September 28, 2023

Initial Proposal Volume II Initial Draft Overview

This document reflects the current draft of Montana's BEAD Initial Proposal Volume II. The purpose of posting this working draft is to get early public input as the State of Montana continues to refine the approach. The State of Montana will continue to develop this draft over the coming weeks, considering input from various stakeholders, including members of the Communications Advisory Commission, state agencies, the general public, and others.

Internet for All Volume II

State of Montana

Montana Broadband Office

Montana Department of Administration

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2 Volume II Initial Proposal Requirements

2.1 Objectives (Requirement 1)

2.1.1 Long-term Broadband Deployment Objectives

Text Box: Outline the long-term objectives for deploying broadband; closing the digital divide; addressing access, affordability, equity, and adoption issues; and enhancing economic growth and job creation. Eligible Entities may directly copy objectives included in their Five-Year Action Plans.

The goals and objectives included here reflect Montana's overall aspirations for the BEAD program. Montana will partner with local governments and departments, such as the Montana Department of Public Health and Human Services, the Office of Public Instruction, the Montana Department of Labor and Industry, the Montana State Library, and many other state government agencies and departments to achieve these goals. In addition, Montana will work closely with Community Anchor Institutions, economic and workforce entities, organizations that represent covered populations, Internet Service Providers (ISPs), and others to deploy broadband in a way that furthers digital opportunity.

All numerical goals outlined below will be informed by the feedback from stakeholders and the NTIA, as well as the deployment scenarios chosen. The State has six goals and ten objectives across the following six areas: broadband deployment, broadband access, broadband adoption, broadband affordability, digital opportunity, and economic growth.

Broadband Deployment

The State's goal for broadband deployment is to use federal funding efficiently and effectively to develop and implement lasting broadband infrastructure for a future-connected Montana. Objectives in this category focus on the timely and cost-effective delivery of physical broadband infrastructure to locations across the state:

(1) Build out broadband infrastructure to 154,054 locations by 2030 using BEAD allocation.

Exhibit 1: Broadband deployment goals and objectives

Objective #	KPI	Baseline	Goal
1a	# locations served as part of BEAD	0	154,054
1b	Cost	$0	Full and efficient use of BEAD allocation ($628,973,798.59)

Broadband Access

The State's goal for broadband access is to ensure all Montana residents have access to the internet and to the necessary devices in their homes, schools, libraries, and businesses. Objectives in this category focus on building out broadband to more locations and making it possible for Montanans

to access the internet more easily and reliably. The State has three objectives related to broadband access:

(1) Eliminate the percentage of unserved locations.
(2) Decrease the percentage of underserved locations.
(3) Increase the percentage of Montana residents with access to internet-capable devices.

Exhibit 2: Broadband access goals and objectives

Objective #	KPI	Baseline	Goal
2	Percent of locations unserved	13%	0% (as required by NOFO)
3	Percent of locations underserved	5%	0%
4	Percent of households with internet-capable device access (e.g., laptop, smartphone, tablet)	91.8%	96.7% (current highest state device access rate)

Broadband Adoption

The State aims to further broadband adoption through programs and partnerships with community stakeholders. The State has one objective related to broadband adoption:

(1) Increase household adoption (broadband subscription) rates.

Exhibit 3: Broadband adoption goals and objectives

Objective #	KPI	Baseline	Long-term goal
5	Household adoption rate	67%	81% (Current highest state adoption rate)

Broadband Affordability

The State plans to leverage existing programs to ensure that cost is not a barrier to accessing broadband for all Montanans, irrespective of their income level. Objectives in this category ensure that more residents can access internet services, and that the internet is more affordable for them. The State has two objectives related to broadband affordability:

(1) Increase the percentage of eligible households enrolled in the Affordable Connectivity Program (ACP).
(2) Increase the percentage uptake of affordable plans.

Exhibit 4: Broadband affordability goals and objectives

Objective #	KPI	Baseline	Goal
6	Percent of eligible households enrolled in ACP	21%	47% (Current highest state adoption rate)
7	Percent uptake of affordable plans[1]	N/A	N/A

Digital Opportunity

Montana's goal for digital opportunity is to reduce the digital divide among all Montana residents by increasing high-speed internet adoption among covered populations:

(1) Increase household adoption rates within covered populations.
   a. Adoption rate among the Black population
   b. Adoption rate among the Native American population
   c. Adoption rate among the aging population
   d. Adoption rate among the veteran population
   e. Adoption rate among the population with disabilities[2]
   f. Adoption rate among households at or below 150% of the federal poverty level

Exhibit 5: Digital opportunity goals and objectives

Objective #	KPI	Baseline	Goal
8a	Adoption rate among the Black population	63%	81%
8b	Adoption rate among the Native American population	53%	81%
8c	Adoption rate among the aging population	58%	81%
8d	Adoption rate among the veteran population	64%	81%
8e	Adoption rate among the population with disabilities	55%	81%
8f	Adoption rate among households ≤ 150% of the federal poverty level	22%	81%

[1] The definition of affordable plans will be determined by the MBO.
[2] Broadband access via cable, fiber, DSL per the U.S. Census Bureau, American Communities Survey (ACS), 2021 5-year estimates; includes DC; https://data.census.gov/table?q=internet&g=040XX00US30&tid=ACSST5Y2021.S2801

Economic Growth and Job Creation

Montana's goal for economic growth and job creation is to bolster the economic competitiveness of Montana by ensuring widespread access to high-speed internet. While Montana holds that increased broadband deployment will ultimately benefit the state's economy across the board, Montana has a special interest in ensuring that businesses have the internet connectivity they need to succeed. Montana thus has one objective related to economic growth and job creation:

(1) Increase the percentage of business locations with high-speed internet access.

Exhibit 6: Economic growth and job creation goals and objectives

Objective #	KPI	Baseline	Goal
9	Percent of business locations with high-speed internet access	77%	100%

To ensure progress toward achieving the goals and objectives outlined above, the Montana Broadband Office has developed a tracking mechanism for each of the above KPIs (see Exhibit 7 below). These KPIs will be updated regularly to ensure the overall program goals are being met and to help identify and address any risks that may arise. The table below identifies the data source that will be used for tracking each KPI, the frequency of updating, and who will be responsible for tracking:

Exhibit 7: Goals and objectives KPIs

Objective #	KPI	Data Source	Tracking Frequency	Entity Responsible
1a	Number of locations served as part of BEAD	ISP submissions	Every 6 months	Chief Data Officer
1b	Cost	Program data	Every month	Grant Accountant
2	Percent of locations unserved	Broadband map	Every 6 months	Chief Data Officer
3	Percent of locations underserved	Broadband map	Every 6 months	Chief Data Officer
4	Percent of residents with internet-capable device access	U.S. Census data	Every 12 months	Census and Economic Information Center
5	Household adoption rate	U.S. Census data	Every 12 months	Census and Economic Information center

Objective #	KPI	Data Source	Tracking Frequency	Entity Responsible
6	Percent of eligible households enrolled in ACP	USAC data	Every 6 months	Program Coordinator
7	Percent uptake of affordable plans	ISP submissions	Every 6 months	Program Coordinator
8	Adoption rates among covered populations	U.S. Census data	Every 12 months	Census and Economic Information center
9	Percent of business locations with high-speed internet access	Broadband map	Every 6 months	Chief Data Officer

2.2 Local, Tribal, and Regional Broadband Planning Processes (Requirement 2)

2.2.1 Local, Tribal, and Regional Broadband Support

Text Box: Identify and outline steps that the Eligible Entity will take to support local, Tribal, and regional broadband planning processes or ongoing efforts to deploy broadband or close the digital divide. In the description, include how the Eligible Entity will coordinate its own planning efforts with the broadband planning processes of local and Tribal Governments, and other local, Tribal, and regional entities. Eligible Entities may directly copy descriptions in their Five-Year Action Plans.

As indicated by the Initial Proposal Guidance, the below is largely copied from the State's Five-Year Action Plan. Section 2.2 details the way that the State identified and engaged with relevant stakeholders during the development of its BEAD and Digital Opportunity Plans, while 2.3 articulates the outcomes of that outreach as well as the plans for ongoing and future engagement.

Montana has been engaging stakeholders since the launch of the BEAD program. The process began by first identifying stakeholders and then developing a tailored approach to incorporate them in the planning process. Together, these efforts yielded a robust stakeholder engagement process, which allowed the State to place key constituents at the center of its plans to increase broadband availability in Montana and narrow the digital divide.

A. Stakeholder identification

With reference to BEAD guidance as well as input from state government contacts, the MBO identified key external stakeholders and stakeholder groups to engage, including:

- **Political and governmental representatives**: state and territorial agencies, state senators and representatives, city and county officials (e.g., commissioners, other elected officials)
- **Tribal entities**: Tribal leadership, Tribal colleges, Tribal businesses, Tribal government officials

- **Community Anchor Institutions**: libraries, schools, healthcare centers, community colleges, other institutions of higher education, nonprofit and community-based organizations

- **Economic and workforce actors**: labor organizations and unions, entities that carry out workforce development programs, chambers of commerce, economic development organizations

- **Telecommunications providers**: internet service providers

- **Covered populations**: individuals who live in covered households, the income of which for the most recently completed year is not more than 150 percent of an amount equal to the poverty level, as determined by using criteria of poverty established by the Bureau of the Census; aging individuals; incarcerated individuals (excluding individuals incarcerated in federal facilities); veterans; individuals with disabilities; individuals with a language barrier; individuals who are members of a racial or ethnic minority group; individuals who primarily reside in a rural area

Once the list of stakeholder groups was defined, the MBO identified specific individuals within each group, as well as any stakeholders relevant to this engagement process that did not belong to a predefined stakeholder group. This process required coordinating with public and private organizations for outreach and desk research (e.g., Google searching, cold calls, referrals) to develop a list of approximately 2,800 contacts representing the full range of stakeholders. Since Montana's efforts for the BEAD program and the Digital Opportunity Program are coordinated, this is a comprehensive list of stakeholders that applies to both efforts.

B. Engagement approach

The MBO conducted two rounds of stakeholder engagement sessions. Round 1, conducted September 7-14, 2022, focused on identifying challenges to internet access and digital equity. Round 2, conducted December 5-9, 2022, focused on soliciting feedback to specific preliminary elements required by the BEAD and Digital Equity NOFOs and report templates provided by NTIA. In both rounds, the MBO's approach to stakeholder engagement was guided by the following principles, outlined in the NTIA's guidance:

Full geographic coverage of the Eligible Entity

In-person stakeholder engagement sessions have been held in ten cities: Billings (round 1 and round 2), Glendive, Glasgow, Kalispell, Great Falls, Helena, Butte, Missoula, Havre, and Miles City. The round 2 session in Billings was specifically for Tribal leaders and communities, organized by the Crow Tribe of Nations in coordination with the MBO. The cities for the sessions were selected to ensure diverse geographical representation across the state from both the more populated hubs as well as the rural areas. In each city, the MBO hosted a one-hour public session, as well as three, one-hour breakout sessions with specific stakeholder groups. These stakeholder engagement sessions were hosted in centrally located, easily accessible locations within each city to enable maximum participation. Forty-six virtual stakeholder sessions have also been conducted, open to individuals and organizations located anywhere in the state. The MBO will continue to ensure that geographic coverage of the state enables a range of Montanans to participate.

Meaningful engagement and outreach to diverse stakeholder groups

Exhibit 8 indicates the stakeholder groups for which virtual and in-person engagement sessions and surveys have been conducted. The MBO will continue to prioritize outreach to diverse stakeholder groups.

Establishment, documentation, and adherence to clear procedures to ensure transparency

The stakeholder engagement process was shaped by a discussion guide that ensured the moderator covered all relevant topics while also providing the ability to move naturally between issues as the conversation flowed. Additionally, Montana deployed a streamlined survey to households and community leaders (see Exhibits 9-12).

Outreach and engagement of unserved and underserved communities, including historically underrepresented and marginalized groups and/or communities

To direct stakeholder engagement, the MBO developed a list of more than 2,800 stakeholders who represented populations highlighted in the NTIA requirements, including unserved / underserved and covered populations, to understand their needs related to the access, availability, and use of broadband. To reach covered populations, the State also held targeted interviews with stakeholders, including Tribal leaders, the Department of Veterans Affairs, the Montana School for the Deaf and Blind, the Department of Corrections, the Department of Public Health and Human Services: State Unit of Aging, and the Montana Rural Development State Office.

Use of multiple awareness and participation mechanisms and different methods to convey information and outreach

Montana engaged its residents through multiple modalities, including 11 in-person and 46 virtual sessions (Exhibit 8) as well as two surveys that were distributed digitally (see Exhibits 9-12).

In-person and virtual sessions

The MBO hosted both in-person and virtual outreach sessions with the public and targeted stakeholders to better understand the state's challenges in providing adequate broadband service to its residents (see Exhibit 8). The stakeholder engagement sessions were held both in person (during the periods of September 7-14 and December 5-9, 2022) and virtually via Microsoft Teams (September through December 2022). The virtual sessions helped to ensure greater accessibility to stakeholders unable to attend a physical session. For those that indicated interest in the virtual option, the MBO coordinated one-on-one to schedule sessions over Microsoft Teams with dial-in accessibility, consolidating as many individuals into the same stakeholder meeting as possible.

Additional outreach through email and phone calls was used to connect with as many stakeholders as possible, conducting supplemental desk research and leveraging referrals given during the sessions to add to the growing list of contacts.

There were two types of sessions, including general public sessions, which sought input from any interested Montanan, and specific stakeholder group sessions, which included representatives from targeted groups such as libraries, local governments, and ISPs.

To direct the sessions, Montana developed discussion guides that covered the following topics:

- Round 1: Challenges to community internet access, technology preferences, how government funds should be used to improve internet access in the community, suggestions for state government (ISP sessions only), digital equity, feasibility for ISPs (ISP sessions only), grant applications (ISP sessions only), and providing internet service (ISP sessions only).
- Round 2: Barriers to connectivity (ISP sessions only), broadband access strategies, digital opportunity strategies, strategies to further workforce development (ISP and Tribal sessions only), strategies to address supply chain challenges (ISP sessions only), strategies to develop an equitable subgrantee process (ISP sessions only), and existing Tribal awards (Tribal sessions only).

The conversations were structured to be flexible to give participants the ability to move naturally between topics as the conversation flowed. This approach ensured participants had the opportunity to raise topics of interest, return to issues when they had additional input, and lead the conversation into the areas of greatest importance to them.

Surveys

Two surveys, with both quantitative and qualitative questions, were designed and deployed to a broad, representative group of Montanans. For survey methodology and results, please see 2.18.1, 2.18.2, and 2.18.3.

- **Household surveys**: This survey was available to any Montanan over the age of 18 and distributed to a population representative of the State.

- **Community leader survey**: This survey was created to reach community leaders and institutions, including libraries, public health organizations, religious organizations, labor organizations and chambers of commerce.

- **Topics covered included:**

    - Availability of internet access at home and in the community
    - Type and speed of internet access at home
    - Reasons for internet use
    - Awareness of internet subsidy programs, such as ACP
    - Reasons for lack of home internet access
    - Assessment of affordable monthly price for high-speed home internet

Alternate outreach modalities

Additional outreach was conducted through email and phone calls to connect with as many stakeholders as possible. The MBO will continue to connect with these stakeholders following submission and implementation of the BEAD Five-Year Action Plan.

Together, these various outreach methods allowed for maximum reach and accessibility to target populations, which helped the State develop a thorough understanding of the challenges to accessing broadband service.

To reach stakeholders, Montana used a number of methods to raise awareness, including:

- Flyers for the general public and stakeholder populations
- Press releases
- Social media posts for Twitter, Instagram, and Facebook
- Email messaging tailored to state agencies and stakeholder populations
- Updated state website language

To reach the general public and targeted stakeholder groups, the MBO distributed materials on engagement opportunities through a range of partner organizations including Broadband MT, Montana Association of Counties, Montana Department of Public Health and Human Services, Economic Developers Association, Montana State Library, Office of Public Instruction, Montana League of Cities and Towns, Montana Chambers of Commerce, Montana Department of Commerce, Governor's Office of Indian Affairs, Business Assistance Connection, ISPs, labor groups, nonprofits, and others. The MBO also used press channels (e.g., TV, radio, newspaper) to distribute marketing materials, including KRTV, Great Falls Tribune, Glasgow Courier, BS Central, Glasgow Chamber, KLTZ Radio, KTVQ, KPAX, The Electric, KFBB, and MMJ Montana. Finally, the MBO promoted the sessions through a network of stakeholder contacts by email, state social media pages, and the state website, as well as the state's GovDelivery email contact list.

2.3 Local Coordination (Requirement 4)

2.3.1 Coordination

Text Box: Describe the coordination conducted, summarize the impact such coordination has on the content of the Initial Proposal, and detail ongoing coordination efforts. Set forth the plan for how the Eligible Entity will fulfil the coordination associated with its Final Proposal.

The State reached a large, representative group of Montanans through its engagement process outlined in 2.2.1.

Exhibit 8: Stakeholders engaged through in-person and virtual sessions[3]

Stakeholder group	Number of individuals reached	Examples
Political and governmental representatives	35	State agencies and officials, city and county officials
Economic and workforce development, small businesses, labor unions and workforce organizations	17	Department of Labor and Industry, Montana Public Service Commission, Laborers' International Union of North America
CAIs	35	Billings Clinic, Glendive Public Library, Montana State Library, Office of Public Instruction, Montana Digital Academy
Telecommunications providers and associations	42	BroadbandMT, Nemont, Grizzly Broadband, Range Companies

[3] In-person and virtual sessions conducted by the MBO

Tribal entities	33	Native Inter-Tribal Health Alliance, Aaniiih Nakoda College
Covered populations	12	Department of Corrections, Veterans Navigation Network, Montana School for the Deaf and Blind
Total	174	

Exhibit 9: Stakeholders reached through the MBO household survey[4]

Population	Count	Percent (Total Number of Responses)	Percent (Total Number of Respondents)
Aged 60 or older	677	34.6%	41.7%
Veteran	251	12.8%	15.5%
Individual with a disability (mental or physical)	182	9.3%	11.2%
Non-native English speaker	23	1.2%	1.4%
Currently Incarcerated	0	0.0%	0.0%
Racial or Ethnic minority (such as Native American, Black, Hispanic, Asian, etc.)	126	6.4%	7.8%
None of these	656	33.5%	40.4%
Skipped/no response	41	2.1%	2.5%
TOTAL	1,956 responses (1,622 respondents)	100%	N/A

Exhibit 10: Stakeholders who live on reservations reached through the MBO household survey[5]

Reservation	Count	Percent
Blackfeet Tribe of the Blackfeet Reservation	7	7.9%
Chippewa Cree Tribe of the Rocky Boy's Reservation	4	4.5%
Confederated Salish and Kootenai Tribes of the Flathead Reservation	30	33.7%
Crow Tribe of the Crow Reservation	14	15.7%
Fort Belknap Tribes of the Fort Belknap Reservation	14	15.7%
Fort Peck Tribes of the Fort Peck Reservation	19	21.3%
Little Shell Chippewa Tribe	0	0.0%
Northern Cheyenne Tribe of the Northern Cheyenne Reservation	1	1.1%
TOTAL	89	100%

[4] Survey of Montana residents conducted by the MBO Sep-Oct 2022. N=1,622
[5] Survey of Montana residents conducted by the MBO Sep-Oct 2022. N=1,622

Exhibit 11: Stakeholders reached through the MBO community leader survey[6]

Community Group	Count	Percent
Adult education or literacy organization	3	3.2%
Advocacy group	0	0.0%
Chamber of commerce	6	6.4%
Education organization serving pre-kindergarten through high school students	4	4.3%
Higher education organization	4	4.3%
Internet service provider	13	13.8%
Labor organization	3	3.2%
Local government	30	31.9%
Nonprofit organization	17	18.1%
Public health organization (including health clinics)	2	2.1%
Public library	8	8.5%
Religious or faith-based organization	0	0.0%
Tribal government	0	0.0%
Veterans' association (such as the American Legion)	0	0.0%
Agriculture	1	1.1%
Economic Development Organization	1	1.1%
State Government	2	2.1%
TOTAL	94	100%

Exhibit 12: Community groups that are located on or that serve reservations, reached through the MBO community leader survey[7]

Reservation	Count	Percent
Blackfeet Tribe of the Blackfeet Reservation	1	1.1%
Chippewa Cree Tribe of the Rocky Boy's Reservation	2	2.1%
Confederated Salish and Kootenai Tribes of the Flathead Reservation	4	4.3%
Crow Tribe of the Crow Reservation	0	0.0%
Fort Belknap Tribes of the Fort Belknap Reservation	2	2.1%
Fort Peck Tribes of the Fort Peck Reservation	9	9.6%
Little Shell Chippewa Tribe	0	0.0%
Northern Cheyenne Tribe of the Northern Cheyenne Reservation	2	2.1%
No response/skipped	74	78.7%
TOTAL	94	100%

Throughout the outreach process, there was a general sentiment that stakeholders were optimistic about the opportunities that will be provided by broadband expansion and efforts to close the digital divide. The State has considered which partnerships it will pursue as it implements its plans, and a number of potential partnerships—including with workforce agencies and educational institutions—are outlined in the implementation strategies in 2.8.1.

[6] Survey of Montana community leaders conducted by the MBO Sep-Oct 2022. N=94
[7] Survey of Montana community leaders conducted by the MBO Sep-Oct 2022. N=94

Since the identification of and engagement with stakeholders detailed in 2.2, the State has maintained its commitment to stakeholder outreach. Over the months that followed, the MBO has remained in contact with a broad set of stakeholders and will continue to engage them throughout the planning and implementation of the BEAD program, including during the subgrantee process and the preparation of the Final Proposal.

Virtual engagement

While the State has been keen to identify opportunities for in-person engagement, it has also utilized virtual channels, including both the ConnectMT website and email updates, to increase the frequency of outreach.

The MBO currently sends out regular email updates to over 5,000 ARPA subscribers and will establish an IIJA-specific email distribution list in the future to disseminate newsletters and updates on meetings, trainings, and resources. In addition, the ConnectMT website will continue to be regularly updated with IIJA-specific information, including FAQs, for both providers and the public.

The State will further utilize its virtual platform to broadly engage with subgrantees by developing webinars and materials, available on the ConnectMT hub, which will provide relevant institutions with information on the two phases of BEAD funding deployment. This will help subgrantees prepare well in advance of the application process. Montana will also perform technical assistance in 2024 to prepare for the both the prequalification and main application rounds. First, the State will work with prospective applicant institutions to educate and inform them on how to successfully apply in the pre-qualification phase. Next, after the pre-qualification round, the MBO will work to educate and inform pre-qualified applicants and provide technical assistance on how to successfully submit their main-round applications.

Communications Advisory Commission (CAC)

In Senate Bill 531, Montana established its Communications Advisory Commission (CAC), a government body developed to oversee the funding allocated to Montana under the Infrastructure Investment and Jobs Act (IIJA) and to provide recommendations on broadband funding deployment.[8] All decisions reached on broadband funding must be approved by the CAC, which hosts monthly meetings open to the public to generate broad engagement.[9] Materials presented at these meetings must be posted online two weeks ahead of time to provide ample time for public feedback. Additionally, each CAC meeting is open to the public and includes a public comment period. During monthly meetings, the CAC regularly hears from citizens, local government leaders, and providers, among others. This is a critical channel to generate productive discussions and gather feedback from stakeholders as the State develops its Initial and Final Proposals.

Conferences and events

The MBO has engaged Montana stakeholders, including state agencies, non-profits, and providers, by attending a wide range of conferences, panels, and events. This has allowed the State to both effectively communicate the scope and impact of BEAD-related broadband initiatives, and easily solicit relevant feedback.

[8] Montana Senate Bill 531, https://leg.mt.gov/bills/2023/billpdf/SB0531.pdf
[9] Ibid.

For example, representatives from the MBO will plan to attend the 102nd Montana Taxpayer Association Meeting. In 2022, over 120 people registered for this event to listen to a discussion with Gov. Greg Gianforte about Montana's economic outlook and the State's tax and fiscal policies. Representatives from the MBO have been invited to speak on the status of broadband deployment at the upcoming December 2023 meeting.[10]

Additionally, MBO representatives will attend the annual meeting of the Montana Chamber of Commerce to provide updates on broadband in October 2023. This meeting advances the Chamber's mission to focus on four key economic pillars (entrepreneurship, workforce development, business climate, infrastructure).[11]

The MBO will also engage with the Montana Economic Development Association (MEDA), as its representatives are planning to speak at an annual conference focused on various facets of the State's economic development. The MBO plans to present on the state of BEAD, statewide digital access, tribal activism, and explain how MBO and MEDA can identify and support various regional- and state-level partners to support broadband applications. This engagement is a continuation of previous broadband-related discussions conducted at this conference by the State.[12]

In addition to strengthening existing relationships with Montana government agencies and non-profits, the MBO will coordinate with federal agencies to reach a wide range of small businesses. To that effect, MBO representatives will attend an upcoming "Path to Prosperity" meeting in late September 2023. "Path to Prosperity" is a regional business development series that is a joint creation of the Small Business Administration (SBA), the FDIC, and the U.S. Department of Agriculture (USDA).[13] The Montana-focused segment of this series will share relevant information on how non-profits and community-based organizations can overcome challenges associated with understanding federal contracts and procurements, and navigating the opportunities, barriers, and logistics of accessing financing as a small business.[14] The series will include a dedicated broadband panel on broadband access, at which MBO representatives will speak on the state of broadband access in rural communities. Topics will include the types of assistance available to communities without broadband and the processes for accessing funding for broadband assistance.

The MBO representatives have also been invited to speak on a Future of Montana fireside chat to discuss broadband deployment initiatives in the state. The future engagement builds on previous conversations between Push Technologies, a panel sponsor, and MBO representatives that sought to align on the challenges and priorities for both parties with broadband deployment in the state. [15]

In August 2023, representatives from the MBO presented on the current status and outlook for broadband deployment at the Annual Meeting of BroadbandMT, a telecommunications group

[10] Montana Tax Association 101st Annual Meeting, https://www.montax.org/news.php?id=158
[11] Montana Chamber of Commerce, Annual Membership Meeting Public Agenda, Annual Membership Meeting_Public Agenda.pdf
[12] Montana Economic Developers Association, MEDA Fall 2022 Conference, https://www.medamembers.org/event-details/meda-fall-2022-conference
[13] Path to Prosperity Economic Development Series, https://www.sba.gov/event/23490
[14] FDIC, SBA, and USDA Host Path to Prosperity Regional Economic Development Series in Montana, https://www.fdic.gov/resources/consumers/events/2023-09-26-prosperity.html
[15] Push Technologies Fireside Chat, Montana Ambassadors Convening 2023 https://www.eventbrite.com/e/montana-ambassadors-convening-2023-tickets-694412224657?aff=oddtdtcreator

whose members include over telecommunications firms and other stakeholders that collectively employ more than 1,000 Montanans.[16] More than half of ARPA applicants were members of BroadbandMT, making the organization a significant player on the provider landscape.

2.3.1.1 Local Coordination Tracker Tool

Attachment: As a required attachment, submit the Local Coordination Tracker Tool to certify that the Eligible Entity has conducted coordination, including with Tribal Governments, local community organizations, unions and work organizations, and other groups.

Local Coordination Tracker tool to be attached.

2.3.2 Formal Tribal Consultation Process

Text Box: Describe the formal tribal consultation process conducted with federally recognized Tribes, to the extent that the Eligible Entity encompasses federally recognized Tribes. If the Eligible Entity does not encompass federally recognized Tribes, note "Not applicable."

The MBO has conducted tribal outreach as part of its broadband initiatives in the past and will continue to do so in the future. The State's primary method of engagement has been through the organization of formal meetings.

