

State Broadband Funds: Four Examples

California Advanced Service Fund

Description: Comprised of four accounts, the Fund supports projects that will provide broadband services to areas currently without broadband access and build out facilities in underserved areas, if funds are still available. Unserved is defined as an area not served by any form of wireline or wireless facilities-based broadband; underserved is defined as an area where no wireline or wireless facilities-based provider offers service at advertised speeds of at least 6 Mbps download and 1.5 Mbps upload.

Funding: The Fund is supported by a surcharge rate on revenues collected by telecommunications carriers from end-users for intrastate telecommunications services. Effective April 1, 2014 the surcharge rate was increased from 0.164 percent to 0.464 percent. Originally funded at \$100 million, funding was increased by \$125 million. The additional \$125 million is allocated for the Broadband Infrastructure Grant Account, the Broadband Infrastructure Loan Account, the Rural and Regional Urban Consortia Account, and Broadband Public Housing Account.

Eligible Expenditures: Infrastructure grants are available for up to 70 percent of project costs for unserved areas and 60 percent of underserved areas. Companion loans provide supplemental financing for grant recipients of up to 20 percent of project costs, at a maximum of \$500,000. Consortia grants support efforts to promote broadband deployment, largely through education, outreach and training. Public housing grants and loans cover the costs of installing broadband in public housing communities.

Eligible Applicants: Infrastructure grants and loans previously were available only to telephone companies with a certificate of public convenience and wireless companies registered with the Public Utilities Commission; eligibility was expanded in 2014 to include other telephone and wireless companies as well as government entities in limited circumstances. Approximately 20 regional consortia have been deemed eligible for consortia grants. Applicants for public housing grants and loans are individual publicly supported communities, such as public housing authorities.

Maine ConnectME Grants

Description: The ConnectME Authority makes grants for "last mile" infrastructure to provide high-speed internet access to customers in unserved areas of Maine. Unserved area is defined as any geographic area without broadband service or mobile communications service.

Funding: The Authority is funded by a 0.25 percent surcharge on instate communications services. There is a suggested grant limit for each project of \$100,000. The grants provide up to 50 percent of the cost, matched with funding from an internet service provider, of bringing affordable access from an existing location to unserved homes and businesses, which then pay a monthly access fee to that service provider.

Eligible Expenses: Costs associated with developing last-mile infrastructure in an unserved area.

Eligible Applicants: General-purpose local governments (municipalities and counties); local government

authorities, and joint or multi-county development authorities; private for-profit companies that provide broadband; and any other responsible entity or group determined by the Authority to be capable of installing, using, and managing advanced communications technology infrastructure in the area. All applicants must have an internet service provider as a partner when applying for a ConnectME grant.

Minnesota Border-to-Border Broadband Development

Description: A grant program established in the Department of Employment and Economic Development to promote the expansion of access to broadband service in unserved or underserved areas of the state. Unserved is defined as lack of access to wireline service at speeds of 4 Mbps download and 1 Mbps upload; underserved is defined as lack of access to wireline broadband service at the Minnesota state goals of at least 10 Mbps download and 5 Mbps upload.

Funding: A one-time appropriation of \$20 million from the general fund to the broadband fund, beginning in fiscal year 2015. The money is available until June 30, 2017. Grantees must provide matching funds equal to at least 50 percent of the total cost of the project. Grants are limited to \$5 million per project.

Eligible Expenditures: Acquisition and installation of middle-mile and last-mile infrastructure that support broadband service scalable to speeds of at least 100 Mbps download and 100 Mbps upload. Up to three percent of the fund may be used for statewide administration of the program and contracts for data collection and analysis.

Eligible Applicants: Incorporated businesses or partnerships; political subdivisions; Indian tribes; and certain Minnesota nonprofit organizations, cooperative associations and limited liability corporations.

Connect New York Broadband Grant Program

Description: Provides funding for last-mile projects to expand broadband in unserved and underserved areas. Unserved is defined as an area where broadband service is not available from a wireline or wireless facilities-based provider at advertised speeds equal or higher than 6 Mbps download and 1.5 Mbps upload. Underserved is defined as an area where 50 percent or more of households have no broadband service from a wireline or wireless facilities-based provider at advertised speeds equal or higher than 6 Mbps download and 1.5 Mbps upload.

Funding: \$25 million in state funds. Matching funds equal to 20 percent of the total project cost are required. There is no cap on grant amounts.

Eligible Expenditures: Capital and labor costs attributable to construction, deployment, or installation of facilities required to provide broadband service.

Eligible Applicants: Includes, but is not limited to, an incorporated organization; an Indian tribe or tribal organization; a local unit of government; and a cooperative, private corporation or limited liability company organized on a for-profit or not-for-profit basis.