



2024 Broadband Supplemental Budget Proposals

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DEED's Office of Broadband Development (OBD)

Supplemental Budget Recommendations

- Transfer Authority
- Authorization to Utilize Federal Digital Equity Funding



Transfer Authority – Maximum Flexibility

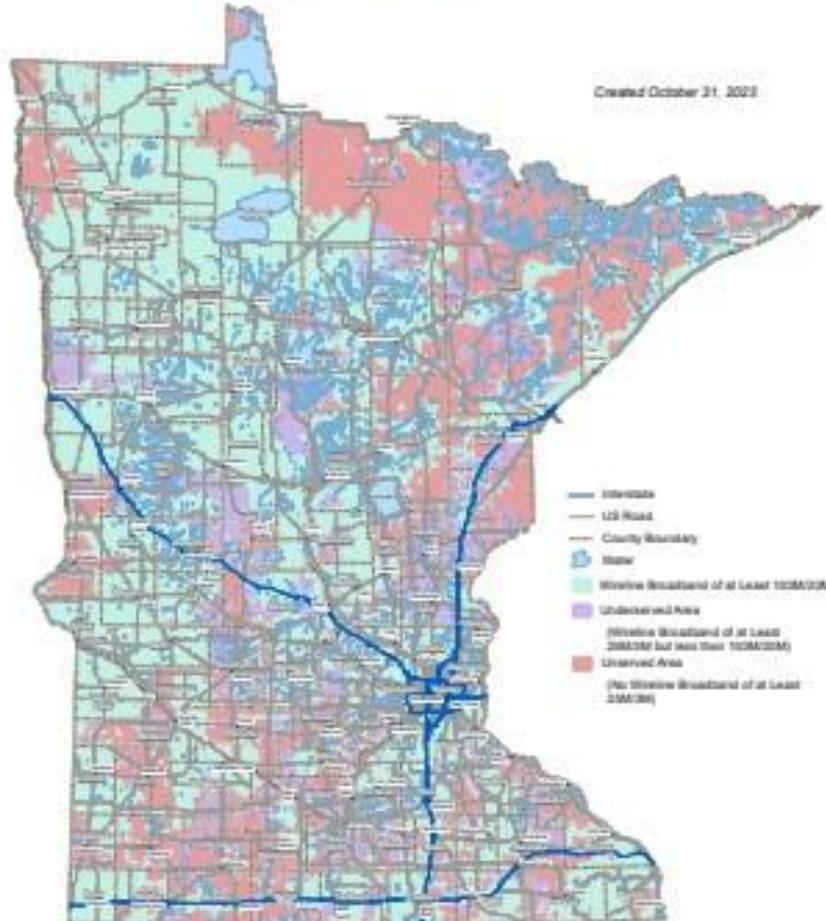
- Amend 116J.396 to allow the Commissioner to transfer up to **\$5 million** of a fiscal year's appropriation between the **border-to-border broadband program, low density population broadband program, and the broadband line extension program** to meet demand.



2023 Provider Broadband Service Inventory

Border-to-Border Broadband Development Grant Program

Unserved, Underserved and Served Broadband Areas



Created October 31, 2023

Background - 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)



This map was prepared by Connected Solutions under contract with the Minnesota Department of Employment and Economic Development. The map represents areas of broadband service availability based on provider data submitted to and analyzed by Connected Solutions. The release reflects updates received as of October 2023.

Submit questions or recommended changes to
DEED@mn.gov or 651-284-7910

Coverage based on provider polygons and an alternate product using the same locations provided for clarity by the FCC's Broadband Data Collection. (Version 1.2)

