

House Labor & Commerce Committee

HB363 Testimony

Comments by Mike Navarre, Anand Vadapalli and Diane Kaplan on 3/16/2022.

Mike Navarre:

1. Chairwoman Spohnholz, Chairman Fields, Committee Members,
2. I'm Mike Navarre from Kenai, Alaska, and I serve on the Rasmuson Foundation Board of Directors. Thank you for the opportunity to appear before the House Labor & Commerce Committee on this important topic and opportunity.
3. The Rasmuson Foundation has been tracking the broadband topic and multiple funding opportunities presented by the federal programs. Like you, we recognize these programs as a once in a generation opportunity to provide ALL Alaskans the critical infrastructure necessary to fully participate in the digital world.
4. Access to affordable internet is an issue that impacts many of the things we work on as a Foundation, such as providing Alaskans access to high-quality healthcare, educational opportunities and jobs.
5. We believe reliable, high-speed internet is the right of every Alaskan, and necessary to be an engaged citizen of our state and connected to the world.
6. The Foundation board has recently agreed to fund an effort to support broadband deployment in Alaska, with the goal of helping both the state and tribes maximize the opportunity, particularly rural and underserved communities where broadband is currently unavailable or not affordable.

7. While there are great opportunities, there are also several challenges, including competition for technical expertise, grant writers, contractors, materials, etc.
8. The funding opportunities available to the State of Alaska and separately to Alaska Tribes cry out for a coordinated effort to assure the maximum benefit to all areas and citizens of Alaska.
9. Our interest is to assist in these efforts in any way we can benefit Alaska. Whether through convening various interests, networking, coordinating or communications, we're here to assist your efforts to successfully provide Alaskans affordable access to broadband.
10. Next, it's my pleasure to introduce Anand Vadapalli. As the former CEO of Alaska Communications, Anand played an invaluable role in helping us strategize around how Rasmuson Foundation could help maximize this opportunity.
11. Anand ...

Anand's comments

1. ... Thank you, Mike.
2. I will focus my prepared remarks on the importance of the State's proposed broadband office with some recommendations on structure, governance, organization and charter for such an office.
3. The Broadband Equity, Access and Deployment program, also known as the BEAD program, established by the IIJA, will distribute \$42.45 billion in broadband deployment funding to states and U.S. territories, which will sub-grant funds to broadband providers to connect unserved and underserved areas. A large portion of the funds will only be

distributed once the FCC releases final maps detailing nationwide broadband availability, expected in Fall of 2022. The State of Alaska is the eligible entity to receive funding under the BEAD program.

4. As the eligible entity, the State has significant responsibilities including coordination, communication, planning, governance, and oversight.
5. Additionally, there are other funding opportunities including the Tribal Connectivity Grant Program and the Digital Equity Act programs that provide opportunities for a variety of other eligible entities including Tribal Nations, Alaska Native Corporations, State Agencies, Non-Profits, and other community anchor institutions. The State of Alaska will have an important leadership and coordination role with these other programs.
6. The responsibilities of the State of Alaska under the BEAD program and for coordination with these other programs are discharged through the creation and effective functioning of a broadband office established by the State. Such an office is crucial to the State competing effectively for the funding available under the various programs, and for the effective governance and oversight of funding as received by the State.
7. Further, the timeline for the investment spans several years. It is reasonable to expect that funding decisions by the relevant federal agencies will extend well into 2023. Eligible entities and sub-grantees that receive funding typically have up to four years for deployment of the approved infrastructure. Benefits to communities around Alaska will commence four to six years from today. Considering the pace of technology innovation, it's reasonable to expect that there will be meaningful technology developments in

broadband during this period, necessitating continued planning for the State's broadband infrastructure and ensuring that Alaskans continue to benefit from this foundational technology for the long term.

8. The Committee should take a long-term perspective in establishing the structure, governance, organization and charter of the State's broadband office to ensure policy and operational continuity spanning changes in both Administration and Legislature that are bound to occur over this long period of time.
9. The Foundation has had the benefit of reviewing best practices across various States. We highlight certain common components of successful state broadband programs as below:

- a. **Strong Leadership** from governors, legislators, and agency heads. If the governor's office is focused on broadband, it will bring more attention to the issue. Legislative champions can help keep the topic at the forefront in the Legislature, introduce measures, and educate their peers.
- b. **Dedicated staff** who are focused on broadband and can develop expertise, creating accountability and responsibility, and providing stakeholders with a point of contact.
- c. **Visible and responsive** broadband directors and staff who attend meetings and events around the state, including informational sessions about the state's grant program, broadband committee meetings, and ribbon cuttings or check presentations for grant projects.

d. Connectors or people who can build strong relationships with multiple stakeholder groups and are viewed by them as a trusted partner. They provide a neutral voice when educating policymakers and community leaders and become a reliable resource for information on broadband. As a result, they often play a central role in facilitating coordination and building partnerships to advance broadband projects and policy.