One initial session of Montana Broadband Tribal Outreach session was organized by the Director of the Governor's Office of Indian Affairs in September 2023 and included several Tribal and non-tribal broadband stakeholders.[17] Additionally, in December 2022, the MBO and Crow Tribe of Nations leadership hosted a joint broadband conference to discuss broadband access and internet quality on Crow land.[18] This conference was also used to review feedback from Tribal leadership and communities on the Montana Digital Opportunity Plan and Five-Year Action Plan, and to ensure that the needs of the Crow community are fully considered.[19] This event was attended by a variety of Tribal stakeholders, including: Tribal leadership from the Northern Cheyenne, Crow Tribe, Fort Peck Tribes, and Tribal-owned broadband firms such as Siyeh Communications. [20]

The State will continue this engagement with the Montana Tribal Broadband Consultation Forum in late September 2023, which will be used to solicit general Tribal feedback on broadband deployment.

2.3.2.1 Formal Tribal Consultation Process Attachment

Optional Attachment: As a required attachment only if the Eligible Entity encompasses federally recognized Tribes, provide evidence that a formal tribal consultation process was conducted, such as meeting agendas and participation lists.

[16] About BroadbandMT, https://www.broadbandmt.com/the-association
[17] Round 1 Tribal Event Attendance List, Great Falls
[18] MT Tribal Broadband Forum Draft Agenda
[19] Ibid.
[20] Crow Tribe Broadband Conference Attendance List, Billings, December 9, 2022

2.4 Deployment Subgrantee Selection (Requirement 8)

Deployment Projects Subgrantee Selection Process & Scoring Approach

2.4.1 Fair, Open, and Competitive Process

Text Box: Describe a detailed plan to award subgrants to last-mile broadband deployment projects through a fair, open, and competitive process.

Overview

The MBO strived to design a subgrantee selection process that is intrinsically fair, open, and competitive through implementing a number of key transparency measures throughout the process design. These measures included **transparent oversight and public engagement** through collaborating closely with the Communications Advisory Commission (CAC), designing an **objective scoring process**, and **alignment to state and federal law** such as the BEAD NOFO and recently passed Montana Senate Bill 531. These measures are further detailed in the sub-sections below.

A. Transparent oversight and public engagement

The Communications Advisory Commission (CAC) is an advisory body created to support the Montana Department of Administration with oversight of the BEAD program. The establishment and involvement of the CAC have been integral in designing a fair, open, and competitive subgrantee award process. The CAC was created by Senate Bill 531, which was passed by the 68th Montana State Legislature, to design and implement the State's BEAD program. [21] The commission consists of nine members, including six legislators from Montana's Senate and House of Representatives, the Governor's Director of the Office of Budget and Program Planning, the Governor's Chief Economic Development Officer, and the Governor's Director of Administration.

Since June 2023, the CAC has held monthly meetings, which are open to the public and include public comment opportunities, to guide the State's BEAD and Digital Opportunity efforts. Fourteen days ahead of each convening, the materials to be discussed—which are compiled in PowerPoint presentations as well as supplemental PDFs or Excel documents—are posted on the ConnectMT website to provide the public and the CAC members with an opportunity for review and consideration.[22] The critical and central role played by the nine-member commission distributes decision-making power in an inclusive and democratic manner, safeguarding against bias. Further, the public nature of the CAC meetings yielded an open process that gave a broad range of stakeholders the opportunity to engage in the design of the BEAD subgrantee process.

In addition, the entire subgrantee application will be made available for public comment ahead of the subgrantee selection process to provide potential applicants and the public at large with an opportunity to comment. Any questions or clarifications can be addressed by the MBO during that time. Additionally, this early exposure to the application and all of its components will give

[21] Montana Senate Bill 531, https://leg.mt.gov/bills/2023/SB0599/SB0531_1.pdf
[22] ConnectMT Resources, https://connectmt.mt.gov/IIJA/Resources

potential applicants the opportunity to better understand the subgrantee process so that they can participate in a fair and meaningful way.

In the interest of fostering transparency, the MBO has used both the CAC and the ConnectMT website to share materials and updates, as well as to provide public forums for comment and discussion. These avenues will continue to be used throughout the development of the subgrantee process and the actual subgrantee application period. This will ensure that potential subgrantees are given adequate notice and enable broad participation in the program.

B. Objective scoring process

The MBO thoughtfully constructed an application and scoring rubric designed to encourage widespread participation by providers of all kinds. To the greatest extent possible, each scoring criterion has been based on straightforward and quantitative measures that serve as objective metrics by which subgrantees will be selected.

Montana Senate Bill 531 (SB531) outlined a number of scoring criteria, which aligned with and expanded upon BEAD guidance to reflect the priorities of Montanans.[23] For example, SB531 echoed the importance that BEAD guidance places on minimizing BEAD outlay by stating that scoring should consider "the extent to which government funding support is necessary to deploy broadband service infrastructure in the proposed project area." It also incorporated new criteria, for example, "the number of households, businesses, farms, ranches, and community anchor institutions served."

To further minimize conflicts of interest and award subgrants in an open, fair, and competitive manner, the MBO will utilize at least one third-party firm, free of any conflicts of interest with prospective subgrantees, to score the applications.

C. Alignment to state and federal law

The Montana Code Annotated 2021 (MCA) is a cumulative compilation of the Montana State Constitution and all state laws. After bills are passed into law, they are incorporated into the MCA.[24] The MCA includes provisions to safeguard against favoritism and bias: 18-1-111 mandates "impartiality to be shown in letting contracts," noting that the Department of Administration "may not show any partiality or favoritism not provided for by law in making awards or contracts."[25] Further, Section 18-4-141 of the Montana Code Annotated 2021 prohibits collusion, noting that, "Collusion or secret agreements between vendors for the purpose of securing any advantage to the vendors as against the state in the awarding of contracts are prohibited. The state may declare the contract void if the department finds sufficient evidence after a contract has been let that the

[23] Montana Senate Bill 531, https://leg.mt.gov/bills/2023/SB0599/SB0531_1.pdf
[24] Montana State Statutes, Montana State Legislature, https://leg.mt.gov/statute/#:~:text=After%20a%20bill%20is%20signed,updated%20after%20each%20legislative%20session.
[25] 18-1-111, Montana Code Annotated 2021, https://leg.mt.gov/bills/mca/title_0180/chapter_0010/part_0010/section_0110/0180-0010-0010-0110.html

contract was obtained by a vendor or vendors by reason of collusive or secret agreement among the vendors to the disadvantage of the state."[26]

Broadly, state law necessitates due process in all governmental actions, which guarantees that the State's decisions are made in a non-arbitrary manner. Further, 49-3-206 of the Montana Code Annotated 2021, which addresses the distribution of governmental funds, notes that, "Race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin may not be considered as limiting factors with regard to applicants' qualifications for benefits authorized by law in state or locally administered programs involving the distribution of funds; nor may state agencies provide grants, loans, or other financial assistance to public agencies, private institutions, or organizations which engage in discriminatory practices."[27]

As a component to creating a plan to competitively award subgrants, the State of Montana also understands and will adhere to the regulations set forth in the accountability procedures mandated by the BEAD NOFO. The procedures are outlined in 2.16.12.

A broader and more detailed overview of the subgrantee process—including the design choices intended to foster a fair, open, and competitive process—can be found in 2.4.2.

2.4.2 Prioritization and Scoring Process

Text Box: Describe how the prioritization and scoring process will be conducted and is consistent with the BEAD NOFO requirements on pages 42 – 46.

Overview

Through implementation of the transparency measures noted above, the MBO designed a robust and transparent process for prioritizing and scoring all subgrantee project applications. This process outlines how potential subgrantee applicants will submit bids to deploy reliable broadband service to eligible Broadband Serviceable Locations and Community Anchor Institutions (if funding allows) across Montana in an effort to reach universal service. This process includes several components, including the application rounds, benchmarking, scoring, bidding scenarios, and overlapping project areas.

A. Application rounds

i. Prequalification round

The first step in the subgrantee process will consist of a prequalification round, which the MBO plans to launch in early 2024, likely shortly after Montana's Initial Proposal Volume II is approved by the NTIA. The prequalification round will last for 30 days, and all providers who intend to submit subgrantee applications during the main round will be required to participate.

[26] 18-4-141, Montana Code Annotated 2021, https://leg.mt.gov/bills/mca/title_0180/chapter_0040/part_0010/section_0410/0180-0040-0010-0410.html
[27] 49-3-206, Montana Code Annotated 2021, https://leg.mt.gov/bills/mca/title_0490/chapter_0030/part_0020/section_0060/0490-0030-0020-0060.html

During the prequalification round, applicants will submit materials related to the following capabilities, the requirements for which are documented in various subsections of this Initial Proposal Volume II:

- Financial capability: 2.4.11 (a, c)
- Managerial capability: 2.4.12 (a, b)
- Technical capability: 2.4.13 (a)
- Compliance with applicable law: 2.4.14 (a, b)
- Operational capability: 2.4.15 (b, c, d, e)
- Information on ownership: 2.4.16 (a)
- Information on other public funding: 2.4.17 (a)
- EHP and BABA compliance: 2.4.5
- Labor standards and protection: 2.7.1 (a, ai, aii, aiii), 2.7.1 (b, bi1, bi2)
- Certification of compliance with BEAD requirements—Cybersecurity): 2.16.4 (1, 2, 3, 4)
- Certification of compliance with BEAD requirements—Supply chain risk management: 2.16.4 (1, 2, 3, 4)

Additional details regarding the materials required during the prequalification round, as well as the manner in which the MBO will evaluate those materials, can be found in the respective subsections below.

Holding the prequalification round before beginning the main subgrantee application period will ease the administrative burden on applicants, as well as the State of Montana, giving all parties more time to compile and review the materials and streamlining the entire process.

As necessary, the MBO will communicate with applicants to clarify outstanding questions and request revisions or additional materials. Following the close of the prequalification period, the MBO will contact applicants to share results, confirming eligibility to participate in the main round.

ii. Main round

Potential subgrantees who successfully pass the prequalification round will be permitted to participate in the main round of the subgrantee process.

During the main round, the outstanding materials that were not required for submission during prequalification must be submitted, including the following materials:

- Financial capability: 2.4.11 (a, d)
- Technical capability: 2.4.13 (a, b)

- Compliance with applicable law: 2.4.14 (b)
- Operational capability: 2.4.15 (a)
- Information on other public funding: 2.4.17 (b)
- Workforce readiness: 2.8.2 (a, b, c, d, e; a, b, bi, bii)
- Details related to primary and secondary criteria as well as additional prioritization factors

For more detail regarding the required materials and evaluation approach for the main round, please refer to the respective subsections.

To approach the process holistically, maximize competition, and give the State the most complete view of its service options, priority and non-priority bids will be accepted in tandem in the single main round. A priority bid is for a project that will provision service via end-to-end fiber-optic facilities to each end-user premises. A non-priority bid is for any project that is not a priority project.

Each application will be reviewed and scored per project area. In accordance with BEAD guidance to maximize the use of fiber, priority bids will be evaluated first for every project area.

B. Benchmarking

As articulated in detail in 2.4.6, the State will allow providers to build their desired project areas using foundational units, which will consist of CBGs, and in some cases, subsections of CBGs (e.g., in case of particularly large CBGs that need to be broken up into more manageable subcomponents).

Before the main round opens, the State will set a reference funding benchmark for each CBG, which will be informed by the CostQuest Associates (CQA) cost model as a starting point. The sum of the benchmarks will be constrained to be within the state's BEAD allocation of $628,973,798.59.[28] Given that Montana's allocation is not expected to be sufficient to support end-to-end fiber to the home (FTTH) to all eligible locations in the state, proper budgeting will be critical to achieving universal coverage.

CQA is the official contractor that provides location data to the FCC. That location data was used to produce the FCC's Broadband Serviceable Location (BSL) Fabric, "the data set of all residential and business locations (or structures) in the U.S. where fixed broadband internet access service is or can be installed."[29] In addition to possessing extensive data related to BSLs and their respective broadband speeds, CQA has developed a proprietary cost model that projects the deployment costs

[28] Biden-Harris Administration Announces State Allocations for $42.45 Billion High-Speed Internet Grant Program as Part of Investing in America Agenda, NTIA, June 26, 2023, https://www.ntia.gov/press-release/2023/biden-harris-administration-announces-state-allocations-4245-billion-high-speed

[29] "What is the Broadband Serviceable Location Fabric?", CQA, https://www.costquest.com/broadband-serviceable-location-fabric/

based on factors including location, take rate, type of technology, and whether the buildout is greenfield (new build) or brownfield (an extension of existing infrastructure).

For the sake of transparency and to ensure that applicants understand the criteria against which they will be evaluated, the benchmark for each CBG will be made available to the public in advance of the main round of the subgrantee process.

The State will finalize its approach to setting the benchmark over the coming months, as it will need to take into account the exact number of un- and underserved locations to be reached through its BEAD allocation. The BSLs eligible for BEAD funding will likely change before the main round begins as a result of the deduplication and challenge processes.

C. Scoring

The MBO sought to design a scoring rubric and process that would accomplish the following key objectives:

- Align to the requirements outlined by NTIA in the BEAD NOFO.
- Incorporate criteria to reflect the priorities of the State of Montana.
- Encourage participation by as many providers as possible.
- Ensure a fair process through use of quantitative measures.
- Achieve the BEAD and state goal of reaching universal coverage.

The MBO solicited feedback from a wide range of stakeholders in designing a scoring process and rubric that would achieve the above objectives. The preliminary scoring process and rubric was presented during the Communications Advisory Commission meetings on August 8 and September 6 to collect feedback from legislators, industry partners, potential subgrantees, and the general public. Materials for CAC meetings are posted publicly two weeks in advance of every meeting. The MBO was also invited to present at the BroadbandMT Annual Meeting, during which the preliminary scoring process and rubric were discussed at length with the attendees.

i. Scoring rubric

After soliciting a broad range of public input into the scoring rubric and process, the MBO collaborated closely with the CAC to finalize the preliminary rubric. Following the September CAC meeting, the MBO reached out to the CAC members directly for input in order to finalize the draft scoring rubric in alignment with State priorities. CAC members shared written feedback and justifications regarding the criteria that were most important to them. This feedback was critical to ensure that the scoring rubric designed by the MBO reflected the broader priorities of the State of Montana and its residents.

In addition to stakeholder feedback, the MBO also had to take into account both state law and federal mandates per the BEAD NOFO. NTIA mandates that 75% of the possible points be awarded to the primary criteria (i.e., per location/project BEAD grant request, affordability, and fair labor practices). The remaining 25% may be awarded to the secondary criteria (e.g., speed to deployment

and, in the case of non-priority projects, speed of network and other technical capabilities) as well as any additional criteria adopted by the State.

In accordance with the provisions of the BEAD NOFO, the State of Montana elected to enumerate additional criteria, outlined in Senate Bill 531, including:

- *"Whether the proposed project area serves unserved or underserved areas, with unserved areas receiving greater weight;"*
- *"The number of households, businesses, farms, ranches, and community anchor institutions served;"*
- *"The length of time the provider has been providing broadband service in the state;"*
- *"Broadband service providers who have broadband service infrastructure already deployed in the project area;" and*
- *"High-cost areas must be considered for services to the extent terrestrial service is economically viable.[30]"*

Taking into account the BEAD requirements, state law as per Senate Bill 531, and input from a broad range of stakeholders, the MBO devised two scoring rubrics, one for priority broadband projects and one for non-priority broadband projects. Both rubrics are provided as a separate attachment as per 2.4.2.1.

For each of the primary and secondary scoring criteria, the MBO developed a methodology to score every application objectively and quantitatively. Wherever possible, a sliding scale was implemented to provide opportunities for applicants to be awarded partial points for every category. This methodology is further detailed below.

ii. Scoring process

Primary criteria (priority projects):

Minimal BEAD program outlay—per project BEAD grant request: Maximum of 40 points possible

- Subgrantee applicants will provide the list of CBGs and the grant request amount for each project area they are applying for. If a subgrantee chooses to submit multiple applications, each for a different project area composed of one or more CBGs, then for each application, the provider should note the CBGs that comprise the project area and the grant request for each project area. Each application will be scored and evaluated separately.
- The MBO will calculate the reference funding benchmark for each project area by summing up the benchmarks for each CBG included in an individual project area. The benchmark for each CBG will be based on the CostQuest Associates cost model provided by NTIA as a starting point. As noted above, the reference benchmark for each CBG will be shared with applicants as part of the application materials.

[30] Montana Senate Bill 531, https://leg.mt.gov/bills/2023/SB0599/SB0531_1.pdf

- Points will be awarded to applicants based on the percentage their requested grant funding amount is below or above the benchmark for a given project area. Specifically, points will be calculated as follows: 40 – (20 * (grant request amount / benchmark)).
- For example, assume the benchmark for a particular project area is $100. If the grant request amount is $150, then the applicant would receive 10 points: 40 – (20 * (150/100)) = 10. If the grant request amount is $50, then the applicant would receive 30 points: 40 – (20 * (50/100) = 30.

Affordability—Lowest price for 1/1 Gbps service commitment: Maximum of 10 points possible

- Subgrantee applicants will provide the plan pricing for gigabit symmetrical service (1 Gbps download / 1 Gbps upload) that they will commit to offer to all customers in a given project area (subject to annual increases not to exceed the rate of inflation).
- Plan prices will be evaluated against a tiered rubric, which awards points based on the plan's price range (see Exhibit 13).
- For example, a provider whose 1/1 Gbps plan costs $157 would earn 1 point, while a provider whose 1/1 Gbps plan costs $86.50 would earn 8 points.
- Applicants who fail to deliver on their pricing commitments will be subject to clawback provisions as outlined in Section 2.16.2: Subgrantee Accountability Procedures.

Exhibit 13: 1/1 Gbps evaluation rubric

Price	Points
≥$160	0
$150-$159.99	1
$140-$149.99	2
$130-$139.99	3
$120-$129.99	4
$110-$119.99	5
$100-$109.99	6
$90-$99.99	7
$80-$89.99	8
$70-$79.99	9
< $70	10

Affordability—Lowest price for 100/20 Mbps service commitment: Maximum of 10 points possible

- Note: This affordability criterion will be used to evaluate applicants' low-cost plans. For more information on the low-cost plan, please see 2.12.
- Each subgrantee applicant will provide the plan pricing for 100/20 Mbps that it will commit to offer as its low-cost plan (subject to annual increases not to exceed the rate of inflation).
- Plan prices will be evaluated against a tiered rubric, which awards points based on the plan's price range (see Exhibit 14).
- For example, a provider whose 100/20 Mbps plan costs $72 would earn 0 points, while a provider whose 100/20 Mbps plan costs $46.50 would earn 9 points.
- Applicants who fail to deliver on their pricing commitments will be subject to clawback provisions as outlined in Section 2.16.2: Subgrantee Accountability Procedures.

Exhibit 14: 100/20 Mbps evaluation rubric

Price	Points
>$65.00	0
$65.00	1
$62.50-$64.99	2
$60.00-$62.49	3
$57.50-$59.99	4
$55.00-$57.49	5
$52.50-$54.99	6
$50.00-$52.49	7
$47.50-$49.99	8
$45.01-$47.49	9
$45.00 or less	10

Fair labor practices: Maximum of 15 points possible

- Subgrantee applicants will provide details of their past compliance with federal fair labor laws, according to the requirements outlined in 2.7.1. Subgrantee applicants will also be asked to commit to following federal fair labor practices for the life of the BEAD assets.
- Points will be awarded to applicants based on both their past record of compliance and forward-looking commitments. Applicants who meet all requirements for past compliance with federal fair labor laws will receive 10 points, while applicants with 1 past violation will

receive 5 points, and applicants with more than 1 past violation will receive 0 points. Applicants who commit to following federal fair labor laws for the life of the BEAD assets will receive an additional 5 points.

- Applicants who fail to deliver on their forward-looking federal fair labor law commitments will be subject to clawback provisions as outlined in Section 2.16.2: Subgrantee Accountability Procedures.

Primary criteria (non-priority projects):

Minimal BEAD program outlay—per project BEAD grant request: Maximum of 40 points possible

- Subgrantee applicants will provide the list of CBGs and the grant request amount for each project area they are applying for. If a subgrantee chooses to submit multiple applications, each for a different project area composed of one or more CBGs, then for each application, the provider should note the CBGs that comprise the project area and the grant request for each project area. Each application will be scored and evaluated separately.

- The MBO will calculate the reference funding benchmark for each project area by summing up the benchmarks for each CBG included in an individual project area. The benchmark for each CBG will be based on the CostQuest Associates cost model provided by NTIA as a starting point. As noted above, the reference benchmark for each CBG will be shared with applicants as part of the application materials.

- Points will be awarded to applicants based on the percentage their requested grant funding amount is below or above the benchmark for a given project area. Specifically, points will be calculated as follows: 40 – (20 * (grant request amount / benchmark)).

- For example, assume the benchmark for a particular project area is $100. If the grant request amount is $150, then the applicant would receive 10 points: 40 – (20 * (150/100)) = 10. If the grant request amount is $50, then the applicant would receive 30 points: 40 – (20 * (50/100) = 30.

Affordability—Lowest price for 100/20 Mbps service commitment: Maximum of 20 points possible

- Note: This affordability criterion will be used to evaluate applicants' low-cost plans. For more information on the low-cost plan, please see 2.12.

- Each subgrantee applicant will provide the plan pricing for 100/20 Mbps that it will commit to offer as its low-cost plan (subject to annual increases not to exceed the rate of inflation).

- Plan prices will be evaluated against a tiered rubric, which awards points based on the plan's price range (see Exhibit 14).

- For example, a provider whose 100/20 Mbps plan costs $72 would earn 0 points, while a provider whose 100/20 Mbps plan costs $46.50 would earn 18 points.

- Applicants who fail to deliver on their pricing commitments will be subject to clawback provisions as outlined in Section 2.16.2: Subgrantee Accountability Procedures.

Exhibit 15: 100/20 Mbps evaluation rubric

Price	Points
>$65.00	0
$65.00	2
$62.50-$64.99	4
$60.00-$62.49	6
$57.50-$59.99	8
$55.00-$57.49	10
$52.50-$54.99	12
$50.00-$52.49	14
$47.50-$49.99	16
$45.01-$47.49	18
$45.00 or less	20

Fair labor practices: Maximum of 15 points possible

- Subgrantee applicants will provide details of their past compliance with federal fair labor laws, according to the requirements outlined in 2.7.1. Subgrantee applicants will also be asked to commit to following federal fair labor practices for the life of the BEAD assets.
- Points will be awarded to applicants based on both their past record of compliance and forward-looking commitments. Applicants who meet all requirements for past compliance with federal fair labor laws will receive 10 points, while applicants with 1 past violation will receive 5 points, and applicants with more than 1 past violation will receive 0 points. Applicants who commit to following federal fair labor laws for the life of the BEAD assets will receive an additional 5 points.
- Applicants who fail to deliver on their forward-looking federal fair labor law commitments will be subject to clawback provisions as outlined in Section 2.16.2: Subgrantee Accountability Procedures.

Secondary criteria (priority projects):

Speed to deployment: Maximum of 4 points possible

- Subgrantee applicants will provide the timeframe in which they are making a binding commitment to complete deployment of their BEAD-funded broadband project. Completion of a BEAD-funded broadband project means that for all locations within a given

project area, construction is completed, and a customer could receive service within 10 days upon request.

- Points will be awarded to applicants based on the number of years before the 4-year BEAD deployment deadline that they commit to completing deployment. Specifically, points will be calculated as follows: 4 – number of years to deployment.

- For example, if a subgrantee applicant commits to deploying broadband in 3 years, then the applicant would receive 1 point: 4-3=1. If a subgrantee applicant commits to deploying broadband in 1 year, then the applicant would receive 3 points: 4-1=3. To receive the maximum number of points under this category (4), an applicant would need to commit to completing deployment in less than 1 year.

- Applicants who fail to deliver on their deployment commitments will be subject to clawback provisions as outlined in Section 2.16.2: Subgrantee Accountability Procedures.

Unserved areas: Maximum of 10 points possible

- When the MBO releases application materials for the subgrantee process, the list of un- and underserved locations within each CBG will also be published. Subgrantee applicants will create project areas comprised of one or more CBGs. Since subgrantees must bid on all un- and underserved locations in a CBG, the MBO will have the list of un- and underserved locations that each subgrantee applicant is committing to provide with broadband service.

- Points will be awarded to applicants based on the percentage of unserved locations in their proposed project area out of the total un- and underserved locations in their proposed project area. Specifically, points will be calculated as follows: 1 point will be awarded for every 10% of unserved locations in the project area.

- For example, if a project area contains 50% unserved locations, then the applicant would receive 5 points. If the project area contains 80% unserved locations, then the applicant would receive 8 points.

Number of locations served: Maximum of 1 point possible

- As mentioned above, subgrantee applicants will bid on project areas that represent one or more CBGs consisting of a defined set of un- and underserved Broadband Serviceable Locations (BSLs). In addition to the BSLs, the MBO will also publish the list of Community Anchor Institutions (CAIs) within each CBG. Subgrantee applicants will specify in their applications which CAIs they propose to deploy broadband service to.

- Points will be awarded to applicants based on the total number of locations (BSLs and CAIs) in their proposed project area. Once all applications are received, the MBO will calculate the average number of locations (BSLs and CAIs) proposed to be served across all project areas. Specifically, points will be calculated as follows: 1 point will be awarded if an applicant's proposed number of locations (BSLs and CAIs) for a particular project area exceeds the average number of locations (BSLs and CAIs) across all project areas. No points will be

awarded if the proposed number of locations (BSLs and CAIs) for a particular project area is less than the average number of locations (BSLs and CAIs) across all project areas.

- For example, if the average number of locations (BSLs and CAIs) across all project areas is 5,000 and the number of locations (BSLs and CAIs) proposed for a particular project area is 6,000, the project area would receive 1 point. If the number of locations (BSLs and CAIs) proposed for a particular project area is 4,000, the project area would receive 0 points.

Length of service in Montana: Maximum of 1 point possible

- Subgrantee applicants will provide the length of time they have been providing broadband service in the state, including broadband service provided by any legacy companies.
- Points will be awarded to applicants based on the length of time they have been providing broadband service in Montana. For the purposes of this scoring criteria, broadband service will be defined as service that meets the NTIA's definition of reliable broadband as specified in the BEAD NOFO. Specifically, points will be calculated as follows: 1 point will be awarded to any subgrantee applicant who has been providing reliable broadband service in Montana for at least 10 years.

Existing infrastructure: Maximum of 5 points possible

- To receive points for existing infrastructure, subgrantee applicants will provide a shapefile that shows their existing infrastructure in relation to their proposed network design for BEAD funded infrastructure.
- Points will be awarded based on the proposed network design's proximity to the existing service area. Specifically, points will be calculated based on the existing infrastructure's distance to the proposed network design as indicated in Exhibit 16.

Exhibit 16: Priority project existing infrastructure scoring rubric

Proximity to proposed network design	Points
< 1 miles	5
1 – 5 miles	4
5 – 10 miles	3
10 – 15 miles	2
15 – 20 miles	1

High-cost areas: Maximum of 4 points possible

- When the MBO releases application materials for the subgrantee process, it will include the CBGs eligible for funding with the corresponding set of un- and underserved locations. Furthermore, the MBO will also designate which CBGs are classified as high-cost CBGs based on the definition of high-cost areas as determined by NTIA as part of the BEAD allocation process.[31]

- Points will be awarded to applicants based on the percentage of un- and underserved locations in high-cost CBGs included in a particular project area. Once applications are received, all project areas that include at least 1 high-cost CBG will be ranked from highest to lowest based on the percentage of un- and underserved locations in high-cost CBGs included in the project area. All project areas will then be assigned to a quartile based on the rank ordering. Specifically, points will be calculated as follows: 1 point will be awarded to any project area in the bottom quartile, 2 points will be awarded to any project area in the second lowest quartile, 3 points will be awarded to any project area in the second highest quartile, and 4 points will be awarded to any project area in the top quartile. Project areas without any high-cost CBGs will receive 0 points.

Secondary criteria (non-priority projects):

Speed to deployment: Maximum of 4 points possible

- Subgrantee applicants will provide the timeframe in which they are making a binding commitment to complete deployment of their BEAD-funded broadband project. Completion of a BEAD-funded broadband project means that for all locations within a given project area, construction is completed, and a customer could receive service within 10 days upon request.

- Points will be awarded to applicants based on the number of years before the 4-year BEAD deployment deadline that they commit to completing deployment. Specifically, points will be calculated as follows: 4 – number of years to deployment.