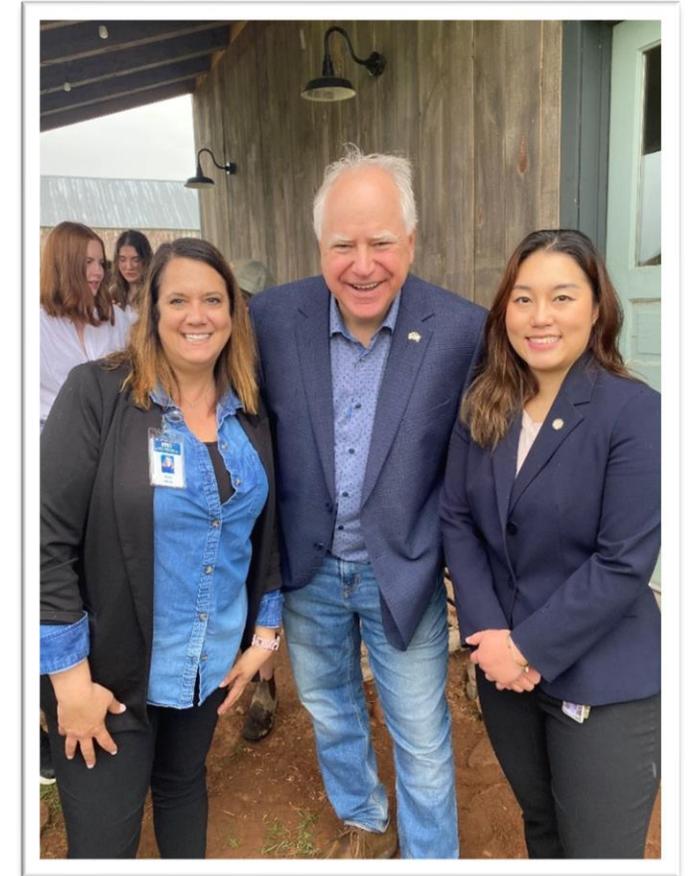
Additional map information is available at
<http://mn.gov/deed/programs-services/broadbandmap>

Upon request, this information can be made available in alternate formats for people with disabilities by contacting the DEED Office of Broadband Development at 651-284-7910

Background – State Funding

Round 10

- **\$50 Million available** (\$30 million Border to Border, \$20 Million Low Density Population)
- 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



Utilize Federal Capacity Grant Funding

- This language would authorize the DEED Commissioner to use federal **State Digital Equity Capacity Grant Funding** from the recently announced Notice of Funding Opportunity (NOFO).
- Minnesota has tentatively been notified that the state will receive **\$12.033 million** for the activities laid out in the **Minnesota Digital Opportunity plan**. These funds will assist individuals and communities with the tools, skills and opportunities to fully participate in and benefit from meaningful access to high-speed internet service.
 - Connect People to People
 - Connect People to Information
 - Connect People to Resources



Background - Federal Funding Available

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**

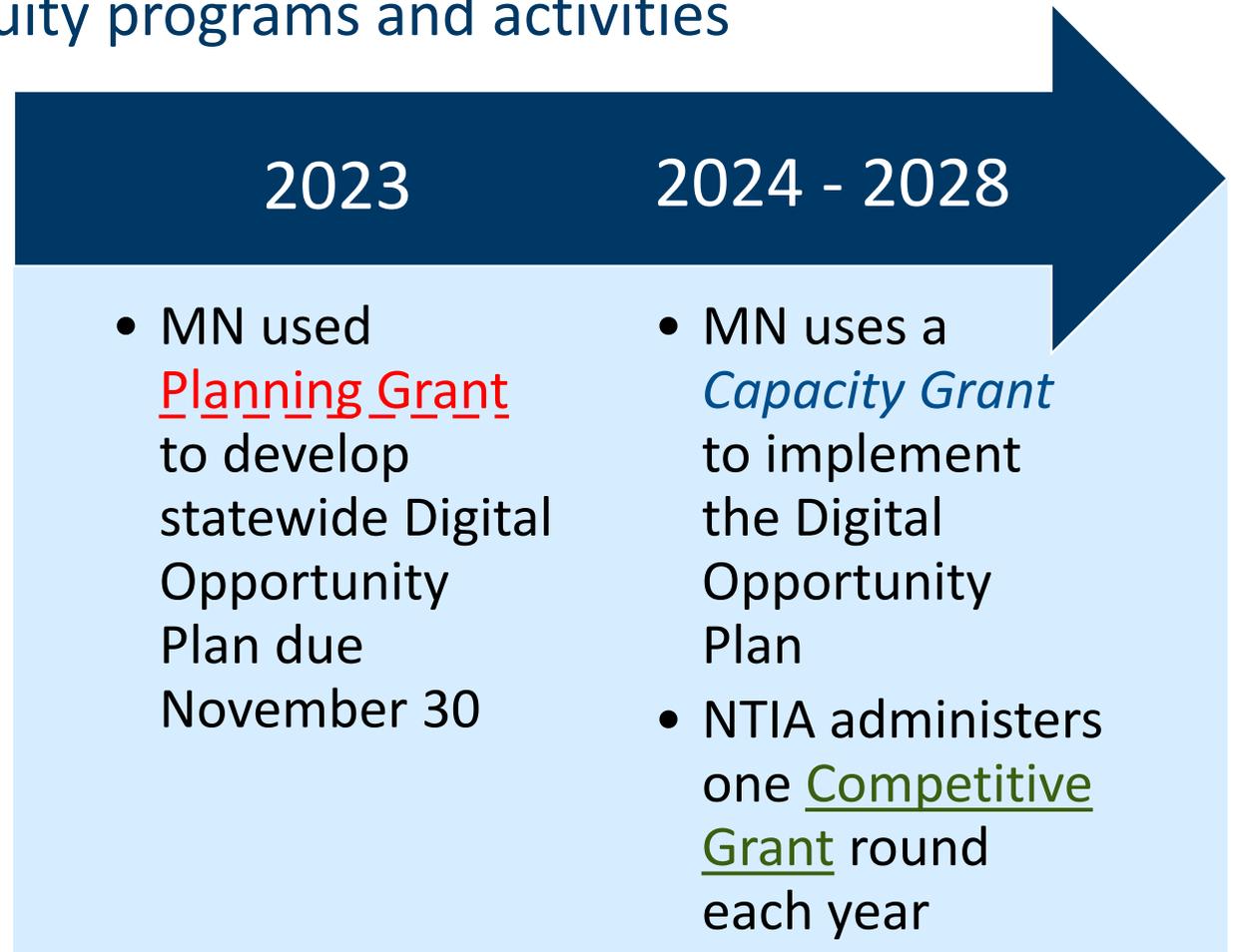
Minnesota will receive a formula-based allocation for each program.

