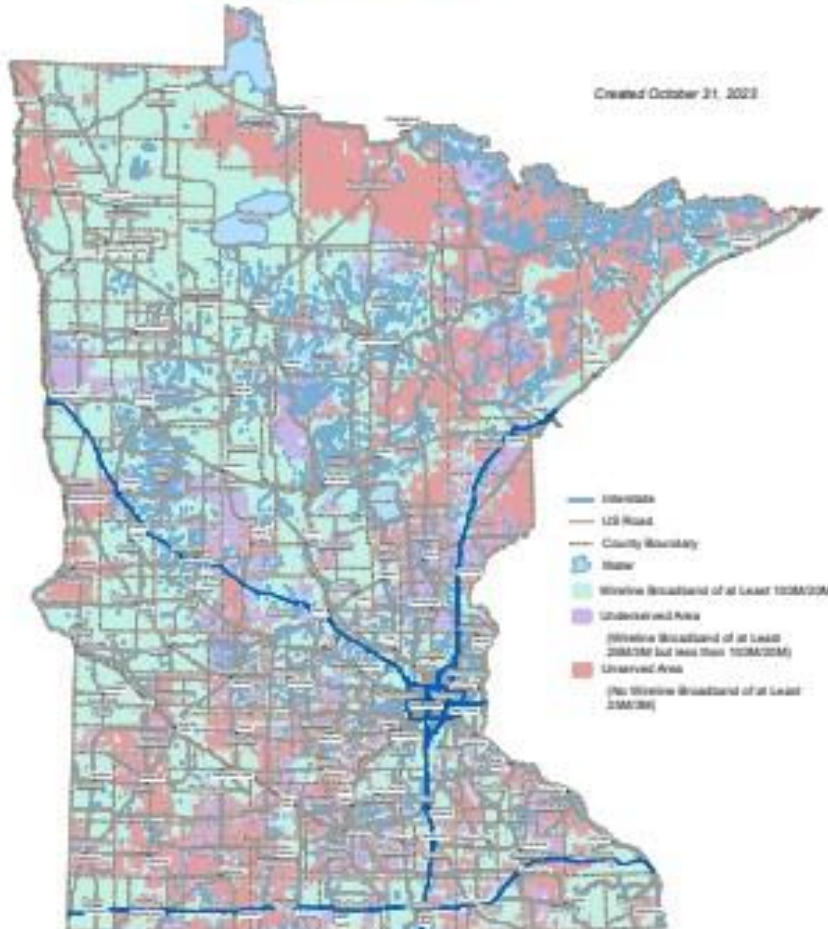
Diane



2023 Provider Broadband Service Inventory

Border-to-Border Broadband Development Grant Program

Unmet, Unmet/and and Covered Broadband Areas



Created October 31, 2023

Minnesota's Unmet Needs

- **162,000** households without access to 25/3 (2022 goal)
- **229,000** 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 2023

