

2013 Governor's Task Force on Broadband Annual Report

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Introduction and Background

Introduction:

On August 25, 2011, Minnesota Governor Mark Dayton issued Executive Order 11-271 which created the Governor's Task Force on Broadband "to develop, implement and promote state broadband policy, planning and initiatives to achieve state broadband needs and goals." The following members currently serve on the Task Force:

Margaret Anderson Kelliher (Chair), President/CEO of the Minnesota High Tech Association

Shirley Walz, Sr. Director of Technology for Thomson Reuters

Bernadine Joselyn, Director of Public Policy and Engagement for the Blandin Foundation

Steve Lewsader, President of the Communication Workers of America (CWA), Local 7201

Duane Ring, President of the nine-state Midwest Region of Century Link

Gary Evans, CEO of Hiawatha Broadband Communications (HBC)

Dick Sjoberg, Sjoberg's Cable

Daniel Richter, President of MVTV Wireless

Danna MacKenzie, Director of Information Systems for Cook County

Maureen Ideker, Director of Telehealth, Essentia Health

Matt Grose, Superintendent, Deer River Public Schools

Paul Weirtz, Bloomington, President, AT&T Minnesota

Bao Vang, President/CEO of the Hmong-American Partnership

Fred Underwood, IT Director, Fond du Lac Band

Andrea Casselton

The following members have voluntarily left the Task Force since our last report and we thank them for their hard work on behalf of the people of Minnesota:

Steve Peterson, City of Bloomington

Keith Modglin, Mille Lacs Band

Bob Bass, AT&T

The Task Force met 11 times in 2013 at various locations across the Minneapolis/St. Paul metropolitan area and in Greater Minnesota (Sandstone-Lake Lena, Red Wing, Alexandria, and Windom). To organize its work, the Task Force divided itself into subgroups around the areas of: **Locations/Meeting Planning; Best Practices/Incentives; Broadband Adoption; Coordination Across Government/Monitor Impact of FCC & PUC Decisions/Cost of Broadband;** and **Wireless Broadband.** (A complete list of subgroups is included in Appendix A.)

2013 Task Force Activities – Meeting Highlights

The Task Force heard from a wide range of broadband policy experts, stakeholders, and industry representatives at their meetings in 2013. (Please note: All interested parties can access Task Force meeting minutes, agendas and presentations given at both the Connect Minnesota and Department of Commerce's web sites: www.connectmn.org/BBTaskForce and <http://mn.gov/commerce/topics/Broadband/Governors-Broadband-Task-Force.jsp>.)

Following is a brief summary of meeting highlights and presenters:

- January 2013, St. Paul, MN – Sen. Dan Sparks, Chair of the Senate Jobs, Agriculture and Rural Development Committee and Rep. Sheldon Johnson, Chair of the House Labor, Workplace and Regulated Industries Committee provided overviews of their committees and thoughts on broadband. Margaret Kelly, State Budget Director at the Minnesota Management and Budget Department (MMB), provided an overview of how the Governor's budget was developed and the line item for broadband in the Department of Commerce's budget.
- February 2013, St. Paul, MN - Roger Root with the Office of Telecommunity Development with MN IT @ the Minnesota Department of Human Services, along with several members of his team, provided an overview of how technology is used to deliver services provided by the Department.
- April 2013, Minneapolis, MN - Comcast provided information on their Internet Essentials program; Joanna Hjelmeland of CenturyLink, provided information on CenturyLink's Internet Basics program; Dick Sjoberg, of Sjoberg's Cable, provided information on the Connect2Compete (C2C) program and the programs his company has offered under C2C; Mike Wynne, President and CEO of EMERGE, provided an overview of the career and technology training that EMERGE conducts in North Minneapolis; Bruce Thao, from Hmong National Development, a subsidiary of Hmong AmericanPartnership, provided an overview of the organizations he is associated with and the specific challenges for the Asian and Pacific Islander populations with broadband adoption; and James DeSota provided an overview of the Broadband Access Project, which was funded through the Broadband Technology Opportunities Program (BTOP) , a part of the American Recovery and Reinvestment Act (ARRA) administered by the National Telecommunications and Information Administration (NTIA) of the U.S. Department of Commerce.

- May 2013, St. Paul, MN – Presentations on various healthcare uses of broadband by: Jennifer Fritz, Deputy Director, Office of Health Information Technology, Health Policy Division, Minnesota Department of Health; Dave Hemler, CEO, Revation Systems, Inc.; Peter Frank, Information Technology Director, MNSure; and, Sandy Long, PhD student in Health Informatics at the University of Minnesota.
- June 2013, Sandstone-Lake Lena, MN - Joe Nayquonabe of the Mille Lacs Band of Ojibwe provided an overview of broadband efforts and needs of the Tribe. He highlighted that the Task Force was meeting in Lake Lena, an underserved area of the state, and how broadband is and would be essential to the economic growth of the tribe. He shared tribal efforts to secure new business opportunities that would need broadband access to be successful. He, also, talked about generational difference related to the view of broadband connectivity and the need for digital literacy training and adequate connectivity for younger tribal members. Representatives from the East Central Broadband Initiative provided an overview of their activities and suggested policy recommendations the Task Force might consider for inclusion in their annual report. Over the past months, the Initiative has conducted a regional “Summit” as well and a number of meetings with regional stakeholders and business leaders. They emphasized that their efforts need to be ongoing; that they must continue to raise awareness, do more “lobbying” and explore last mile solutions by working with existing providers.
- July 2013, Minneapolis, MN - Discussion of the new Office of Broadband Development with Robin Sternberg, Deputy Commissioner, Minnesota Department of Employment and Economic Development; Dick Sjoberg, Sjoberg Cable, Thief River Falls, MN, Steve Johnson, Midcontinent Communications, Cold Spring, MN, and David Pratt, Arvig Communication Systems, Perham, MN all provided comments on their companies’ process for making broadband investment decisions; Trent Clausen, Vice President of Local Engineering and Construction at CenturyLink, discussed the company’s investment strategy.
- August 2013, Red Wing, MN - Neela Mollgaard, Executive Director of Red Wing Ignite, provided an overview of the Red Wing Ignite project; Mr. Thomas Cohen provided information on the Fiber to the Home (FTTH) Council and its initiatives; Minnesota State Senator Matt Schmit discussed legislation that resulted from the 2013 session that impacts broadband and potential ideas for the 2014 session. After adjourning the full Task Force, subgroups met in the Red Wing Ignite Building to discuss contributions to the year-end report. Red Wing Ignite held a community event attended by the Task Force during which Governor Mark Dayton offered remarks on the importance of the Ignite project and the work of the Task Force.
- September 2013, Alexandria, MN - Jennifer Nelson from State Library Services and Melinda Ludwiczak from Metropolitan Library Service Agency gave presentations to explain how libraries have responded to the digital landscape roles they will play in the future; Peg Werner from Viking Library System explained how resources are leveraged to enable the library systems to provide community digital resources; Regina Brown, Telephone Access Policy Division, Wireline

Competition Bureau of the Federal Communications Commission joined the Task Force meeting by telephone to provide an overview of the FCC's E-rate Notice of Proposed Rulemaking.

- October 2013, Windom, MN – An overview was provided of the ARRA funding for broadband through both the BTOP program administered by NTIA and the Broadband Improvement Project (BIP) administered through the Rural Utilities Service (RUS) of the U.S. Department of Agriculture. Lyle MacVay from the Northeast Service Cooperative (NESC) middle mile BIP project, Dan Olsen for the Southwest Minnesota Broadband Service BIP program, and Bernadine Joselyn for the Minnesota Intelligent Rural Communities (MIRC) BTOP project provided specifics on their programs. AT&T's Paul Weirtz and Cory Draack discussed their company's private investment in Minnesota over the last several years, highlighting long term evolution (LTE) deployment for delivering broadband services.
- November 2013, St. Paul, MN - PLACEHOLDER

In addition to monthly meetings, Task Force members participated in numerous teleconference and webinars as members of the aforementioned subgroups. The results of the subgroup activities are presented later in this report. The Task Force, also, was actively engaged in numerous legislative activities during the 2013 Minnesota Legislative Session.