- For example, if a subgrantee applicant commits to deploying broadband in 3 years, then the applicant would receive 1 point: 4-3=1. If a subgrantee applicant commits to deploying broadband in 1 year, then the applicant would receive 3 points: 4-1=3. To receive the maximum number of points under this category (4), an applicant would need to commit to completing deployment in less than 1 year.

- Applicants who fail to deliver on their deployment commitments will be subject to clawback provisions as outlined in Section 2.16.2: Subgrantee Accountability Procedures.

[31] BEAD Allocation Methodology. Internet for All. https://www.internet4all.gov/program/broadband-equity-access-and-deployment-bead-program/bead-allocation-methodology

Speed of network and other technical capabilities: Maximum of 1 point possible

- Subgrantee applicants will provide both the maximum advertised speed they are committing to offer for a proposed project area, as well as the network design and proposed technologies to be used. A qualified engineer will review the speed and network design to ensure the proposed technology can achieve the specified speeds.

- Points will be awarded for projects that exceed the minimum standard required to reach served status (100 Mbps download / 20 Mbps upload). Specifically, points will be calculated as follows: If a subgrantee applicant commits to and can reasonably deliver (based on the network design) speeds of at least 250 Mbps download / 50 Mbps upload, the applicant will receive 1 point for that particular project area.

Unserved areas: Maximum of 10 points possible

- When the MBO releases application materials for the subgrantee process, the list of un- and underserved locations within each CBG will also be published. Subgrantee applicants will create project areas comprised of one or more CBGs. Since subgrantees must bid on all un- and underserved locations in a CBG, the MBO will have the list of un- and underserved locations that each subgrantee applicant is committing to provide with broadband service.

- Points will be awarded to applicants based on the percentage of unserved locations in their proposed project area out of the total un- and underserved locations in their proposed project area. Specifically, points will be calculated as follows: 1 point will be awarded for every 10% of unserved locations in the project area.

- For example, if a project area contains 50% unserved locations, then the applicant would receive 5 points. If the project area contains 80% unserved locations, then the applicant would receive 8 points.

Number of locations served: Maximum of 1 point possible

- As mentioned above, subgrantee applicants will bid on project areas that represent one or more CBGs consisting of a defined set of un- and underserved Broadband Serviceable Locations (BSLs). In addition to the BSLs, the MBO will also publish the list of Community Anchor Institutions (CAIs) within each CBG. Subgrantee applicants will specify in their applications which CAIs they propose to deploy broadband service to.

- Points will be awarded to applicants based on the total number of locations (BSLs and CAIs) in their proposed project area. Once all applications are received, the MBO will calculate the average number of locations (BSLs and CAIs) proposed to be served across all project areas. Specifically, points will be calculated as follows: 1 point will be awarded if an applicant's proposed number of locations (BSLs and CAIs) for a particular project area exceeds the average number of locations (BSLs and CAIs) across all project areas. No points will be awarded if the proposed number of locations (BSLs and CAIs) for a particular project area is less than the average number of locations (BSLs and CAIs) across all project areas.

- For example, if the average number of locations (BSLs and CAIs) across all project areas is 5,000 and the number of locations (BSLs and CAIs) proposed for a particular project area is 6,000, the project area would receive 1 point. If the number of locations (BSLs and CAIs) proposed for a particular project area is 4,000, the project area would receive 0 points.

Length of service in Montana: Maximum of 1 point possible

- Subgrantee applicants will provide the length of time they have been providing broadband service in the state, including broadband service provided by any legacy companies.
- Points will be awarded to applicants based on the length of time they have been providing broadband service in Montana. For the purposes of this scoring criteria, broadband service will be defined as service that meets the NTIA's definition of reliable broadband as specified in the BEAD NOFO. Specifically, points will be calculated as follows: 1 point will be awarded to any subgrantee applicant who has been providing reliable broadband service in Montana for at least 10 years.

Existing infrastructure: Maximum of 4 points possible

- To receive points for existing infrastructure, subgrantee applicants will provide a shapefile that shows their existing infrastructure in relation to their proposed network design for BEAD funded infrastructure.

  Points will be awarded based on the proposed network design's proximity to the existing service area. Specifically, points will be calculated based on the existing infrastructure's distance to the proposed network design as indicated in Exhibit 17.

Exhibit 17: Non-priority project existing infrastructure scoring rubric

Proximity to proposed network design	Points
< 1 miles	4
1 – 5 miles	3
5 – 10 miles	2
10 – 15 miles	1

High-cost areas: Maximum of 4 points possible

- When the MBO releases application materials for the subgrantee process, it will include the CBGs eligible for funding with the corresponding set of un- and underserved locations. Furthermore, the MBO will also designate which CBGs are classified as high-cost CBGs

based on the definition of high-cost areas as determined by NTIA as part of the BEAD allocation process.[32]

- Points will be awarded to applicants based on the percentage of un- and underserved locations in high-cost CBGs included in a particular project area. Once applications are received, all project areas that include at least 1 high-cost CBG will be ranked from highest to lowest based on the percentage of un- and underserved locations in high-cost CBGs included in the project area. All project areas will then be assigned to a quartile based on the rank ordering. Specifically, points will be calculated as follows: 1 point will be awarded to any project area in the bottom quartile, 2 points will be awarded to any project area in the second lowest quartile, 3 points will be awarded to any project area in the second highest quartile, and 4 points will be awarded to any project area in the top quartile. Project areas without any high-cost CBGs will receive 0 points.

D. Bidding scenarios

All bids will be scored first according to the relevant rubric, with priority bids scored according to the priority bid rubric, and non-priority bids scored according to the non-priority bid rubric. Once all bids have been scored, they will then be evaluated to determine winners based on the number of bids in a given project area, as further detailed below.

Note that as described in 2.4.9 and 2.4.10, the Extremely High Cost Per Location Threshold will not be set until all applications have been received.

i. One-bid scenarios

If a single priority bid is received for a project area, the MBO will evaluate whether or not the bid exceeds the EHCPLT. If the bid exceeds the EHCPLT, the MBO will negotiate with the applicant to attempt to bring the bid beneath the threshold. If the bid remains above the threshold, the project area will move through the process outlined in the zero-bid scenario in Section 2.4.7.

If the single priority bid received is beneath the EHCPLT, or if it is brought below the threshold through negotiations, it will then be evaluated against the project area benchmark. If it is within the project area benchmark, it will be accepted. If above the benchmark, the MBO will negotiate with the applicant to attempt to reach a reasonable cost, given the state's BEAD funding constraints. If the negotiation is successful, that applicant will be the winner. If no agreement can be reached, the project area will go through the process outlined in the zero-bid scenario.

If a single non-priority bid is received, the MBO will review the cost of the proposal in relation to the benchmark. If the bid is within the benchmark for the given project area, the bid will be accepted. If the bid is above the benchmark, the MBO will negotiate with the applicant to determine a reasonable cost. If an agreement is reached, that applicant will be the winner. If not, the project area will go through the process outlined in the zero-bid scenario.

[32] BEAD Allocation Methodology. Internet for All. https://www.internet4all.gov/program/broadband-equity-access-and-deployment-bead-program/bead-allocation-methodology

ii. Two+ bid scenarios

If two or more bids are submitted for project areas that overlap to any degree, but **only one of those bids is priority**, the process will be as follows:

1. The MBO will first assess the single priority bid.
2. If the priority bid is above the EHCPLT, the MBO will negotiate with the provider to attempt to bring the bid beneath the threshold. If brought beneath the EHCPLT, the MBO will move to step 3. If it cannot be brought under the EHCPLT, the MBO will move to step 4.
3. If the priority bid is below the EHCPLT, that bid will then be evaluated against the benchmark for the given project area. If below the benchmark, that bid will win. If above the budget, the MBO will collaborate with the applicant to attempt to determine a reasonable cost. If successful, that bid will win. If an agreement is not reached, then the MBO will move on to step 4.
4. In the event that the MBO does not award the single priority bid, it will move on to evaluating non-priority bids in order of highest to lowest score. The bid with the highest score will be the preliminary winner.
5. If the preliminary winner's bid is within the benchmark set for the given project area, that bid will win.
6. If the bid exceeds the benchmark, the MBO will negotiate with the applicant to attempt to arrive at a mutually agreeable cost. If the negotiation is successful, the bid will be accepted.
7. If no agreement can be reached with the applicant, the MBO will move on to the proposal with the next highest score and repeat the same process of evaluating the cost of the proposal against the benchmark, negotiating with the provider to determine a reasonable cost. This process will continue, moving in order of applications with the highest to lowest scores until an agreement is reached, at which point that application will be deemed the winner.
8. If no application can be brought within a reasonable cost, given the state's limited BEAD funding, the project area will go through the process outlined in the zero-bid scenario in Section 2.4.7.

The process for evaluating **other 2+ bid scenarios** will be as follows:

1. The MBO will first assess priority bids, starting with the highest-scoring bid.
2. If the priority bid is above the EHCPLT, the MBO will negotiate with the provider to attempt to bring the bid beneath the threshold. If brought beneath the EHCPLT, the MBO will move to step 3. If it cannot be brought under the EHCPLT, the MBO will move to step 4.
3. If the priority bid is below the EHCPLT, that bid will then be evaluated against the benchmark for the given project area. If within the benchmark, that bid will win. If above

the benchmark, the MBO will negotiate with the applicant to arrive at a reasonable cost. If successful, that bid will win. If unsuccessful, the MBO will move on to step 4.

4. If there are additional priority bids, the MBO will evaluate those bids, in order of highest to lowest score, repeating steps 2-3 until a bid is awarded. If no priority bids are awarded, the MBO will move on to step 5.
5. In the event that the MBO does not award a priority bid, it will move on to evaluating non-priority bids in order of highest to lowest score. The bid with the highest score will be the preliminary winner.
6. If the preliminary winner's bid is within the benchmark for the given project area, that bid will win.
7. If the bid exceeds the benchmark, the MBO will negotiate with the applicant to attempt to arrive at a reasonable cost. If an agreement is reached, the bid will be awarded.
8. If no agreement can be reached, the MBO will move on to the proposal with the next highest score and repeat the same process of evaluating the cost of the proposal against the benchmark, negotiating with the provider as necessary. This process will continue, moving in order of applications from the highest to lowest scores until an agreement is reached, at which point the bid will be awarded.
9. If no application can be brought within a reasonable cost, given the state's limited BEAD funding, the project area will go through the process outlined in the zero-bid scenario in 2.4.7.

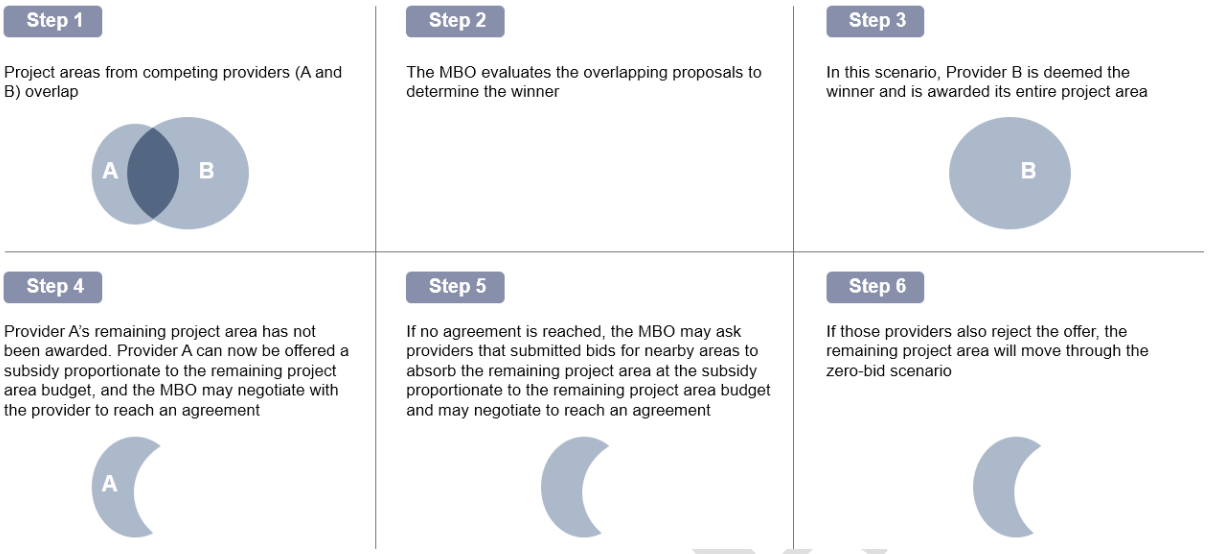
E. Overlapping project areas

Because the MBO is allowing subgrantees to define their own project areas, it anticipates receiving bids for project areas that overlap with one another. As described in Section 2.4.6, utilizing the per-CBG reference funding benchmark will allow for like-to-like comparisons to determine winning applications.

The State will utilize the process outlined in Exhibit 18 to address these overlapping proposals. As Exhibit 18 illustrates, conflicting project areas will be evaluated by first scoring each proposal against the relevant benchmarks. Priority bids will then be evaluated first before moving to non-priority bids. In each case, the provider that achieves the higher score will determine the preliminary winner, following the process outlined for 2+ bid scenarios above.

Once the overlapping project area has been awarded, the provider that submitted an application for the remaining unawarded project area will be offered a subsidy proportionate to the benchmark for the remaining unawarded project area. If that provider rejects the offer, the MBO may ask prequalified applicants that submitted bids for adjacent or nearby project areas to absorb the remaining project area at the subsidy proportionate to the remaining project area benchmark. If those providers also reject the offer, the remaining area move into the Remaining Location Tranche and go through the process outlined in 2.4.7.

Exhibit 18: Awarding overlapping project areas



2.4.2.1 Scoring Rubric Attachment

2.4.2.1 Attachment: As a required attachment, submit the scoring rubric to be used in the subgrantee selection process for deployment projects. Eligible Entities may use the template provided by NTIA, or use their own format for the scoring rubric.

The MBO has designed two scoring rubrics, one for priority broadband projects and one for non-priority broadband projects. A summary of each of these scoring rubrics is provided in Exhibits 19 and 20 below. The full scoring rubrics are provided as attachments, per NTIA guidance.

Exhibit 19: Scoring rubric for priority broadband projects

Primary criteria (must be ≥ 75%)	Max. Points Possible
Minimal BEAD program outlay: Per project BEAD grant request	40
Affordability	
Lowest price for **1/1 Gbps** service commitment	10
Lowest price for **100/20 Mbps** service commitment	10
Fair labor practices	15
Secondary criteria	
Speed to deployment (<4 years)	4
Additional prioritization factors	
Whether the proposed project area serves unserved or underserved areas, with unserved areas receiving greater weight	10
Broadband service providers who have broadband service infrastructure already deployed in the project area	5
High-cost areas must be considered for services to the extent terrestrial service is economically viable	4
The length of time the provider has been providing broadband service in the state	1
The number of households, businesses, farms, ranches, and community anchor institutions served	1
Total score	**100**

Exhibit 20: Non-priority deployment projects scoring rubric

Primary criteria (must ≥ 75%)	Max. Points Possible
Minimal BEAD program outlay: Per project BEAD grant request	40
Affordability	
Lowest price for **100/20 Mbps** service commitment	20
Fair labor practices	15
Secondary criteria	
Speed to deployment (<4 years)	4
Speed of network and other technical capabilities	1
Additional prioritization factors	
Whether the proposed project area serves unserved or underserved areas, with unserved areas receiving greater weight	10
High-cost areas must be considered for services to the extent terrestrial service is economically viable	4
Broadband service providers who have broadband service infrastructure already deployed in the project area	4
The number of households, businesses, farms, ranches, and community anchor institutions served	1
The length of time the provider has been providing broadband service in the state	1
Total score	**100**

2.4.3 Prioritize Unserved Service Projects

Text Box: Describe how the proposed subgrantee selection process will prioritize Unserved Service Projects in a manner that ensures complete coverage of all unserved locations prior to prioritizing Underserved Service Projects followed by prioritization of eligible CAIs.

Based on data from the CQA cost model, the MBO estimates that it could cost $1B-$1.2B to provide fiber to the home (FTTH) for all unserved and underserved BSLs.[33] By design, it is difficult and costly to serve all of the un- and underserved BSLs in Montana given the vast land area, the low population density, and the various topographical challenges (e.g., Rocky Mountains and sprawling plains).

Cost estimates may change when all federal funding obligations are taken into account—for example, at the time of drafting, the results of the E-ACAM funding have not yet been finalized. In any event, the MBO anticipates that there will still be a shortfall of funding to meet the BEAD goal of connecting all un- and underserved Montanans with fiber.

In addition, the MBO notes that given the distribution of BEAD-eligible locations across the state, the CBGs that comprise application areas are expected to include a diverse mix of unserved, underserved, and served locations; however, only the individual eligible locations within a CBG shall be considered Unserved Service Projects or Underserved Service Projects for BEAD eligibility purposes,[34] and BEAD funds will only be reimbursed for deployment to eligible locations. In other words, a CBG shall function as a "bidding unit" to be used in creating project areas, but only individual eligible locations shall be treated as Unserved Service Projects or Underserved Service Projects that are eligible to receive BEAD subgrant funding.

Given the high cost to serve a number of locations, as well as the expected funding shortfall, the MBO plans to utilize several different tactics to support the goal of reaching all unserved BSLs, including:

EHCPLT: The EHCPLT will not be set until all bids are received, as it will be used as a budgeting mechanism to make the best use of limited funds. The MBO expects to set its EHCPLT as high as possible to maximize the use of fiber while ensuring service to all un- and underserved BSLs.

Reference funding benchmarks: The MBO is committed to achieving the BEAD objective of providing service to all unserved BSLs, and to reaching as many underserved BSLs as possible. Because the MBO anticipates a fairly significant funding shortfall, it plans to rely strongly on internal benchmarking. As described in 2.4.2, the MBO will set CBG benchmarks based on the CQA cost model and constraining the sum of the benchmarks to the state's BEAD allocation. The benchmarks will be tied closely to the scoring criteria and the subgrantee selection process, as detailed in 2.4.2.

Negotiation with subgrantee applicants: In the processes for evaluating various bidding scenarios, outlined in 2.4.2, the MBO explicitly references its plans to negotiate with applicants whose bids exceed the benchmark for a given project area. The goal is to work jointly with potential providers to reach reasonable costs, so that the MBO can extend funding.

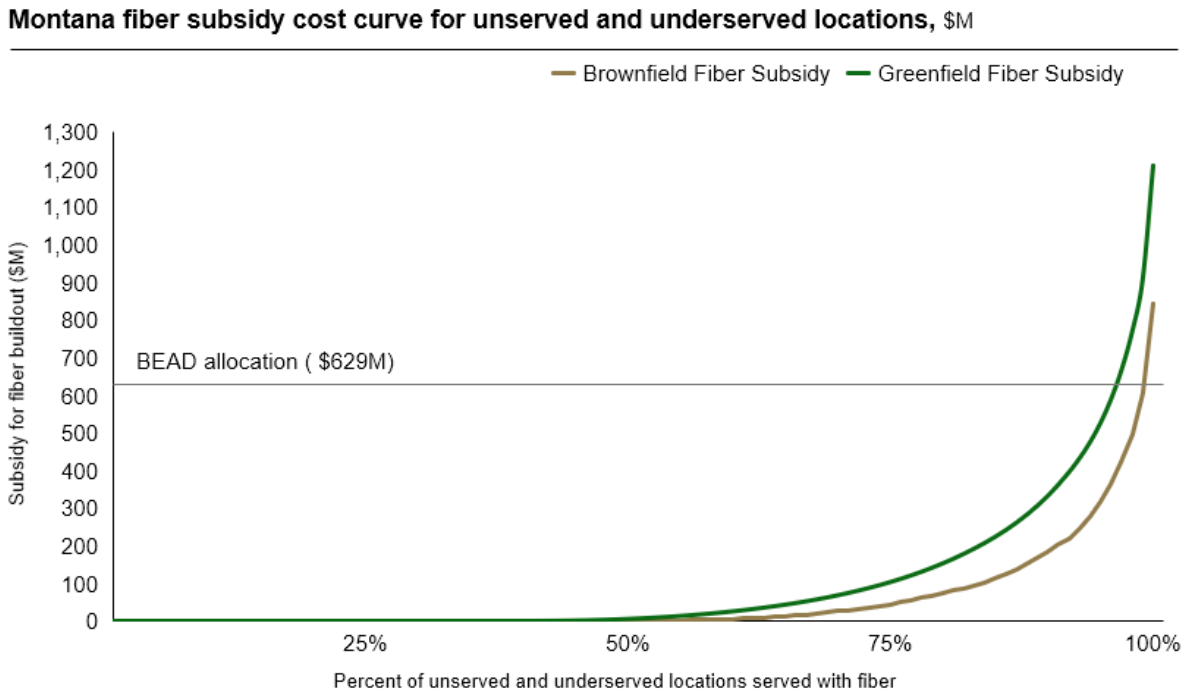
[33] Estimates based on the 20-year net present value of greenfield fiber to the home deployment to all unserved or all unserved and underserved BSLs, CostQuest Associates cost model (Jan 2023)
[34] An 'Unserved Service Project' or 'Underserved Service Project' can be as small as a single unserved or underserved location, respectively. BEAD NOFO Section IV.B.7.a.ii.1.

Technology mix: As noted above in reference to setting the EHCPLT, the MBO plans to utilize fiber wherever feasible, and will set the EHCPLT with this in mind, but it also anticipates using a mix of technologies to provide service to as many unserved locations as possible.

High-cost area scoring criterion: As referenced in the scoring process and rubric in 2.4.2 and 2.4.2.1, Montana has added a secondary criterion to incentivize applicants to incorporate high-cost CBGs into their project areas.

Evaluating high-cost outliers: As a last resort, the MBO maintains the right to evaluate the cost to serve individual BSLs within project areas and consider alternative service opportunities for extremely high-cost locations. This is relevant as some of the most challenging locations to serve with fiber at the peak of the cost curve may require upwards of $300,000 per location to serve, adding a significant financial burden to certain project area proposals (Exhibit 21).

Exhibit 21: Estimated Montana fiber subsidy cost curve for unserved and underserved locations[35]



Unserved location prioritization: If it becomes apparent to the MBO that it will be impossible to provide service to all unserved BSLs, the MBO will prioritize funding projects in high poverty areas or persistent poverty counties. This is in line with the BEAD NOFO guidance, which states

[35] Analysis conducted by the MBO, Estimates for fiber subsidy required assumes that locations connected by RDOF, RUS, CAF II, NTIABIP, and Reconnect (up to May 2023) are considered served. Subsidy required by location represents the NPV investment required for the location, estimated future cash flows and estimated ISP investment for each location

that: "To the extent that an Eligible Entity demonstrates that there are insufficient funds available to fund deployment to all unserved, underserved, or eligible CAI locations, the Eligible Entity must prioritize projects within each of those categories based on a strong preference for projects in high poverty areas or persistent poverty counties."[36]

The NOFO further indicates that, "For the purposes of this requirement, high poverty areas are areas in which the percentage of individuals with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved (as determined under Section 673(2) of the Community Services Block Grant Act (42 U.S.C. § 9902(2)) is higher than the national percentage of such individuals. Persistent poverty counties are counties that have had poverty rates of 20 percent or greater for at least 30 years as calculated by the Economic Research Service in the Department of Agriculture."[37]

2.4.4 Non-deployment Projects

Text Box: If proposing to use BEAD funds to prioritize non-deployment projects prior to, or in lieu of the deployment of services to eligible CAIs, provide a strong rationale for doing so. If not applicable to plans, note "Not applicable."

Not applicable. The MBO does not anticipate having sufficient BEAD funds for non-deployment uses.

2.4.5 EHP and BABA Compliance

Text Box: The proposed subgrantee selection process is expected to demonstrate to subgrantees how to comply with all applicable Environmental and Historic Preservation (EHP) and Build America, Buy America Act (BABA) requirements for their respective project or projects. Describe how the Eligible Entity will communicate EHP and BABA requirements to prospective subgrantees, and how EHP and BABA requirements will be incorporated into the subgrantee selection process.

The State is committed to following all relevant federal and state guidance and regulations in the deployment of BEAD funds. As such, the MBO will communicate to potential subgrantees their responsibilities in following regulations established by the Build America, Buy America Act (BABA) and the Environmental and Historic Preservation (EHP) requirements.

To meet BABA requirements, subgrantees must meet the following criteria:[38]

- All iron, steel, and manufactured products (including but not limited to fiber-optic communications facilities) and construction materials used in the project must be produced in the United States, as defined in Section 70921 of the Build America Buy America Act.[39]

[36] BEAD NOFO, p. 41, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf
[37] BEAD NOFO, p. 41, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf
[38] BEAD NOFO, p. 87, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf
[39] Ibid.

- The Secretary of Commerce will seek to minimize any BABA requirement waivers, and those waivers that are offered will be limited in duration and scope.[40] However, a BABA requirement waiver may be offered if:
    - Applying a domestic procurement would be inconsistent with the public interest;
    - The type of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality;
    - The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cover of the overall project or other eligible activities by more than 25 percent.[41]

The MBO will also ensure that subgrantees are aware of and comply with additional purchasing restrictions laid out in the NOFO. For example, subgrantees cannot use BEAD funding to purchase or support any covered communications equipment or services.[42] Moreover, subgrantees cannot use BEAD funding to purchase or support fiber optic cable and optical transmission equipment manufactured in the People's Republic of China unless a waiver is received from the Assistant Secretary of Commerce.[43] To obtain a waiver in this scenario, the potential subgrantee will need to demonstrate that this restriction would unreasonably increase the cost of the project, delay it, or delay other related activities.

Prospective subgrantees will also have to demonstrate compliance with Environmental and Historical Preservation requirements. As recommended by BEAD guidance, the MBO will engage in and document the following activities, and encourage subgrantees to do the same:

- Coordinate with federal land- and resource-managing agencies, such as the National Park Service, U.S. Fish and Wildlife Service, the Bureau of Land Management, and the U.S. Forest Service.
- Coordinate with state agencies that may have a role in EHP requirements, such as the Department of Natural Resources and Conservation (DNRC) and the Department of Environmental Quality (DEQ).
- Provide contracted, EHP-related subject matter expertise and technical support where currently not available.[44]

Moreover, the MBO will engage in the following activities and encourage subgrantees to do the same, per the EHP and Climate Resiliency Checklist in the BEAD Initial Proposal Volume II:

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[40] BEAD NOFO, pp. 87-88, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf
[41] Ibid.
[42] BEAD NOFO, p. 88, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf
[43] Ibid.
[44] BEAD Initial Proposal Volume II Guidance, p. 46, https://broadbandusa.ntia.doc.gov/sites/default/files/2023-07/BEAD_Initial_Proposal_Guidance_Volumes_I_II.pdf

- Gain an understanding of the National Environmental Policy Act (NEPA) review process and the National Historic Preservation Act (NHPA).
- Hire additional staff or contractors as necessary to ensure adequate capacity and expertise to manage EHP compliance.[45]

MBO will offer technical assistance to applicants to ensure that providers are able to effectively meet these requirements. The MBO will direct subgrantees seeking further assistance to the central ConnectMT hub, where they can find relevant guidance, links, and FAQs.

During the prequalification round, the MBO will make applicable EHP and BABA requirements known to applicants, who must certify that they understand and will comply. Subgrantees will be required to recertify compliance on a semiannual basis for the duration of the BEAD implementation period by providing invoices demonstrating that materials were sourced domestically. Note that disbursements will not be made until the MBO has verified that EHP requirements have been met.

Last-Mile Broadband Deployment Project Areas

2.4.6 Project Area Definition

Text Box: Describe how the Eligible Entity will define project areas from which they will solicit proposals from prospective subgrantees. If prospective subgrantees will be given the option to define alternative proposed project areas, describe the mechanism for de- conflicting overlapping proposals to allow for like-to-like comparisons of competing proposals.

The MBO conducted a thoughtful and rigorous process to develop an approach to project areas that would achieve the goals of the State of Montana and the BEAD program in reaching as many un- and underserved locations as possible. The process the MBO utilized to design a project area approach and the key components of the final design is further detailed in the sub-sections below and includes **potential project area definition approaches**, **soliciting feedback**, key **design principles**, the final **project area definition**, acceptable **bid submissions**, and ensuring **like-to-like comparisons**.