Numbers from November 2022

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

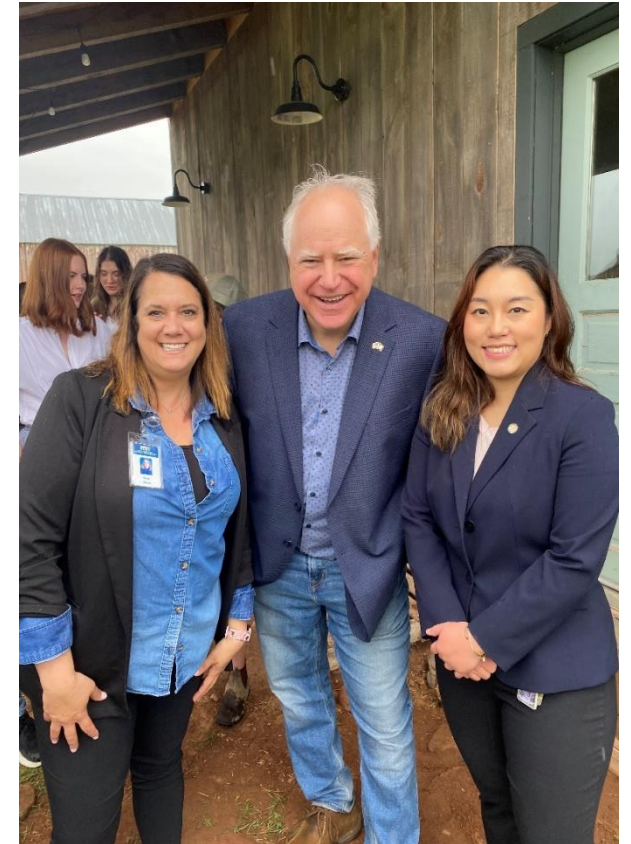
2023 HIGHLIGHTS and MILESTONES

OFFICE OF BROADBAND DEVELOPMENT

- **IIJA Milestones: Submitted Five-year Action, Digital Opportunity Plan and Minnesota's Broadband Equity, Access, and Deployment (BEAD) Initial Proposal Volume 1 and 2 to NTIA**
 - Held 17 regional and 2 virtual Digital Opportunity Listening Sessions
 - Attended 14 regional Minnesota Association of Townships Trainings
 - Held 8 Tribal Consultations
- **Certified 2 Telecommuter Forward! Communities**
- **Updated broadband availability maps in October**
- **Provided broadband availability analysis to over 400 constituents (113 emails and 360 phone calls)**
- **Provided administrative support to the Governor's Task Force on Broadband**
- **Updated the broadband availability by township and by county maps to continue to engage township supervisors and county commissioners in discussion of how to improve broadband availability to their residents**
- **Updated the broadband availability by school district map to continue to document the homework gap in Minnesota**