2013 Legislative Activities and Outcomes

The Task Force, in September of 2012, released their "[Status Report and Policy Recommendations](#)" that included specific recommendations for policy makers and stakeholders to consider in efforts to increase broadband availability, adoption, and use. Subsequent to the release of the September report, the Task Force met with staff from the Minnesota Department of Commerce to discuss policy recommendations for possible inclusion in the priorities of the Department during the 2013 Legislative Session. In the December 2012 "[Annual Report and Broadband Plan](#)" the Task Force reiterated and refined these recommendations and included specific policy initiatives that members believed should be considered in the upcoming 2013 Session of the Minnesota Legislature. The priorities for legislative action included a recommendation that Minnesota should create a formal "Office of Broadband" to serve as an ongoing entity responsible for coordinating all broadband activities for the state; and a recommendation that would extend current sales tax exemption on equipment purchased for use in a central office to include the purchase of fiber optics and broadband equipment. (N.B. – All Task Force policy recommendations are included in the reports linked above.)

During the 2013 Legislative Session, two major pieces of broadband legislation were introduced. First, bills to create an Office of Broadband Development were filed in both the Minnesota House and Senate. The Task Force Chair, joined by members of the Task Force and Connect Minnesota staff, testified at a number of legislative committee hearings during the Session. These hearings served to review the state

of broadband in Minnesota, to learn about Task Force activities, and to hear from the Task Force and other stakeholders about the legislation establishing the new Office of Broadband Development. The Task Force, also, invited key legislators to Task Force meetings to discuss how an Office of Broadband Development would benefit the state economically and socially.

Second, an amendment was added to legislation ([HF0389](#)) that would have added a surcharge to prepaid wireless service to create a broadband development fund that attempted to ensure a continued broadband mapping and analysis program as well as assist in funding broadband deployment projects to un- and under-served areas across Minnesota.

In addition, the Task Force recommendation to extend the current tax exemption on equipment purchased for use in a central office to include the purchase of fiber optics and broadband equipment was advocated for by Task Force members at meetings with legislators, at legislative hearings, and via correspondence to legislators.

Ultimately, Task Force-supported broadband legislation had success and challenges during the 2013 Session. An Office of Broadband Development was included in the Omnibus Jobs, Economic Development, Housing, Commerce, and Energy Bill. The bill, [H.F. 729](#), established the Office in the Department of Employment and Economic Development with funding of \$250,000/year for the biennium. In addition, \$100,000/year was allocated to the Department of Commerce for that agency to continue to be engaged in state broadband efforts. The enabling legislation, signed into law by Governor Dayton, directs the Office to be responsible for a number of duties, including to:

- (1) serve as the central broadband planning body for the state of Minnesota;
- (2) coordinate with state, regional, local, and private entities to develop, to the maximum extent practicable, a uniform statewide broadband access and usage policy;
- (3) develop, recommend, and implement a statewide plan to encourage cost-effective broadband access, and to make recommendations for increased usage, particularly in rural and other underserved areas;
- (4) coordinate efforts, in consultation and cooperation with the commissioner of commerce, local units of government, and private entities, to meet the state's broadband goals in section 237.012;
- (5) develop, coordinate, and implement the state's broadband infrastructure development program under section 116J.999;
- (6) provide consultation services to local units of government or other project sponsors in connection with the planning, acquisition, improvement, construction, or development of any broadband deployment project;
- (7) encourage public-private partnerships to increase deployment and adoption of broadband services and applications, including recommending funding options and possible incentives to encourage investment in broadband expansion;
- (8) monitor the broadband development efforts of other states and nations in areas such as business, education, public safety, and health;

- (9) consult with the commissioner of commerce to monitor broadband-related activities at the federal level, including regulatory and policy changes and the potential impact on broadband deployment and sustainability in the state;
- (10) serve as an information clearinghouse for federal programs providing financial assistance to institutions located in rural areas seeking to obtain access to high-speed broadband service, and use this information as an outreach tool to make institutions located in rural areas that are unserved or underserved with respect to broadband service aware of the existence of federal assistance;
- (11) provide logistical and administrative support for the Governor's Broadband Task Force;
- (12) provide an annual report, as required by subdivision 5;
- (13) coordinate an ongoing collaborative effort of stakeholders to evaluate and address security, vulnerability, and redundancy issues in order to ensure the reliability of broadband networks; and
- (14) perform any other activities consistent with the office's purpose.

Legislation to establish a 'broadband fund' via surcharge on prepaid wireless service did not advance past an initial hearing.

The Task Force recommendation to extend the current tax exemption on equipment purchased for use in a central office to include the purchase of fiber optics and broadband equipment was not included in any legislation; and in fact, the existing exemption was eliminated. The Governor called a Special Session of the legislature in September for the purpose of passing natural disaster funding legislation. The Task Force took the opportunity to ask for the exemption and extension of the tax to be included in the Special Session; however no legislation outside the disaster relief funding was passed.

While the Task Force is pleased with the creation of the Office of Broadband Development, we still believe there is more that can be done by policy makers to ensure Minnesota does not fall behind other states in broadband access, adoption and use. Later in this report the Task Force will again present numerous policy recommendations for consideration by the Governor, legislators and stakeholders. We look forward to working with policy makers in 2014 to advance our shared goals for Minnesota's broadband future.

State of Broadband 2013 – Where We Are Today

Progress toward State Speed Goals

State broadband goals were established during the 2010 legislative session and are found in Chapter 237.012 of Minnesota Statutes. The goals include the following:

Universal access and high speed deployment as soon as possible, but no later than 2015 all state residents and businesses have access to broadband service that provides a minimum download

speed of 10 to 20 megabits per second and minimum upload speed of five to ten megabits per second.

State broadband leadership position. It is a goal of the state that by 2015 and thereafter, the state be in:

- (1) The top five states of the United States for broadband speed universally accessible to residents and businesses;*
- (2) The top five states for broadband access; and*
- (3) The top 15 when compared to countries globally for broadband penetration.*

Connect Minnesota, as part of its work in the state, reports on availability data and, beginning in 2011, included broadband speed availability at the state statutory speed goals. The most recent analysis of availability at the state speed goal, based on October 2013 data, show XXXX percent of Minnesota households can access broadband at speeds of at least 10 Mbps download/6 Mbps upload – the minimum speed threshold for Minnesota’s goal of ubiquitous broadband availability at the statutory speed goal. The October 2013 data show an increase of nearly XXXX percent since April 2013; and an overall increase of over XXXXX since analysis of availability at the state speed goals was begun in April 2011. The chart below represents the trend over the past 30 months:

INSERT CHART MEASURING SPEED GOAL SINCE APRIL 2011

The following Connect Minnesota October 2013 maps provide a view of: 1) statewide availability at the statutory speed goals, indicating underserved areas; 2) a county by county view of the percentage availability at the statutory speed goals, and; 3) a statewide view of broadband availability at the FCC’s speed threshold (4 Mbps/1Mbps) for Connect American Fund eligibility.