A. Potential project area definition approaches

Over the course of designing its subgrantee process, the MBO developed several different potential approaches to defining project areas, which it sought input on from a number of stakeholders, including members of the Communications Advisory Commission (CAC), service providers in the state of Montana, and the public at large. The three primary approaches that were considered are described below.

i. MBO-defined project areas

In the interest of creating a simple and straightforward process, the MBO considered pre-defining project areas. Given the importance of fostering objectivity and fairness, in this scenario, rather

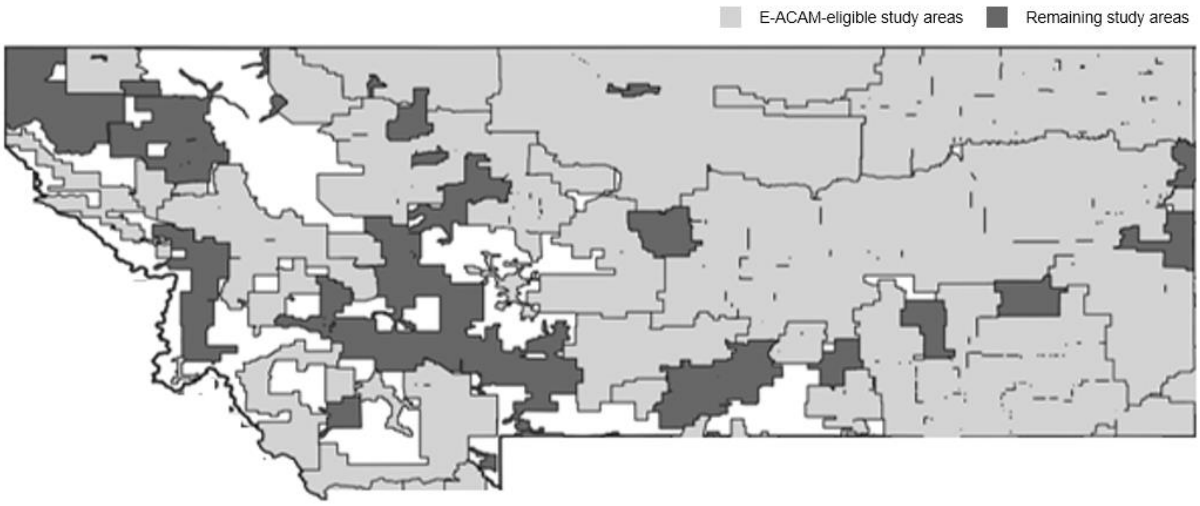
[45] EHP and Climate Resiliency Checklist, https://broadbandusa.ntia.gov/sites/default/files/2022-12/EHP_Preparation_Checklist_2022.pdf

than drawing new boundaries across the state to create project areas, the MBO planned to rely on existing areas.

Responding to suggestions from existing providers, the MBO considered using study areas, which are locally administered telecommunications regions based on traditional voice service areas (or similarly, exchange boundaries, which roll up into study areas).[46] These pre-established boundaries are familiar to a number of providers, as the areas have been used routinely in the past to allocate federal funding. For example, the Alternative Connect America Cost Model (ACAM), and its successor program, the Enhanced Alternative Connect America Cost Model (E-ACAM), both distribute funds in accordance with these boundaries.[47] [48] Note that the State was weighing the pros and cons of project area designs, including this one, in September 2023, before the outcome of the E-ACAM funding was announced. Given the potential impact of E-ACAM funding on the un- and underserved location landscape, there was a particular interest in accounting for study areas.

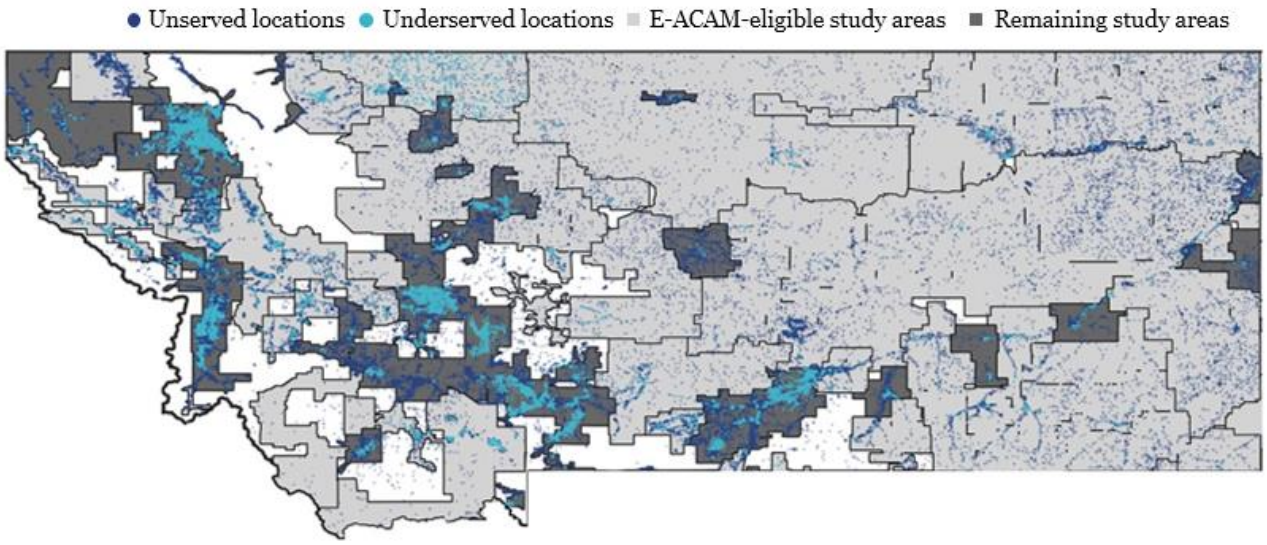
Since some of these study areas are quite vast, sprawling across large swaths of land, the MBO also contemplated breaking up these areas into smaller components. However, there was not a clear path forward to objectively constructing these areas, and the State was concerned about inadvertently harming one provider or favoring another. Exhibits 22 and 23 below outline the study area boundaries used in recent federal funding programs and how they overlay with un- and underserved locations in Montana.

Exhibit 22: Montana study areas and E-ACAM-eligible study areas



[46] Study Area Boundaries, FCC, https://www.fcc.gov/reports-research/maps/study-area-boundaries/
[47] Alternative Connect American Cost Model (A-CAM), Rate-of-Return Areas for Download, https://www.fcc.gov/reports-research/maps/acam-ror-sa-map/
[48] Explore the FCC's New Enhanced ACAM Program, CostQuest Associates, August 18, 2023, https://www.costquest.com/resources/articles/explore-the-fccs-new-enhanced-a-cam-program/

Exhibit 23: Montana's study areas overlaid with un- and underserved locations[49]



Despite the benefits in aligning to other recent funding models and the familiarity to providers, using these existing standalone units also had its shortcomings. First, the study areas are not contiguous and do not cover the state in its entirety. For this reason, additional boundaries would have to be drawn, as a subset of unserved and underserved BSLs are not contained within study areas. Also, these areas may have favored certain providers over others, given the historic dominance of a single company in each region. Finally, this approach ran counter to one of the MBO's main objectives, which was to allow providers adequate latitude in creating project areas that best align with their business models. The State understands that allowing flexibility for providers to leverage their existing infrastructure or expand their service areas to particular geographies to optimize their business cases may help to ensure efficient use of funding and extend public funding further.

After sharing this approach publicly and reviewing feedback from key stakeholder groups, including the CAC, the MBO decided against pre-defining project areas.

ii. Provider-defined project areas

To address the primary shortcoming associated with pre-defined project areas, the MBO also considered giving providers complete flexibility in designing their own project areas. Given that providers have the best understanding of their existing infrastructure, this approach would ensure that providers could design project areas that best reflect their preferred business cases. In accordance with NTIA guidance, which states that, "An 'Unserved Service Project' or 'Underserved Service Project' may be as small as a single unserved or underserved location, respectively," this approach would allow providers to build their project areas using individual BSLs at the smallest or largest aggregation levels.

[49] BSLs sourced from the FCC NBAM, https://broadband477map.fcc.gov/#/

While this approach would have given providers the most flexibility, it also had a number of critical shortcomings. First, this approach could have yielded an enormous number of location combinations, which would not have allowed a like-to-like comparison of proposals, a key BEAD requirement. This approach may also have resulted in selectively choosing more attractive locations and ultimately failing to achieve a core BEAD requirement and priority for the State of Montana in reaching all unserved (and ideally underserved) locations.

Following input from a number of stakeholders, including providers themselves, who also expressed concern given the shortcomings outlined above, the MBO decided not to pursue this design approach.

iii. Provider-defined project areas using existing units

In the interest of providing applicants the freedom to design their ideal business cases while still maintaining objectivity, the MBO also considered a hybrid approach in which the MBO would designate foundational units that could be assembled in different combinations by providers to create project areas. Designating "building blocks" could bring a level of order to the process while giving applicants more agency to define their ideal territories.

The potential units considered ranged widely in size and number. However, the key considerations in determining units were to ensure they a) do not overlap, b) cover the entire state of Montana, and c) are based on a neutral, objective criteria. To meet these criteria, the MBO considered existing administrative boundaries, including census blocks, census block groups, census tracts, and counties. Using administrative boundaries in particular, like those defined by the United States Census Bureau, could confer a high level of objectivity. As noted in Exhibit 24, the number of administrative boundary units could have ranged from 56 (counties) to 88,417 (census blocks).

Exhibit 24: Potential project area foundational units[50]

Unit	Number of units
Census blocks	88,417
Census block groups	900
Census tracts	317
Counties	56

[50] 2020 Census Tallies of Census Tracts, Black Groups & Blocks, https://www.census.gov/geographies/reference-files/time-series/geo/tallies.html#tract_bg_block

Exhibits 25 and 26 illustrate the different size and number of census tracts and census block groups, respectively, that comprise the state of Montana.

Exhibit 25: Census tract boundaries

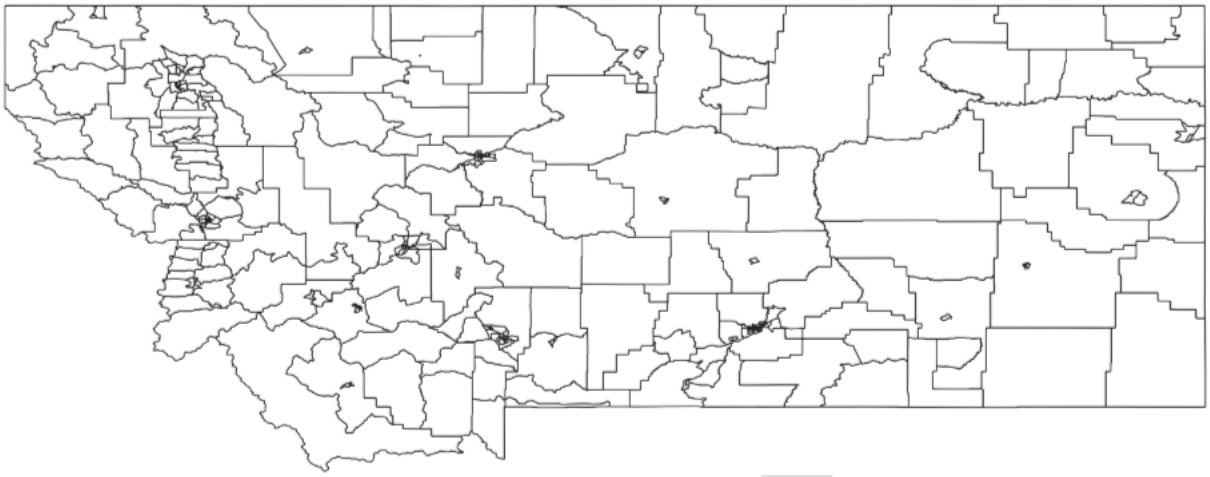
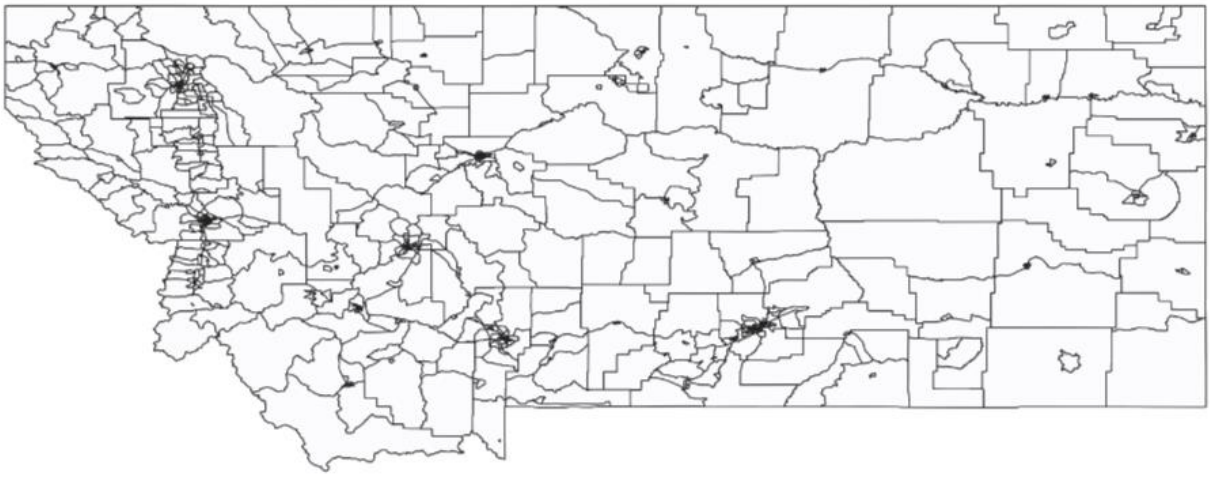


Exhibit 26: Census block group boundaries



By utilizing a hybrid approach, the MBO could address the key issues associated with the other approaches outlined above by both providing an objective unit for comparison that covers all un- and underserved areas, while still providing flexibility for providers to define their own project areas.

B. Soliciting feedback

Throughout the design of the entire subgrantee process, and particularly during the definition of project areas, the MBO was keen to involve as many stakeholders as possible. The approaches laid out above were initially developed with input gathered from providers, the public, and legislators.

In addition, the ideas were socialized broadly, and the State weighed the pros and cons of the different options.

One of the main avenues used to solicit feedback on the potential project area design was the monthly Communications Advisory Commission (CAC) meetings. The project area design concept was first introduced during the CAC meeting on July 12, 2023, during which the MBO solicited early feedback on potential project area designs. Following feedback received during the July CAC, the potential options were further expanded upon for additional feedback during the next CAC meeting on August 8, 2023. These discussions culminated in the September 6, 2023 CAC meeting, during which project area design was a key component of the discussion. In accordance with SB531, materials for each of the CAC meetings were posted on the ConnectMT website two weeks ahead of the meetings.[51] This gave the CAC members and the public at large an opportunity to familiarize themselves with these approaches. The CAC meetings were attended in person by legislators, providers, and members of the public, who shared their thoughts.

In addition, the MBO attended and presented at the 2023 BroadbandMT Annual Membership meeting in August 2023. The meeting was attended by representatives from many of Montana's local telecommunications providers, which jointly "employ over 1,000 Montanans and invest nearly $100 million each year in capital and operating expenditures."[52] This cohort represents a broad swath of Montana telecommunications providers—more than 50% of ARPA applicants were BroadbandMT members. The conference gave the MBO a chance to share its thoughts regarding project area design and the subgrantee process more broadly and to solicit feedback from a number of established providers, many of whom expect to apply for BEAD funding.

C. Project area design principles

As the MBO socialized these potential approaches and gathered feedback from key stakeholders as outlined above, it became clear that the MBO should strive to achieve several priorities:

- **Universal service**: Project areas should be designed in a way that allows Montana to achieve the BEAD goal of reaching all unserved, and to the extent possible, underserved locations;
- **Fairness**: As the foundation for participating in the subgrantee process, the project areas should be designed to ensure objectivity while also enabling all types of providers to compete in the process without favoring any one provider or type of provider; and
- **Customization**: Applicants should have the flexibility and freedom to create cost-effective project areas that allow them to best serve their customers, leverage their existing infrastructure, and meet their business objectives.
- **Feasibility***:* Project areas should be able to be proposed using an approach that is well understood by providers and that does not introduce any barriers to participation by interested applicants.

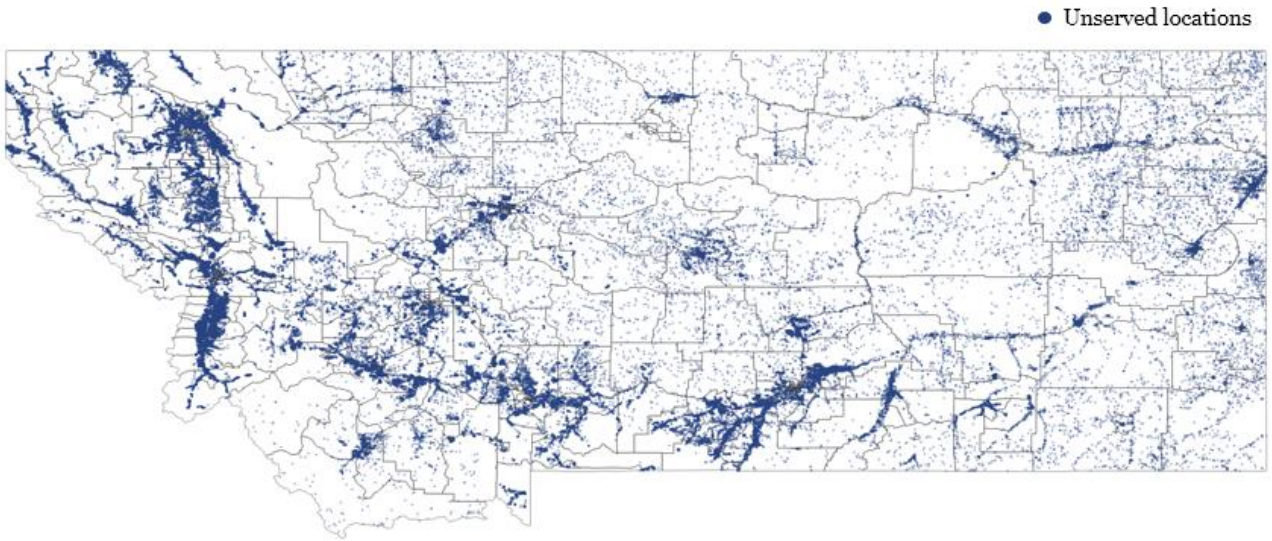
[51] Montana Senate Bill 531, https://leg.mt.gov/bills/2023/SB0599/SB0531_1.pdf
[52] The Association, BroadbandMT, https://www.broadbandmt.com/the-association

D. Project area definition

It was in the spirit of achieving these design principles, and following extensive input from various stakeholders, that the MBO decided to pursue Option C, allowing providers to define their desired project areas using existing units.

Ultimately, the MBO found CBGs to be the optimal units, given their size and number—of the 842 census blocks, 532 contain all 96,662 unserved and underserved BSLs. The distribution of un- and underserved locations is illustrated Exhibits 27-29 below.

Exhibit 27: Map of Montana's unserved BSLs across CBGs[53]



[53] BSLs sourced from the FCC NBAM, https://broadband477map.fcc.gov/#/

Exhibit 28: Map of Montana's underserved BSLs across CBGs[54]

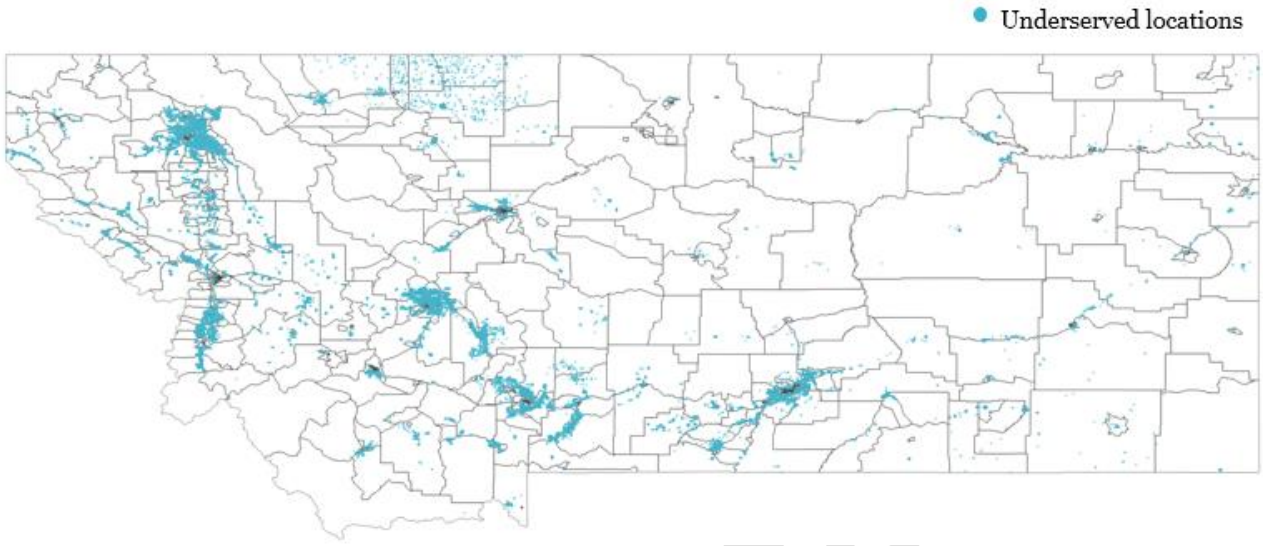
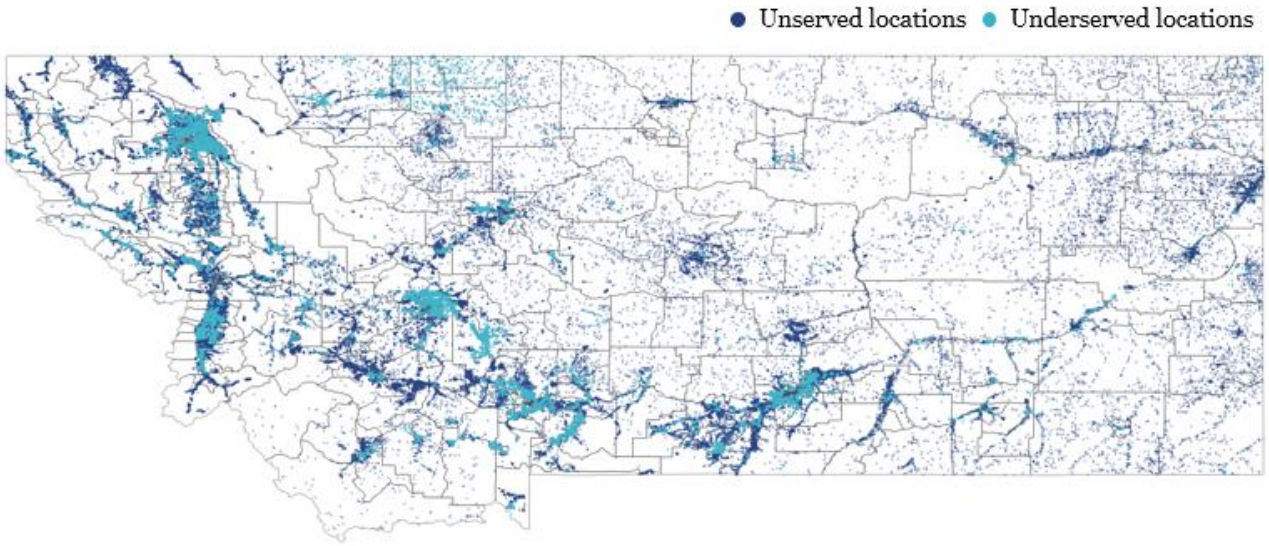


Exhibit 29: Map of Montana's un- and underserved BSLs across CBGs[55]



By using CBGs, the State can maintain impartiality, as these geographic areas are existing administrative boundaries and therefore do not favor one provider over another. However, providers can design the project areas that make the most operational and financial sense. The hope is that by providing this level of customization, a broad range of providers will be encouraged to participate in the subgrantee process.

[54] BSLs sourced from the FCC NBAM, https://broadband477map.fcc.gov/#/
[55] BSLs sourced from the FCC NBAM, https://broadband477map.fcc.gov/#/

While the majority of CBGs are of a manageable size, a subset of CBGs are particularly vast, and the sheer land area might be too large for one provider to serve. Alternatively, some CBGs may have geographic or topographical challenges—for instance, a mountain range or a large body of water. In either case, and potentially others, as pertinent and logical, the State may break some of the CBGs up into one or more smaller areas in a way that accounts for the distribution of un- and underserved BSLs.

E. Project area bid submissions

When submitting applications, the MBO will allow providers to submit applications for multiple non-overlapping project areas. For example:

Provider may submit:

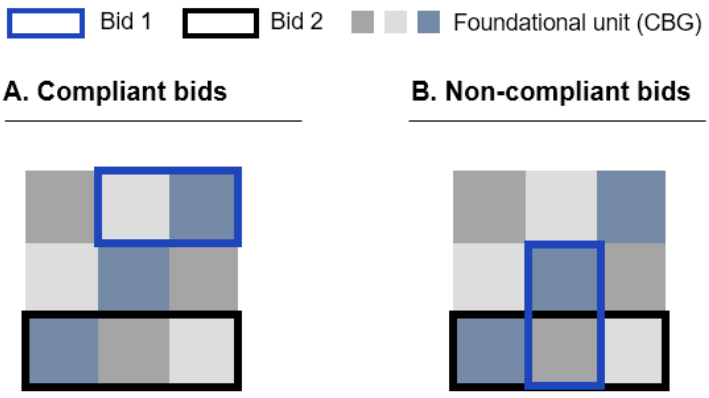
- Bid 1: Units 1, 2, 3, 4 ($X) and
- Bid 2: Units 5, 6, 7 ($Y)

Provider may not submit:

- Bid 1: Units 1, 2, 3, 4 ($X) and
- Bid 2: Units 1, 2, 7 ($Y)

In Exhibit 30, each individual square represents a single foundational unit (CBG). The same provider may submit the two bids illustrated in Option A, as the two project areas are not overlapping. However, the same provider would not be permitted to submit the two bids outlined in Option B, as these are overlapping project areas.

Exhibit 30: Compliant and non-compliant bids from the same provider



Applicants will be required to serve every un- and underserved broadband serviceable location (BSL) that falls within a given project area.

F. Like-to-like comparison

As the MBO will allow prospective subgrantees to define their own proposed project areas, the State has also developed a mechanism for de-conflicting overlapping proposals to allow for like-to-like comparison.

Each CBG—the foundational unit of all project areas—will be assigned a benchmark funding need. The benchmark will be based on the CostQuest Associates cost model provided by NTIA as a starting point to ensure objectivity. Subgrantee's per-project BEAD grant requests will be compared to this per-project benchmark, which will equal the sum of the benchmarks of the CBGs that comprise the project area.

As further detailed in Section 2.4.2, every application will be scored relative to the benchmarks for the CBGs it comprises. Points will be awarded based on the relative percent an applicant's bid is below or above the benchmark. This will allow the MBO to compare apples to apples on a cost basis, while allowing providers the freedom to develop their most compelling business cases by providing one total budget for the entire project area.

2.4.7 Zero-bid Scenarios and Remaining Location Tranche

Text Box: If no proposals to serve a location or group of locations that are unserved, underserved, or a combination of both are received, describe how the Eligible Entity will engage with prospective subgrantees in subsequent funding rounds to find providers willing to expand their existing or proposed service areas or other actions that the Eligible Entity will take to ensure universal coverage.

The MBO recognizes that given the remote nature of the state of Montana and the extremely high cost likely required to serve many locations, there may be some CBGs with un- and underserved locations for which the MBO does not receive any applications. The sub-sections below outline both a process in the event zero bids are received for a given CBG, as well as a process for ensuring all un- and underserved locations have access to broadband in the event the process outlined in the zero-bid scenario does not result in a grant award.

