

**From:** [Mackenzie, Danna \(DEED\)](#)  
**To:** [BOCrfc2015](#)  
**Subject:** Broadband Opportunities Council  
**Date:** Wednesday, June 10, 2015 3:10:08 PM  
**Attachments:** [BOC MN OBD Comments - Final.docx](#)

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Dear Broadband Opportunities Council staff,

Please find attached our comments in response to the notice posted in the Federal Register on 4/29/15 requesting comments and responses to specific questions regarding the work of the Broadband Opportunity Council.

This attachment is in Word format as requested by Karen Hanson; please let us know if you have an alternate format you would prefer we send to you.

Thank you for your work on this important project, and we look forward to seeing the results.

Please let me know if this document is not readable or if you have any questions.

Sincerely,

Danna MacKenzie

**Danna MacKenzie / Executive Director**

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June 10, 2015

Subject: Broadband Opportunity Council

Lawrence E. Strickling  
Assistant Secretary for Communications and  
Information  
U.S. Department of Commerce  
1401 Constitution Ave., NW  
Washington, DC 20230

Lisa Mensah  
Under Secretary for Rural Development  
U.S. Department of Agriculture  
1400 Independence Ave., SW  
Washington, DC 20250

Dear Mr. Strickling and Ms. Mensah:

The Office of Broadband Development at the Minnesota Department of Employment and Economic Development (MNOBD) appreciates this opportunity to provide comments to the Broadband Opportunity Council. While created in statute in 2013, the MNOBD staff has deep experience in rural broadband implementation issues, community development and telecommunications regulation. MNOBD also serves as a central clearinghouse for broadband issues in the state, and has engaged in numerous discussions at many levels regarding broadband deployment, adoption and use. The Office oversaw the State Broadband Initiative program in Minnesota and staffs the Governor's Task Force on Broadband and Broadband Subcabinet. In 2014, the MNOBD also implemented a \$20 million broadband infrastructure competitive grant program with 17 grant recipients now in the process of deploying broadband to approximately 6000 unserved or underserved households.

MNOBD will limit its perspective and recommended actions that the federal government can take to promote broadband deployment, adoption and competition to the specific questions where it has the knowledge and expertise to offer such insight. If the BOC has any questions regarding the below comments, please do not hesitate to contact us.

Finally, MNOBD would encourage the BOC to make available online access to all of the comments that have been filed to encourage and enhance the national discussion on ideas for addressing the issues identified in the Federal Register notice.

*A. Overarching Questions*

1. How can the federal government promote best practices in broadband deployment and adoption? What resources are most useful to communities? What actions would be most helpful to communities seeking to improve broadband availability and use?

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**MNOBD Response:** The MNOBD has several suggestions to assist in overcoming the challenges related to the deployment and adoption of broadband that would be helpful to states and communities. A useful tool would be a one-stop website that identifies resources that are available across all federal agencies for broadband deployment and adoption. With one website to link the resources available at the federal level, users, providers and communities would be readily able to identify information and support to assist in their individual situation. Federal programs would also be better able to connect the resources they have available to the population that is most likely to benefit. NTIA, with its expertise on broadband, could be tapped to lead and coordinate the development of this website.

Continuing federal support and maintenance of a national broadband map at a higher granularity than census block level would also be a useful endeavor. If federal agencies truly are interested in assuring that broadband deployment and competition are available to more people and more communities, than there must be a mechanism to measure that availability. What gets measured gets done!

The MNOBD would also recommend that the BOC enable the development of a framework for “It Takes All Hands” approach to closing the gaps in access and adoption. In addition to federal resources, “All Hands” include large and small providers, along with state and local governments. Agencies should be freed or directed to work with states on coordination of strategies and tactical moves. NTIA’s BroadbandUSA program, which has already developed expertise on broadband, could be expanded to lead the “All Hands” framework at the federal level. Included within this framework would be a continuation of NTIA’s role in creating, collecting and maintaining aggregated on-line best practices resources.

Federal agencies should also confer with states before awarding grants and be open to additional inputs when evaluating investment opportunities. There should be an awareness of state broadband development plans and priorities so that opportunities to leverage each other’s investments can be identified.

When federal agencies are interacting with state partners as part of their normal working relationship and broadband issues arise, our federal partners can help reinforce the value of including state broadband planning representatives in the discussions and planning processes.