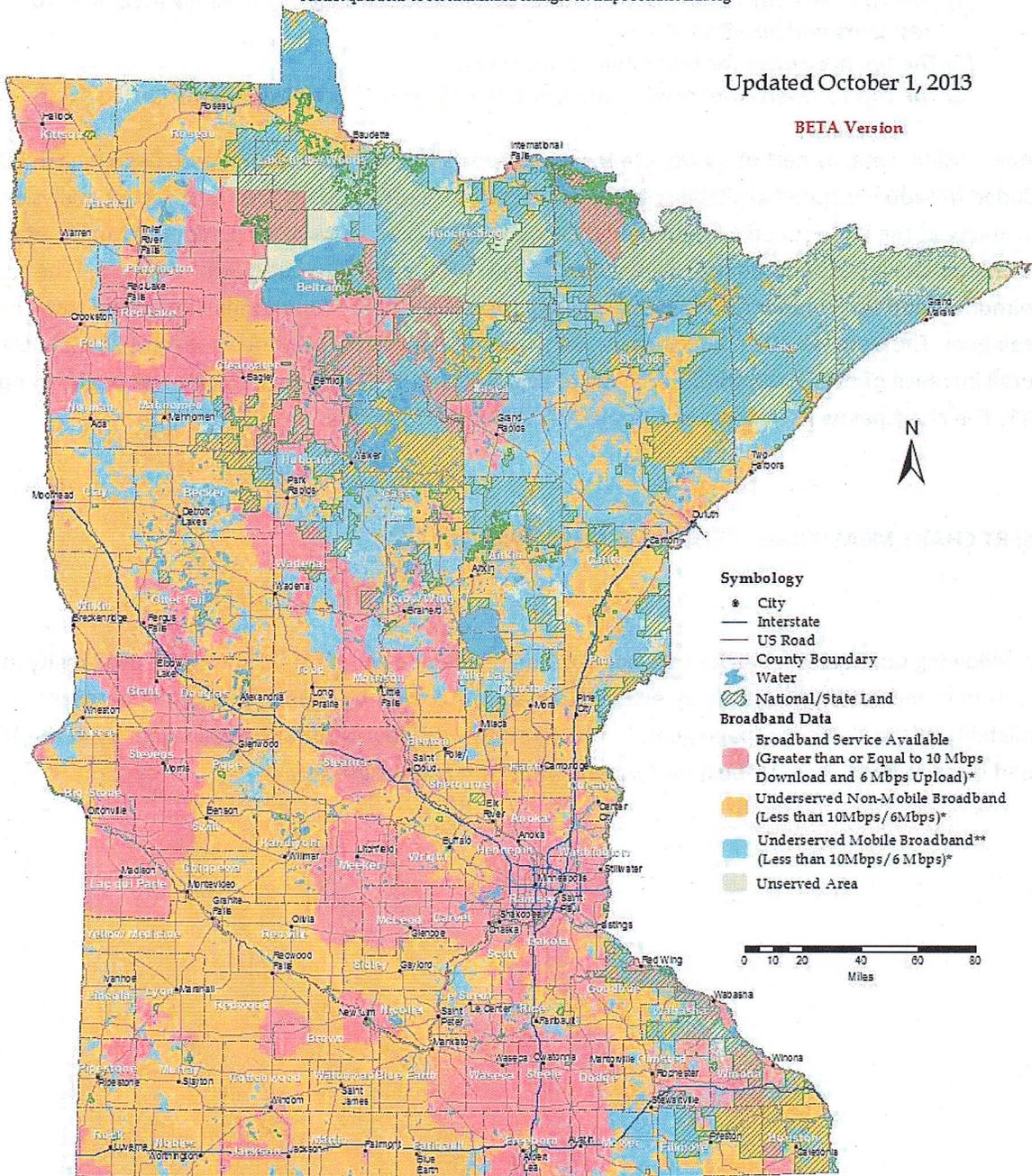
Broadband Service Inventory for the State of Minnesota

Advertised Speeds of at Least 10 Mbps Downstream and 6 Mbps Upstream

Submit questions or recommended changes to: maps@connectmn.org

Updated October 1, 2013

BETA Version



Symbology

- City
- Interstate
- US Road
- County Boundary
- Water
- National/State Land

Broadband Data

- Broadband Service Available (Greater than or Equal to 10 Mbps Download and 6 Mbps Upload)*
- Underserved Non-Mobile Broadband (Less than 10Mbps/6Mbps)*
- Underserved Mobile Broadband** (Less than 10Mbps/6 Mbps)*
- Unserved Area



As required by the US Department of Commerce's State Broadband Initiative, if broadband service is available to at least one household in a census block, then for mapping purposes, that census block is reported to have some level of broadband availability. As such, broadband availability at an exact address location cannot be guaranteed. Providers supplying more specific data than census block are displayed as such.

*MN Statute 237.012 indicates upload goal of 5 Mbps. Data collection only conforms with speed tiers as represented in the SBINOFA where 6 Mbps is the most comparable.

**This map is not a guarantee of coverage, contains areas with no service, and generally predicts where outdoor coverage is available. Equipment, topography and environment affect service.

This map represents areas of broadband service availability determined by ongoing, in-depth technical analysis of provider networks and accommodations for the impact of external factors on service quality. Satellite broadband services may also be available.

Map users are encouraged to participate in improving broadband data granularity through data validation and field testing efforts. Learn more about this and other broadband mapping facts at www.connectmn.org.

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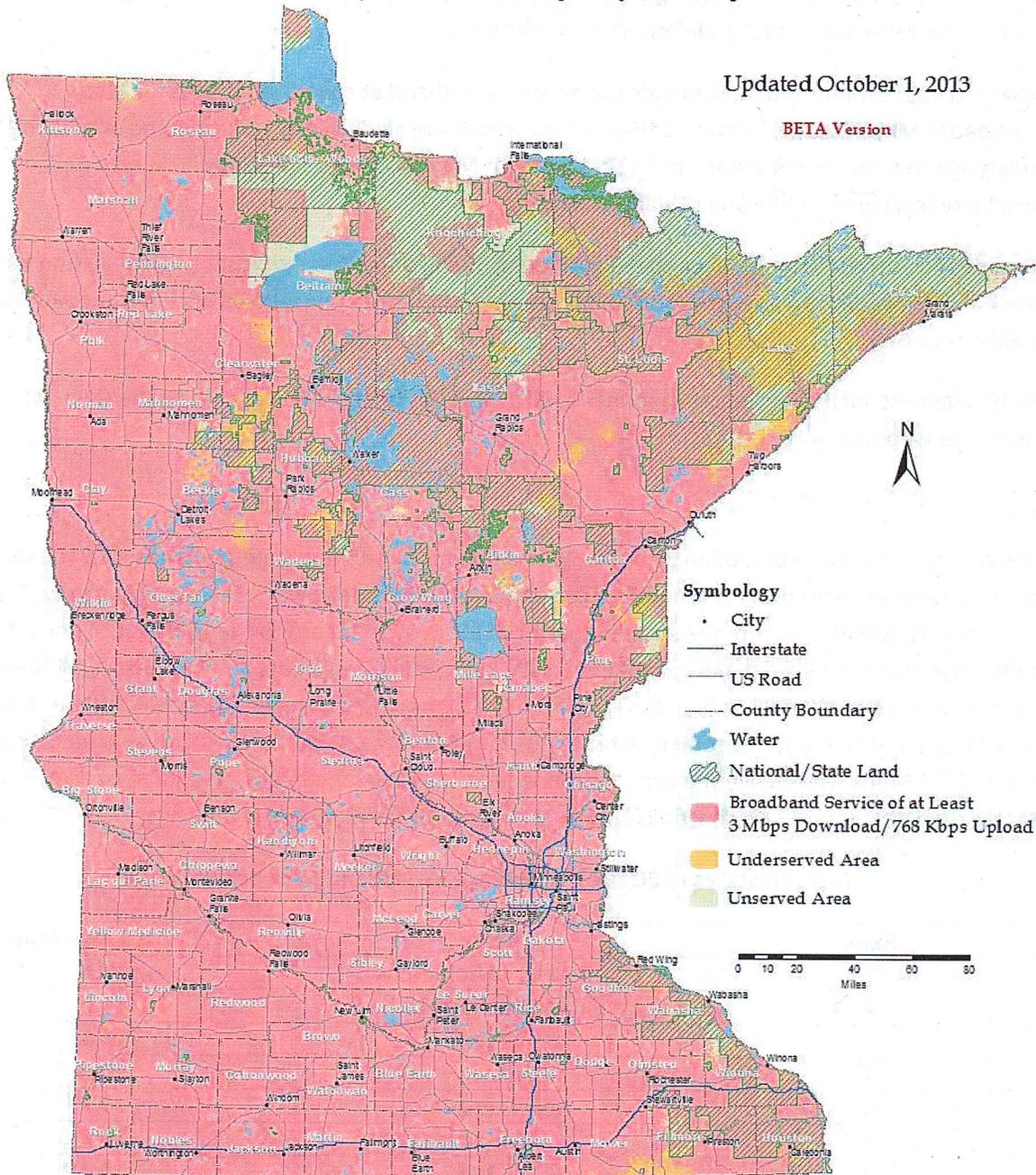