A. Zero-bid scenario

If zero bids are received for a given CBG, the MBO will reach out to prequalified applicants that submitted bids for the same, adjacent, or nearby project areas to solicit applications, as the MBO expects the greatest likelihood of successfully soliciting a bid would come from these applicants. If that solicitation yields one or more bids, the processes outlined in the one-bid or two+ bid scenarios will be followed, depending on the number of bids received. Unserved BSLs that remain unawarded after both the main round application period and the targeted solicitation process will go into the remaining location tranche, and follow the process detailed below.

B. Remaining location tranche

Unserved BSLs that remain unawarded after both the main round application period and the targeted solicitation process will enter the remaining location tranche. For these locations, the MBO may conduct additional solicitations, potentially to a broader range of applicants. The State

may also break up the CBGs that contain those unawarded BSLs into smaller areas, or into clusters or groups of BSLs, and appeal to nearby providers to absorb those locations into their project areas.

After all other service options have been exhausted, the MBO will solicit satellite proposals for the remaining unserved BSLs, potentially through a bulk negotiation process. While not considered a reliable broadband technology by the NTIA, the MBO will resort to using such a technology if no other options are available to ensure that all unserved locations have access to speeds that meet or exceed 100/20 Mbps.[56]

2.4.8 Tribal Government's Consent

Text Box: Describe how the Eligible Entity intends to submit proof of Tribal Governments' consent to deployment if planned projects include any locations on Tribal Lands.

Potential subgrantees that submit applications for project areas that are partially or wholly located on Tribal Lands must secure written permission from the Tribe or Tribes that own the land. This will be a required component of the main round application submission. Applicants must indicate via a checkbox certification whether or not a project area falls within Tribal Lands. If it does, the applicant must submit a Resolution of Consent or other formal demonstration of consent from each Tribal Government, either from the Tribal Council or other governing body, upon whose Tribal Lands the infrastructure will be deployed.

Extremely High Cost Per Location Threshold

2.4.9 Extremely High Cost Per Location Threshold identification

Text Box: Identify or outline a detailed process for identifying an Extremely High Cost Per Location Threshold to be utilized during the subgrantee selection process. The explanation must include a description of any cost models used and the parameters of those cost models, including whether they consider only capital expenditures or include operational costs for the lifespan of the network.

The extremely high cost per location threshold (EHCPLT) will not be set until all priority and non-priority bids are received, as it will be used to ensure that limited funds are used efficiently and that the State's service goals are met.

Given the anticipated funding shortfall, the State will have to strategically set its EHCPLT to achieve its dual goals of maximizing the use of fiber and optimizing available funding to reach all unserved, and as many underserved locations as possible.

To set the EHCPLT, the MBO will estimate the cost to serve all unserved and underserved BSLs using CQA data as a baseline. These estimates will be adjusted based on the bids received. Finally, an optimization analysis will be conducted to ensure that the threshold can be set as high as possible but still meet the State's goals of maximizing the use of fiber and stretching BEAD funding as far as possible.

[56] BEAD NOFO, p. 15, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf

2.4.10 Extremely High Cost Per Location Utilization

Text Box: Outline a plan for how the Extremely High Cost Per Location Threshold will be utilized in the subgrantee selection process to maximize the use of the best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.6.b of the BEAD NOFO. The response must describe:

a. The process for declining a subgrantee proposal that exceeds the threshold where an alternative technology is less expensive.

Because the MBO anticipates a funding shortfall, it will utilize careful budgeting and strategically set its EHCPLT to extend its BEAD allocation as far as possible. As noted in 2.4.2, priority and non-priority bids will be accepted in tandem during a single round. By conducting one round, the State will establish a complete view of the funds required to provide service to all unserved and as many underserved locations as possible. The MBO anticipates receiving bids both above and below budget. It will take a holistic view of all bids to determine where it can accept bids that are higher than expected, and where less expensive bids may balance out the budget. The MBO hopes this will provide room to negotiate with providers to optimize budgets while maximizing the use of fiber.

During the main round, priority bids will be assessed first, as the State endeavors to provide service to as many un- and underserved locations as possible using fiber before considering alternative technologies.

For project areas that receive both priority and non-priority bids, the MBO will first review the priority bid(s). The highest-scoring priority bid will be the preliminary winner. If the bid exceeds the EHCPLT, the MBO will negotiate with the applicant to attempt to bring the bid beneath the threshold. If the bid cannot be brought below the EHCPLT, the MBO will move on to the next highest-scoring priority bid and conduct the same process, collaborating closely with the provider to attempt to bring the cost of the bid beneath the threshold. If this process is unsuccessful, the MBO will move on to evaluating non-priority bids in the interest of stretching its limited funding as far as possible.

b. The plan for engaging subgrantees to revise their proposals and ensure locations do not require a subsidy.

As indicated in 2.4.2, after scoring all applications, the MBO will evaluate every preliminary winner against the benchmark for a given project area. By considering benchmarks not only during but after the scoring process, the MBO hopes to incentivize providers to prioritize low costs of deployment in an effort to support the State in providing service to as many un- and underserved Montanans as possible.

Every application—for both priority and non-priority bids—will be assessed against the benchmark. All proposals received that exceed that benchmark will undergo a negotiation round, during which the MBO will collaborate closely with the applicant to attempt to reach the most reasonable cost for the given project area. The MBO hopes that building in this step to its application review process will ensure that fewer locations require a subsidy, and that those that do require the lowest subsidy possible.

c. The process for selecting a proposal that involves a less costly technology and may not meet the definition of Reliable Broadband.

The MBO has designed its subgrantee evaluation process to utilize both careful budgeting and close collaboration with providers to stretch its limited funds as far as possible. These design choices were made to increase the likelihood that un- and underserved locations receive technologies that constitute Reliable Broadband.

In the event that no bids are received for a given CBG, it will move through the process outlined in the zero-bid scenario. As noted in 2.4.7, that process will include additional solicitation to attempt to secure bids that utilize reliable broadband technologies.

Unserved locations in CBGs that still do not receive bids will move to the remaining location tranche. The MBO will then utilize any outstanding strategies, including broader solicitations, or breaking up the CBG into smaller areas, or into clusters or groups of BSLs that may be absorbed into other project areas.

After exhausting all other service options, the MBO will solicit proposals from satellite proposals for the remaining unserved BSLs, likely through a bulk negotiation process.

Deployment Subgrantee Qualifications

2.4.11 Minimum Qualifications: Financial Capability

Text Box: Describe how the Eligible Entity will ensure prospective subgrantees deploying network facilities meet the minimum qualifications for financial capability as outlined on pages 72 – 73 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to certify that they are qualified to meet the obligations associated with a Project, that prospective subgrantees will have available funds for all project costs that exceed the amount of the grant, and that prospective subgrantees will comply with all Program requirements, including service milestones. To the extent the Eligible Entity disburses funding to subgrantees only upon completion of the associated tasks, the Eligible Entity will require each prospective subgrantee to certify that it has and will continue to have sufficient financial resources to cover its eligible costs for the Project until such time as the Eligible Entity authorizes additional disbursements.

In accordance with 2.4.11 (c), during the prequalification round, the potential subgrantee will be required to submit unqualified audited financial statements from the prior year. If the prior year's unqualified audited financial statements are not available, the applicant should submit qualified audited financial statements from the previous year accompanied by a narrative explanation as to why unqualified statements were unavailable, as well as the unaudited interim financial statements for the current year to date. The MBO will do a ratio analysis on the financial statements to evaluate the organization's financial capacity and sustainability.

The applicant must also provide a statement signed by an executive with the authority to bind the company, which certifies and guarantees the subgrantee's minimum qualifications for financial capability.

In the main round of the subgrantee process, applicants will be required to certify access to the available funds for all project costs that exceed the grant amount, by providing documentation from a third-party financial institution. The subgrantee may also submit an optional narrative attachment, articulating any relevant financial changes that have occurred since the submission of their prequalification materials. In the event that the subgrantee is planning to finance costs that exceed the grant amount, the MBO will evaluate the financial feasibility of proposed financing.

During the main round, applicants will also be required to guarantee that they will comply with all program requirements, including service milestones.

b. Detail how the Eligible Entity plans to establish a model letter of credit substantially similar to the model letter of credit established by the FCC in connection with the Rural Digital Opportunity Fund (RDOF).

The MBO will establish a sample letter of credit (LOC) that is modeled after the Rural Digital Opportunity Fund (RDOF) LOC. This sample will be available to applicants to use when establishing LOCs as part of the main application stage. When the commitment to the LOC is submitted during the main round, the MBO will confirm that it is provided from a bank that is in good standing and that meets the BEAD NOFO requirements. As a condition of final award, the subrecipient will be required to submit the LOC.

c. Detail how the Eligible Entity will require prospective subgrantees to submit audited financial statements.

In accordance with 2.4.11 (c), during the prequalification round, the potential subgrantee will be required to submit unqualified audited financial statements from the prior year. If the prior year's unqualified audited financial statements are not available, the applicant should submit qualified audited financial statements from the previous year accompanied by a narrative explanation as to why unqualified statements were unavailable, as well as the unaudited interim financial statements for the current year to date. The MBO will do a ratio analysis on the financial statements to evaluate the organization's financial capacity and sustainability.

The MBO will provide a secure portal for applicants to submit documents that contain sensitive financial information.

d. Detail how the Eligible Entity will require prospective subgrantees to submit business plans and related analyses that substantiate the sustainability of the proposed project.

During the main round, applicants will be required to complete a template pro forma provided by the MBO, accompanied by a budget narrative that explains the pro forma assumptions and details any anticipated financial challenges. At a minimum, the pro forma will require the applicant to provide details regarding anticipated CapEx, OpEx, number of projected subscribers (including unserved and underserved BSLs as well as any other potential subscribers) and service pricing.

The pro forma will span a ten-year time period (three years of historical and seven years of projected financial data), allowing the MBO to evaluate the anticipated financial health of a given project. The MBO will review the pro forma to verify that, using reasonable assumptions (e.g., achievable take rate and acceptable pricing), the subgrantee demonstrates positive cash flow within the ten-year time horizon.

2.4.11.1 Subgrantee Selection Process Application Materials

Optional Attachment: As an optional attachment, submit application materials related to the BEAD subgrantee selection process, such as drafts of the Requests for Proposals for deployment projects, and narrative to crosswalk against requirements in the Deployment Subgrantee Qualifications section.

The MBO will develop a draft application for both prequalification and the main round, as well as a pro forma template to be completed by the potential subgrantee. The MBO plans to post these materials for public comment to ensure they reflect input from all relevant stakeholders.

2.4.12 Minimum Qualifications: Managerial Capacity

Text Box: Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for managerial capability as outlined on pages 73 – 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to submit resumes for key management personnel.

During the prequalification round, for all relevant financial, technical, and managerial key personnel, applicants will be required to submit one-page resumes as well as a narrative explanation of the given role and its responsibilities. Each resume should demonstrate a minimum of five years of relevant experience, and all key personnel should be employees of the firm, rather than contractors. Note that Personal Identifiable Information, enumerated in Montana Code Annotated 2021 2-6-1501, should be removed from resumes before submission.[57] The State of Montana will comply with the protection of personal information procedures outlined in Montana code Annotated 2021 2-6-1502.[58]

The MBO will confirm that all key personnel are directly employed by the firm and have at least five years of relevant experience.

b. Detail how it will require prospective subgrantees to provide a narrative describing their readiness to manage their proposed project and ongoing services provided.

During the prequalification round, applicants must submit an organizational chart that includes all relevant personnel, including those detailed in 2.4.12 (a).

In addition, in narrative form, the applicant should provide evidence that the company has prior experience with telecommunications deployment and projects of a comparable scope, and details regarding their processes and approach to managing projects of a similar magnitude.

[57] Montana Code Annotated 2021, 2-6-1501, https://leg.mt.gov/bills/mca/title_0020/chapter_0060/part_0150/section_0010/0020-0060-0150-0010.html

[58] Montana Code Annotated 2021, 2-6-1502, https://leg.mt.gov/bills/mca/title_0020/chapter_0060/part_0150/section_0020/0020-0060-0150-0020.html

2.4.13 Minimum Qualifications: Technical Capability

Text Box: Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for technical capability as outlined on page 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to certify that they are technically qualified to complete and operate the Project and that they are capable of carrying out the funded activities in a competent manner, including that they will use an appropriately skilled and credentialed workforce.

During the prequalification and main rounds, applicants must certify that they have employed personnel, including a chief technology officer, project engineer, and contractor oversight team, with the relevant certifications for deployment projects as mandated by state and federal law and reflective of industry best practices. In addition, they must certify that all contracted resources will possess the relevant and necessary skills, and detail in narrative their contractor selection process along with which skills, certifications, qualifications, or training programs will be required for each role.

The MBO will evaluate these materials to confirm adherence to industry best practices, as well as compliance with relevant state and federal law.

b. Detail how the Eligible Entity will require prospective subgrantees to submit a network design, diagram, project costs, build-out timeline and milestones for project implementation, and a capital investment schedule evidencing complete build-out and the initiation of service within four years of the date on which the entity receives the subgrant, all certified by a professional engineer, stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the Project.

In the main round, applicants must submit detailed plan elements, including network design in shapefile, diagram in PDF, project costs in a spreadsheet template, build-out timeline with milestones for project implementation. Applicants will submit the capital investment schedule as part of the pro forma template, which is auto-calculated, as required by 2.4.11 (d).

A professional engineer will be required to certify that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the project within the required four-year deployment timeline.

The MBO will use a third-party contracted professional engineer to verify that the details in the submitted materials are reasonable and achievable within the prescribed four-year timeline.

2.4.14 Minimum Qualifications: Compliance with Applicable Laws

Text Box: Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for compliance with applicable laws as outlined on page 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the

Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to demonstrate that they are capable of carrying out funded activities in a competent manner in compliance with all applicable federal, state, territorial, and local laws.

In their prequalification materials, applicants must provide a legal opinion that demonstrates the capability to carry out funded activities competently and in compliance with all applicable federal, state, and local laws. The opinion must also detail any past violations or pending court proceedings. The MBO will provide a model template for applicants.

The MBO will confirm that the legal opinion is provided by a lawyer in good standing and may potentially disqualify applicants that have committed past violations or who have pending court proceedings.

b. Detail how the Eligible Entity will require prospective subgrantees to permit workers to create worker-led health and safety committees that management will meet with upon reasonable request.

During the main round, applicants must certify that they will permit workers to create worker-led health and safety committees that management will meet with upon reasonable request. Applicants should also upload any documentation demonstrating that they have communicated these rights to workers. The MBO may provide a model policy that the subgrantee can elect to adopt to satisfy this requirement. If the applicant fails to guarantee that it will permit its workers to create worker-led health and safety committees, the applicant will be disqualified.

2.4.15 Minimum Qualifications: Operational Capability

Text Box: Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for operational capability as outlined on pages 74 – 75 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to certify that they possess the operational capability to qualify to complete and operate the Project.

During the main round, applicants will be required to certify via checkbox that they possess the operational capability to qualify to complete and operate the Project. To assess the subgrantee's operational capability, the MBO will review the materials provided in 2.4.12 (a-b).

b. Detail how the Eligible Entity will require prospective subgrantees to submit a certification that they have provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of their application submission or that they are a wholly owned subsidiary of such an entity and attest to and specify the number of years the prospective subgrantee or its parent company has been operating.

As the BEAD NOFO indicates, applicants are not required to have operated for a prescribed amount of time, as new entrants are eligible to participate in the BEAD subgrantee process.[59]

[59] BEAD NOFO, p. 74-75

However, Montana Senate Bill 531 notes that applicants must have experience conducting business in the state of Montana: Section 1 (8) notes that applicants must have "authorization to do business in the state" and must have demonstrated "that it has the technical, financial, and managerial resources and experience to provide broadband service or other communications service to customers in the state."[60] Section 4 (c) notes that applicants "may only be a nongovernment entity with demonstrated experience in providing broadband service or other communications services to end-user residential or business customers in the state, unless the government entity or tribe applies in partnership with an eligible broadband service provider." In addition, Section 5 (2)(a)(i) notes that applicants must provide "evidence demonstrating the provider's technical, financial, and managerial resources and experience to provide broadband service or other communications services to customers in the state and the ability to build, operate, and manage broadband service networks serving business and residential customers in the state."

The MBO will require applicants to provide materials that document the length of time they have been doing business in the state, which will be verified by the MBO.

In addition, per the MBO's scoring criteria, applications submitted by providers that have operated for at least 10 years in the State will earn one additional point.

c. Detail how the Eligible Entity will require prospective subgrantees that have provided a voice and/or broadband service, to certify that it has timely filed Commission Form 477s and the Broadband DATA Act submission, if applicable, as required during this time period, and otherwise has complied with the Commission's rules and regulations.

During the prequalification round, potential subgrantees that have previously provided a voice and/or broadband service will be required to certify via checkbox that they have filed Commission Form 477s and the Broadband DATA Act submission, as applicable and required, and otherwise complied with the Commission's rules and regulations.

The MBO will cross-check the response with public records to confirm the dates of submission.

d. Detail how the Eligible Entity will require prospective subgrantees that have operated only an electric transmission or distribution service, to submit qualified operating or financial reports, that it has filed with the relevant financial institution for the relevant time period along with a certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution.

During the prequalification round, the potential subgrantee will be required to submit unqualified audited financial statements from the prior year. If the prior year's unqualified audited financial statements are not available, the applicant should submit qualified audited financial statements from the previous year accompanied by a narrative explanation as to why unqualified statements were unavailable, as well as the unaudited interim financial statements for the current year to date. The MBO will do a ratio analysis on the financial statements to evaluate the organization's financial capacity and sustainability.

As 2.4.11 (a) applies to all prospective subgrantees, including those that have operated only an electric transmission or distribution service, the materials provided to meet 2.4.11 (a) are expected satisfy this requirement.

[60] Montana Senate Bill 531, https://leg.mt.gov/bills/2023/SB0599/SB0531_1.pdf

e. In reference to new entrants to the broadband market, detail how the Eligible Entity will require prospective subgrantees to provide evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities.

New entrants will be required to submit documentation illustrating their minimum qualifications and be required to meet the same threshold as all other applicants.

Further, Montana Senate Bill 531 notes that applicants must have experience conducting business in the state of Montana: Section 1 (8) notes that applicants must have "authorization to do business in the state" and must have demonstrated "that it has the technical, financial, and managerial resources and experience to provide broadband service or other communications service to customers in the state."[61] Section 4 (c) notes that applicants "may only be a nongovernment entity with demonstrated experience in providing broadband service or other communications services to end-user residential or business customers in the state, unless the government entity or tribe applies in partnership with an eligible broadband service provider." In addition, Section 5 (2)(a)(i) notes that applicants must provide "evidence demonstrating the provider's technical, financial, and managerial resources and experience to provide broadband service or other communications services to customers in the state and the ability to build, operate, and manage broadband service networks serving business and residential customers in the state."

The MBO will require applicants to provide materials that document the length of time they have been doing business in the state, which will be verified by the MBO.

2.4.16 Minimum Qualifications: Ownership Information

Text Box: Describe how the Eligible Entity will ensure that any prospective subgrantee deploying network facilities meets the minimum qualifications for providing information on ownership as outlined on page 75 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to provide ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7).

During the prequalification period, all applicants will be required to submit the relevant ownership information as required by 47 C.F.R. § 1.2112(a)(1)-(7).

2.4.17 Minimum Qualifications: Public Funding Information

Text Box: Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for providing information on other public funding as outlined on pages 75 – 76 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how it will require prospective subgrantees to disclose for itself and for its affiliates, any application the subgrantee or its affiliates have submitted or plan to submit, and every

[61] Montana Senate Bill 531, https://leg.mt.gov/bills/2023/SB0599/SB0531_1.pdf

broadband deployment project that the subgrantee or its affiliates are undertaking or have committed to undertake at the time of the application using public funds.

In their prequalification materials, applicants must submit a list of all publicly funded (both state and federal) broadband deployment projects for which they have submitted or plan to submit an application, as well as any publicly funded broadband deployment project that the applicant or its affiliates are undertaking or plan to undertake.

During the prequalification round, the MBO will confirm the completion and validity of this information.

During the main round, when the potential subgrantee is applying for a particular project area(s), the MBO will consider these outstanding commitments, and assess the applicant's capacity to meet those commitments as well as its BEAD commitments, based on a holistic review of the application and the subgrantee's financial, managerial, technical, and operational capabilities.

b. At a minimum, the Eligible Entity shall require the disclosure, for each broadband deployment project, of: (a) the speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules), (b) the geographic area to be covered, (c) the number of unserved and underserved locations committed to serve (or, if the commitment is to serve a percentage of locations within the specified geographic area, the relevant percentage), (d) the amount of public funding to be used, (e) the cost of service to the consumer, and (f) the matching commitment, if any, provided by the subgrantee or its affiliates.

In main round applications, for each broadband deployment project listed in 2.4.17 (a), applicants must submit: (a) the speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules), (b) identification of the geographic area to be covered, (c) the number of unserved and underserved locations committed to serve (or, if the commitment is to serve a percentage of locations within the specified geographic area, the relevant percentage), (d) the amount of public funding to be used, (e) the cost of service to the consumer, and (f) the matching commitment provided by the subgrantee or its affiliates.

2.5 Non-Deployment Subgrantee Selection (Requirement 9)

2.5.1 Non-Deployment Activities: Fair, Open, and Competitive Subgrantee Selection Process

Text Box: Describe a fair, open, and competitive subgrantee selection process for eligible non-deployment activities. Responses must include the objective means, or process by which objective means will be developed, for selecting subgrantees for eligible non-deployment activities. If the Eligible Entity does not intend to subgrant for non-deployment activities, indicate such.

The State does not intend to subgrant for non-deployment activities.

2.5.2 Non-Deployment Activities Initiatives

Text Box: Describe the Eligible Entity's plan for the following:

a. How the Eligible Entity will employ preferences in selecting the type of non- deployment initiatives it intends to support using BEAD Program funds.

Not applicable.

b. How the non-deployment initiatives will address the needs of residents within the jurisdiction.

Not applicable.

c. The ways in which engagement with localities and stakeholders will inform the selection of eligible non-deployment activities.

Not applicable.

d. How the Eligible Entity will determine whether other uses of the funds might be more effective in achieving the BEAD Program's equity, access, and deployment goals.

Not applicable.

2.5.3 Non-Deployment: Un- and Underserved Location Coverage

Text Box: Describe the Eligible Entity's plan to ensure coverage to all unserved and underserved locations prior to allocating funding to non-deployment activities.

Not applicable.

2.5.4 Non-Deployment: Subgrantee Qualifications

Text Box: Describe how the Eligible Entity will ensure prospective subgrantees meet the general qualifications outlined on pages 71 – 72 of the BEAD NOFO.

Not applicable.

2.6 Eligible Entity Implementation Activities (Requirement 10)

2.6.1 Eligible Entity Direct Implementation

Text Box: Describe any initiatives the Eligible Entity proposes to implement as the recipient without making a subgrant, and why it proposes that approach.

The State of Montana will directly implement both its challenge process and its subgrantee selection process.

The State will pursue direct implementation of its challenge process as has already established the necessary infrastructure and resources to do so successfully and expeditiously.

Additionally, the State will administer its own subgrantee selection process, which will likely begin halfway through 2024. The State feels that given its past experience in managing federal and state grant programs, it is well-positioned to conduct this process.

2.7 Labor Standards and Protection (Requirement 11)

2.7.1 Federal Labor and Employment Laws

Text Box: Describe the specific information that prospective subgrantees will be required to provide in their applications and how the Eligible Entity will weigh that information in its

competitive subgrantee selection processes. Information from prospective subgrantees must demonstrate the following and must include information about contractors and subcontractors:

a. Prospective subgrantees' record of past compliance with federal labor and employment laws, which:

   i. Must address information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years;

During the prequalification round, the applicant must indicate via checkbox certification that it has complied with federal labor and employment laws on broadband deployment projects over the last three years. This may also be incorporated into the legal opinion required to satisfy 2.4.14 (a).

   ii. Should include a certification from an Officer/Director-level employee (or equivalent) of the prospective subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors; and;

During the prequalification round, an officer- or director-level employee or equivalent thereof must indicate via checkbox certification that the applicant, its contractors, and its subcontractors have consistently complied with federal labor and employment laws.

   iii. Should include written confirmation that the prospective subgrantee discloses any instances in which it or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.

During the prequalification round, the applicant must indicate via checkbox certification that neither it, nor its contractors or subcontracts, have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years. If the applicant indicates that it, its contractors and/or its subcontractors have violated any such laws, it must provide a detailed account in narrative form, accompanied by any relevant documentation. If the applicant indicates the latter, the MBO will review the details and potentially disqualify the applicant from participating in the main round.

b. Prospective subgrantees' plans for ensuring compliance with federal labor and employment laws, which must address the following:

   i. How the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:

During the prequalification round, the applicant must indicate via checkbox certification that it, its contractors, and its subcontracts, have existing labor and employment practices in place, and commit to annual recertification for the duration of BEAD implementation. The applicant should also submit a brief narrative detailing those practices and may also submit relevant supporting materials as PDF attachments.

      1) Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network; and

During the prequalification round, applicants must submit applicable wage scales, as well as wage

and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network.

2) How the subgrantee will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.

During the prequalification round, the applicant must indicate via checkbox certification that it will implement support of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects and commit to annual recertification for the duration of BEAD implementation. The applicants will be asked to upload supporting materials that demonstrate compliance with this requirement.

2.7.2 Labor Standards and Protections Requirements

Text Box: Describe in detail whether the Eligible Entity will make mandatory for all subgrantees (including contractors and subcontractors) any of the following and, if required, how it will incorporate them into binding legal commitments in the subgrants it makes:

The MBO understands the importance and value of an appropriately skilled and credentialed workforce. As articulated in 2.8.2, the MBO will require its potential subgrantees to submit a narrative detailing the steps they will take to ensure that all members of its project workforce have the appropriate credentials.

a. Using a directly employed workforce, as opposed to a subcontracted workforce;

b. Paying prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, where applicable, and collecting the required certified payrolls;

c. Using project labor agreements (i.e., pre-hire collective bargaining agreements between unions and contractors that govern terms and conditions of employment for all workers on a construction project);

d. Use of local hire provisions;

e. Commitments to union neutrality;

f. Use of labor peace agreements;

g. Use of an appropriately skilled workforce (e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded);

h. Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure); and

i. Taking steps to prevent the misclassification of workers.

2.8 Workforce Readiness (Requirement 12)

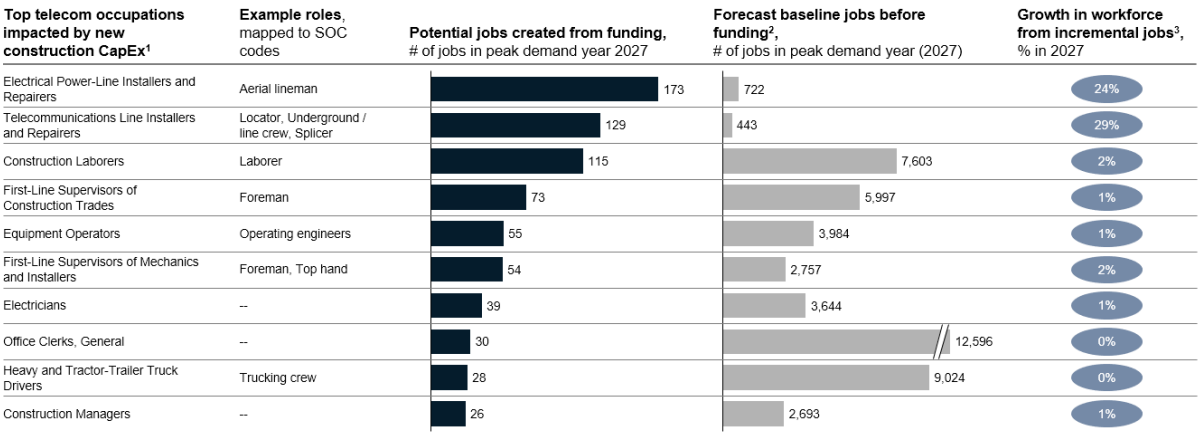
2.8.1 Equitable Workforce Development

Text Box: Describe how the Eligible Entity and their subgrantees will advance equitable workforce development and job quality objectives to develop a skilled, diverse workforce. At a minimum, this response must clearly provide each of the following, as outlined on page 59 of the BEAD NOFO:

BEAD will provide nearly $43B in funding over the coming four years, constituting the largest single broadband investment in history.[62] This will occur in tandem with other substantial federal funding opportunities, such as the Enhanced Alternative Connect America Model (E-ACAM) and the Rural Digital Opportunity Fund.[63,64] As all 50 states will be simultaneously eligible for these programs, this enormous influx of funding will likely strain an already tight national labor market by creating high demand for a broadband-capable workforce.