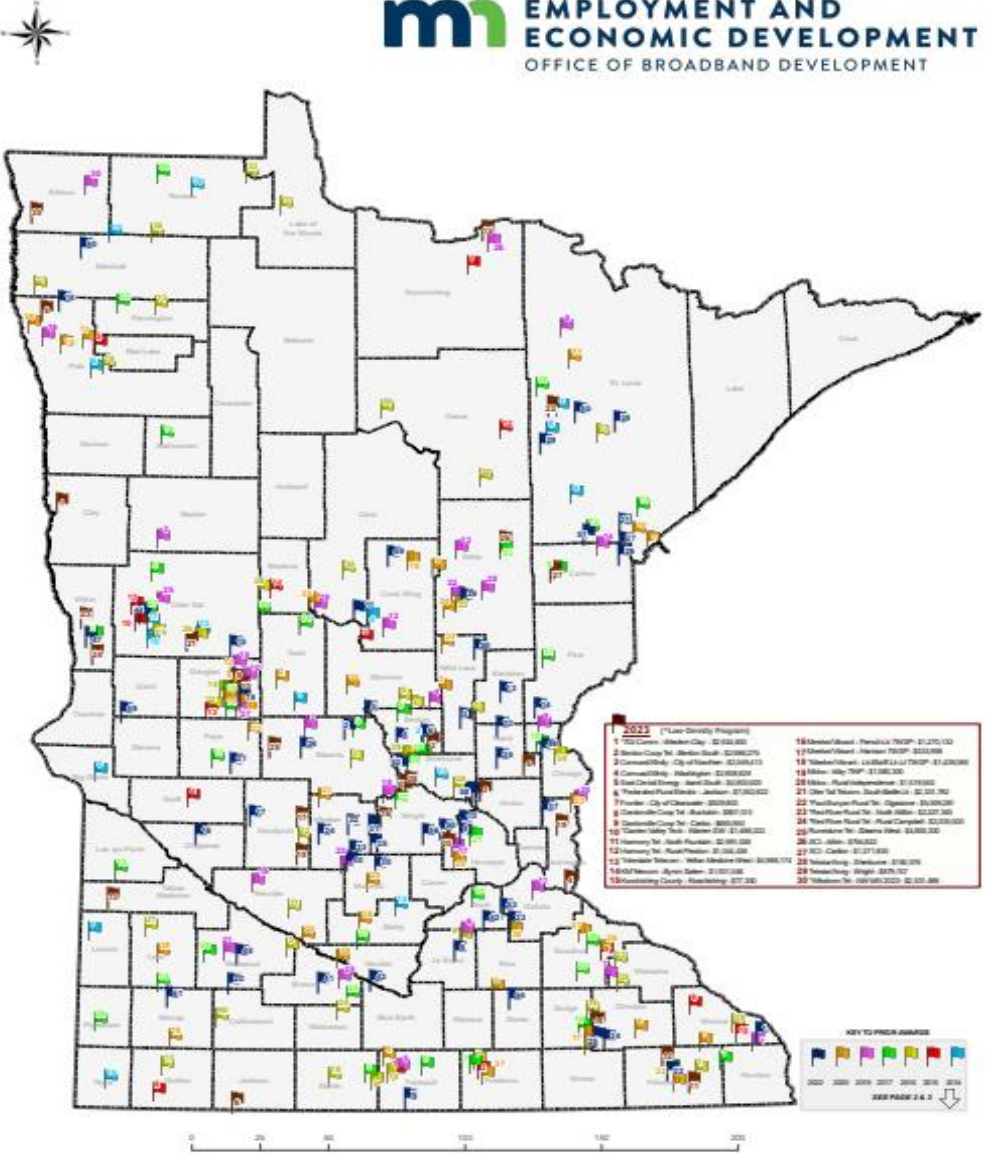
2023 Legislative Funding Updates

- **\$100 Million** for broadband deployment for the biennium
 - **\$30 Million** (per year) for Traditional Border to Border Grant Program
 - **\$20 Million** (per year) for Low Population Density Program
 - Grant Round 9 applications due Dec. 7, 2023
- **Technical Change**
 - Raises the **maximum Border-to-Border grant award** from \$5 million to \$10 million



Minnesota Border-to-Border Broadband Development Grant Program

2014-2017, 2019-2020, 2022-2023 Project Awards



All Grant Rounds 2014-2023

Year	Applications Received	Applications Awarded	% of Applications Funded	Amount Requested	Amount Awarded	Number of Locations Served
2014	40	16	40%	\$44,215,644	\$18,670,337	6,333
2015	44	15	34%	\$29,063,436	\$11,008,366	4,098
2016	57	40	70%	\$54,228,825	\$29,040,896	16,708
2017	70	39	56%	\$50,348,055	\$26,475,556	12,202
2019*	80	30	37%	\$67,809,312	\$23,270,933	10,938
2020	64	39	61%	\$42,038,097	\$20,645,425	6,922
2022*	130	61	47%	\$189,853,780	\$99,592,711	33,091
2023	60	21	35%	\$104,500,000	\$36,907,763	10,464

State Funding Awards Update

Round 9

- **\$50 Million available** (\$30 million Border to Border, \$20 Million Low Density Population)
- Currently in the review process and **awards will be made very soon**
- 38 Applications received for Border to Border (Requested - \$65.5 Million)
- 31 Applications for Low Density Population (Requested - \$85.5 Million)

Round 10

- **\$50 Million available** (\$30 million Border to Border, \$20 Million Low Density Population)
- Launching application round soon after Round 9 awards
- Official awards will be made after July 1, 2024 to follow the biennium funding directive by the legislature
- State funds need to be awarded so we take locations off the BEAD unserved/underserved required to serve list

Line Extension Program Update

During the 2022 Legislative Session, the Office of Broadband Development (OBD) was directed to create a new program, the **Broadband Line Extension Connection Program**.

The purpose of the program is to **award grants for the extension of existing broadband infrastructure** to unserved locations. An unserved location is a location that does not have a wired broadband service of at least 25Mbps download and 3 Mbps upload.

The state legislature appropriated **\$15 million (CPF)** of federal funding for this program, with each line extension eligible for up to **\$25,000 in grant funding**.



Line Extension Program Update

For the first round collected sign-ups from 11/1/22 – 5/1/23

Received and reviewed applications for 2,356 portal addresses.

