



# ConnectMT Broadband Program

CPF Performance Report | July 31, 2023

## Program Information

- Approved Program Plan Number (as provided by Treasury) = CPF-GP-000296
- Program start date = February 4, 2022
- Program end date = December 31, 2026
- Actual CPF funds allocated to this Program = \$119,934,533.00

## Executive Summary

The 2021 Montana Legislature passed, and the Governor signed MT Senate Bill 297 created the ConnectMT Act to establish the Broadband Infrastructure Deployment Program. The Department of Administration (Department) was responsible for establishing and is administering the ConnectMT Program through receiving and reviewing responsive proposals and awarding contracts in compliance with federal guidance/criteria and in accordance with established scoring measures in order to meet the needs of unserved and underserved Montanans.

Prior to award, applications were reviewed by the Communications Advisory Commission which was created by HB632 to oversee Montana's American Rescue Plan Act dollars. The Communications Advisory Commission meetings were noticed on the [ConnectMT](#) website. On December 14, 2022, the Governor approved 61 projects recommended for funding, covering 61,887 serviceable locations across Montana. Of these locations 38,631 are unserved communities, 21,956 are underserved communities and 1,300 are frontier communities.

The ConnectMT application window closed on April 29, 2022, for allocations and awards from the American Rescue Plan Act. ConnectMT received 80 requests from 24 applicants in 30 counties to serve 158,019 locations. Applicants requested a total of \$521,488,380 to fund \$715,507,870 in projects. There was \$182,584,410 in matching funds for the proposed projects. Proposals included 74 fiber to the premises projects for over \$470 million in requests, 6 fixed wireless projects for over \$37 million in requests, and 2 combination (fixed wireless and fiber) projects for over \$13 million in requests.

As part of the evaluation process in order to ensure compliance with federal funding, the State provided an opportunity to challenge the applications to prevent over-building infrastructure in the same locations.

ConnectMT received 59 Challenge Applications. The challenge application window was open from May 6, 2022, through June 4, 2022, for applicants to provide information on requested funding regarding locations that are either currently served or where other federal funding sources are already committed to provide service to proposed locations in an application. The results of challenges were issued June 24, 2022, and applicants were given until June 30, 2022, to revise their applications.

All original/unchallenged and revised applications were scored by the Department. The Department presented initial award recommendations to the Communications Advisory Commission (CAC) on August 8, 2022. The CAC made the decision prior to advancing the awards to the Governor, a newly created ARPA Broadband Independent Review Group (ABIRG) would review the application documentation and scoring.

The results of the ABIRG review and revised award recommendations were presented at the December 8, 2022, CAC meeting and subsequently forwarded to Governor Gianforte for review and approval. The Governor accepted the CAC's recommendations on December 14, 2022. Subsequent to the Governor's approval, the Department worked with awardees to execute Grant Agreements, which incorporated the federal and state grant terms and conditions.

## Uses of Funds

In the reporting period, the Department obligated one fixed amount subaward for \$7,334,999.80.

As mentioned, in the upcoming year the Department anticipates obligating \$147,531,274.79 for 21 projects including 19 fiber to the premises, 1 fixed wireless and 1 hybrid project. As noted, the Department is awarding fixed amount subawards to internet service providers. Upon the completion of all the obligated fixed amount subawards, a total of 24,730 connections will be completed.

Additional information regarding the residential, businesses and community anchor institutions benefiting from CPF funds will be discussed in subsequent reporting periods as projects are completed.

The competitive grant process managed by the Department along with the Communication Advisory Commission held in a public forum included discussions about potential awards. The Department worked in collaboration with the Communication Advisory Commission and the Governor's Office. The Department took steps to have open discussions about potential awards to avoid challenges as part of the award process.

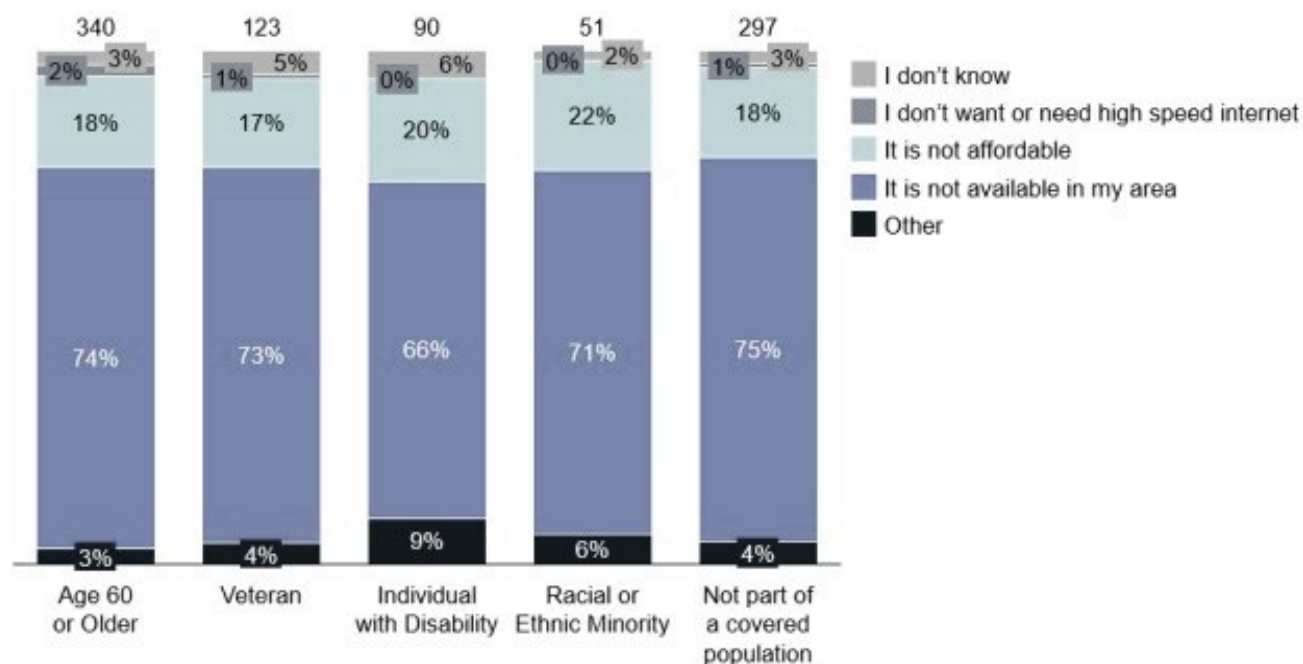
Currently, the Department is in the process of executing Grant Agreements. Project budgets do not include ancillary costs incurred to support bringing the capital assets into full use. As of June 30, 2023, the Department has obligated \$7,334,999.80 for 1 fixed wireless project. The Department will finalize Grant Agreements in the upcoming year to obligate \$147,531,274.79 for 19 fiber to the premises, 1 fixed wireless and 1 hybrid (fiber and fixed) wireless project.

