Department of Commerce

Testimony on State Broadband Initiatives

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&

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How did we get here?

❖ Broadband access remains one of the pressing needs in Kansas and across the country

❖ FCC officially defines Broadband in minimally adequate terms, currently at 25/3 Mbps

❖ States all across the region have developed grant programs to accelerate deployment and access

❖ Economic Development Grants (via SPARK)

How did we get here? (Cont.)

❖ In 2009, as part of the ARRA "stimulus bill", funding was provided to launch a 50-state data collection and mapping initiative

❖ At the time, the state partnered with a consultant to apply for the funding since there was no existing capability

❖ The vision for these funds was to enable states to engage directly with ISPs to collect coverage data and populate a national broadband map to assist policy making and funding allocations

❖ Project was expanded to include capacity building, recognizing that states would need 'seed' money to get ongoing programs off the ground and develop long term strategies to promote economic growth

❖ Project included support for establishing local community technology planning pilots to assist in developing localized broadband plans to facilitate broadband deployment and adoption

Challenges that arose

❖ Mapping broadband availability was new and there were concerns about what the map would ultimately be used for. NDA's were entered into with ISPs to encourage their participation

❖ Federal methodology for collecting data was an improvement over existing FCC model. New approach relied on census tract definitions which still tended to overstate actual availability

❖ Modest improvements in the data collection, but too much time and funding was spent on mapping without any real impact as the digital divide continued to worsen

❖ Federal funding for the program ended after five years and in Kansas there was no plan made to be able to pivot into a funded plan to support expanding infrastructure

Second attempt at Mapping

❖ In 2018, under Governor Jeff Colyer, funding was provided for a one-time mapping 'refresh' to assist the work of the newly created Broadband Expansion Task Force

❖ Grant funds were provided from Information Network of Kansas support the mapping snapshot and to document issues with FCC funding mechanisms that put KS at a financial disadvantage

❖ Part of the goal was to demonstrate to federal policy makers that additional federal funding should be afforded to the State due to the mapping inaccuracies

❖ Once again, the mapping snapshot was an improvement over the FCC Form 477, but because fewer ISPs participated in the project, the mapping still suffered from inaccuracies

Broadband Task Force

❖ Created in 2018, members included state Senators and Representatives, members of the ISP industry, League of Municipalities, Assn of Counties and others

❖ By law, purpose was to review previous issues and provide recommendations for broadband strategy

❖ Met from 2019-2020 to review previous actions taken in the State with respect to broadband

❖ A final report was presented to the legislature with recommendations for further consideration

❖ KDC was in close consultation with the task force throughout the process and worked with Chairs, Sen. Masterson and Rep. Seiwert, to support a path forward

Creation of Broadband Development Office

❖The year began with agreement a consensus that the state needed to do more to accelerate broadband deployments to promote economic growth and quality of life

❖Then the pandemic hit...and we have all responded with an even greater sense of urgency

❖On October 8th, Governor Kelly formally established the Office of Broadband Development

❖The Office of Broadband Development is housed in the Kansas Department of Commerce

❖Office is led by Stanley Adams, current Director of Broadband Initiatives for the Department of Commerce

❖The Office of Broadband Development will:

❖Evaluate and report annually on the extent, quality, and affordability of broadband offerings in Kansas;

❖Develop strategies to facilitate construction of broadband infrastructure necessary to achieve functionally universal broadband access for Kansas homes and businesses;

❖And develop and advocate for policies that make high-quality broadband service more accessible, affordable, and reliable in underserved and vulnerable communities.

Statewide Broadband Grant Program

❖ In March 2020, the Kansas Legislature approved, and Governor Kelly signed into law, the Eisenhower Legacy Transportation Program

❖ That bill included the funding and creation of a Statewide broadband grant program within Department of Commerce

❖ Funding was $85M over 10 years
  ❖ $5M per year in FY 21-FY 23
  ❖ $10M per year in FY 24-FY 30

❖ The bill requires these Commerce grants to include at least 50% of the actual construction project cost matching contribution by the awardee to expand and improve broadband service

❖ Program has been launched and is called the Broadband Acceleration grant program

Broadband Acceleration program

❖Initial program launched by KOBD to fund projects that facilitate access to high-quality service to Kansas homes, businesses, and communities.

❖The need has been significantly magnified in 2020 with unprecedented, critical demands for access.