First round awards: \$4,395,257.45

Projects matched \$2,225,747.14

Total investment of \$6,621,004.59

Average cost per location: \$8,854.10

Match Average 34% or \$2,640.27

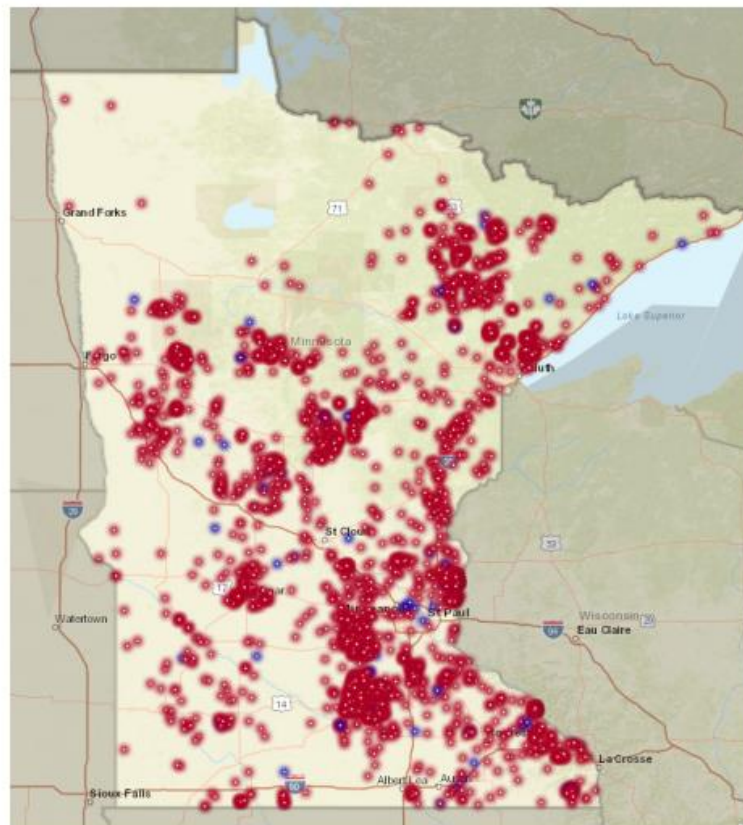
Average 66% or \$5,213.83

Total locations 843 (Households – 779, Businesses – 64)

20 providers

32 counties (ranging from 1 to 183)

- **Funding rounds will continue until funds exhausted**
- Next round of awards will be coming soon



Federal - Infrastructure Investment and Jobs Act (IIJA)

The Federal Government is making approximately **\$65 billion** available for broadband **nationwide**. There are two programs for state broadband funding through the National Telecommunications and Information Administration (NTIA) of the U.S. Dept. of Commerce:

- **Broadband Equity, Access and Deployment (BEAD) funding**
- **Digital Equity Funding**

Minnesota will receive a formula-based allocation for each program.

Each program requires the state to develop a plan for how it will spend its allocation.