Underserved Broadband Service Inventory for the State of Minnesota by Terrestrial and Mobile Broadband Service

Submit questions or recommended changes to: maps@connectmn.org

Updated October 1, 2013

BETA Version



As required by the US Department of Commerce's State Broadband Initiative, if broadband service is available to at least one household in a census block, then for mapping purposes, that census block is reported to have some level of broadband availability. As such, broadband availability at an exact address location cannot be guaranteed. Providers supplying more specific data than census block are displayed as such.

Underserved areas are those where broadband speeds of at least 768 Kbps download/200 Kbps upload are advertised, but do not meet the 3 Mbps download/768 Kbps upload threshold.

This map represents areas of broadband service availability determined by ongoing, in-depth technical analysis of provider networks and accommodations for the impact of external factors on service quality. Satellite broadband services may also be available.

Map users are encouraged to participate in improving broadband data granularity through data validation and field testing efforts. Learn more about this and other broadband mapping facts at www.connectmn.org.

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Additional Broadband Availability Data

In addition to measuring broadband availability at the statutory speed goal, the latest availability data show the following key findings

- XXX percent of Minnesota households can access fixed broadband at advertised speeds of 6 Mbps download/1.5 Mbps upload, meaning that XXX households are in areas that may be eligible for Connect America Fund Phase II broadband deployment subsidies;
- XXX percent of Minnesota households can access broadband at speeds of at least 10 Mbps download/3 Mbps upload, indicating that upload speeds are significantly reducing the availability percentage toward the minimum speed threshold for Minnesota's goal of ubiquitous broadband availability (excludes mobile and satellite services);
- Broadband at the 4 Mbps/1Mbps speed defined by the Federal Communications Commission in the National Broadband Plan is available to XXX percent of Minnesota households (includes mobile and satellite services).

The full data set, including complete county-level availability analysis is available on the Connect Minnesota web site: www.connectmn.org.

With regard to the state broadband leadership position for broadband speed, Minnesota's standing has generally been measured using Akamai's *State of the Internet* report, which is issued quarterly. The most recent report available is from the second quarter of 2013. With regard to the goal that Minnesota be in the top five states for broadband speed universally accessible to residents and businesses, Minnesota's average connection speed was 8.4 Mbps (up from 7.9 Mbps in first quarter 2013), placing the state 23rd amongst the states. For the second quarter of 2012, Minnesota ranked 25th with an average connection speed of 6.7 Mbps. Thus while the average connection speed has increased, that increase is not at a rate greater than other states which would enable Minnesota to move up in the rankings.

Top Ten States in 2Q2013 in Average Broadband Connection Speed

Rank	State	2Q 2013 Avg. Mbps
1	District of Columbia	11.4
2	Massachusetts	11.2
3	Virginia	11.1
4	Delaware	10.8
5	New Hampshire	10.7
6	Maryland	10.6
7	Utah	10.3
8	New Jersey	10.2
9	Washington	10.1
10	Connecticut	10.0
...		

23	Minnesota	8.4
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Figure X: States with the Highest Average Broadband Speed (Source: Akamai)

Similarly, for the state broadband leadership position for broadband access, measured according to data available on the National Broadband Map for speeds of 3 Mbps download and 768 kbps upload and as of December 2012, Minnesota’s ranking increased to 13th from 38th as of December 2011 and 28th in December 2010. (As noted in last year’s report, Minnesota’s ranking in 38th place was partially due to a directive from NTIA to standardize how Verizon Communication Inc.’s wireless broadband data was to be recorded. That standardization impacted Minnesota more so than other states.)

With regard to the third state broadband leadership goal of the state being in the top 15 when compared to countries globally for broadband penetration (penetration defined as household adoption rate), the Task Force has not yet identified a valid resource for measuring where Minnesota ranks internationally. The Task Force believes this is an important goal even if finding a viable measurement is difficult.

The Task Force would note that based on the NTIA report, *Exploring the Digital Nation: America’s Emerging Online Experience*¹, Minnesota ranked 8th among the states for percentage of households that have adopted broadband at home, with an adoption rate of 76 percent. Washington ranked first in adoption in the NTIA report at 79.5 percent, followed by (in order) New Hampshire, Colorado, Utah, Connecticut, Massachusetts, and Oregon. While the NTIA results for Minnesota are slightly lower than the Connect Minnesota survey results discussed below, they are in line with Connect Minnesota’s findings and, as part of a national report, allow for comparison to other states.

Survey Research: Residential and Business Broadband Adoption

Connect Minnesota research surveys were released over the past 12 months that focused on how Minnesota residents and business adopt and use broadband.

The data illustrate that there are still adoption gaps among Minnesota demographic groups and geographic locations (rural v. urban). Additionally, however, trends are illustrating a move among some populations to rely on wireless and/or mobile broadband rather than a home connection. The Task Force will continue to monitor research trends to be able to best make future recommendations that will move Minnesota forward toward achieving the state broadband goals.

According to the 2012 Connect Minnesota Residential Survey, the data show that 78 percent of Minnesota households subscribe to home broadband. This figure shows a 6 percent point growth in adoption from the 2011 Residential Survey results.

¹ <http://www.ntia.doc.gov/report/2013/exploring-digital-nation-americas-emerging-online-experience>

The major reasons cited by non-subscribers for not having broadband were:

- Do not want broadband (19 percent)
- Monthly cost of broadband is too expensive (13 percent)
- There is no content worth viewing (13 percent)
- Would not use the Internet enough to make it worth the cost (9 percent)

The survey results show significant broadband adoption “gaps” exist among ethnic, low-income, rural and senior households. The most recent data on these groups show the following rates of non-adoption:

- 38 percent of low-income households
- 29 percent of rural households
- 51 percent of seniors
- 68 percent of low-income seniors
- 40 percent of disabled adults

(Survey Methodology: Between October 2 and October 25, 2012, Connect Minnesota conducted a random digit dial telephone survey of 1,201 adults across the state. Random assignment was based on area codes and telephone prefixes determined by geography per the North America Numbering Plan (NANP), with telephone numbers randomly selected by the last four digits. Of the 1,201 respondents randomly contacted statewide, 201 were called on their cellular phones, and 1,000 were contacted via landline telephone. Once the respondent agreed to participate, these surveys took approximately ten (10) minutes to complete.)

