

Montana Broadband Advisory Commission Explores Control Over Broadband Expansion – By Simon Smith

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The Montana Broadband Advisory Commission is currently deliberating on whether broadband businesses should have the authority to determine the areas they will reach with federal funds or if the state should dictate their deployment. A new federal funding pool of \$629 million is aimed at bridging the “digital divide” and connecting rural areas without high-speed internet access. Telecom companies, seeking to maximize their profitability, are eager to focus their efforts in areas that are most convenient for their existing networks.

Previous funding programs, such as the American Rescue Plan Act (ARPA), largely allowed private companies to decide where to expand. However, the commission hinted that it intends to take a different approach this time. Misty Ann Giles, Director of the Department of Administration, described the ARPA process as akin to the “wild, wild West,” allowing companies to draw coverage maps according to their own preferences.

The federal funding for broadband expansion comes through the Broadband Equity, Access, and Deployment (BEAD) Program, which received \$42 billion from the Infrastructure Investment and Jobs Act and is administered by the National Telecommunications and Information Administration (NTIA). Unlike ARPA, BEAD is primarily a grant program. The funds are prioritized for unserved and underserved areas with limited or no internet access.

The commission aims to give companies flexibility in determining where they can extend broadband coverage, as long as it aligns with the target population requirements. However, telecom companies are concerned about the financial burdens of serving harder-to-reach areas and offering affordable service plans to residents. Despite the companies’ reservations, Giles emphasized that these requirements are mandated by law.

During the meeting, commission members and telecom companies discussed different preferences for identifying underserved areas. Some providers favored using census block data, which identifies underserved and unserved regions, while others preferred designated service areas determined by the state. Alex Damato from Charter Communications highlighted the importance of flexibility within the state to efficiently allocate service territories based on existing infrastructure.

The federal government requires a 25% match on all projects, except for those in “high cost areas” determined by the NTIA. Dean Nelson from Montana Opticom expressed concerns about the match requirement and requested information on the number of underserved communities in each census block to determine which projects would be exempt.

Montanans can also contribute to the decision-making process by submitting their own internet speed surveys to the state until September 22. The data will help identify areas with connectivity issues and guide the Department of Administration’s subsequent testing efforts.

The final decision on how service areas will be divided, whether by the state, providers, or a combination, will be made during the commission’s next meeting on October 11.

Definitions:

- **Broadband:** High-capacity transmission technique using a wide range of frequencies to transmit large amounts of data over long distances.
- **Digital divide:** The gap between individuals and communities that have access to and use information technology and those that do not.
- **Census block:** A geographic area defined by the U.S. Census Bureau for the purpose of collecting and tabulating population and housing data.

Sources:

- The Montana Broadband Advisory Commission
- The National Telecommunications and Information Administration (NTIA)