10. The Foundation proposes that the State Broadband Office be stood up with urgency, with governance membership of such an Office appointed by both the Governor and the Legislature, reflecting the principles of shared leadership we previously articulated.

11. In the spirit of providing dedicated resources, we recommend that the Legislature establish and provide for an operating budget for the Broadband Office that would provide for an appropriate level of staffing and operational funding necessary for the Office to discharge its duties, including an Executive Director to serve as the administrative head of such Office. Again, based on organization structures we have reviewed for other States, we recommend that the Office have adequate resources in two distinct areas:

a. Digital Equity and Inclusion with capabilities in statewide planning, digital capacity and equity development, community outreach and coordination and communications, and

b. Grant Program Management with capabilities in grant management, technical planning and mapping, and sub-grantee coordination, oversight and management.

12. The purpose and charter for this Office can be defined to promote the deployment and use of high-speed affordable broadband in Alaska to the benefit of Alaskans. Duties could include:

- a.** Establishing **policy** frameworks by setting well-defined goals and a clear policy direction for legislative and administrative agencies.
- b. Planning**, assessing the adequacy of current infrastructure, and establishing a living broadband roadmap for Alaska.
- c. Engaging a broad range of stakeholders to** ensure proper input is received
- d. Funding and operating** approved broadband infrastructure projects and capacity building programs including training and workforce development.
- e. Evaluating** broadband investments and making sure they continue to evolve with need and technology developments over time.

13. The Foundation believes that this approach for creating and empowering the Alaska Broadband Office will create immediate near-term benefit to maximize the funding to Alaska, while maximizing long-term value to Alaskans from current and future investments in broadband.

14. I now invite Diane to offer comments on how Rasmuson Foundation can contribute to this important initiative ... Diane ...

Diane's comments:

- 1. Thank you, Anand.
- 2. Chairwoman Spohnholz, Chairman Fields, Committee Members

3. I'm Diane Kaplan, President and CEO of Rasmuson Foundation. I echo Mike and Anand in thanking you for the opportunity to appear before the House Labor & Commerce Committee on this important topic.
4. As Mike mentioned, broadband impacts many of the areas that are important to Rasmuson Foundation's mission of promoting a better life for Alaskans. We want to see this effort succeed and are prepared to offer resources – both as a convener and grantmaker - to make it happen.
5. Bringing people together to discuss solutions has always been a core part of our grantmaking philosophy. As we researched how we could assist with broadband, we convened numerous stakeholder groups, including tribal leaders, nonprofits, members of the telecom industry, and prominent citizens. Some of these meetings have evolved into advisory groups which could be used as a means of disseminating information and assisting with coordination.
6. We are also prepared to assist this effort financially. Two immediate areas we could help relate to the set-up of the state's broadband office and coordination between the state and tribes.
7. Over the course of our conversations, some concern was expressed that the NTIA money designated for the set-up of broadband offices may be delayed. If this is the case, and given its crucial role, we could provide resources to allow the state to start building its broadband office.
8. Additionally, we repeatedly heard that strong coordination between tribal broadband efforts and the state was needed for Alaska to fully take advantage of this opportunity.

To that end, we could support the cost of a coordinator position to assist with communication and coordination.

9. On a targeted basis, the Foundation can engage in grantmaking with particular emphasis on workforce development, technology training for organizations and residents, and possibly even support specific projects.
10. For workforce development, it will be important that Alaska both build a workforce that can install, maintain and service broadband infrastructure and provide training and resources to allow Alaskans – particularly those in rural Alaska – to access jobs that can be done remotely. We are prepared to support with both.
11. The Foundation is also building up its own resources in preparation for assisting applicants.
12. Based on needs expressed during our stakeholder interviews, the Foundation has identified organizations that can provide technical assistance like engineering and regulatory support along with grant writers to assist with applications, particularly for Tribal partners.
13. We realize this is all coming together very quickly, and perhaps greater needs will emerge, for instance, assistance with required mapping. Please know we are invested in seeing affordable and high-speed broadband deployment succeed in Alaska. We are open to discussions on how that happens.
14. I would like to close by talking about the cost of accessing broadband once service becomes available. We believe long-term affordability for all Alaskans will be a key measure of whether our efforts are successful. We know federal subsidies will assist in

keeping costs lower for a period of time. But beyond that, there needs to be a specific strategy. An Endowment supported by federal, state and possibly philanthropic resources is one strategy to consider.

15. Thank you again for your time today and I now turn it back over to Chairwoman Spohnholz and Chair Fields for questions.