Another area where the federal government can coordinate with states is by sharing data that can be used to create broadband investment priority maps. Examples include geospatial E-rate data, locations of veterans eligible for telehealth services, FirstNet RAN network map with areas of sub-optimal coverage identified so state investments can give them a priority ranking, and high priority agricultural management areas that could

benefit from connected Ag tech applications.

In addition to the above thoughts on best practices, the MNOBD also supports the following specific ideas for resources and actions that would be useful to communities and providers working to improve their broadband situation and demonstrate the federal agencies see broadband as a priority:

- The standardization of permitting forms, policies and standards across federal land management agencies.
- The creation of standard agreements between federal agencies to ensure interagency cooperation and coordination.
- The allocation of federal staff specifically for telecommunications permitting to minimize processing times.
- The development of standard processing times (less than one year) so providers can schedule construction projects in a timely manner.
- The easing of permitting requirements in previously disturbed areas such as dedicated corridors and roadways.
- The implementation of a tool that would allow broadband providers the opportunity to learn about, with appropriate lead times, and be able to install infrastructure during other construction projects.
- The designation of corridors to install backhaul fiber to existing communications sites.
- The establishment of an electronic application system that tracks the permitting process and have staff input requests for information and applicants allowed to supplement documentation to ensure applicants do not have to resubmit information.
- The designation of a state contact for each state to ensure consistency across field offices, forests, national parks.
- In coordination across federal agencies, and with significant input from state officials, have land management agencies designate broadband corridors that would connect communities, cell tower sites, government facilities and other areas of economic activity. These corridors should be included in planning documents (e.g. Resource Management Plans). State and federal agencies could assist broadband providers to help determine areas of need and proactively encourage them to install services in these broadband corridors through a simplified permitting process.
- Federal agencies could be provided with funding to connect government facilities and allow broadband providers the opportunity to bid on projects. These agencies could serve as anchor tenants, and additional conduit installed during projects that may be used to serve future needs. These agencies could also encourage colocation opportunities on communications sites (e.g. existing towers).

- An inventory of federal assets accessible by providers or communities interested in improving their broadband services would also be a useful tool at the local level.
2. How can the federal government best promote the coordination and use of federally-funded broadband assets?

**MNOBD Response:** As federal funding for broadband assets are being determined, the timing can be synchronized with other available funding. Projects can be rewarded that cross sectors or agencies, support public-private partnerships and achieve multiple goals. One current example is the development of FirstNet where discussion should be explicitly supported at the federal and state levels of how FirstNet investments can be leveraged to promote commercial investment in broadband coverage for consumers, businesses, and institutions. Another example is to insure that federally funded bridges include in their design the capability to accommodate communications lines, whether by current interested providers or reserved for future use. A third example would be to leverage and continue the work that has been done by the Broadband Deployment on Federal Property Working Group.

The MNOBD would also suggest turning this question on its head and ask where can existing federally funded assets not traditionally thought of as broadband assets be leveraged to support broadband access and adoption. One example is that federally-funded low-income housing should include broadband facilities with access to a low-income service offering. This may mean that a review of potential assets that are located within some agencies may need to be done by an outside party that has the background to recognize potential broadband opportunities, because such expertise and perspective might not exist within all agencies.

3. What federal regulations and/or statutes could be modernized or adopted to promote broadband deployment and adoption?

**MNOBD Response:** If broadband deployment and adoption are high priorities, then the steps necessary to achieve it also need to be prioritized. For example, are Davis-Bacon wage requirements that generally apply to federally funded public projects set appropriately for the tasks associated with deploying last mile broadband in rural areas? (Our experience suggests this system needs to be improved in order to maximize return on investments and attract more interested private partners.) Can federal environmental and historical review processes be streamlined and the fee structure reviewed? Can USDA broadband finance programs be reviewed, or a pilot program established, to encourage the financing of start-up broadband providers

especially those locally or cooperatively owned? Are there ways to coordinate construction activities to encourage “Dig Once”?

4. As the federal government transitions to delivering more services online, what should government do to provide information and training to those who have not adopted broadband? What should the federal government do to make reasonable accommodations to those without access to broadband?

**MNOBD Response:** One step would be for the federal government to fully support libraries as a primary service delivery end point; which includes support for the physical access to broadband as well as access to and training to use a device. There should also be adequate train-the-trainer support for federal processes that have migrated to online delivery, to supporting libraries’ capacity-building efforts in raising digital literacy levels among users. The federal government could also compile and share best practices that have been used to address digital migration issues where the transition to delivering government services online (local, state or federal level) has been deemed successful.