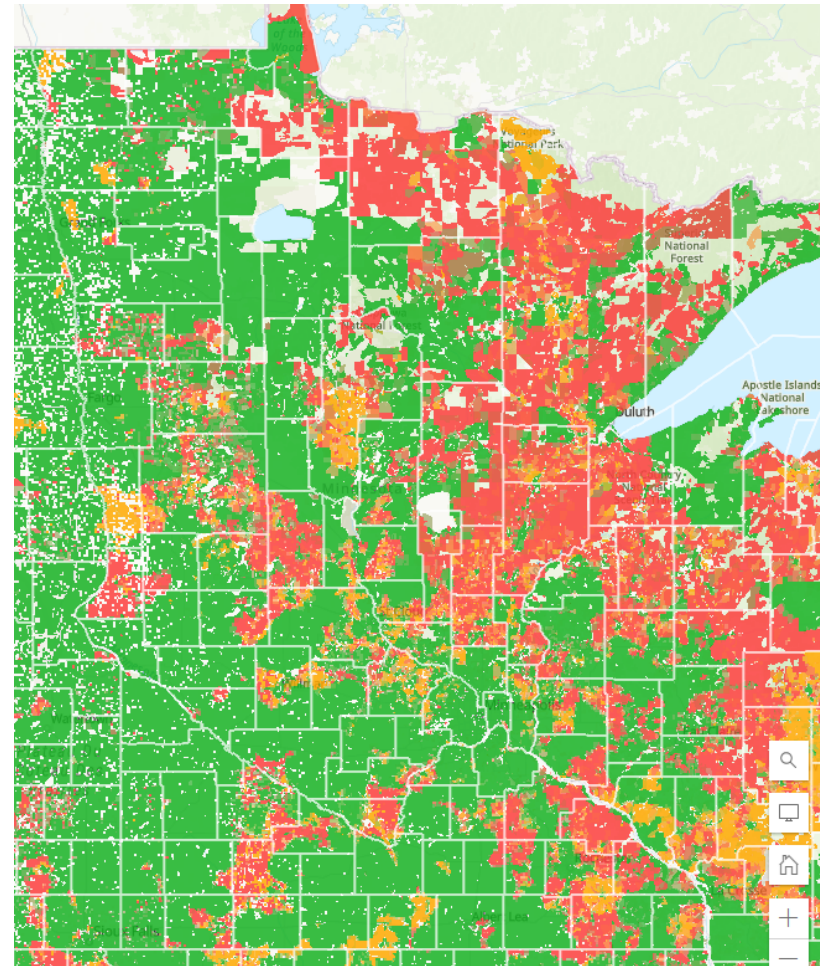
Federal - BEAD Funding

Minnesota's BEAD allocation is **\$651,839,368**

- The MN Legislature has directed that any funding from IIJA for Broadband (i.e. BEAD) **flow through the existing Border-to-Border programs**
- Details will be in the Initial Proposal (challenge process, eligible locations, subgrantee selection)
- The federal BEAD program has priorities that the Initial Proposals must met:
 - **Priority #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)
 - **Priority #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)
 - **Priority #3**: Gigabit symmetrical service to Community Anchor Institutions
- **We estimate that all funding available will be needed to address Priorities #1 and #2.**

Locations Eligible for BEAD Funding

- **NTIA defines eligibility--**
 - If a location does not have reliable broadband service of 25/3 it is **unserved (red)**
 - 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)**
- 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 creating the **challenge process** which will “challenge” areas of this map which might not be accurate (this follows guidelines issued by NTIA)—and may flip green areas to red if valid challenges are filed