(Note: The 2013 Connect Minnesota Residential Survey is currently being completed but will not be finished before the Task Force submission of its December Report. The 2013 Residential Survey data will be included in a future report and made available to the Task Force as soon as the results are compiled and reviewed.)

Connect Minnesota also conducted its annual survey of Minnesota businesses in 2013, releasing results in October 2013. Among the highlights of the survey:

- 76 percent of Minnesota businesses use broadband, up from 73 percent in 2012
- 30 percent of Minnesota businesses allow teleworking
- 38 percent of Minnesota businesses generate revenue via online sales

Importantly, the Survey showed that 38 percent of Minnesota businesses have trouble finding employees adequately trained in a variety of technical skills and applications related to operating in a connected and computerized environment. This lack of training includes abilities to utilize basic computer programs for word processing, sending emails, ability to create/edit a spreadsheet, and/or use the Internet on a mobile device.

(Survey Methodology: The 2013 Business Technology Survey, featuring data from 801 businesses across the state. Between April 3 and April 30, 2013, Connect Minnesota conducted a telephone survey of 801 business establishments across the state. Business establishments contacted for this survey were defined as a single physical location at which business is conducted or services or industrial operations are performed. Upon reaching a business establishment, the surveyor asked to speak with the "person most knowledgeable about [the] organization's technology use." On average, these surveys took approximately 11 minutes to complete.)

Progress of the Federal ARRA Broadband Projects and Mapping in Minnesota

American Recovery and Reinvestment Act (ARRA) funding for broadband awarded in 2009 and 2010 for projects impacting Minnesota totaled more than \$238 million. That figure does not include at least \$25 million of private or in-kind contributions to complete these projects. Several multi-state grants affecting Minnesota were also awarded.

Several of the Minnesota-specific projects have been completed by late 2013. Those projects include:

Arvig Telephone Company/TDS: Nearly 90 miles of fiber is being installed and about 900 customers in Cass County served through this \$5 million BIP project. The speeds that TDS/Arvig anticipates will be 1.5 to 10 Mbps, possibly higher in some areas. The cost per customer location passed is about \$5600. Customers near Hackensack and Backus recently received service and the remainder should be served by year end. A map of the area to be served is available on the link at <http://www.tdstelecom.com/MediaRoom/StimulusFundingLocations.aspx>

C.K. Blandin Foundation: The only Minnesota specific sustainable adoption program funded by BTOP was awarded to the Blandin Foundation for its Minnesota Intelligent Rural Communities (MIRC) project. The \$4.85 million award brought together a network of resources to rural Minnesota individuals and communities, especially those unemployed and seeking employment, small businesses, coalitions of government entities and local leaders. The overall organizing construct that Blandin brought to the project was from the Intelligent Community Forum which measures baseline and technological literacy in five categories: broadband, knowledge workforce, marketing and advocacy, digital inclusion and innovation. The project concluded in February 2013 and the Blandin Foundation trustees have committed an additional \$1.5 million to further the work on broadband adoption in rural Minnesota. A summary of the key outcomes from the MIRC project can be found at [Summary: MIRC outcomes](#)

Carver County: The county received \$6 million in Broadband Technology Opportunities Program (BTOP) funding to build a middle mile network called CarverLink. The new network was dedicated the first week of September 2013. It connects 55 community anchor institutions including schools and libraries; city, county and township locations; fire departments and law enforcement agencies; and health care and community support organizations. The county is working with private providers to use the network to serve end user business and resident customers.

Enventis Telecom: In mid-September 2013, Enventis announced the completion of its "Greater Minnesota Broadband Collaborative Project". Using \$14.7 million in BTOP funding and its own investment of \$6.3 million, \$3 million under the original budget, Enventis built 430 fiber route miles from the Twin Cities to Duluth/Superior and from Brainerd to Moorhead. The project also included middle mile laterals to serve sites of its partners: the State of Minnesota, the University of Minnesota and Mayo Clinic.

Farmers Mutual Telephone Company: Using a BIP award of \$9,652,956, Farmers Mutual deployed fiber to the premise to Dawson, Boyd and rural Madison. The project was completed in November 2013.

Federated Telephone Cooperative: Federated received two BIP awards. The first award for \$1.3 million was used to deploy a fiber to the premise system to 160 locations in rural Appleton. The second award for almost \$3 million brought fiber to the premise to 420 locations in rural Morris.

Halstad Telephone Company: With \$6.5 million in BIP funding, Halstad Telephone Company placed 344 miles of new cable and provided fiber to the premise to 1306 locations in five towns and surrounding rural areas in Norman and Polk Counties in northwestern Minnesota.

Minnesota Valley Television Improvement Corporation (MVTV): MVTV has completed its ARRA project, including final audits and close-out. MVTV's final draw for funding was completed in May of 2013. Results of the ARRA funded build in conjunction with MVTV contributions accounted for more than 1700 additional broadband customers and a total of 43 tower site locations at completion. MVTV continues to add customers in the ARRA designated communities and currently has performed more than 1900 installations.

Red River Rural Telephone Association, Inc.: Of the \$9 million in BIP funding that Red River Rural received to deploy fiber in six rural exchanges in North Dakota, South Dakota and Minnesota, \$360,000 was used to pass 23 homes in Wilkin County, MN that are served in the rural portion of its Fairmount, ND exchange. (Three additional homes planned for service were demolished or abandoned.) Nineteen subscribers were served and one order is pending. Red River's average cost was \$7145 per subscriber.

Regents of the University of Minnesota: The Broadband Access Project (BAP) created three new public computing centers and improved nine centers, with a total of 143 work stations. It ended on December 31, 2012. There were over 90,000 visits to the public computing centers and more than 10,000 hours of training offered over the course of the project. The NorthStar Digital Literacy Assessment curriculum was translated into Somali and Hmong, and a training on Internet safety was also translated into Somali. The Public Computer Centers (PCCs) created through the Broadband Access Project were transferred entirely to the community partners that hosted these labs during the project, and will be directed by community partners starting in 2013. A BAP technology team worked with partners to transition hardware ownership. Software needs were met through a Microsoft grant and TechSoup registrations. BAP apprentices developed resumes and cover letters to prepare them for work in 2013.

Southwest Minnesota Broadband Service (SMBS): SMBS has successfully completed their ARRA fiber network build. A 120 mile fiber ring now connects eight towns and the rural residents along the route to Windom Net, their partner and wholesale provider of telephone, cable TV and broadband services. SMBS constructed a total of 297 miles of fiber passing 3620 homes and businesses. Sales far outperformed the original projection in the ARRA application: original projections were modeled at 55% in year 1, 60% by year 2 and 65% by year 3. To date, less than two years from the activation of the first subscriber, SMBS has a 71% penetration rate which continues to increase every month. A final penetration rate of over 75% is anticipated as obtainable in the near future. For broadband service, this level of penetration is unusual, even after many years of operation.

SMBS's ARRA award was for \$12,700,250. Even with hundreds of additional subscribers signed up for services, the project was less than \$300,000 over budget. SMBS made up the shortage with no impact to the project. SMBS is cash flow positive and the project sustainable.

Winnebago Cooperative Telecom Association: Winnebago received a BIP award of \$19.6 million to provide fiber to the premise in rural portions of about 21 communities in Iowa and Minnesota. About \$3.1 million was spent on the Minnesota portion.

Zayo Bandwidth LLC: In mid-June 2013, Zayo announced the completion of its \$13.4 million "Connect Anoka County" BTOP middle mile project which connects 145 local public facilities.