Labor market conditions in Montana are expected to follow this national trend, suggesting that absent of targeted action, the State could face a potential shortfall of broadband-capable workers. To anticipate upcoming workforce challenges, the MBO conducted an analysis to estimate the impact of upcoming broadband funding on the Montana labor market. The results of this analysis are presented in Exhibit 31.

Exhibit 31: Workforce growth in broadband occupations in Montana due to broadband funding[65]



[62] Broadband Equity Access and Deployment Program, https://broadbandusa.ntia.doc.gov/funding-programs/broadband-equity-access-and-deployment-bead-program
[63] FCC Announced E-ACAM Support to Expand Broadband to Rural Communities, https://www.fcc.gov/document/fcc-announces-e-acam-support-expand-broadband-rural-communities
[64] Rural Digital Opportunity Fund, https://www.usac.org/high-cost/funds/rural-digital-opportunity-fund/
[65] Sources: Expert interviews, Preliminary estimates based on US Senate H.R. 3684, Bipartisan Infrastructure Law, and White House state-specific information, LightCast labor analytics, BEA; 1. Top occupations are selected based on the number of jobs generated from new construction CapEx spending in the year of highest forecast demand (.>25 jobs in 2027). Each occupation is mapped against an associated SOC code; 2. Federal funding includes BEAD (~$629M), CPF (~$319M), and E-ACAM (~$530M); 3. Growth is calculated by dividing potential jobs created by forecast baseline jobs in 2027

According to the MBO's analysis, deployment-related roles will likely see the greatest incremental job growth in electrical power-line installers (24% growth) and telecommunications line installers (29% growth). More modest increases are expected in a variety of other roles, such as construction laborers, equipment operators, first-line supervisors, and electricians.

As illustrated in Exhibit 32, demand for broadband workers is expected to peak in 2027 at the height of construction, creating opportunities for up to 1,000 additional telecommunications workers in Montana alone.

Exhibit 32: Potential broadband job creation 2023-2031[66]

Potential jobs created by role and year, FTEs

Grouping	Description	2023	2024	2025	2026	2027	2028	2029	2030	2031
Installation, Maintenance, & Repair	Electrical Power-Line Installers and Repairers	10-20	50-60	>100	>100	>100	>100	70-80	20-30	1-10
	Telecommunications Line Installers and Repairers	1-10	40-50	80-90	>100	>100	>100	50-60	10-20	1-10
	First-Line Supervisors of Mechanics, Installers, and Repairers	1-10	10-20	30-40	50-60	50-60	40-50	20-30	1-10	1-10
	Helpers--Installation, Maintenance, and Repair Workers	1-10	1-10	1-10	10-20	10-20	10-20	1-10	1-10	0
	Mobile Heavy Equipment Mechanics, Except Engines	0	1-10	1-10	1-10	10-20	1-10	1-10	1-10	0
	Radio, Cellular, and Tower Equipment Installers and Repairers	1-10	1-10	10-20	10-20	10-20	10-20	1-10	1-10	0
Construction & Extraction	Construction Laborers	1-10	30-40	70-80	>100	>100	90-100	50-60	10-20	1-10
	First-Line Supervisors of Construction Trades and Extraction Workers	1-10	20-30	40-50	60-70	70-80	50-60	30-40	10-20	1-10
	Operating Engineers and Other Construction Equipment Operators	1-10	10-20	30-40	50-60	50-60	40-50	20-30	1-10	1-10
	Electricians	1-10	10-20	20-30	30-40	30-40	30-40	10-20	1-10	0
	Plumbers, Pipefitters, and Steamfitters	0	1-10	1-10	10-20	10-20	1-10	1-10	1-10	0
	Carpenters	0	1-10	1-10	10-20	10-20	1-10	1-10	1-10	0
Office & Administrative Support	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	1-10	1-10	1-10	10-20	10-20	10-20	1-10	1-10	0
	Bookkeeping, Accounting, and Auditing Clerks	1-10	1-10	10-20	10-20	10-20	10-20	1-10	1-10	0
	Office Clerks, General	1-10	10-20	20-30	20-30	20-30	20-30	10-20	1-10	0
Management	Construction Managers	1-10	1-10	10-20	20-30	20-30	20-30	10-20	1-10	0
	General and Operations Managers	1-10	1-10	10-20	20-30	20-30	10-20	10-20	1-10	0
Architecture & Engineering	Civil Engineers	1-10	1-10	10-20	20-30	20-30	10-20	10-20	1-10	0
	Electrical Engineers	0	1-10	1-10	10-20	10-20	10-20	1-10	1-10	0
Business & Financial Operations	Project Management Specialists and Business Operations Specialists, All Other	1-10	1-10	10-20	10-20	10-20	10-20	1-10	1-10	0
	Accountants and Auditors	1-10	1-10	10-20	10-20	10-20	10-20	1-10	1-10	0
Transportation & Material Moving	Heavy and Tractor-Trailer Truck Drivers	1-10	1-10	10-20	20-30	20-30	20-30	10-20	1-10	0
	Laborers and Freight, Stock, and Material Movers, Hand	0	1-10	1-10	10-20	10-20	10-20	1-10	1-10	0
Computer & Mathematical	Software Developers and Software Quality Assurance Analysts and Testers	0	1-10	1-10	10-20	10-20	1-10	1-10	1-10	0
Totals		90-100	460-470	940-950	1290-1300	1380-1390	1090-1100	610-620	210-220	40-50
Top 24 SOC codes (>10 jobs created in 2027)		60-70	310-320	630-640	870-880	930-940	740-750	410-420	140-150	30-40
Other		30-40	150-160	300-310	410-420	440-450	350-360	190-200	60-70	10-20

The State acknowledges the need for a comprehensive workforce plan to meet these varying needs across roles, while also establishing opportunities to make jobs available to historically underrepresented groups. To achieve this objective, the State will collaborate with two of its flagship workforce development programs, the Montana Registered Apprenticeship Program and Accelerate Montana, detailed below in section 2.8.1 (a). The MBO will encourage subgrantees and Montanans to participate in these programs and intends to coordinate targeted outreach to help these stakeholders advance their impactful initiatives.

[66] Federal funding includes BEAD (~$629M), CPF (~$319M), and E-ACAM (~$530M). Note: Only includes SOC codes where 10+ jobs may be created in 2027. Source: LightCast labor analytics

In addition, the State will utilize a number of strategies to ensure that relevant stakeholders, including subgrantees and Montanans seeking jobs, are aware of the resources available for support. These potential approaches are detailed in subsections 2.8.1 a-d below.

a. A description of how the Eligible Entity will ensure that subgrantees support the development and use of a highly skilled workforce capable of carrying out work in a manner that is safe and effective;

As stated above, the upcoming investments in broadband development, including BEAD, RDOF, and E-ACAM, will create new jobs that require skilled broadband workers.

To ensure that subgrantees support the creation and utilization of highly skilled workers that can carry out this work safely and effectively, the MBO intends to support and promote two of the state's cornerstone programs, the Montana Registered Apprenticeship Program and Accelerate Montana.

The Montana Registered Apprenticeship Program (MRAP)

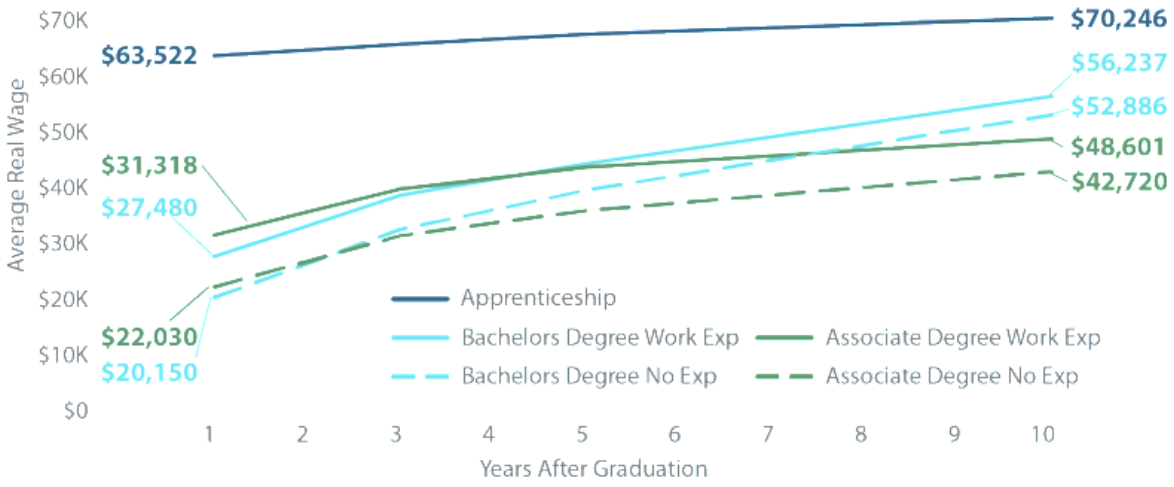
MRAP, sponsored by the Montana Department of Labor and Industry is a program that places high school students into apprenticeships with employers in trades or skilled labor, providing both paid, on-the-job training and positioning them for future employment.[67]

MRAP was designed to create a skilled labor force that can take advantage of Montana's employment opportunities. Each year, around 6,000 Montanans graduate high school and enter the workforce without the credentials required for career advancement in fields such as construction, healthcare, manufacturing, and hospitality.[68] MRAP was designed in part to support these students, providing a clear on-ramp to gainful employment opportunities.

As noted in Montana's Digital Opportunity Plan, completing this program translates into significant wage increases (Exhibit 33). While the program helps build the Montana workforce in particular, participants can also take their skills with them around the country—upon completing the program, students earn a certificate of completion, which is recognized in all 50 states.

[67] Montana Registered Apprenticeship Program, apprenticeship.mt.gov
[68] Montana Digital Opportunity Plan, https://connectmt.mt.gov/2023.06.27_Digital-Opportunity-Plan_WEB.pdf

Exhibit 33: 2022 Montana Labor Day Report ten-year wages by work experience[69]



The program has grown since its inception, and Governor Gianforte has prioritized its expansion during his tenure. Recently, the Governor adjusted MRAP rules to increase the number of apprentices that mentors are allowed to accept—now each mentor can help train two apprentices. This has further catalyzed the program's growth: 500 new apprentices joined MRAP in the first half of 2022, surpassing the registration totals recorded for the entirety of both 2019 and 2020.[70,71]

In July 2023, the program received a grant of nearly $350,000 from the U.S. Department of Labor as part of a broad federal initiative to build out apprenticeship programs nationally.[72] The MBO intends to coordinate with DLI to establish additional apprenticeship opportunities in both broadband installation and post-installation technical support, both of which will be required as internet access expands across the state.[73]

[69] 2022 Montana Labor Day Report, Montana Department of Labor and Industry, https://lmi.mt.gov/_docs/Publications/LMI-Pubs/Labor-Market-Publications/LDR20221.pdf; Data source: MTDLI, OCHE, RMC, CC, UP, and apprenticeship graduate data wage match. Wages reflect average real wages reported in 2021 dollars using the CPI-U. Apprenticeship includes all degree types. Work experience defined as working at least 2 quarters per year in the 5 years prior to graduation. All apprenticeship completers have work experiences.
[70] State of Montana Newsroom, Governor Gianforte Promotes Apprenticeship Growth in East Helena, https://news.mt.gov/Governors-Office/Governor_Gianforte_Promotes_Apprenticeship_Growth_in_East_Helena
[71] State of Montana Newsroom, Montana Adds 500+ Apprentices in the First Half of 2022, https://news.mt.gov/Governors-Office/Montana_Adds_500plus_Apprentices_in_First_Half_of_2022
[72] U.S. Department of Labor, Department of Labor Awards $65M To Help States Increase, Expand Access to Registered Apprenticeships In High-Growth, High-Demand Industries https://www.dol.gov/newsroom/releases/eta/eta20230719
[73] Montana Digital Opportunity Plan, p. 13, https://connectmt.mt.gov/2023.06.27_Digital-Opportunity-Plan_WEB.pdf

Accelerate Montana (AMT)

AMT is a non-profit based at the University of Montana that offers programs and services designed to invest in Montana's workforce and build businesses' economic capacity.[74] AMT's operating model is based on a symbiotic relationship between AMT, jobseekers, Montana's higher education system, and potential employers. AMT works directly with employers to determine their workforce needs (e.g., number of workers, skill set, location of employment), design training programs to meet those needs, and then coordinates with the higher education network to identify the ideal locations to host the trainings. AMT's model helps cultivate the right talent in the right places around the state, and attracts participants including highschoolers, recent college graduates, and individuals pursuing career changes.[75]

AMT's core offerings include its Rapid Training Programs, which allow students to gain full licensure and accreditation in in-demand careers in six months or less. Since 2021, the program has been awarded nearly $10M. [76] While around 1,700 students currently complete these programs every two years, some estimates suggest that the rapid training programs will train ~3,000 individuals by the end of 2024.[77,78] AMT currently offers programs that are relevant to broadband workforce skills, including entry-level construction training, commercial driver's licensing, heavy equipment operation, fiber splicing, cyber security, and other technology-related programs. AMT's current training offerings and growing capacity suggest that the program could potentially accommodate the current projected increase in broadband worker demand in 2027 during BEAD funding rollout.[79]

Rapid Training Programs are broadcast widely by AMT, which conducts outreach at tribal colleges in Montana and spreads awareness about its programs at high schools, two- and four-year colleges, and community & technical colleges. The organization also directs participants to the Montana Department of Labor (DLI), where they can access information about potential job and scholarship opportunities, some of which are funded by DLI, educational institutions, and employers themselves.[80] AMT also works closely with DLI to support trainees, connecting them with relevant wraparound services like childcare or transportation.

The MBO appreciates and understands the importance of supporting the BEAD program through a highly trained and skilled workforce. Montana is fortunate to have two mature workforce programs in Accelerate Montana and the Montana Registered Apprenticeship Program that the MBO plans to collaborate closely with to address planned and emergent workforce gaps. Specifically, the MBO plans to execute the following strategies as part of its workforce readiness push:

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[74] Accelerate Montana, https://acceleratemt.com/programs
[75] Paul Gladen, Accelerate Montana Executive Director, Interview, September 2023
[76] Paul Gladen, Accelerate Montana Executive Director, Interview, September 2023
[77] Accelerate MT Rapid Training Program, Proposal for Additional Funding, https://commerce.mt.gov/_shared/ARPA/docs/ETSWD/Accelerate-MT1.pdf
[78] Expert interviews
[79] Expert interviews
[80] Expert interviews

- Develop and connect workforce-ready Montanans with skilled labor opportunities in broadband, helping the state meet its needs over the BEAD implementation horizon.
- Communicate directly with subgrantees to encourage them to participate in Accelerate Montana and the Montana Registered Apprenticeship Program to design programs and recruit jobseekers who have the skills to work safely and effectively.
- Collaborate with Accelerate Montana and the Montana Registered Apprenticeship Program to design new training and apprenticeship opportunities.
- Create a centralized hub, hosted on ConnectMT, where potential employers and employees can go to be easily connected to these initiatives, as well as other resources.

b. A description of how the Eligible Entity will develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, unions and worker organizations, and community-based organizations that provide relevant training and wrap-around services to support workers to access and complete training (such as child care, transportation, mentorship, etc.), to attract, train, retain, or transition to meet local workforce needs and increase high-quality job opportunities;

The state of Montana's main avenues to develop and promote sector-based partnerships among key stakeholders—including employers, education and training providers, the public workforce system, unions and worker organizations, and community-based organizations—are through the two flagship initiatives detailed above: the Montana Registered Apprenticeship Program (MRAP) and Accelerate Montana (AMT). Both have a proven track-record of fostering powerful industry collaboration through strong, direct lines of communication between employers and job seekers.

As noted in 2.8.1 (a), AMT works with potential employers to understand their unique workforce needs. Employers share the skills and training they need in their workers, and AMT creates tailored Rapid Training programs with that input. Depending on where workers are needed geographically, AMT can utilize its vast network of training partners, including community colleges and universities, across the state to determine the best place to host the training programs.

Similarly, MRAP works with employer sponsors to create bespoke opportunities that combine on-the-job training and classroom instruction. Potential employees can enroll in the registered apprenticeship program to learn alongside their future employers.

The MBO will coordinate with AMT and MRAP to create broadband-related training opportunities. The State will also encourage potential subgrantees to participate in these programs to meet their workforce needs.

In addition to these flagship programs, the State offers ancillary or wraparound services, which provides targeted support for Montanans. [81]

[81] BEAD Initial Proposal Guidance Volume II, p. 66, https://broadbandusa.ntia.doc.gov/sites/default/files/2023-07/BEAD_Initial_Proposal_Guidance_Volumes_I_II.pdf

The Department of Labor and Industry (DLI) offers several career development services that can help Montanans access job opportunities, receive training, prepare interview materials, and develop other necessary skills required for gainful employment. The Department of Public Health and Human Services (DPHHS) also offers a wide variety of services to meet the needs of Montanan workers, including childcare services, financial aid, and health care.

A summary of these programs can be found in Exhibit 34, and more detailed explanations can be found below.

To make relevant stakeholders aware of these services, the MBO will utilize a centralized hub, hosted on ConnectMT, which it will promote during the BEAD planning and implementation phases.

Exhibit 34: Support services provided by Montana government agencies

Department	Program	Description
Department of Labor and Industry	Career Resources	Portal for high school students that provides links and directions to apprenticeships and other career options.[82] This will clarify broadband opportunities for prospective jobseekers.
	Montana Works	Connects Montanans to CareerOneStop, which helps with job search, resume support, connections to trainings, etc.[83] As with Career Resources, this resource will help job-seeking Montanans to identify and prepare for careers in broadband services.
	HELP-Link	Connects Montana Medicaid recipients with individual coaches who help design career plans.[84]
	SafetyFestMT	Collaboration with various businesses who donate their time to provide training opportunities to Montanans.[85] Broadband jobseekers will be able to learn pertinent on-the-job skills and best practices.

[82] Montana Department of Labor and Industry, Career Resources, https://dli.mt.gov/resources/workers
[83] Montana Works, https://montanaworks.gov/
[84] Montana Works, HELP-Link, https://montanaworks.gov/help-link/
[85] Montana Department of Labor and Industry, SafetyFestMT, https://safetyfestmt.dli.mt.gov/

Department of Public Health and Human Services	Behavioral Health System for Future Generations	Based on HB 872, which devotes $300M to expanding behavioral health care and disabilities services in Montana.[86] Broadband workers requiring health care and disabilities services will be able to utilize resources established through this investment.
	SNAP, TANF, LIHEAP, Health Coverage Assistance	Federal programs for food purchasing, temporary financial assistance, reducing energy bill costs, and healthcare assistance for low-income Montanans.[87] These will help low-income broadband workers ensure basic needs are met.
	Child Care Resource and Referral Agencies	Resource that helps low-income families find and pay for childcare.[88] Broadband workers requiring childcare may be able to leverage this resource to obtain it at reduced cost.
	Best Beginnings Child Care Scholarship Program	Child-care scholarships for low-income families.[89] The children of broadband workers may be eligible.

Career Resources (DLI)

Career Resources serves as a centralized hub through which students, parents, educators, and job seekers can find relevant educational and career-related resources. For example, students and parents can find age-specific materials on skills planning, career awareness, and workbooks connecting educational topics to real-world jobs. Educators are provided resources to develop lessons geared towards career planning and awareness, while job seekers are given personal employment plans, job-seeking resources, and job search opportunities.[90]

Montana Works (DLI)

Montana Works is a centralized resource run by the Montana DLI to aid those who are unemployed or seeking a career change. Workers can file for unemployment, access free occupational trainings

[86] Department of Public Health and Human Services, Behavioral Health System for Future Generations, https://dphhs.mt.gov/FutureGenerations/Index
[87] Department of Public Health and Human Services, SNAP, TANF, LIHEAP, and Health Coverage Assistance Application, https://apply.mt.gov/
[88] Department of Public Health and Human Services, Child Care Resource and Referral Agencies, https://dphhs.mt.gov/ecfsd/childcare/childcareresourceandreferral
[89] Department of Public Health and Human Services, Best Beginnings Child Care Scholarship Program, https://dphhs.mt.gov/ecfsd/childcare/BestBeginningsScholarships
[90] Montana Department of Labor and Industry, Career Resources, https://dli.mt.gov/resources/workers

and registered apprenticeships, and find available job postings and service locations. Employers can post job opportunities as well. This resource also connects workers to adjacent career resources, such as the HELP-link program and the American Rescue Plan Act Rapid Retraining Program.[91]

HELP-Link (DLI)

HELP-Link is a Health and Economic Livelihood Partnership (HELP) Act workforce program designed for Montanans receiving Medicaid. Program participants are assigned to meet one-on-one with a qualified career coach to devise a career plan specific to the participant's needs. The program offers help in career coaching and exploration, employment and skill assessments, financial literacy, and other job-related skills. [92]

SafetyFestMT (DLI)

SafetyFestMT is a collaboration between DLI and various Montana businesses and organizations. Employers provide free virtual and in-person training to potential employees in topics such as first aid, accident investigation, radon & asbestos, OSHA-approved construction, and more. The content taught at each SafetyFestMT meeting is unique to the participating providers and is applicable for both new workers and seasoned professionals.[93]

Behavioral Health System for Future Generations (DPHHS)

The Behavioral Health System for Future Generations is a $300 million investment in Montana's behavioral health and developmental disabilities services systems. The funds can be used for initiatives related to behavioral health and developmental disabilities services, such as creating a comprehensive behavioral health system, community-based investment in services and their delivery, and acquisition of new or existing infrastructure to support those services.[94]

SNAP, TANF, LIHEAP, Health Coverage Assistance (DPHHS)

DPHHS administers several federally funded assistance programs for low-income families and individuals, including the Supplemental Nutrition Assistance Program (SNAP), which supplements grocery budgets for low-income families; the Temporary Assistance for Needy Families Program (TANF), which provides monthly cash subsidies and additional services to low-income families with children; the Low Income Home Energy Assistance Program (LIHEAP), which subsidizes costs derived from energy bills, energy crises, weatherization, and energy-related home repairs; and Health Coverage Assistance, which offers health insurance through the federal marketplace and administers programs such as Medicaid and Healthy Montana Kids.[95]

[91] Montana Works, https://montanaworks.gov/
[92] Montana Works, HELP-Link, https://montanaworks/gov/help-link/
[93] Montana Department of Labor and Industry, SafetyFestMT, https://safetyfestmt.dli.mt.gov/
[94] Department of Public Health and Human Services, Behavioral Health System for Future Generations, https://dphhs.mt.gov/FutureGenerations/Index
[95] Department of Public Health and Human Services, SNAP, TANF, LIHEAP, and Health Coverage Assistance Application, https://apply.mt.gov/

Child Care Resource and Referral Agencies (DPHHS)

The Early Childhood Services Bureau contracts with regional agencies to provide various childcare services for families and general assistance to childcare providers. Child Care Research and Referral Agencies helps families find child care at licensed and registered facilities regardless of income and offers financial assistance for qualifying low-income families. The program offers training and general assistance for childcare providers and offers remote learning resources to childcare providers through ChildCareTraining.org.[96]

DPHHS Best Beginnings Child Care Scholarship Program (DPHHS)

The Best Beginnings scholarship is offered to qualifying low-income families who are working and whose income is less than 185% of the Federal Poverty Level. Participants pay a co-pay, determined by income and family size that is no more than 9.0% of gross monthly income in exchange for child services from a licensed child-care center. The scholarship helps pay for care when parents are unavailable to care for their children themselves, e.g., during working hours, school or training hours, or other qualifying activities. [97]

c. A description of how the Eligible Entity will plan to create equitable on-ramps into broadband-related jobs, maintain job quality for new and incumbent workers engaged in the sector; and continually engage with labor organizations and community-based organizations to maintain worker voice throughout the planning and implementation process; and

In developing the Digital Opportunity Plan (DOP), the State conducted multiple rounds of stakeholder outreach, which included targeted engagement with worker organizations, including labor organizations, entities that carry out workforce development programs, chambers of commerce, and economic development organizations. Examples of those organizations include the Department of Labor and Industry, the Montana Public Service Commission, and the Laborers' International Union of North America.[98]

Since then, the State has encouraged participation by the public, including by workers and worker organizations, by hosting monthly Communications Advisory Commission meetings and soliciting feedback on its website, ConnectMT. The MBO will continue to conduct outreach throughout the creation of its Initial Proposal and through the BEAD implementation process. Over the course of 2024, the State will also provide technical assistance to parties interested in participating in BEAD.

The MBO also plans to support job fairs hosted by community colleges and other educational institutions to ensure that Montanans are aware and able to take advantage of broadband job opportunities.

As noted earlier in this section, the State has identified AMT and MRAP as its two key partners. Importantly, 12.3% of Montanans are represented by unions, compared with 10.1% of workers in

[96] Department of Public Health and Human Services, Child Care Resource and Referral Agencies, https://dphhs.mt.gov/ecfsd/childcare/childcareresourceandreferral
[97] Department of Public Health and Human Services, Best Beginnings Child Care Scholarship Program, https://dphhs.mt.gov/ecfsd/childcare/BestBeginningsScholarships
[98] Montana Digital Opportunity Plan, p. 55-56

the United States. These data suggest that some portion of the broadband deployment workforce will likely be unionized. Through close collaboration with both entities, the MBO will incorporate and be responsive to the needs of workers, including some who are affiliated with unions or other worker organizations. For example, MRAP has a number of union sponsors, including the Montana Electrical Training Center, which serves Montana chapter of the International Brotherhood of Electrical Workers (IBEW) and the National Electrical Contractors' Association (NECA). Both unions represent telecommunications workers.[99]

MBO's partnerships with AMT and MRAP will be critical to supporting the development of a broadband-ready workforce. It will also help establish equitable on-ramps to broadband jobs, as both programs actively create accessible training opportunities and connect participants with potential employers. The two programs engage in robust promotion through their partner institutions and other communications channels to make their opportunities broadly known to Montanans.

d. A description of how the Eligible Entity will ensure that the job opportunities created by the BEAD Program and other broadband funding programs are available to a diverse pool of workers.

The MBO plans to coordinate with a variety of local programs and state-led initiatives to ensure that broadband job opportunities are available to a diverse worker pool. Two of the MBO's main partners—Accelerate Montana and the Montana Department of Labor and Industry (DLI), which supports the Montana Registered Apprenticeship Program—drive existing efforts to help workers from underrepresented populations find job opportunities.

An overview of which population is served by which program is illustrated in Exhibit 35, and the efforts are explained in more detail below.