BEAD Identified Challenges to Deployment

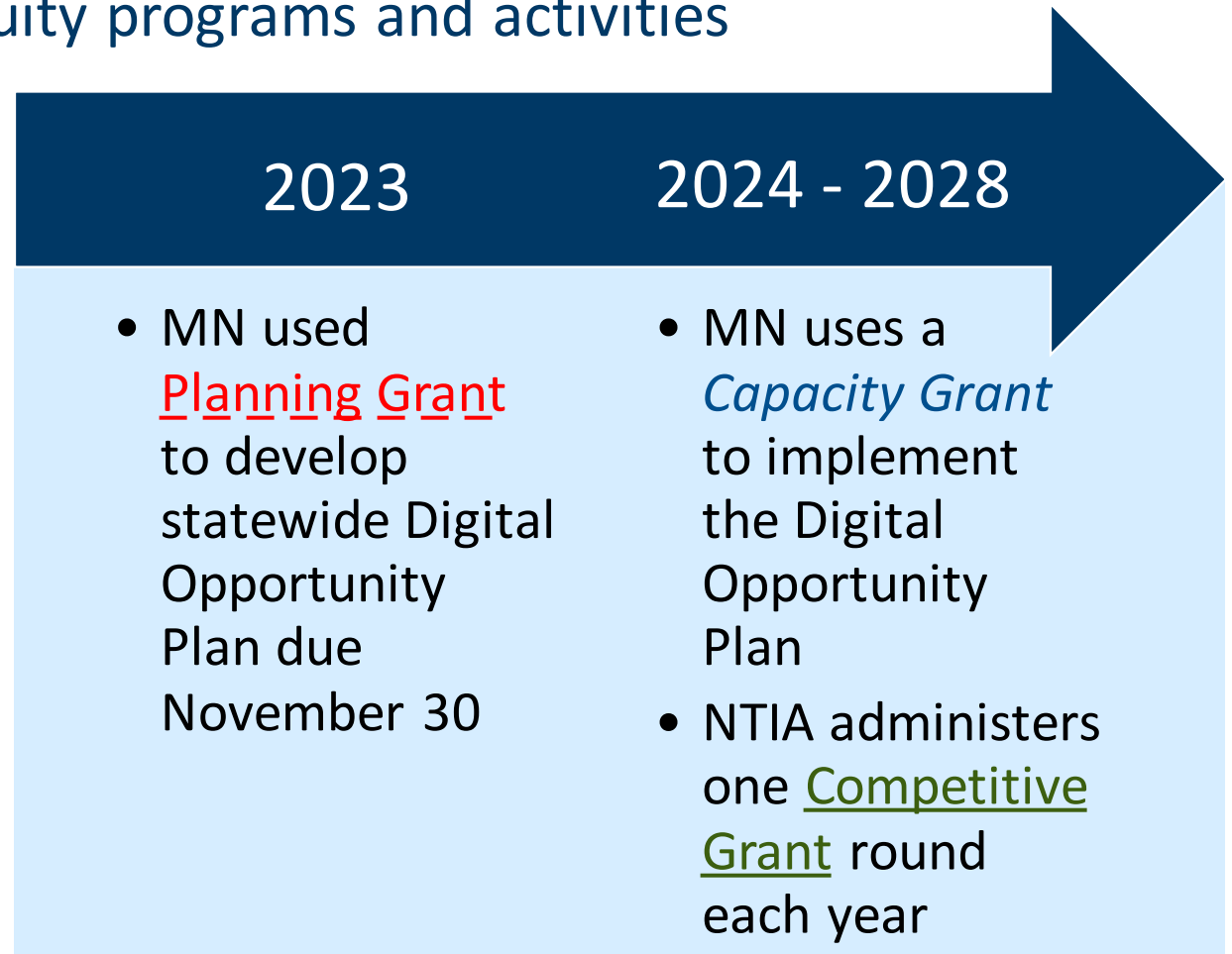
- Conflicting speed goals
- Definition of broadband
- Will all locations receive a bid?
- Weather
- Time
- External funding/match sources
- Permitting/Environmental Review
- Accurate Mapping
- Supplies/Supply chain
- Workforce
- Line of Credit
- Reporting requirements
- Guidance requests/clarification
- Others?

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



Federal - Digital Equity Act: The Basics

- Nationally provides **\$2.75B** for digital equity programs and activities
- 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.