## Promoting Equitable Outcomes and Addressing Critical Needs

The ConnectMT Program will make the best possible use of funding to ensure efficient and equitable installation of scalable broadband infrastructure that will enable as many households, community anchor institutions and businesses as possible to realize service availability as affordably and as soon as possible. A survey of Montana residents conducted by MBO in September and October of 2022 resulted in the following statistics:

### “Why do you not have high speed internet?”

% of Respondents



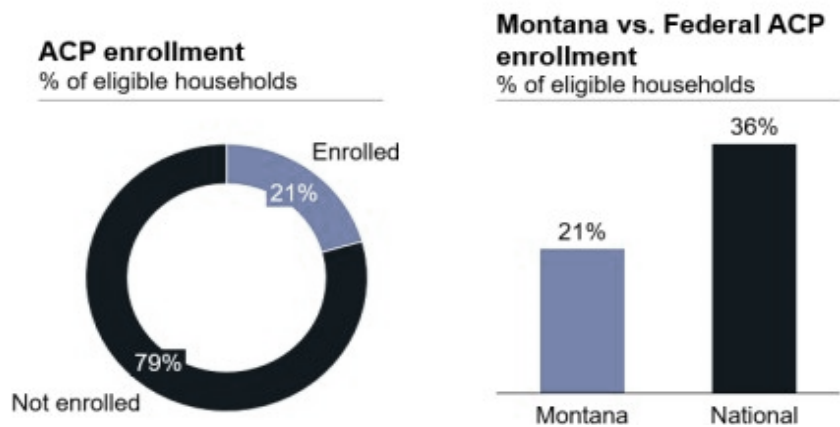
Montana is such a rural state that nearly the entire population (except the most urbanized centers of cities) qualifies as a critical need, considering the lack of reliable internet access. As part of the award process require that internet service providers receiving CPF must participate in the Affordability Connectivity Program, as well as provide access to broad-based affordable opportunities to low-income consumers in their proposed service areas that could also provide benefits to households.

### MT ACP Eligibility and Uptake

In designing the ConnectMT program, the Department engaged in extensive outreach and engagement opportunities through in-person, webinars, and the call/email center for public and stakeholder involvement in addition to public comment periods with the CAC on program parameters and criteria to assess critical need. The Department is currently in the process of obligating funds. In subsequent reporting periods, additional information will be available regarding efforts to make members of these communities aware of the services funded by CPF, as well as the outcomes.

## Montana ACP Eligibility and Uptake

~137,951 eligible households



\*US Census data, 2020 ACS 5-year estimates,

[https://data.census.gov/table?q=C17002&g=0400000US30.30\\$0500000&tid=ACSDT5Y2020.C17002&moe=false&tp=true](https://data.census.gov/table?q=C17002&g=0400000US30.30$0500000&tid=ACSDT5Y2020.C17002&moe=false&tp=true)

## Labor Practices

The ConnectMT Program, through the subrecipient grant agreement incorporates, and encourages strong labor standards. Additionally, as part of the Quarterly Reporting for projects above \$5m, the Department of Administration is collecting information from the subrecipients related to payment of wages, local hiring, and implementation of a highly skilled and safe workforce. Further, ConnectMT requires subrecipients to submit Monthly Reports where they are required to report on the construction progress including any challenges to minimize risk and ensure projects are moving forward and not impacted by workforce issues. With this consistent and timely reporting, the Department can monitor and ensure compliance.

## Community Engagement

For the ConnectMT Broadband Program the Department of Administration conducted multiple community engagement opportunities throughout the state, in addition to the Communications Advisory Commission (CAC) meetings, to gather input tribal and public engagement workshops were conducted January through April 2022. CAC meetings continued through December 2022. The workshops and webinar sessions were recorded and are posted at <https://connectmt.mt.gov/Events/Archive>.

## Civil Rights Compliance

Subrecipients signed the Grant Agreement with terms and conditions that incorporate the requirements for assurance of compliance with Title VI of the Civil Rights Act of 1964. At project close out and submission of subrecipients completion reports, the Department will monitor, conduct site visits, and inspect all phases and aspects of the subrecipients performance as outlined in the Grant Agreement to determine compliance with projects, including proper use of funds, technical and administrative requirements and the adequacy of subrecipients accounts, records, policies and procedures.