Exhibit 35: Montana DLI programs that support underrepresented populations

DLI Program	Description
Enhanced / Transitional Supervision Services	Participants: Parolees and offenders re-entering Montana communities, especially those needing additional supervision[100] Support: Help formerly incarcerated Montanans gain employment in broadband deployment
Pre-Employment Transitional Services	Participants: Students aged 14 to 21 with disabilities transitioning to post-secondary education or employment[101]

[99] Montana Registered Apprenticeship, Union Sponsors, https://apprenticeship.mt.gov/union-sponsors
[100] Montana Department of Corrections, Enhanced/Transitional Supervision Services,
[101] Montana Department of Public Health and Human Services, Pre-Employment Transition Services, https://dphhs.mt.gov/detd/preets/

	Function: Serve as an on-ramp to students seeking employment in broadband careers
Vocational Rehabilitation and Blind Services (VRBS)	Participants: People who are blind or have disabilities[102] Function: Provide necessary resources to blind or disabled Montanans seeking employment in broadband careers
Extended Employment	Participant: VRBS participants with severe disabilities requiring continued help[103] Function: Provide on-ramp to workers with serious disabilities for continued employment in broadband careers
Senior Community Service Employment Program	Participants: Low-income adults over the age of 55[104,105] Function: Help older Montanans seek careers in broadband deployment or maintenance
Jobs for Veterans State Grant	Participants: Veterans with and without disabilities[106,107] Function: Help veterans gain necessary skills and prepare application materials for broadband careers

Enhanced / Transitional Supervision Services (ETSS)

The ETSS provides job development services to individuals on parole or probation who require help re-integrating into Montana communities, as well as to those who are noncompliant with supervision and require additional monitoring. The program is coordinated by the Programs and Facilities Bureau of the Montana Department of Corrections and is currently administered across 20 services areas. Formerly incarcerated individuals are provided services that include daily check-ins, evidence-based cognitive behavioral-based treatment, family services, housing, financial planning, and educational reentry services. These individuals are also given access to job

[102] Montana Department of Public Health and Human Services, Vocational Rehabilitation and Blind Services, https://dphhs.mt.gov/detd/vocrehab/
[103] Montana Department of Public Health and Human Services, Extended Employment, https://dphhs.mt.gov/detd/vocrehab/VRBSExtendedEmployment
[104] Easterseals Goodwill, Senior Community Service Employment Program, https://www.esgw.org/scsep/
[105] Montana Department of Labor and Industry, SCSEP Policy, https://wsd.dli.mt.gov/_docs/wsd-policy/scsep-policy-.pdf
[106] Montana Department of Labor and Industry, Veteran Services, https://wsd.dli.mt.gov/job-seeker/veteran-services/
[107] Jobs for Veterans State Grants Program, https://wioaplans.ed.gov/node/78516

development services such as resume and interview preparation, application assistance, and referrals.

Pre-Employment Transition Services

Pre-Employment Transition Services (Pre-ETS) are coordinated by the Montana DPHHS for students with disabilities ages 14 -21. These services are aimed at providing a gradual transition from school to further education or employment. Pre-ETS services include work-based learning experiences and readiness training, counseling in self-advocacy, and career planning. These services are administered by the Vocational Rehabilitation and Blind Services of the Montana DPHHS. Students can participate in pre-ETS by scheduling an appointment at their county's Vocational Rehabilitation Office.

Vocational Rehabilitation and Blind Services (VRBS)

These services, overseen by the Montana DPHHS, combine general and blind vocational rehabilitation programs, helping people with disabilities pursue job searches and advance their careers. Individuals of all ages seeking employment are paired with a counselor to assess potential careers based on the nature of their disabilities and general interests. Upon establishing employment, period check ins are conducted to ensure that both participants and employers are satisfied. After 90 days of successful employment, individuals phase out of the program. Interested parties can sign up for the program by contacting their local county VRBS office or the central office in Helena.

Extended Employment

Extended Employment services are available only to VRBS participants with the most significant needs and are designed to provide adequate support after the completion of the 90-day VRBS program. Support for eligible participants is continuous to ensure long-term job retention and is administered on a case-by-case basis.

Senior Community Service Employment Program (SCSEP)

SCSEP provides on-the-job employment services to low-income adults over the age of 55. Participants are given the opportunity to gain on-the-job skills and experience at local non-profit and government agencies in preparation for eventual employment in the broader workforce. The program also offers support drafting resumes, as well as searching and preparing for jobs. The program is administered by Easterseals-Goodwill and overseen by the Montana DLI.

Jobs for Veterans State Grant

This program assists veterans with overcoming hurdles to employment, in coordination with federally funded veterans' services. Veterans and eligible participants will receive priority over non-veterans at Montana Job Service Centers when receiving employment, training, and job placement services. Staff at said centers will support veterans by planning job fairs, coordinating employer outreach, coordinating with unions, apprenticeship programs, and other organizations to promote the hiring and training of veterans, promoting credentialing and licensing opportunities for veterans, among other services.

In addition to the DLI programs above, which serve targeted populations, DLI also oversees the Montana State Workforce Innovation Board (SWIB), which advises the Governor on how to optimize workforce development and maximize the state's education, training, and employment resources.[108]

Moreover, Accelerate Montana has existing programs that aim to support women and Native women. These include Women's Entrepreneurship and Leadership Lab (W.E.L.L.), which offers educational and entrepreneurial services to Montana women.[109] An effort nested under this program, W.E.L.L. Native Women's Launch, provides courses in business ownership to Native women through the University of Montana, Salish Kootenai College, and the Blackfoot Community College.[110]

The MBO can target outreach to underrepresented populations, including women, Native women, people with disabilities, formerly incarcerated people, and low-income people, through strategic collaboration with both DLI and Accelerate Montana. In addition to coordinating outreach through these entities, MBO plans to utilize a central hub, housed on ConnectMT, where job seekers can go to explore the resources that best serve them.

2.8.2 Workforce Readiness: Appropriately Skilled and Credentialed Workforce

Text Box: Describe the information that will be required of prospective subgrantees to demonstrate a plan for ensuring that the project workforce (including contractors and subcontractors) will be an appropriately skilled and credentialed workforce. These plans should include the following:

According to data from the Bureau of Labor Statistics, in 2022, an average of 12.3 % of employees were represented by a union in Montana, compared with an average of 10.1 % across the United States.[111] As such, the MBO can expect that a nontrivial amount of subgrantees will likely have unionized workforces, reducing the need for additional scrutiny. Independent of unionization status, MBO will review applicants' workforce plans to ensure that they are sufficiently detailed and operationally feasible and may request review by independent auditors as needed.

Applicants for Montana BEAD funding will be required to submit a plan demonstrating how they will ensure that they hire an appropriately skilled and credential workforce. The MBO will strongly encourage applicants to incorporate collaboration with AMT and/or MRAP into their strategies for creating, supporting, and recruiting a skilled workforce—subgrantees should include this information in 2.8.2 (a). Overall, subgrantee workforce plans must detail:

a. The ways in which the prospective subgrantee will ensure the use of an appropriately skilled workforce, e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers;

During the main round, applicants must provide a narrative detailing their plans to recruit qualified applicants. In the narrative, applicants should note any registered apprenticeship or labor

[108] Montana Department of Labor and Industry, State Workforce Innovation Board, https://swib.mt.gov/
[109] Women's Entrepreneurship and Leadership Lab, https://wellwbc.org/about
[110] W.E.L.L. Native Women Launch Program, https://wellwbc.org/native-women-launch

management programs in which they participate. Applicants will be encouraged to recruit Montanans who have participated in the state's flagship workforce readiness initiatives: Accelerate Montana and the Montana Registered Apprenticeship Program. More detail about those two programs can be found in 2.8.1.

b. The steps that will be taken to ensure that all members of the project workforce will have appropriate credentials, e.g., appropriate and relevant pre-existing occupational training, certification, and licensure;

During the main round, potential subgrantees must provide a narrative that details the steps they will take to ensure that all members of its project workforce have the appropriate credentials. The applicant should also note any on-the-job training programs it offers.

c. Whether the workforce is unionized;

During the main round, the applicant should indicate via checkbox certification whether or not its workforce is unionized.

d. Whether the workforce will be directly employed or whether work will be performed by a subcontracted workforce; and

In its main round application, the applicant should indicate via narrative response whether its workforce will be directly employed, subcontracted, or a combination of the two.

e. The entities that the proposed subgrantee plans to contract and subcontract with in carrying out the proposed work.

If the applicant plans to utilize contracted or subcontracted labor to carry out the proposed work, it must provide a narrative response detailing which entities it plans to engage.

If the project workforce or any subgrantee's, contractor's, or subcontractor's workforce is not unionized, the subgrantee must also provide with respect to the non-union workforce:

a. The job titles and size of the workforce (FTE positions, including for contractors and subcontractors) required to carry out the proposed work over the course of the project and the entity that will employ each portion of the workforce;

In main round materials, the subgrantee must submit a comprehensive list which details the size of its workforce, the job titles of its workers, and the entity that will employ each portion of the workforce (e.g., the applicant, contracts, subcontractors).

b. For each job title required to carry out the proposed work (including contractors and subcontractors), a description of:

i. Safety training, certification, and/or licensure requirements (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications, titles; and

During the main round, the potential subgrantee must indicate any on-the-job training programs it offers and/or requires, as well as its plans to ensure that all workers obtain the relevant certifications for their given positions.

ii. Information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.

In the main round application, the potential subgrantee must articulate any on-the-job training programs it offers or intends to offer or require, as well as which professional certifications are in place to ensure that project deployment is completed at a high standard.

2.9 Minority Business Enterprises (MBEs)/ Women's Business Enterprises (WBEs)/ Labor Surplus Firms Inclusion (Requirement 13)

2.9.1 MBEs/WBEs/Labor Surplus Firms Inclusion

Text Box: Describe the process, strategy, and the data tracking method(s) the Eligible Entity will implement to ensure that minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms are recruited, used, and retained when possible.

The State of Montana is committed to recruiting, using, and retaining minority business enterprises (MBEs), women's business enterprises (WBEs), and other small businesses (SBEs) during the BEAD planning and implementation processes. As Montana does not have any labor surplus areas, the State will not prioritize policies designed to identify and encourage applications from labor surplus area firms at this time.[112]

The MBO will commit to taking each of the six steps prescribed on p. 70 of the NTIA BEAD Initial Proposal Guidance:

1. Place qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Ensure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
5. Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Require subgrantees to take these affirmative steps as they relate to its subcontractors.

In addition, to achieve its goal of including MBEs, WBEs, and SBEs throughout the BEAD program, the MBO has structured the subgrantee process to reduce potential barriers to entry.

[112] Department of Labor, Labor Surplus Area Fiscal Year 2024, https://www.dol.gov/agencies/eta/lsa; Note that the MBO will monitor the U.S. Department of Labor's annual list of labor surplus areas. If any such areas are designated in Montana, the MBO will adjust its efforts to engage relevant labor surplus area firms.

The MBO has made deliberate design choices in crafting its subgrantee process that will encourage the participation of qualified MBE, WBE, and SBE firms. By establishing a pre-qualification period ahead of the main application round, the MBO hopes to reduce the administrative burden on potential subgrantees. In effect, allowing for prequalification extends the application time, as materials can be compiled and submitted over a longer horizon. This could be particularly impactful for these businesses, which may be smaller and/or more resource constrained.

As detailed in 2.4.6, the MBO considered the pros and cons of several different approaches to project area definition. Ultimately, the State elected to allow providers to draw their own project areas. One of the benefits was that this allotted an important level of freedom and flexibility to applicants, allowing providers to take on manageable projects and optimize their business cases. The MBO hopes that this will lower potential barriers to entry.

In addition to these subgrantee process design choices, the State will also conduct targeted outreach to increase participation by MBEs, WBEs, and SBEs as subgrantees and as subgrantee contractors or subcontractors.

To that end, the MBO will first compile a list of relevant businesses through collaboration with various Montana organizations, detailed in the list of partner organizations below. The MBO will also coordinate with organizations such as the U.S. Small Business Administration (SBA) and the Minority Business Development Agency of the Department of Commerce (MBDA). SBA and MBDA offer a variety of resources that support the development of small and minority-owned businesses, respectively. [113],[114]

By working with these organizations, the MBO aims to develop a comprehensive solicitation list of businesses involved directly in broadband deployment, as well as businesses that could serve as subcontractors to broadband deployment, in areas such as construction and transportation. To spread awareness and encourage participation in BEAD, the MBO will conduct communications directly through avenues including email, as well as through targeted outreach at events like the Montana Women in Business Summit.[115]

The MBO will also offer technical assistance to BEAD applicants to maximize participation and make the BEAD program more accessible. The MBO will engage with qualified firms that are interested in applying for BEAD funding to explain the application process, including answering questions regarding required materials and documentation, the scoring rubric, and other components.

Stakeholder engagement partner organizations

The Montana Department of Transportation (MDT) Disadvantaged Business Enterprise (DBE) Program[116]

[113] U.S. Small Business Administration, https://www.sba.gov/
[114] U.S. Minority Business Development Agency, https://www.mbda.gov/grants
[115] Montana Chamber of Commerce, Women in Business Submit, https://www.montanachamber.com/women-in-business-summit-iwd-power-lunch/
[116] Montana Department of Transportation DBE & SBE - Certification, https://www.mdt.mt.gov/business/contracting/civil/certification.aspx

The MDT Office of Civil Rights administers the DBE program, which focuses on driving participation of women and minority-owned businesses in transportation contracts. It provides business assistance to companies in the transportation industry and offers services such as business skill training and networking opportunities.

Montana Women's Business Center (WBC)[117]

The Montana WBC is one of over 150 women's business centers located across the United States. The WBC provides tools that help women found, grow, and sustain businesses in the state of Montana, including but not limited to confidential counseling, online and in-person training resources, and networking services such as monthly meetups and business tours. The program is partially funded through a cooperative agreement with the U.S. Small Business Administration.

Montana Economic Developers Association (MEDA)[118]

MEDA is a non-profit organization that focuses on business development, creation, expansion, and talent retention in pursuit of growing Montana's economy. The organization holds various events and trainings and oversees regional development corporations, through which members can participate in meetups to source support for their businesses and exchange ideas and best practices.

The Office of Indian Country Economic Development (OICED) Program[119]

The OICED program consolidates resources available to Native American businesses and Tribal governments in the state of Montana. The program coordinates activities with various federal agencies, such as the U.S. Small Business Administration.

The Montana Women in Business Summit (WBS)[120]

The Montana Chamber of Commerce arranges an annual meeting of the Montana WBS, which aims to create a community within the state for women entrepreneurs and business owners. The annual meeting focuses on highlighting women-led business initiatives, strengthening community engagement, and attracting additional talent.

2.9.2 MBE and WBE Inclusion

Check Box: Certify that the Eligible Entity will take all necessary affirmative steps to ensure minority businesses, women's business enterprises, and labor surplus area firms are used when possible, including the following outlined on pages 88 – 89 of the BEAD NOFO:

The MBO will certify via check box.

[117] Montana Women's Business Center, https://www.prosperamt.org/womens-business-center/overview
[118] Montana Economic Developers Association - About Us, https://www.medamembers.org/about-us
[119] Office of Indian Country Economic Development, https://business.mt.gov/Business-Assistance/Indian-Country-Programs/
[120] Montana Chamber of Commerce, Women in Business Submit, https://www.montanachamber.com/women-in-business-summit-iwd-power-lunch/

a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

f. Requiring subgrantees to take the affirmative steps listed above as it relates to subcontractors.

2.10 Cost and Barrier Reduction (Requirement 14)

2.10.1 Cost and Barrier Reduction

Text Box: Identify steps that the Eligible Entity has taken or will take to reduce costs and barriers to deployment. Responses may include but not be limited to the following:

Montana is committed to efficiently using BEAD funding to ensure that all unserved and as many underserved locations as possible receive service. As part of a multi-pronged effort to achieve this objective, the MBO plans to utilize existing policies and implement new measures that both reduce the costs of broadband installation and lessen the burden on broadband providers.

Two of the most impactful steps that the State has already taken include adopting a dig-once policy and issuing simplified right-of-way and permitting guidance. In 2021, Montana passed House Bill (HB) 494, which gave the Montana Department of Transportation (MDT) the authority to collect information on all entities working on broadband deployment in the state and notify them of construction projects that can be utilized for broadband installation.[121] HB 494 also gave MDT discretion to adopt administrative rules necessary to implement these policies.

The State legislature also passed Senate Bill (SB) 521, which clarified existing right-of-way agreements.[122] To reduce the regulatory burden associated with broadband installation and align with SB 521, MDT enacted a series of regulations [Administrative Rules of Montana (ARM) 18.7.219 and 18.7.220] that clarify which right-of-way agreements are required for broadband installations and streamline permitting.[123,124]

[121] Montana House Bill 494, https://leg.mt.gov/bills/2021/billpdf/HB0494.pdf
[122] Montana Senate Bill 521, https://leg.mt.gov/bills/2023/billpdf/SB0521.pdf
[123] Administrative Rules of Montana 18.7.219, https://rules.mt.gov/gateway/RuleNo.asp?RN=18%2E7%2E219
[124] Administrative Rules of Montana 18.7.220, https://rules.mt.gov/gateway/RuleNo.asp?RN=18%2E7%2E220

Building on these and other initiatives, the State will take the steps discussed in this section to promote the use of existing infrastructure and dig-once policies, and streamline permitting, access to poles conduits and easements, and rights-of-way to reduce the costs and barriers to broadband deployment.

a. Promoting the use of existing infrastructure;

MDT has policies in place that promote the use of existing infrastructure in broadband deployment. The MDT Right-of-Way Operations Manual states that new utility infrastructure should be built only if existing infrastructure cannot be used. In cases where new conduit needs to be laid, providers are required by MDT to include additional capacity to account for future increases in usage.[125] MDT policies promoting the use of existing infrastructure will allow broadband providers to reduce installation costs and expedite timelines, while policies requiring additional conduit will facilitate future broadband expansion. The State will encourage its subgrantees to follow these policies during BEAD implementation.

The MBO will also proactively identify other opportunities to use existing infrastructure. For example, the State will explore the potential use of communications towers operated by the First Responder Network Authority (FirstNet) in Montana.[126] Since 2014, FirstNet has been coordinating with Montana officials to build out the State's public safety broadband network, supported by funding from the State and Local Implementation Grant Program. [127] The network currently has over 200 sites in Montana, and the Montana Department of Justice is seeking additional funding to further increase FirstNet capacity in the state.[128]

b. Promoting and adopting dig-once policies;

Dig-once policies are one of the most powerful tools for reducing broadband deployment costs. According to the Federal Highway Association, "90% of the cost of deploying broadband" is incurred "when the work requires significant excavation of the roadway. Coordinating highway construction projects with the installation of broadband facilities may save on costs incurred by repeated excavation in areas where the entire ROW is paved or developed."[129]

Montana implemented a dig-once policy in 2021 through HB 494.[130] This policy empowers the Montana Department of Transportation (MDT) to maintain a comprehensive list of broadband deployment entities operating within the state. It also enables MDT to notify them about highway construction projects that offer suitable opportunities for the installation of broadband conduit. In addition to this, MDT has taken further steps to streamline and enhance the process for potential applicants, aiming to reduce barriers to broadband deployment. MDT has introduced a centralized Interstate Permitting website that incorporates a dedicated Broadband Registry. Through this platform, applicants for broadband deployment projects will receive monthly notifications regarding upcoming state highway projects. Moreover, applicants are encouraged to cross-reference existing permits and MDT's Tentative Construction Plan (TCP), which outlines

[125] Administrative Rules of Montana 18.7.227, https://rules.mt.gov/gateway/RuleNo.asp?RN=18%2E7%2E227
[126] FirstNet About Us, https://firstnet.gov/about
[127] Montana SLIGP and FirstNet, https://sitsd.mt.gov/About-Us/Public-Safety/SLIGP-FirstNet
[128] Expert interviews
[129] Policy Brief: Minimizing Excavation Through Coordination, Federal Highway Association Office of Transportation Policy Studies, https://www.fhwa.dot.gov/policy/otps/policy_brief_dig_once.pdf
[130] Montana House Bill 494, https://leg.mt.gov/bills/2021/billpdf/HB0494.pdf

construction projects scheduled for 2023-2027[131] These cross-references further help identify opportunities for collaborative broadband installation alongside upcoming projects. Existing permits can be accessed through the Utility Permitting Administration System, an online permitting system for utility projects.[132]

The State of Montana is committed to leveraging this resource to remove unnecessary barriers to expedite permitting applications for broadband deployment. It will strongly encourage MDT to explore ways to maximize the effectiveness of both the Interstate Permitting website and HB 494, aiming to further reduce costs for broadband providers wherever feasible.

c. Streamlining permitting processes;

As Montana anticipates the increased permitting needs required by BEAD installation, the State has taken steps to simplify the permitting process and clarify requirements and expectations for applications. Montana has adopted the Utility Permitting Administration System (UPAS), an online permitting system through which applicants can submit permits for new utility projects. The establishment of this system is in line with NTIA guidance, which states that Eligible Entities should create online systems that facilitate application submission during the permitting process.[133,134]

Furthermore, the State has consolidated essential permitting information on the MDT's Interstate Permitting website to simplify and facilitate the permitting process required for broadband deployment. This platform enables applicants to ascertain whether their project falls under the category of a private or public utility and lists the permits that applicants must submit under the UPAS system depending on their designation. This centralized portal also contains relevant information about statutes, manuals, and other resources that can aid applicants in properly applying for broadband permitting.[135]

In further alignment with NTIA guidance, Montana has worked to clarify permit costs where possible. For use of the UPAS system, applicants are charged a $100 electronic convenience fee that covers the direct costs associated with application data storage and system management.[136] The State also assesses a $100 application fee for right-of-way agreement applications for projects on interstate highway systems.[137]

To streamline permitting further, the MBO will develop a hub on ConnectMT that connects applicants with relevant permitting at the state, county, and municipal levels.

d. Streamlining cost-effective access to poles, conduits, easements; and

Montana has policies in place that facilitate the use of specific types of infrastructure. For example,

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[131] Montana Department of Transportation, Interstate Permitting, https://www.mdt.mt.gov/interstatepermitting/
[132] Montana Utility Permitting Application System, https://www.mdt.mt.gov/upas/
[133] BEAD Best Practices Case Studies, https://broadbandusa.ntia.gov/sites/default/files/2023-03/Permitting_Best_Practices_Case_Studies.pdf
[134] BEAD Permitting 101, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-12/IFA_Permitting_101_PDF.pdf
[135] Ibid
[136] Montana UPAS Questions and Answers, https://www.mdt.mt.gov/upas/qa.aspx
[137] ARM 18.7.219, https://rules.mt.gov/gateway/RuleNo.asp?RN=18%2E7%2E219

the MDT outlines access agreements for construction projects on railroad property.[138] In the case of an existing highway easement, the MDT Utilities Section coordinates with the party that owns the railroad to draft a Flagging Agreement, a letter agreement outlining the proposed project and required provisions. This removes the need for a new Construction and Maintenance Agreement, which is required in cases where a highway easement does not apply to the proposed project.[139] MDT will ensure that where possible, cost-saving measures like these are developed for access to all existing poles, conduits, and easements during broadband deployment.

e. Streamlining rights of way, including the imposition of reasonable access requirements.

SB 521 streamlined Montana laws related to broadband deployment and right-of-way.[140] The bill clarified MDT's authority to grant longitudinal right-of-way agreements and established the conditions under which an application should be reviewed, accepted, and executed on.[141,142]The bill applies to agreements arranged both on interstate highways and non-interstate highways.[143,144, 145] As such, SB 521 adheres to NTIA best practices by clarifying the requirements to receive a permit for various broadband installation scenarios.[146,147]

2.11 Climate Assessment (Requirement 15)

2.11.1 Climate Assessment

Text Box: Describe the Eligible Entity's assessment of climate threats and proposed mitigation methods. If an Eligible Entity chooses to reference reports conducted within the past five years to meet this requirement, it may attach this report and must provide a crosswalk narrative, with reference to page numbers, to demonstrate that the report meets the five requirements below. If the report does not specifically address broadband infrastructure, provide additional narrative to address how the report relates to broadband infrastructure. At a minimum, this response must clearly do each of the following, as outlined on pages 62 – 63 of the BEAD NOFO:

The state of Montana covers a vast area home to mountains, prairies, and badlands, a combination of landscapes that makes the state's weather extreme and variable: Montana holds the record for coldest temperature recorded in the lower 48 states (-70 °F), some storms have dropped nearly four

[138] Montana Department of Transportation Right-of-Way Manual, Ch. 46, 46-1.1 through 1.4, https://www.mdt.mt.gov/other/webdata/external/ROW/manual/chapter_46.pdf
[139] Ibid
[140] Montana Senate Bill 521, https://leg.mt.gov/bills/2023/billpdf/SB0521.pdf
[141] Ibid
[142] Montana Senate Bill 392, https://leg.mt.gov/bills/2023/SB0399/SB0392_1.pdf
[143] Administrative Rules of Montana 18.7.219, https://rules.mt.gov/gateway/RuleNo.asp?RN=18%2E7%2E219
[144] Administrative Rules of Montana 18.7.220, https://rules.mt.gov/gateway/RuleNo.asp?RN=18%2E7%2E220
[145] Note that this statute is further supported by guidance from ARM 18.7.219 and 18.7.220.
[146] BEAD Best Practices Case Studies, https://broadbandusa.ntia.gov/sites/default/files/2023-03/Permitting_Best_Practices_Case_Studies.pdf
[147] BEAD Permitting 101, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-12/IFA_Permitting_101_PDF.pdf

feet of snow in just 24 hours, and air temperature has changed 47 degrees within seven minutes.[148,149]

Given this severity and variability, large portions of the state are at risk of a variety of natural- and weather-related hazards that can pose significant threats to both people and property. As the state prepares to deploy BEAD funds, it is critical that steps are taken to construct infrastructure that can withstand natural hazards now and into the future. [150]

Montana companies, including internet service providers, have already developed strategies to address these challenges, routinely building hardy, climate-resilient infrastructure. Solutions include microgrids for continuous electrical power and backup network mediums, both of which increase reliability.[151]

To assess potential climate risks to infrastructure and develop a perspective on how best to mitigate those risks, the MBO utilized the Expected Annual Loss Rate for Buildings (EALR-B), which indicates potential risks to physical infrastructure. This allowed for an objective measure to evaluate potential damage to infrastructure across hazard types independent of community size and location.

EALR-B is derived from Expected Annual Loss (EAL), a widely utilized metric developed by the Federal Emergency Management Agency (FEMA) that illustrates the average economic loss from natural hazards in dollars each year.[152] EAL considers exposure, which represents the potential value of buildings, people, and agriculture exposed to an occurrence of a natural hazard; annualized frequency, which quantifies how often an event occurs in a year; and historic loss ratio, which represents the average percent of the entity expected to be lost (Exhibit 36).[153]

Exhibit 36: Expected annual loss (EAL) formula

$$Expected\ Annual\ Loss = Exposure\ x\ Annualized\ Frequency\ x\ Historic\ Loss\ Ratio$$

Because EAL includes the economic impact of hazards on people and agriculture, it can overinflate the potential damage to infrastructure. For that reason, the MBO recalculated EAL to arrive at EALR-B, which only reflects the potential impact on physical infrastructure (Exhibit 37). EALR-B,

[148] University of Montana, Montana Terrain, Weather Offers Land of Extremes, https://www.umt.edu/this-is-montana/columns/stories/montana-weather-13.php
[149] The Coldest Temperatures Ever Recorded in All 50 States, The Weather Channel, https://weather.com/news/climate/news/coldest-temperature-recorded-50-states
[150] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources
[151] Resiliency Is Necessary for the Internet to Survive Climate Change, Forbes, https://www.forbes.com/sites/waynerash/2021/03/25/resiliency-is-necessary-for-the-internet-to-survive-climate-change/?sh=4e6eefc31c04
[152] FEMA National Risk Index Website, Expected Annual Loss: https://hazards.fema.gov/nri/expected-annual-loss#:~:text=Expected%20Annual%20Loss%20Rate%20is,types%20(individually%20and%20composite).
[153] FEMA National Risk Index Website, Expected Annual Loss: https://hazards.fema.gov/nri/expected-annual-loss#:~:text=Expected%20Annual%20Loss%20Rate%20is,types%20(individually%20and%20composite).

a composite score based on ratings of relative risk across all hazard types, was used to measure risk to broadband infrastructure.[154]

Exhibit 37: Expected annual loss rate for buildings (EALR-B) formula

$$Expected\ Annual\ Loss\ Rate = \frac{Expected\ Annual\ Loss}{Community\ Exposure}$$

FEMA calculates EALR-B data for states, counties, and census tracts, and assigns communities a national percentile ranking relative to others at the same level. These rankings are divided into quintiles:

- Very low: 0-20th percentile
- Relatively low: 20th-40th percentile
- Relatively moderate: 40th-60th percentile
- Relatively high: 60th-80th percentile
- Very high: 80th-100th percentile

Based on these rankings, Montana's analysis will define high-risk areas (i.e., census tracts that should be subject to initial hazard screenings) as those in the top two quintiles: relatively high (60th-80th percentile) and very high (80th-100th percentile).[155]

a. Identify the geographic areas that should be subject to an initial hazard screening for current and projected future weather and climate-related risks and the time scales for performing such screenings;

Based on FEMA data, Montana has a relatively low risk for natural hazards and is ranked in the bottom quartile of U.S. states. Despite this, the MBO is dedicated to ensuring that BEAD subgrantees have robust plans to build resilient networks and well-rounded mitigation strategies that prepare infrastructure for a variety of challenges.