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



Background Federal - Digital Equity Act

- 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.



Background - Digital Equity Minnesota's Planning Strategy



April–June: Data Collection

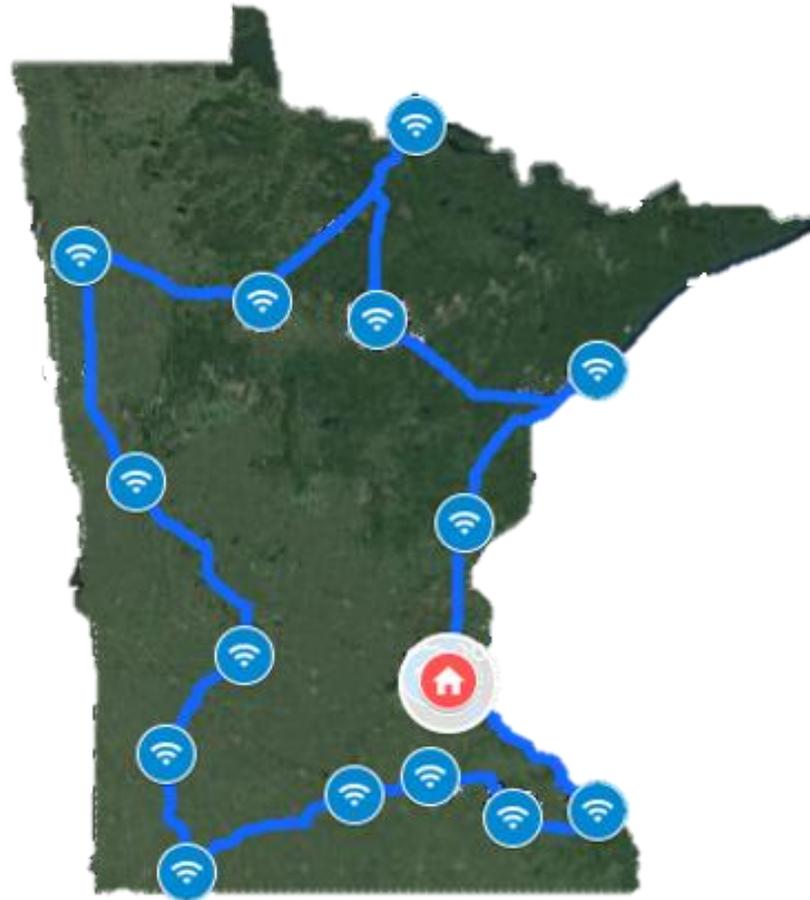
July: Writing

August–September: Public Comment



106 Digital Connection Committees managed 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

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)
- Minnesota's Digital Opportunity Plan accepted (March 26, 2024)
- **What is next:**
 - Apply for the **Capacity Grant NOFO (60 day window to apply – from March 29, 2024 NOFO notification)** so Minnesota can start implementing the Digital Opportunity Plan.
 - **Get legislative authorization to administer and implement the Capacity Grant**



Thank you!

Minnesota Office of Broadband Development

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