5. How can the federal government best collaborate with stakeholders (state, local, and tribal governments, philanthropic entities, industry, trade associations, consumer organizations, etc.) to promote broadband adoption and deployment?

**MNOBD Response:** The MNOBD has several recommendations in response to this question:

- Federal programs promoting broadband adoption and deployment can offer financial incentives through a required match to gain collaboration from interested stakeholders. Re-introducing programs like BTOP, which included funding for sustainable broadband adoption efforts and broadband build-out would be one preferred mechanism.
- Add a representative from one of the state broadband planning efforts/offices to the Broadband Deployment on Federal Property Working Group.
- Similar to the federal goal of standard highway speed limits, condition funding on meeting specified broadband goals.
- State representation should be added to the BOC. This would also enable a liaison between states and provide a mechanism for feedback.
- Include states in an advisory role when federal investment decisions are being made for investment within a state’s borders.
- Build in an ability to give consideration for coordinating timelines with states that have dedicated resources to bring to the table.
- Appropriate federal investments in defined categories should be reviewed for broadband development opportunities/potential prior to final

authorization. This would also mean that broadband planning questions should be added at the front end of many/most federal investment projects.

*B. Addressing Regulatory Barriers to Broadband Deployment, Competition, and Adoption*

6. What regulatory barriers exist within the agencies of the Executive Branch to the deployment of broadband infrastructure?

**MNOBD Response:** All federal agencies need to get on the same page that broadband is a priority and determine internally what can be done to aid in deployment and adoption. The comments provided in response to the notice from **providers** and **users** that have encountered barriers will be a good first step in each agency's internal determination.

The MNOBD also supports coordinating the work of various agencies, such as the Bureau of Land Management and U.S. Forest Service, allowing the Federal Highway Administration and the state departments of transportation the ability to permit telecommunications access on highways that cross federal land, minimizing permit fees and expediting timelines. Federal agencies should also offer broadband providers a streamlined process to install conduit and fiber into roadways since these areas are previously disturbed and have already undergone an environmental review process.

7. What federal programs should allow the use of funding for the deployment of broadband infrastructure or promotion of broadband adoption but do not do so now?

**MNOBD Response:** The MNOBD would specifically call out Housing as one underutilized area that could assist in both the issues of deployment and adoption. Each federal agency should be required to review all grant funding programs and provide a comprehensive list of those that could be used to fund broadband planning, deployment and/or adoption along with specific eligibility requirements and application deadlines. Once that list is established, it should be added to the one-stop website. A current example would be to include clear information about how resources from the Workforce Investment Opportunity Act can be used to achieve digital literacy goals.

8. What inconsistencies exist in federal interpretation and application of procedures, requirements, and policies by Executive Branch agencies related to broadband deployment and/or adoption? One example is the variance in broadband speed definitions.

**MNOBD Response:** Given this question points to the FCC, we will take this as an invitation to speak to FCC related items here.

First, our level of sophistication and use of the data provided by the National Broadband Map has outgrown census block level data collection efforts. To make informed investment decisions, information needs to be available at the address level.

Second, broadband speed definitions within and between agencies and programs should be aligned. Having different speed requirements for program eligibility (CAF, Community Connect), is confusing and results in communities being funded for service at differing speeds that may not meet future needs.

Third, the four universal service programs (high cost, E-rate, low income and rural healthcare) should also be better coordinated to achieve maximum efficiencies-- both across how the programs are offered under the FCC's oversight and also across jurisdictions (federal, state and local). The FCC needs to overhaul the Lifeline program to include broadband, as it has indicated it will do at its June 18 meeting. The FCC also needs to continue, as expeditiously as possible, its CAF II implementation (high cost reform) including for rate-of-return carriers. Since these four programs have historically been one of the primary means for federal assistance for broadband deployment and adoption, they need to be modernized to meet current demand and to provide certainty for future investments.

And a fourth inconsistency we have experienced in Minnesota is a lack of consistent understanding within the USDA that broadband development in rural areas is very directly a valid economic development activity. Continued education of front-line agency staff on the importance of this issue would amplify the partnership opportunities with federal agencies.

11. Should the federal government promote the implementation of federally-funded broadband projects to coincide with other federally-funded infrastructure projects? For example, coordinating a broadband construction project funded by USDA with a road excavation funded by DOT?

**MNOBD Response:** Yes, coordinating projects where possible would result in the most efficient use of government funds. Project coordination also increases the need to continue a broadband mapping program so that there is one location where projects can be documented.

