ALASKA STATE LEGISLATURE

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Senator Lyman Hoffman

Sponsor Statement SB 140

"An Act relating to funding for Internet services for school districts: and providing for an effective date."

SB 140 increases broadband share for eligible schools from 25 megabits per second (Mbps) to 100 Mbps of download speed and provides funding to help those schools reach 100 Mbps through the School Broadband Assistance Grant (BAG).

The Alaska School Broadband Assistance Grant (BAG) program was created to assist schools to increase internet download speeds. Established in 2014 by the Alaska State Legislature, this grant originally allowed schools to reach download speeds of 10 Mbps. In 2020, the State Legislature revised the statute to help schools reach 25 Mbps download speeds. SB 140 seeks to increase the download speeds to 100 Mbps.

Schools that qualify for a discounted rate for internet services under The Universal Service Administrative Company, Schools and Libraries Program, commonly known as "E-rate," are eligible for the School Broadband Assistance Grant (BAG). The E-rate program provides discounts of up to 90 percent to help eligible schools and libraries obtain affordable broadband.

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 benchmarks established by state law. To allow school districts to utilize these advances, SB 140 will increase the minimum requirement of Mbps from 25 to 100 which will increase the amount of Broadband Assistance Grants (BAG) to help school districts reach increased download speeds. Increasing the funding available through the BAG program in future years will allow schools to leverage more E-Rate funds to bring Alaskan schools in line with national standards for broadband connectivity.

In 2023, 151 Alaskan schools in 27 school districts benefited from the school BAG awards.

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