❖From consumer-facing connectivity needs, to digital and remote learning, telehealth services, online commerce transitions, and e-government shifts, compelling needs exist in many areas of Kansas.

❖Specific emphasis of the grant program prioritizes funding goes to areas lacking access to minimally adequate fixed terrestrial services, and areas deemed economically distressed in this initial round.

❖To mitigate the mapping challenges, the program places greater emphasis on applicants demonstrating there is a need and includes a public comment period to ensure we receive timely community input to the process and be responsive to potential ISP industry concerns

Broadband Acceleration program in 2021

The Broadband Acceleration Grant seeks projects that will:

1. Address priorities for unserved, economically distressed, and other service areas with compelling needs.

2. Be supported by local community partners and stakeholders through letters of support, formal partnership commitments, funding support or explicitly defined project support.

3. Share project information and associated service area data in full transparency for a defined public comment period.

4. Meet fiscal requirements including a 50% match for the proposed project.

5. Be constructed, installed and operational by February 28, 2022.

6. Include all required attestations, signed agreements, and required submissions by the application deadline of January 7, 2021.

7. Commit to required reporting, audit, evaluation and on-site monitoring requirements.

Broadband Acceleration program in 2021

Nov. 23, 2020	Grant Guidelines, Opportunity Announced
Dec. 7, 2020	Application submission window opens (4pm)
Dec 9, 2020	Broadband Acceleration Grant Webinar 10:30am CST (LINK!)
Dec. 11, 2020	Intent to Apply due
Jan. 7, 2021	Application window closes (12pm CST)
Jan. 11 – Feb 1	Grant Application Evaluation
Jan. 11 – Feb 1	Public Comment Window Opens: Applications Posted
Feb. 2 – 9	Applicant Response Window
Feb. 10 – 16	KOBD Review Public Comments/Applicant Responses
Feb. 17-18	Applicant Interviews
Feb. 25, 2021	Awards Announced
Feb. 28, 2022	Grant Project Completion

Broadband Acceleration program

❖Applicants must be authorized to provide broadband services in the area proposed to be served with grant funding.

❖Eligible applicants include:
  ❖Corporations, cooperatives,
  ❖Limited liability companies,
  ❖Partnerships or other business entities,
  ❖Non-profit organizations,
  ❖Any other entity authorized by state law to provide broadband services.

Broadband Acceleration program

❖ To ensure transparency and best use of taxpayer funds, the application process will include a public comment period.

❖ This period is intended to provide an opportunity for providers, elected officials and constituents to either express support or to inform us of any issues or concerns with an application or its proposed service area.

❖ Within one week of the close of applications, the Project Proposal and proposed service area GIS map for each application will be posted for public comment.

❖ The online public comment period will begin Jan. 11, 2021 and close Feb. 1, 2021

❖ Providers are encouraged to submit comments and corresponding documentation with supporting evidence if:
  ❖ The area proposed to be served already has service available; or
  ❖ Construction is underway in the area proposed to be served and will be completed within 12 months;

Broadband Acceleration program

❖Should evidence demonstrate that an area is currently served (e.g., with a 25/3 Mbps fixed, terrestrial connection) that portion of the grant area may be disqualified.

❖In order for a defined area to be considered served, service at or exceeding 25 Mbps download and 3 Mbps upload must be generally available to all residential customers in the defined area.

❖Grant applicants will be given Feb 2, 2021 to Feb 9, 20201 to respond to comments.

❖Providers who comment may be asked to provide additional information and/or work with KOBD to validate service availability.

Why the change in approach

❖ Far too long, the focus was on mapping before expanding broadband access

❖ One of the considerations raised during task force deliberations was whether mapping was needed before efforts could be undertaken to expand access

❖ The increased urgency to ensuring nationwide access to quality broadband services has prompted multiple bills to be under active consideration by Congress on a bi-partisan basis. Further, indications are that the FCC will make enhancements to their data collection process that ultimately leads to a useful, accurate map of availability.

❖ Goal is to build out, while allowing providers to show if there is existing service in an area, to prevent any overbuilding

❖ This is an important first step, coupled with CARES Act funding we are off to a good start

❖ HOWEVER, commitment must continue if we are going to keep up and ensure Kansas remains competitive regionally, nationally, and globally, as we all increasingly depend on quality broadband connectivity

Questions