C. *Promoting Public and Private Investment in Broadband*

12. How can communities/regions incentivize service providers to offer broadband



services, either wired or wireless, in rural and remote areas? What can the federal government do to help encourage providers to serve rural areas?

**MNOBD Response:** From a financial perspective, we know that deployment in high cost areas cannot rely on market mechanisms alone. Communities, regions, states, and the federal government can adopt a shared burden model where the capex costs are spread among all of the partners to get into the most difficult to serve areas. The federal government can help encourage service to rural areas by being more thoughtful about how they purchase connectivity for their brick and mortar locations that are in rural areas like national park offices/campgrounds, DOTs, and others. Providing knowledge of asset inventories in high need areas, such as towers, ROW, trails, conduit, permitting fees, etc. would also be helpful. The federal government could also document and share best practices for successful development of public-private partnerships for the deployment of broadband infrastructure (building on the work begun by NTIA’s BroadbandUSA whitepaper, “An Introduction to Effective Public-Private Partnerships for Broadband Investments”), establish funding for states, local communities and providers who are willing to work together and incentivize local communities to update planning documents and city ordinances to ensure conduit is placed in new developments.

*D. Promoting Broadband Adoption*

16. What federal programs within the Executive Branch should allow the use of funding for broadband adoption, but do not do so now?

**MNOBD Response:** As a first step, any agency or program that serves constituents online should fund and offer training and make computers available at appropriate walk-in sites. This could include veteran’s services, early education, public housing, federally-funded minority service centers, and food shelves. This practice would assist in familiarizing clients with the online services and make them comfortable using it. As a second step, where cost effective, an agency or program could consider adoption assistance. (When the FCC reforms the Lifeline program, a separate adoption assistance program by agency may not be needed or could be supplemental to the Lifeline program.)

*E. Issues Related to State, Local, and Tribal Governments*

18. What barriers exist at the state, local, and/or tribal level to broadband deployment and adoption? How can the federal government work with and incentivize state, local, and tribal governments to remove these barriers?

**MNOBD Response:** The primary barrier is financial resources—there are not enough resources to do the job in rural areas. The federal government should work in close coordination with the states to maximize each other’s investments. It should be a

priority rather than states having to request to be at the table. Local barriers also include educating elected officials as to various ways that they can be proactively a part of the solution for their communities.

Including information about successful state dig once strategies on a Broadband OneStop site, and promoting this information to state DOTs would be valuable steps for assisting states in maximizing their role in promoting broadband development. Promoting dialog at the state level between federal housing activities and state broadband planning functions would aid states in engaging another set of partners in addressing the broadband challenge.

Explicitly authorizing K-12 entities looking at e-rate support for building fiber lines to their schools and districts to engage with broader community broadband planning efforts.

19. What federal barriers do state, local, and tribal governments confront as they seek to promote broadband deployment and adoption in their communities?

**MNOBD Response:** Aside from financial barriers, the single largest barrier is a lack of coordination. Free federal agencies and programs to have the flexibility to coordinate with states on these activities, both with timelines and shared funding models.

20. What can the federal government do to make it easier for state, local, and tribal governments or organizations to access funding for broadband?

**MNOBD Response:** Having the various levels of government work together more closely and the establishment of a one-stop website would make it easier to access funding for broadband.

Maintain a function like the BroadbandUSA office, and its predecessor, which has successfully worked with states and provides a level of technical assistance in navigating federal resources based upon an individual state or community need.

21. How can the federal government support state, local, and tribal efforts to promote and/or invest in broadband networks and promote broadband adoption? For example, what type of capacity-building or technical assistance is needed?

**MNOBD Response:** Continue publishing information regarding successful public/private financing models that include state/local/federal and private resources would be helpful. Reauthorizing the BTOP/BIP programs to continue direct federal investment in broadband deployment and adoption programs would also demonstrate this as a priority.

F. *Issues Related to Vulnerable Communities and Communities with Limited or No Broadband*

22. How can specific regulatory policies within the Executive Branch agencies be altered to remove or reduce barriers that prevent vulnerable populations from accessing and using broadband technologies? Vulnerable populations might include, but are not limited to, veterans, seniors, minorities, people with disabilities, at-risk youth, low-income individuals and families, and the unemployed?