Several of the multi-state projects have also concluded. Those include:

Communication Service for the Deaf, Inc. (CSD): CSD was awarded \$14,988,657 in BTOP funds. The main goal of CSD's Project Endeavor was to promote broadband access to deaf, deafblind and hard of hearing (d/hh) individuals by providing equipment and high speed Internet connections. Specifically for Minnesota, 373 d/hh residents received equipment or broadband subscriptions (exceeded allotment); \$223,800 BTOP dollars directly impacted d/hh residents (exceeded allotment); seven major outreach events held in connection with other d/hh events; 17 Public Access Video Phones were installed; d/hh residents benefit from valuable web-based educational resources created in American Sign Language (ASL). Two initiatives were launched as the project finished, one for introducing Video Remote Interpreting (VRI) using broadband and a second one for introducing captioning phones that use broadband. CSD's Project Endeavor concluded 7/31/13 and the VRI initiative ended 9/30/13. In its narrative for the 2Q13 report, CSD stated, "When the grant proposal was written, no one envisioned the

quality, affordability and availability of wireless broadband today. Most of our target population abandoned wireline broadband in favor of wireless service.”

Merit Network: The Merit Network received almost \$70 million in BTOP funding to develop 1172 miles of middle mile fiber to serve community anchor institutions in the Upper Peninsula and Northern Lower Peninsula of Michigan and Northern Wisconsin. One path into Minnesota was built at a cost of about \$350,000 to interconnect the University of Minnesota-Duluth with the Research and Education Networks in the Great Lakes. In a joint build with Enventis, fiber has been placed under the St. Louis Bay in Duluth, saving both projects from any duplication of effort.

Mission Economic Development Agency: With a portion of the \$3,724,128 it received in BTOP funding, the Latino Microenterprise Tech Net created a public computer center in Minneapolis, where computer training and adult basic education in English and Spanish were offered. After some delays in procurement, the Latino Economic Development Center (LEDC) opened their part of this project in January 2011 with 17 computers at two sites. Classes in basic digital literacy were offered, mainly in Spanish. A focus of the project was small business and entrepreneurship, especially in the area of construction (using technology for construction bidding and estimates). A total of 773 individuals were trained and these classes have helped to create or retain 165 jobs in the community through upgrading and developing both technology and entrepreneurship skills. The project concluded 9/30/13.

One Economy Corporation: One Economy was awarded a total of \$28.5 million in BTOP funds and used a portion of that funding in Minnesota to operate the Digital Connectors program in conjunction with the Hmong American Partnership and Comcast. The Digital Connectors program promotes the natural affinity for technology by youth, enhancing their potential for spreading technology knowledge, and creating a culture of use. The program identified young people, trained them and helped build leadership and work skills to enter the 21st century economy. Participants, ages 14-21, learned how to network computer labs, connect wireless access points, design computer training modules and create social media projects to put broadband and Internet technology to the greatest use in their communities. Additionally, participants learned about financial management, entrepreneurship and civic engagement. Digital Connectors were also motivated by community service. A major program requirement is to give back to their families, friends and communities what they have learned for a minimal of 56 hours of community service. The group completed more than 200 hours of community service, technical support, and digital literacy trainings. The project was scheduled to complete 3Q13.

Portland State University: A broad coalition of anchor institutions in Minnesota, New York, Central and South Texas, New Orleans, LA and Richmond, CA implemented an innovative online system of self-paced Learning Plans focused on digital literacy for adults. The first six months of the grant involved development of consumer Learning Plans (led by Minnesota) that were used in over 60 community locations around the country during the following 24 months of the grant, to serve economically vulnerable populations move across the digital divide. In Minnesota alone, 2569 learner accounts were created. The Basic Computer Digital Literacy Standards² developed in Minnesota were integrated into the plans. In addition, the project recruited and trained numerous volunteer tutors to work with populations using the learning plans, including 168 volunteers and 8360 volunteer tutor hours in Minnesota. The Minnesota Literacy Council³ served as fiscal agent for the Minnesota portion of the grant, with management assistance from the St. Paul Community Literacy Consortium⁴. Minnesota

² <http://www.digitalliteracyassessment.org/standards.php>

³ <http://mnliteracy.org/>

⁴ <http://spclc.org/>

BTOP sites included the St. Paul/Ramsey County, Mankato, New Ulm, and Minneapolis South Workforce Centers, and Project for Pride in Living in Minneapolis. Approximately \$281,737 of the \$3.3 million in funding was expended in Minnesota and in-kind funding of \$243,169 was contributed from Minnesota organizations.

University Corporation for Advanced Internet Development: With \$62,540,162 in BTOP funding, the goal for UCAID was to create an ultra-fast national network to colleges, universities, libraries, health care facilities and public safety entities, including some based in Minnesota. Minnesota is part of the Northern Tier Network. Internet2 reported in its 1Q13 report that it expected completion of the Zayo-partnered northern tier build in the late April timeframe. The build connected the research universities and other anchors to a nationwide 100Gbps network. This would conclude all project deliverables before the project closed at the end of June.

The table below provides a summary for those projects still in progress.

Grantee	Amount	Description	2013 Update
Northeast Service Cooperative Updated	\$43,498,220	The Northeast Service Cooperative, in partnership with state and local agencies, schools and health care organizations, will implement a middle mile project to make dark fiber, wavelength services available to private sector providers in rural areas of northeast Minnesota.	The project includes the deployment of 915 miles of fiber into 8 counties to connect approximately 250 community anchor institutions at speeds of 1 to 10 Gbps. The project was to be 90% complete by mid-November 2013 and fully complete by year end 2014. NESC has agreements with 3 private partners to date to allow for extension to business and residential customers, other negotiations ongoing.
Sjoberg's, Inc. Updated	\$866,000	FTTP in Roseau, Thief River Falls, and the hamlet of Fox, approximately 656 people stand to benefit, as do roughly 15 businesses and 3 community institutions.	Sjoberg's has almost completed plowing the fiber and a few locations in outlying areas remain to be connected. About 30 percent of the fiber splicing is completed. The upgraded electronics have been installed and are operational. All Sjoberg broadband customers will have 100 Mbps service available. About 50 new rural subscribers have signed up for service to date. Sjoberg's has spent \$400,000 in private capital and received almost \$500,000 in RUS funding. The project should close out by summer 2014.

<p>Wikstrom Telephone Company, Incorporated</p> <p>Updated</p>	<p>\$7,398,600</p>	<p>Deploy FTTP in 6 communities in Kittson, Marshall and Roseau Counties.</p>	<p>The project includes upgrading the backbone fiber network in 16 of the rural telephone exchanges that Wikstrom serves, extending coverage to an unserved area of 182 sq. miles with 723 customers and provisioning a Fiber to the Node ADSL2+ network for 2755 customers that will provide speeds up to 48Mbps. Other key components of this broadband upgrade are the installation of 74 miles of fiber optic cables to the Fiber to the Node system, and an upgrade of the microwave service to the NW Angle/Angle Inlet community and the fiber optic network to serve the islands in the northernmost part of the contiguous USA, of which most of the land mass is Red Lake nation reservation.</p> <p>Fiber optic cables to serve the Agassiz National Wildlife Refuge in cooperation with their ARRA funding were constructed for upgrades to their facilities. A GPON 2.4gbs Fiber to the Home (FTTH) system, with the installation of 414 miles of fiber optic cables, is planned to a projected 1163 homes or businesses, in the rural areas of Greenbush and Karlstad, and the small cities of Lake Bronson, Lancaster, Kennedy and Stephen, MN.</p> <p>As of October of 2013, the project is nearing completion with a total of 518 miles of fiber optic cables installed for our Fiber to the Home network; this network has been built to 1329 homes and businesses. The network investment was about \$10 million to construct to date. The company estimated that in the sparsely populated area of the state that they serve, the cost is about \$10,000 per customer to build fiber to the home.</p>
<p>Lake County</p> <p>Email to Jeff Roiland 10:48</p>	<p>\$66,369,064</p>	<p>Lake County plans to offer FTTP advanced voice, video and data services to every home</p>	<p>The Lake County Project is a "Last Mile" project and covers Lake County and the eastern parts of St. Louis County. In total there are 7 cities, 12 townships, and</p>