Federal – Digital Equity: Minnesota’s Planning Strategy



April–June: Data Collection

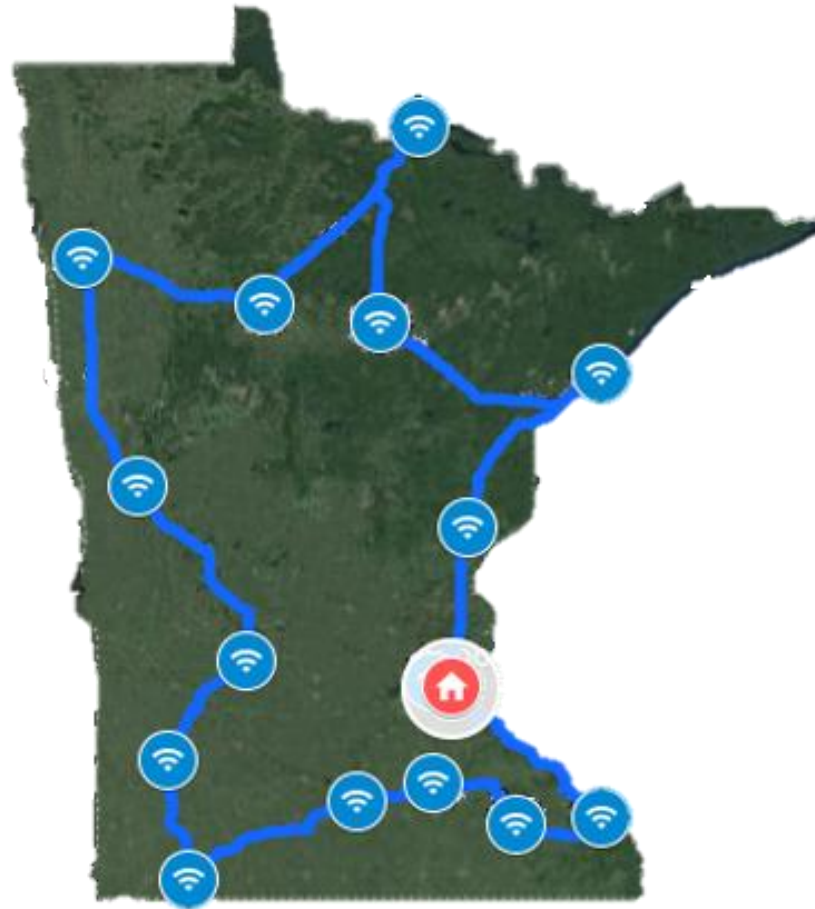
July: Writing

August–September: Public Comment



106 Digital Connection Committees wrangled by 1 OBD staff person

- Statewide representation with an even mix of rural and urban
- 68 non-competitive mini-grants to support data collection
- 236 data files addressing strengths, necessities, and systemic challenges
- 154 face-to-face meetings between OBD, committees, and additional planning partners



18 Listening Sessions attended by all OBD staff

- 16 in-person + 2 virtual
- 304 attendees
- 14 DCC cohosts
- 35 hours convening
- 2,500+ miles driven
- 65 written public comments totaling 145 pages

Federal Digital Equity Draft Plan: Vision Statement

We envision a future where **comprehensive digital access connects all Minnesota residents to opportunities, options, and each other.**



Town hall in Big Falls – pop. 175
Hosted by Koochiching Technology Initiative (DCC)



Focus group in Minneapolis
Hosted by Global Entrepreneurship Week MN (DCC)

Digital Equity Draft Plan: Example Activities

- Pilot a **Digital Opportunity Leaders Network** that combines local energy, regional expertise, and statewide continuity.
- Develop **curriculum and administer grants** to support high schools, after-school programs, and 2-year colleges in hiring and training students to work as paid tech **repair technicians and technical support providers**.
- Expand OBD's capacity to support **digital opportunity data analysis**.
- Administer **formula grants** to townships, cities, counties, regional development commissions (RDCs), and tribes that seek funding to conduct local evaluation and develop their own **digital opportunity plans**.
- Expand OBD's capacity to conduct federal and statewide outreach and coordination of **programs that reduce internet costs for low-income households**.



Draft plan listening session in Bemidji
Co-hosted by Kairos Alive (DCC)

Digital Equity: Where We Are Now

- The original draft of the plan is posted: <https://mn.gov/deed/programs-services/broadband/adoption/> (under “Read a Draft” toggle)
- A revised draft was submitted to NTIA on November 21, 2023
- **What is next:**
 - **Updating our plan** now based on feedback from NTIA
 - Waiting for NTIA to **determine the funding available** through the Digital Equity Capacity Grant
 - Waiting for NTIA to publish the **Capacity Grant NOFO** and application so we can apply

Federal - FCC Affordable Connectivity Program

- More than 238,000 Minnesotans currently utilize ACP
- Over 774,310 Minnesota households qualify
- Advocacy for funding – ACP Extension Act (Representative Clarke and Fitzpatrick)
- More information is available on our website and on the FCC's website



Contact Information

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