

Senator Lyman F. Hoffman

Member, Senate Finance Committee

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Sponsor Statement

SB 74 "An Act relating to funding for Internet services for school districts."

SB 74 increases the minimum broadband requirement for schools from 10 megabits per second (Mbps) to a minimum of 25 Mbps and provides funding to help schools reach the 25 Mbps through the School Broadband Assistance Grant (BAG).

Districts that qualify for discounted rate for internet services under the Federal Universal Services Program are eligible.

The Universal Service Administrative Company, Schools and Libraries Program, commonly known as "E-rate," provides discounts of up to 90 percent to help eligible schools and libraries in the United States obtain affordable telecommunications and internet access.

The School BAG was established in 2014 and created to assist schools to reach internet download speeds of 10 Mbps. Currently the grant funds may be used to cover eligible costs incurred by the school districts for schools that have less than 10 Mbps each fiscal year. Since 2014 new and improved technologies and increases to internet services have allowed for more and faster delivery of internet services. Because the cost of internet in some rural districts has decreased, the annual internet costs have fallen below the 2014 benchmark established by state law. To allow school districts to utilize these advances, SB 74 will increase the minimum requirement of Mbps from 10 to 25 which will increase the amount of Broadband Assistance Grants (BAG) that the state can pay to school districts.

In 2019, 80 schools in 20 school districts will benefit from the school BAG awards.

The funding leverages federal E-rate funds at approximately 8:1. The program allows for leverage for up to 9:1 based on a formula for free and reduced lunch calculation by district.

Thank you for your consideration of SB 74 to help bring improved broadband services to rural Alaska and improve service for schools across the state.

I urge your support of this legislation to provide Alaskan students, classrooms and teachers and all educators better access to the digital world.

District S Adak Akiachak Akiak Akutan Aleknagik Aniak Anvik Atka Atmauthluak Attu Station Bethel Chefornak Chignik Chignik Lagoon Chignik Lake Chuathbaluk Clark's Point Cold Bay Crooked Creek Dillingham Dutch Harbor Eek Egegik Ekwok False Pass Flat Goodnews Bay Grayling Holy Cross Igiugig Iliamna Ivanof Bay Kasigluk King Cove King Salmon Kipnuk Kokhanok Koliganek Kongiganak Kwethlik Kwigillingok Lake Minchumina Levelock Lime Village Lower Kalskag Manokotak Marshall McGrath Mekoryuk Mertarvik Naknek Napakiak Napaskiak Nelson Lagoon Newhalen New Stuyahok Newtok Nightmute Nikolai Nikolski Nondalton Nunapitchuk Oscarville Pedro Bay Perryville Pilot Point Platinum Pope-Vannoy Landing Port Alsworth Port Heiden Portage Creek Quinhagak Red Devil Russian Mission Sand Point Shageluk Sleetmute South Naknek St. George St. Paul Stony River Takotna Togiak Toksook Bay Tuntutuliak Tununak Twin Hills Ugashik Unalaska Upper Kalskag