<p>on 10/17/13</p>		<p>and business in Lake and eastern Saint Louis Counties.</p>	<p>unorganized territories in both counties that will be served. Numerous contracts were awarded in 2012: Rohl Networks was awarded the construction of Phase I consisting of 75 miles starting in Two Harbors and surrounding rural areas, Silver Bay will start later this year. Transport equipment to power the 400G redundant ring will be powered by Cyan. Access equipment to provide the triple play has been awarded to Calix. A new headquarters building in Two Harbors was purchased and will be remodeled for a state of the art headquarters and data/control center for the network. Egan Company has been awarded the fiber management and installation of the Clearfield fiber equipment. Phase 2A consisting of over 300 miles of fiber from Duluth to Silver Bay is out for bid and construction planned to start the beginning of 2013. Phase 2B consisting of over 600 miles and which will complete 90% of the network build will be out for bids in 1Q13 with construction to start in the spring. Services are planned to be ready for testing in 1Q13 in Two Harbors. Lake County has named the Project "Lake Connections" and additional info can be found on the website www.lakeconnections.com</p>
<p>Arrowhead Electric Cooperative, Inc. Updated</p>	<p>\$16,137,484</p>	<p>Arrowhead Electric Cooperative, Inc. will build a last-mile FTTH network to serve northeastern Cook County. Because of the topography of the land and dense forestation, fixed wireless is not an option.</p>	<p>Construction began August 2011. To date, approximately 130 miles of underground construction, 261 miles of aerial construction and 170 miles of drop construction have been completed. Approximately \$14m or nearly 68% of BIP funds have been drawn. The project received backhaul to its central office October 10th. Testing of installed distribution fibers has begun now that backhaul is in place. Testing of services will begin in late 2013 with service installations and turn-up expected to commence Q1 2014. In the interim, Arrowhead Cooperative has set-up a free public computing area for users to access high-speed internet or use the</p>

			Cooperative's high-speed guest wi-fi.
Grantee	Amount	Description	2013 Update
Multi-State Projects with a presence in Minnesota			
Connected Nation, Inc.	\$1,700,000	Expand existing broadband maps to reach more providers, give information at a more detailed level, and investigate broadband adoption in Minnesota.	Connect Minnesota is the state's "designated entity" for federal grant funding under NTIA's "State Broadband Initiative" (SBI) grant program. The grant work is focused on mapping, research on broadband adoption and utilization, and planning related to support of the state's broadband task force and associated work on broadband adoption and utilization development.
Connected Nation, Inc.	\$2,761,171	Expand existing and planned maps to continue coverage for three additional years.	

Summary of Federal Activities

Since the Federal Communications Commission (FCC) is the primary government agency responsible for oversight of broadband, much of the activity related to broadband is at the national level. The FCC dockets that were active in 2013 that affected broadband included CAF Phase I and II, E-rate and the mobility auction. Other activity at the federal level involved FirstNet, Connect2Compete (C2C), the farm bill, and the Middle Class Tax Relief Act. A summary of these federal activities, with an emphasis on how Minnesota was impacted, follows.

FCC:

CAF for Price Cap Carriers Phase I—Round 1

Overview: CAF Phase I evolved into two rounds as decisions to implement Phase II were delayed. In CAF Phase I, Round 1, the price cap carriers made decisions as to whether to accept allocations in 2012 with participation being entirely voluntary. The FCC determined what portion of the \$300 million set aside for CAF Phase I each price cap carrier was eligible to apply to receive based on a formula that estimated wire center costs using the prior high-cost proxy model. Carriers would receive \$775 per new location served with broadband and eligible locations had to be in the carrier's service area and be unserved i.e. not have broadband service of at least 768 kbps download and 200 kbps upload by any fixed, terrestrial service provider. In July of 2013, those carriers filed updated information with the FCC and state commissions.

In Minnesota, the price cap carriers are CenturyLink, Frontier and Windstream. For 2012, CenturyLink was the only price cap carrier indicating an intent to accept funding in Minnesota. It stated that it would accept \$10,956,175 to provide service to 14,137 locations in Minnesota. In its July 2013 filing, CenturyLink amended those numbers to indicate it would serve 13,117 locations with \$775 per location from CAF funding supplemented with CenturyLink's own capital investment. Many of the locations that CenturyLink had indicated it would serve in 2012 but were not included in the 2013 amended filing are locations in Lake and Cook counties that will be receiving service through projects being built with ARRA funding granted by the Rural Utilities Service of the U.S. Department of Agriculture under the Broadband Improvement Project (BIP).

In 2012, Frontier had indicated that it would not be accepting any CAF Phase I Round 1 funding for locations in Minnesota. However, after its initial evaluation of areas planned to be served across its multi-state territory, Frontier's July 2013 amended filing did indicate it would be using CAF funding to serve 631 new locations in Minnesota, receiving \$775 per location in CAF support supplemented by its own capital.

CAF for Price Cap Carriers Phase I—Round 2

Overview: In May 2013, the FCC issued an order announcing a second round of CAF Phase I in which it would make another \$300 million available to price cap carriers plus the \$185 million that was not claimed in Round 1. The FCC also expanded the eligible areas by adding a second tier of funding of \$550 per new location that has service at 768 kbps down/200 kbps upload but does not have service above 3 Mbps download/768 kbps upload. Carriers cannot apply to receive funding under this second tier unless they already have accepted funding to serve all areas that do not have broadband available of at least 768 kbps down/200 kbps upload that can be economically built out for the \$775 in CAF funding plus an equal amount of the carrier's own capital. In Round 2, the FCC also established a formal challenge process for interested parties to challenge a price cap carrier's filing that a census block is served. The FCC expects that this will be the last round of CAF Phase I funding.

In Minnesota for Round 2, CenturyLink has indicated its intent to accept \$3,098,675 in funding to serve 1,315 locations that currently do not have service at 768 kbps down/200 kbps upload and 3,781 locations that currently do not have broadband service of at least 3 Mbps down/768 kbps upload. Under

the FCC Order, the 1,315 locations would be eligible for CAF funding of \$775 per location and the 3,781 locations would be eligible for \$550 in funding per location.

Frontier has also indicated it will accept funding for Minnesota in Round 2. Frontier intends to serve 393 new locations eligible for \$550 in CAF funding and 84 locations that are eligible for \$775 in CAF funding, for a total of 477 new locations served with \$281,250 in CAF Phase I Round 2 funding.

Windstream, the only other price cap carrier to serve areas within Minnesota, did not accept funding in either round for Minnesota, though within its multi-state territories it did accept \$653,325 in Round 1 and \$123,943,275 in Round 2.

CAF for Price Cap Carriers Phase II

The FCC continues to work on the cost model that will be used to determine funding levels in Phase II of CAF. In Phase II, the FCC will offer each price cap carrier a support amount, derived from the chosen model, in exchange for the carriers commitment to serve all locations in its service territory in a state that fall within the "high cost range" (above the specified cost benchmark but below the "extremely high-cost" benchmark) and that are not served by a competing, unsubsidized provider. Price cap carriers that elect to serve in a state will receive funding for a five year period. After the five year period, and for states in which the price cap carrier decides not to accept Phase II support, a competitive bidding process will be used to award Phase II CAF funds.