**MNOBD Response:** Executive Branch agencies existing interaction with these vulnerable populations, who also often happen to be the least likely to have adopted broadband, should be used as an opportunity to encourage and assist in adoption. Computers could be distributed from NAID certified, computer recycling/refurbishing non-profits like PCs for People to distribute computers as a step towards bridging the digital divide. Partnering with job training, social service agencies, schools and broadband providers to offer training and low-cost connectivity would also assist with digital inclusion efforts. The experience of many of the groups active in Minnesota who work to provide broadband access and digital literacy training to those who fall on the other side of the digital divide shows that these populations are most likely to acquire access and training from a source they already have a positive relationship with, whether that is their church, their school, the WIC program, the community center they belong to, or the public library. So efforts should be flexible enough to adapt to a wide variety of local partners.

G. *Issues Specific to Rural Areas*

24. What federal regulatory barriers can Executive Branch agencies alter to improve broadband access and adoption in rural areas?

**MNOBD Response:**

As mentioned earlier, the experience of Minnesota providers has been that the Davis Bacon wage system seems to be flawed for rural areas. This system should be examined for opportunities to improve its effectiveness in rural areas.

Deployment in rural areas are more often subject to environmental and historical review requirements. These systems should be thoroughly examined for ways to streamline in areas where common sense suggests it is beneficial to all parties.

Inconsistencies with rail crossing requirements and access to utility poles have been cited by numerous Minnesota providers as barriers to deployment in rural areas.

25. Would spurring competition to offer broadband service in rural areas expand availability and, if so, what specific actions could Executive Branch agencies take in furtherance of this goal?

**MNOBD Response:** Generally, when broadband is not available in an area it is because the business case cannot be made to cover the cost of deployment. Many rural areas would be happy if they had one option for fast, reliable, no-data caps broadband service. Actions should first focus on getting initial deployment of broadband service to an area before spurring competition is made a priority.

26. Because the predominant areas with limited or no broadband service tend to be rural, what specific provision should Executive Branch agencies consider to facilitate broadband deployment and adoption in such rural areas?

**MNOBD Response:** MNOBD would suggest that the USDA consider whether any of its traditional loan programs can be converted to grant/loan programs to assist a potential borrower to make the business case for broadband deployment. Alternatively, several states have initiated grant programs and a USDA loan program could be combined with state grant funding to incent a provider to offer broadband in unserved rural areas. USDA programs should also be reviewed to ensure that broadband is viewed as a business and economic development tool. Access to USDA programs by new types of broadband providers, such as locally owned or cooperative entities, should be encouraged.

#### *H. Measuring Broadband Availability, Adoption, and Speeds*

27. What information about existing broadband services should the Executive Branch collect to inform decisions about broadband investment, deployment, and adoption? How often should this information be updated?

**MNOBD Response:** Under the SBI program, the NTIA was responsible for administering the state data collection on broadband deployment and creating a national broadband map. With the expiration of ARRA funding for that program, the FCC had planned to continue data collection on broadband availability through the Form 477s filed by providers, previously for telephone service but more recently expanded to also include broadband services. The MNOBD would suggest that given the need for solid, address level data on broadband availability (including availability at community anchor institutions) by communities, states and various federal programs, the FCC may not be the appropriate entity to be responsible for the collection of such data. The federal government should address, with state and local government input, the appropriate agency to oversee collection of broadband availability data to ensure that the data collected and information produced meets the vast majority of the needs for that information. Some states, including Minnesota, have continued a mapping program beyond SBI, but have encountered some issues with lack of participation by multi-state providers without federal backing of such data collection efforts.

With regard to data collection on broadband adoption, the MNOBD agrees with other comments that the US Census Bureau should open a public comment period to ask state agencies, providers and other interested stakeholders if additional questions should be added to the American Community Survey to better assess broadband adoption data and trends.

28. Are there gaps in the level or reliability of broadband-related information gathered by other entities that need to be filled by Executive Branch data collection efforts?

**MNOBD Response:** Yes, there are gaps and these gaps will continue or worsen going forward if not corrected by a new data collection effort. See our response to question 27 for a possible solution.

29. What additional research should the government conduct to promote broadband deployment, adoption, and competition?

**MNOBD Response:** It would be helpful to have more study and data available on the economic impacts of broadband investments. Issues that could be addressed are the effects of broadband deployment and adoption on factors such as income, job creation and business growth. Data to validate the most effective delivery points for digital literacy education (K-12, libraries, small community defined NGOs, workforce centers, WIC, community education, minority community centers, churches, etc.) and information on the extent to which price is a barrier to adoption would also help direct limited broadband adoption resources.

Thank you for the opportunity to provide comments. If there are any questions about what is included in this document, please contact me at 651-259-7611.

Sincerely,

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