



GOVERNMENT & POLITICS

Broadband Commission may shift gears to get service to people in rural Montana

BY: NICOLE GIRTEN - SEPTEMBER 7, 2023 4:42 PM



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Will broadband businesses get to determine the areas they'll reach with federal dollars? Or will the state prevent cherry picking and dictate where they go?

The Montana Broadband Advisory Commission is currently debating this question, and at

a meeting Wednesday, telecommunications companies voiced their desire to be more in control.

A new \$629 million pool of federal dollars is intended to bridge the “digital divide” and connect rural Americans in areas without access to high speed internet. But these regions are expensive to service, and internet providers, always looking out for their bottom dollar, are looking to hook up in areas convenient to their existing network.

With previous American Rescue Plan Act (ARPA) dollars, private companies largely held the reins, but this week, the commission indicated it is likely taking a different approach.

“We allowed for it to be kind of the wild, wild West,” said Director of the Department of Administration Misty Ann Giles of the ARPA process during the Wednesday meeting. “We allowed any company to draw any polygon that they so choose on the Connect Montana map and submit that for consideration.” A polygon is an industry term for a coverage map.

The federal dollars for broadband expansion are coming through the Broadband Equity, Access, and Deployment (BEAD) Program, which was allocated \$42 billion from the Infrastructure Investment and Jobs Act and is administered by the National Telecommunications and Information Administration (NTIA).

Montana received just under \$629 million in BEAD funds, different from ARPA in that it is more of a grant program, Chairperson Dan Salomon, R-Ronan, said during the meeting. Funds are prioritized for areas that are unserved, with zero or very limited internet access, or underserved locations under a specific threshold of megabits per second.

Giles said BEAD’s charge is to reach unserved and underserved customers, so the commission wants to allow companies flexibility to decide where they can take broadband, but in areas the commission said meets the target population.

“Companies can still have the freedom to draw, but they’re drawing on some kind of predetermined unit,” Giles said.

She added, with a laugh: “This has been a really popular topic.”

Where telecommunications companies seem to have heartburn, though, is that the program not only requires them to spend money in regions that are harder to access, but it also requires the service plans offered to residents be affordable, something Giles said she’s received a lot of feedback on from providers.

“We are asking providers to go into the hardest-to-reach areas that are the most expensive, yet also saying, ‘Hey, please take an enormous haircut,’” she said. “But we also know that as a matter of...broad-brush public policy, it also makes sense to make sure people can afford their internet. So how do you kind of align this?”

“I keep hearing a lot of ‘I don’t like it.’ I am so sorry, it is the law,” she said.

At the meeting, commission members and companies also discussed preferences for how to identify underserved areas. Some service providers voiced a preference for using census block data, where the federal government worked with the U.S. Census to locate underserved and unserved regions, over designated service areas from the state.

“I think that the key from the provider perspective is to be able to have flexibility within the state to be able to draw the service territories and propose project areas that are most efficient, based on where collectively, our existing footprints are,” said Alex Damato with Charter Communications.

Charter Communications operates Spectrum and received about a third of the overall ARPA funding [last year](#).

Richard Wardell with the Tri County Telephone Assn. Inc. asked if companies that already have a presence in an area would get preference for projects, to which Salomon said they would try to study that.

The federal government requires a 25% match on all projects, except for those in “high cost areas,” determined by the NTIA. High cost areas are considered the same as unserved areas by the federal government, meaning an area in which not less than 80 percent of broadband-serviceable locations are unserved locations.

Dean Nelson, with Montana Opticom, expressed concern over the match requirement and requested the state release how many underserved communities were in the census blocks to help determine which projects wouldn’t need the match funds.

“We talked about a very ultra high cost being \$300,000. I can’t see a business model where a telco can afford 25% of that \$300,000,” Nelson said.

Wednesday, the board voted unanimously to approve the challenge process organizations can go through if they feel the service in their area wasn’t surveyed correctly, discussed during the commission’s July meeting.

Montanans can also submit a [speed survey](#) of their own internet connectivity to the state through Sept. 22.

The Department of Administration said in a press release it will use the data to identify areas with connectivity issues and also to guide the department’s own testing efforts if the survey identifies regions that need further assessment.

The direction for how the service areas will be divided, by direction of the state or the providers or a meeting in the middle, will be decided during the commission’s next meeting

on Oct. 11.

During the commission's July meeting, Sen. Janet Ellis, D-Helena, questioned if it was constitutional to require a records request for public comment made on the five-year action plan for the BEAD funds. The question came up because Giles said some companies wanted to comment on the plan, but do so anonymously.

Giles said the documents would be available upon a public records request to the department but would be redacted. The Daily Montanan made such a request and received the documents without any redaction.



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