CAF for Rate of Return Companies

In the short term, the FCC modified factors used in determining how much support these companies receive, capped the amount at \$250 per line per month, and required the elimination of any artificially low end user voice rates over a three year period. The FCC continues to work on a long term, broadband-focused CAF mechanism. Note here (or more likely in discussion of loss of sales tax exemption) if white paper commissioned by the industry mentions the impact of FCC uncertainty on broadband investment.

Mobility Auction

Phase I awarded up to \$300 million in one-time funding through a competitive bidding process to carriers to deploy 3G service within two years or 4G service within 3 years to areas that lacked such service. Funding was through savings due to the USF reform. In Phase I, no carriers requested funding for areas within Minnesota. Phase I also included up to \$50 million for Tribal areas. The Phase I Tribal mobility auction (Auction 902) is scheduled to be held on February 25, 2014.

Phase II of the Mobility Fund will provide \$500 million annually for ongoing support of mobile services with up to \$100 million dedicated to Tribal areas. Comments on Phase II of the Mobility fund were solicited through a Notice of Proposed Rulemaking issued on November 27, 2012. Comments were due December 21, 2012 and reply comments were due January 7, 2013.

E-Rate Reform

On July 23, 2013, the FCC issued a Notice of Proposed Rulemaking (NPRM) to modernize the E-rate program for schools and libraries. Comments were due September 16, 2013 and replies November 8, 2013. The E-rate program was initially authorized in the Telecommunications Act of 1996 and has been instrumental to ensuring that students and library patrons have the connectivity necessary to participate in the digital world. The FCC sees the challenge today as modernizing the program, as high capacity broadband connectivity has transformed what schools and libraries can offer and how students and community members use broadband, while still ensuring the program is fiscally responsible and fair to those that pay into the universal service fund. The August 13 meeting of the Task Force focused on library use of broadband and E-rate funding and included an update from the FCC on its E-rate reform proceeding.

Other Federal Activities

FirstNet

FirstNet is the First Responder Network Authority, authorized under the Middle Class Tax Relief and Job Creation Act of 2012 (Act), and created to build a high speed national broadband network dedicated to public safety. It is an independently authorized entity within the National Telecommunications Information Administration (NTIA) of the U.S. Department of Commerce. The Act allocated the necessary spectrum for a nationwide interoperable broadband network and provided \$7 billion for public safety network build out. The FirstNet board was appointed in August 2012 and since that time has been working to hire staff, plan its activities and begin work with the states. A portion of the funding has been awarded to each state under the State and Local Implementation Grant Program to plan a governance structure and planning activities for integration into the nationwide network. In September 2013, Minnesota was awarded \$2.3 million to help in planning for FirstNet. While there is an expectation that FirstNet will aid in the deployment of broadband in Minnesota beyond the first responder network, for example, by additional towers being built or secondary users being allowed to access the network when it is not in use, it is unlikely that any increased availability attributable to FirstNet would not occur prior to the 2015 deadline for achieving Minnesota's broadband goals.

ConnectED

In June 2013, President Obama announced the ConnectED initiative which will connect 99 percent of American students to next generation broadband and high speed wireless in their schools and libraries within the next five years. The President is calling on the FCC to modernize and leverage existing programs and the NTIA to use its expertise to deliver this connectivity. The ConnectED initiative will also invest in teachers to receive support and training in using education technology tools to improve student learning. The private sector is also encouraged to develop educational devices and software that are price competitive with textbooks and that unlock the full educational potential of broadband investment.

Executive Order on Broadband Deployment on Federal Property

In June 2012, President Obama issued an Executive Order to facilitate broadband deployment on Federal lands, buildings, and rights of way, federally assisted highways, and tribal and individual Indian trust lands. Under that Order, the President established a Broadband Deployment on Federal Property Working Group. In 2013, that Working Group released a “Dig Once” guide, a broadband inventory toolkit and launched a broadband projects platform on the Department of Transportation’s Federal Infrastructure Projects Permitting Dashboard. More information can be found at <http://www.fhwa.dot.gov/policy/otps/exeorder.cfm>.

Connect2Compete

Connect2Compete has a 3-year goal of raising \$20 million to help provide computers, Internet access, and training to Americans who are currently not connected. To be eligible for the program, a household must have at least one child receiving free lunch through the National School Lunch Program (NSLP); not have subscribed to Internet service through the C2C cable provider in their area in the last 90 days; and have no overdue cable bills or unreturned equipment issued by the cable provider. Qualifying families have the opportunity to purchase a reduced-cost desktop computer for \$150, or laptop for \$199 through GoodPC and reduced rate Internet service. The computers and Internet do not have to be purchased together to participate.

Recent Updates:

- **Outreach:** To drive awareness and relevancy of the program, Connect2Compete recently launched a three-year, multi-media, bilingual Ad Council campaign on the topic of digital inclusion called “EveryoneOn.” The campaign will promote the importance of digital literacy skills and increase access to free computer and Internet training classes. By calling 1-855-EVERY1ON or visiting the website (www.everyoneon.org), users have access to a zip code search tool to finding training classes in their area.
- **ISPs:**
 - Cox recently announced that it will offer increased downstream speeds from 1Mbps to 5Mbps in the program. Cox also announced they will be launching in Roanoke, Oklahoma City, Southern Arizona, and Rhode Island.
 - A new national partnership was announced with Mobile Citizen and Mobile Beacon to offer all eligible Americans unlimited 4G Internet for \$10/ month through the program. This offer will go live in November.
 - Qualified households in the Sprint network can now sign up for FreedomPop’s EveryoneOn deal of a \$29.99 one-time router fee and a plan of either 300MB/ month at no cost, or 2GB/ month for \$19.99.
- **Pilots:** Recent pilots/ launches have included:
 - Macon, GA
 - Florida Literacy Council
 - Alamo College
 - California Emerging Technology Fund
 - New York City

Subgroups

Subgroup Activities Summaries

Broadband Adoption

Coordination Across Government/Monitor FCC & PUC Decisions/Cost of Broadband

Mobile/Wireless Broadband

Recognizing the surging popularity and sophistication of wireless devices coupled with super fast wireless download speeds that allow users to do most everything on their tablets and smartphones that they can do on their wired connection, we recommend that the state of Minnesota embraces policies that encourage the rapid buildout of wireless broadband networks to all corners of the state.

These policies would include:

* Provide or maintain tax incentives for wireless broadband providers to ensure that Minnesota is "open for business" and an attractive state for technology investment. A study done by Dr. Raul Katz for the Broadband Tax Institute concluded that there is direct correlation between lower sales taxes on initial equipment purchasing and broadband investment. Simply put, this tax incentive represents a business-friendly policy that attracts private investment in technology.

• **Establish statewide, uniform cell siting requirements that streamline and encourage the deployment of wireless facilities, thereby enhancing the ability of Minnesotans to obtain timely access to new technologies.**

Best Practices/Incentives

Policy Recommendations listed as part of each subgroup

Recommendations to Office of Broadband Development

Dan Richter
Shirley Walz
Fred Underwood

*Denotes subgroup leader

Sen. Matt Schmit, Minnesota Senate

September 10, 2013

Mayor Sara Carlson, City of Alexandria

Jennifer Nelson, MN State Library Services

Melinda Ludwiczak, Metropolitan Library Service Agency

Peg Werner, Viking Library System

Regina Brown, Telephone Access Policy Division, Wireline Competition Bureau of the FCC

Kim Babine, Director, Government Affairs, MN Department of Employment and Economic Development

Gail Hedstrom, Elbow Lake Public Library

October 1, 2013

Greg Warner, Windom Business, Arts and Recreation Center (BARC)

Lyle MacVay, Northeast Service Cooperative

Dan Olsen, Windomnet

Bernadine Joselyn, Blandin Foundation

Paul Weirtz and Cory Draack, AT&T

November 12, 2013

December 3, 2013