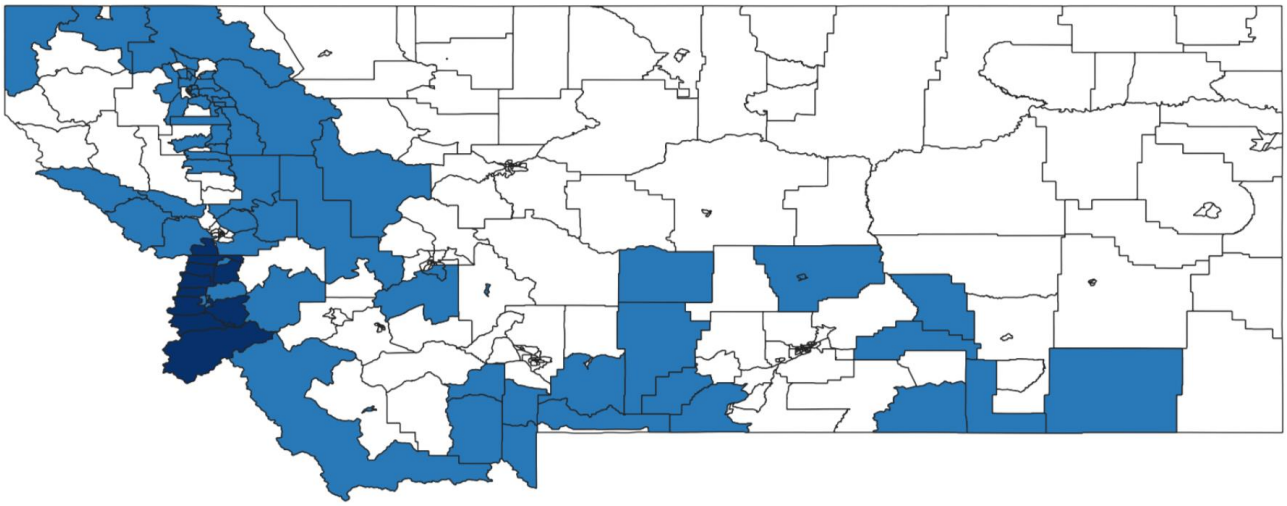
To identify the geographic areas that should be subject to an initial hazard screening for BEAD infrastructure projects, the composite EALR-B for all Montana census tracts was analyzed to assess overall natural hazard risk to each tract.[156] Of the 319 census tracts in Montana, 82 are at either relatively high risk (60th-80th percentile) or very high risk (80th to 100th percentile) to natural hazards (Exhibit 38), and therefore categorized as high-risk areas (also referred to in this natural hazard risk assessment as high-risk census tracts) by the MBO.

Montana's high-risk areas are primarily located in counties in the state's mountainous western and southwestern regions, as well as the grasslands in the state's central-south and southeast. Of the

[154] FEMA National Risk Index Technical Documentation https://www.fema.gov/sites/default/files/documents/fema_national-risk-index_technical-documentation.pdf
[155] FEMA National Risk Index Expected Annual Loss; https://hazards.fema.gov/nri/expected-annual-loss
[156] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources

ten census tracts in Montana designated as very high risk, nine are in Ravalli County, while one is in Missoula County.

Exhibit 38: High-risk census tracts in Montana as determined by relative EALR-B[157]



The EALR-B scores were calculated based on data for composite risk, and do not elucidate which natural hazards pose what level of risk to each area. Therefore, to determine which individual hazards (e.g., wildfires) are most threatening to infrastructure in various parts of the state, EALR-B scores specific to each natural hazard were analyzed separately. To that effect, the MBO utilized the 2023 Montana Multi-Hazard Mitigation Plan (MHMP), which re-assesses natural hazard risks to the state of Montana every five years.[158]

b. Characterize which projected weather and climate hazards may be most important to account for and respond to in these areas and over the relevant time horizons;

Since the release of the original version of the plan in 2003, the Montana MHMP has been extensively updated to expand documentation of historical hazards and refine disaster mitigation strategies in pursuit of a more resilient Montana. This has been accomplished with extensive input from local governments, tribal agencies, non-government organizations, and detailed research and hazards analysis.[159] The plan spans nine sections and features in-depth discussion of the following topics: the development of the MHMP and integration with other State plans, a climate and economic profile of Montana, a risk assessment of each natural and manmade hazard threatening the state, statewide mitigation goals, objectives and projects, a capabilities assessment to determine ability to implement mitigation measures at the state and local levels, and a discussion of plan

[157] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources
[158] 2023 Montana MHMP, p. 1; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[159] Ibid.

evaluation procedures.[160] The Montana MHMP is updated every five years, and more frequently if necessary, by the State's Department of Emergency Services (DES) in alignment with FEMA guidelines for pre-disaster planning.

In order of priority and omitting hazards that do not threaten broadband deployment, the following hazards were identified as top concerns for Montana:[161]

- Wildfires
- Flooding
- Severe weather
- Earthquake
- Landslides and avalanches

While each of these hazards pose unique risks to the state, the MBO has identified four for additional analysis, because the census tracts they affect largely overlap with the high-risk areas previously identified for initial natural hazard screening.

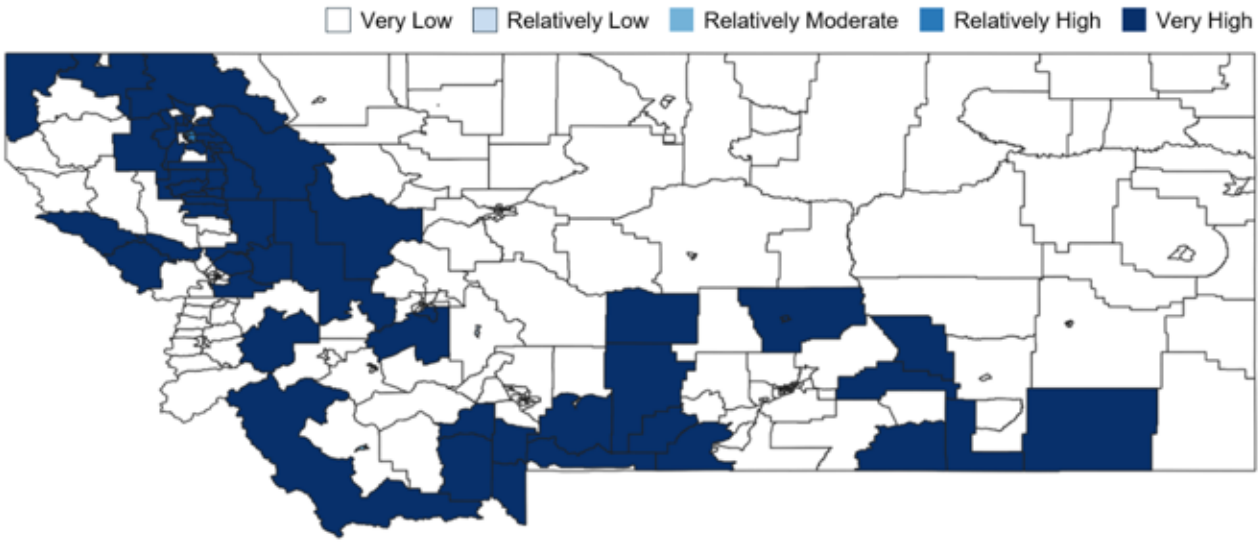
Wildfires

The Montana MHMP designates wildfires as the leading hazard affecting Montana. The entire state is vulnerable to rangeland fires, and 75% of fires are started by human activity.[162] These fires are often exacerbated by strong winds, which carry airborne embers up to several miles at a time. The most damaging fires have occurred recently, as 62% of all lost structures burned down in the last 15 years, and approximately 1.3 million acres have burned in the state since 2018.[163] The State has spent over $800M on fire suppression costs over the past 20 years.[164]

A map of census tracts deemed at high risk for wildfire activity is presented below (Exhibit 39). These tracts are primarily located in Montana's west and southwest, with some additional tracts with very high risk of wildfires in the State's south. They have significant overlap with the census tracts that have high composite risk for natural hazard damage to infrastructure.

[160] 2023 Montana MHMP, p. 2; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[161] 2023 Montana Multi-Hazard Mitigation Plan, p. 63; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[162] 2023 Montana Multi-Hazard Mitigation Plan, p. 63; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[163] Ibid.
[164] 2023 Montana Multi-Hazard Mitigation Plan, p. 287; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf

Exhibit 39: Wildfire risk in high-risk areas based on EALR-B[165]



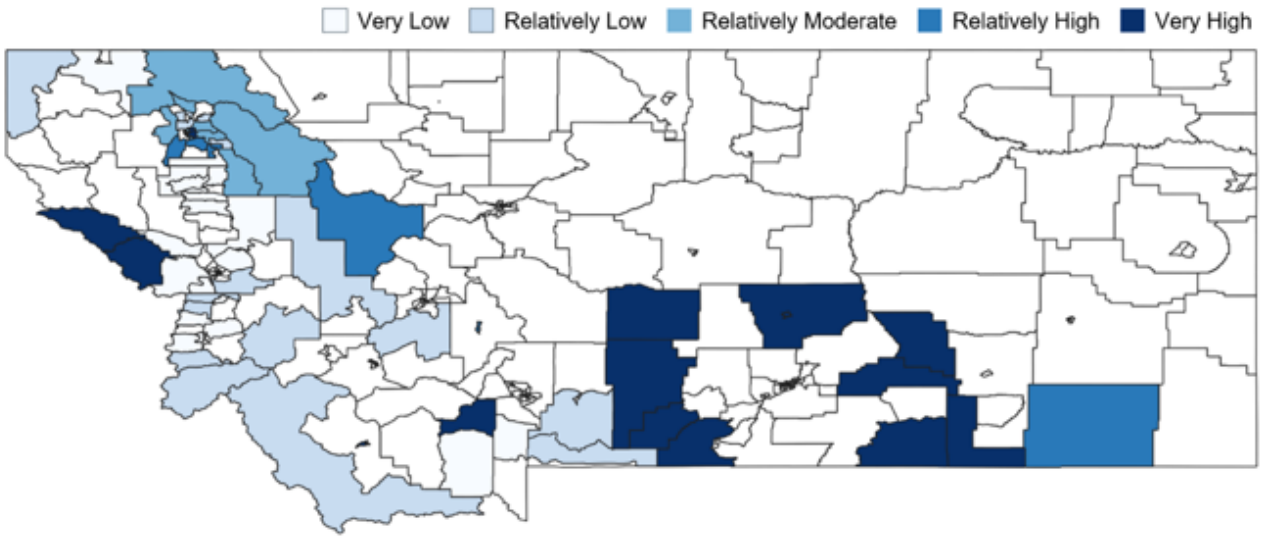
Flooding

Flooding is another natural hazard prioritized by the State in the 2023 Montana MHMP.[166] From 1996 to 2022, flooding caused $43 million in property damage, around $20 million of which occurred in just 15 counties. Flooding risk in high-risk census tracts is presented below in Exhibit 40**.** Of these census tracts, those with the highest risk of flooding are in the state's south and southeast, while some low-risk and moderate tracts are present in the state's west and northwest.

Importantly, flooding can be exacerbated by increased wildfire activity. In the two to five years after a fire, post-fire debris can be highly water repellant, causing rainfall that would otherwise be absorbed to travel downhill.[167] As it heads downhill, water can collect ash, sand, silt, rocks, and other debris, potentially creating a flash flood.[168] Flooding-related risks are generally projected to increase in the coming years, per both the 2023 Montana MHMP and NOAA's Climate Explorer.[169,170]

[165] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources
[166] 2023 Montana Multi-Hazard Mitigation Plan, p. 98; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[167] 2023 Montana Multi-Hazard Mitigation Plan, p. 117; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[168] Ibid.
[169] 2023 Montana Multi-Hazard Mitigation Plan, p. 114; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[170] National Oceanic and Atmospheric Administration, The Climate Explorer; https://crt-climate-explorer.nemac.org/

Exhibit 40: Flooding risk in high-risk areas based on EALR-B[171]



The State of Montana actively addresses flooding concerns at the state, county, and community levels. There are 136 communities that participate in the National Flood Insurance Program (NFIP), 11 of which have no special hazard risk and 31 of which are only minimally prone to flooding.[172] Since 1978, the NFIP has paid over $15.2 million toward 3,521 insured properties in Montana.[173] Montana state law prohibits development in floodways, in general alignment with the requirements of the Federal Flood Risk Management Standard, and requires permits for developing in 100-year floodplains.[174,175] Counties are required to meet this minimum requirement, though they are also permitted to establish more restrictive regulations.[176]

The State is currently working to better understand the risks posed by flooding, because flood map data is not widely available for all regions. This strategic initiative to gather information has been coordinated with the National Flood Insurance Program and FEMA's Map Modernization Program, with the goal of beginning to update floodplain maps for most counties by 2026. [177,178]

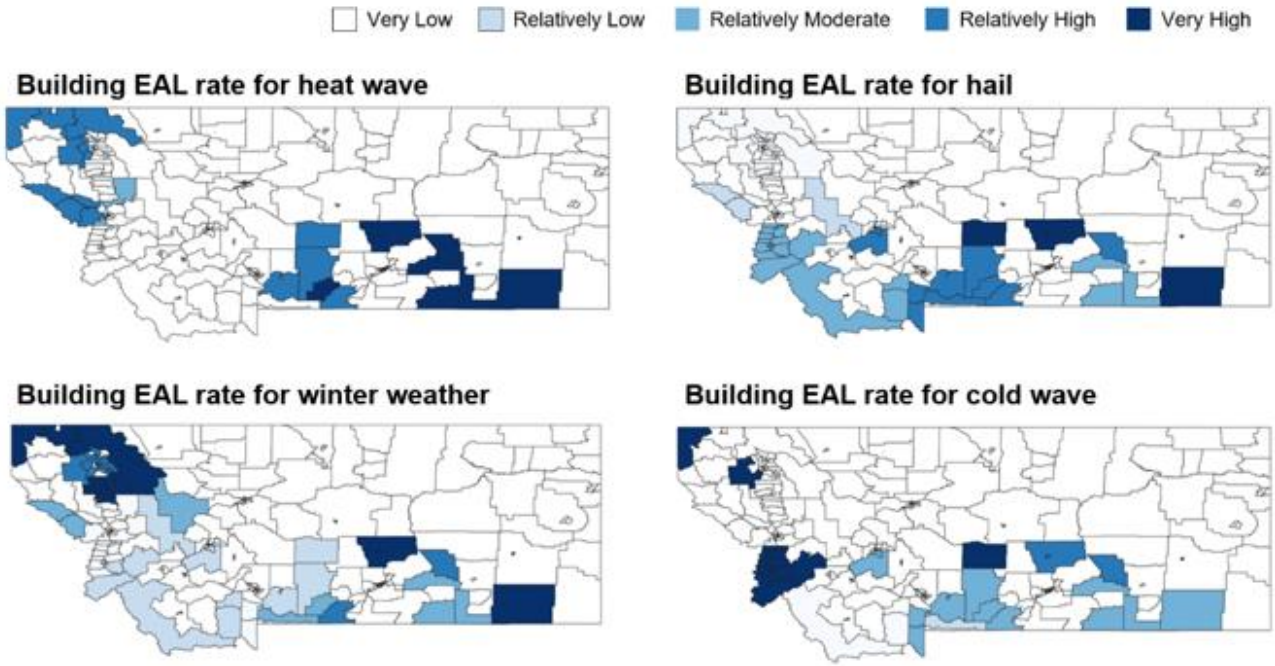
[171] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources
[172] 2023 Montana Multi-Hazard Mitigation Plan, p. 110;
https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[173] 2023 Montana Multi-Hazard Mitigation Plan, p. 63;
https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[174] Congressional Research Service; The Federal Flood Management Risk Standard;
https://crsreports.congress.gov/product/pdf/IN/IN12193
[175] 2023 Montana Multi-Hazard Mitigation Plan, p. 127;
https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[176] 2023 Montana Multi-Hazard Mitigation Plan, p. 127;
https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[177] 2023 Montana Multi-Hazard Mitigation Plan, p. 343;
https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[178] 2023 Montana Multi-Hazard Mitigation Plan, p. 344;
https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf

Severe weather

Severe weather is considered a collective hazard by the 2023 Montana MHMP and includes both events related directly to extreme temperatures (e.g., cold waves, heat waves, blizzards) and other storm-related phenomena (e.g., lightning, hail, thunderstorms, and strong winds). [179,180]

Within the severe weather category, winter weather, heat waves, cold waves, and hail pose relatively high or high risks to high-risk areas (Exhibit 41). Collectively, these severe weather events have been responsible for at least $400M in property damage over 62 years of recorded activity.[181]

Exhibit 41: Severe weather risk in high-risk areas based on EALR-B[182]



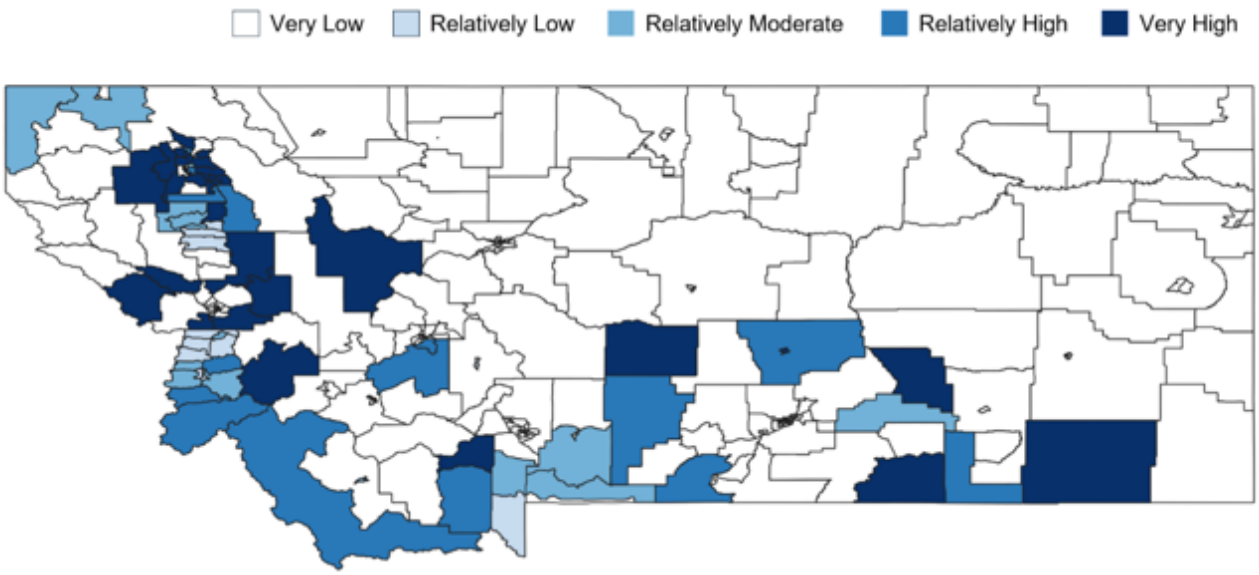
Landslides

The 2023 Montana MHMP designates landslides as the 10th most prioritized natural hazards. Since 1995, around $17M in property damage has occurred due to landslides, though of this total, around $16.9M in damage was caused during one severe event in 2005.[183] In general, damaging landslides in Montana do not appear to occur more than once a decade.[184] However, landslides appear to have

[179] 2023 Montana Multi-Hazard Mitigation Plan, p. 149; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[180] 2023 Montana Multi-Hazard Mitigation Plan, p. 149; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[181] 2023 Montana Multi-Hazard Mitigation Plan, p. 287; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[182] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources
[183] 2023 Montana Multi-Hazard Mitigation Plan, p. 266; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf
[184] 2023 Montana Multi-Hazard Mitigation Plan, p. 265; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf

a close correlation to secondary hazards. For example, an increase in wildfire activity causes destruction of vegetation and topsoil erosion, which can increase the probability of landslides in a particular area. To that effect, census tracts with a high risk for landslide activity also generally appear to have a high rate of wildfire activity (Exhibit 42).

Exhibit 42: Landslide risk in high-risk areas based on EALR-B[185]



c. Characterize any weather and climate risks to new infrastructure deployed using BEAD Program funds for the 20 years following deployment;

Below is a table of natural hazards, some of which have been previously discussed, that pose a risk to BEAD infrastructure deployed in Montana (Exhibit 43).[186] These have been assessed in the 2023 Montana MHMP and are hazards that should generally be considered when deploying BEAD infrastructure.

[185] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources
[186] 2023 Montana Multi-Hazard Mitigation Plan, p. 287; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf

Exhibit 43: Annual frequency and direct average costs associated with natural hazards deemed a risk to Montana[187]

Hazard	Annual frequency	Average Damage to $100M of Infrastructure
Wildfire	~2200	~$23,900
Flooding	~10	~$2,000
Earthquake	~0.23	~$12,900
Hail	~20	~$1,200
Winter weather	~40	~$350
Cold wave	~1.1	~$50
Lightning	~3.4	~$24
Heat wave	~0.25	~$21
Landslides	~1.2	~$440

The likely future probability and changes to these events has also been assessed by the 2023 Montana MHMP and are displayed below (Exhibit 44).[188] These findings are also consistent with the findings presented in the Northern Great Plains chapter of the 2018 National Climate Assessment (NCA), as well as the Montana Chapter of the NOAA National Centers for Environmental Information (NCEI) 2022 State Climate Summaries.[189,190]

[187] Data has been adapted from the FEMA National Risk Index Data Resources and only considers damage to infrastructure. When considering additional losses, e.g. business disruption, agricultural losses, these values are consistent in relative scale with the data presented in the NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters data mapping tool for entries in which both hazards are considered. NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters, MT 1980-2023; https://www.ncei.noaa.gov/access/billions/events/MT/1980-2023

[188] 2023 Montana Multi-Hazard Mitigation Plan, p. 286; https://des.mt.gov/mitigation/2023_MT_MHMP_20230811.pdf

[189] 2018 National Climate Assessment, Chapter 22; https://nca2018.globalchange.gov/chapter/22/

[190] NOAA National Centers for Environmental Information 2022 State Climate Summaries, Key Messages; https://statesummaries.ncics.org/chapter/mt/

Exhibit 44: Summary of Montana-specific natural hazards and their future likelihood[191,192,193]

Hazard	Current Frequency (events per year)	Probability of Future Events	Description of Changes
Wildfire	~2200	Highly likely	Increasing droughts may increase the frequency of wildfires; population growth in at-risk areas has amplified vulnerabilities across the state and hampered Montana's ability to curb wildfire risk through land-use planning strategies
Flooding	~10	Likely	Intense storms are projected to occur more frequently, increasing the frequency of flood events
Earthquake	~0.23	Possible	Increases in precipitation could induce landslides and liquefaction events during an earthquake, exacerbating the earthquake's intensity
Hail	~20	Highly likely	Intense springtime storms are projected to occur more frequently, increasing hail event frequency
Winter weather	~40	Highly likely	Intense winter storms are projected to occur more frequently
Cold Wave	~1.1	Highly likely	Intense winter storms are projected to occur more frequently, increasing the probability of cold waves

[191] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources
[192] 2018 National Climate Assessment, Chapter 22; https://nca2018.globalchange.gov/chapter/22/
[193] NOAA National Centers for Environmental Information 2022 State Climate Summaries, Key Messages; https://statesummaries.ncics.org/chapter/mt/

Heat wave	~0.25	Highly likely	Intense storms are projected to occur more frequently, increasing the probability of heat waves
Landslides	~1.2	Possible	Increase flooding may increase landslides caused by debris flow

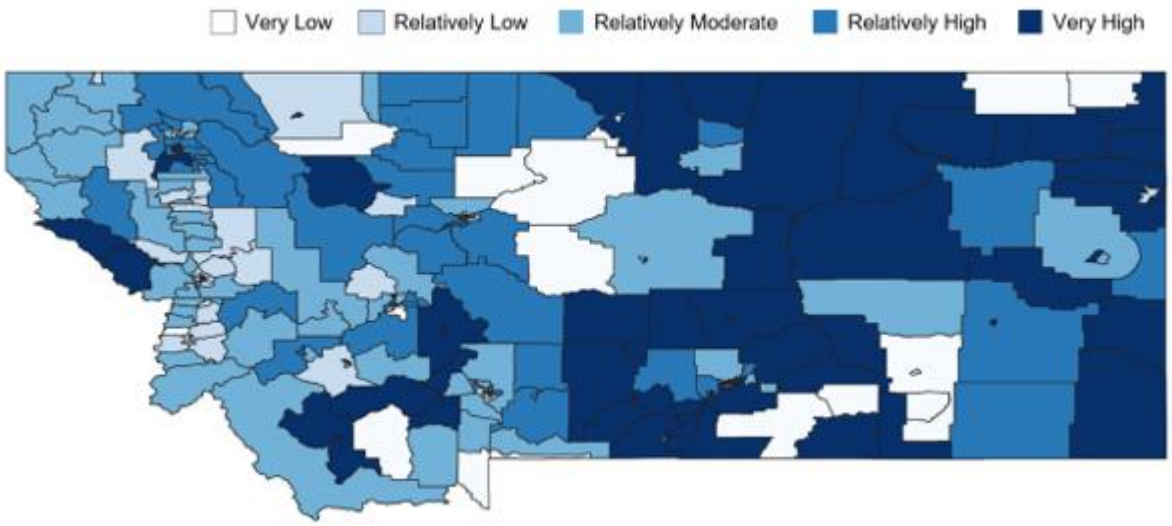
Of these hazards, wildfires appear to occur with the greatest frequency, followed by flooding and hail. The natural hazard risk assessment presented in the 2023 Montana MHMP suggests that the frequency and intensity of all hazards will generally increase in the future. Moreover, the 2022 State Climate Summaries from NOAA NCEI suggest that increases in wildfire, flood, and precipitation frequency are all likely in the coming years.[193] This may result in more property damage to BEAD infrastructure and require further evaluation to ensure pre- and post-disaster plans at the state and local level are sufficiently prepared for this.

d. Identify how the proposed plan will avoid and/or mitigate weather and climate risks identified; and

Independent of project area location, the BEAD NOFO requires all applicants to "determine whether a proposed action will occur in a floodplain" in coordination with NTIA.[194] While flooding was previously considered only for high-risk areas (Exhibit 40), this suggests that flooding hazards should also be considered in parts of Montana that do not have high composite natural hazard risks (Exhibit 45). The flooding risk map for all census tracts in Montana shows that large areas of the state, particularly tracts in the east and northeast, are at relatively high or very high risk of flooding despite having a lower overall natural hazard risk. Therefore, applicants whose project areas fall into tracts with low overall risks to infrastructure should still evaluate flooding risks.

[194] BEAD NOFO, p. 62, https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf

Exhibit 45: Flooding risk across all census tracts based on EALR-B[195]



In addition, per guidance in both the BEAD NOFO and BEAD Initial Proposal Volume II, applicants whose project areas fall partially or wholly within the high-risk census tracts identified by the MBO will be required to provide specific responses for how they will incorporate NTIA's six risk mitigation measures (i.e., technology platform, retrofitting/hardening, redundant power, existing plans, restoration speed, and network redundancies) into their deployment planning. Those six measures, along with descriptions of how applicants will be asked to demonstrate their capability to deploy broadband infrastructure that is resilient to natural hazards are presented in Exhibit 46. [196,197]

[195] FEMA National Risk Index Data Resources; https://hazards.fema.gov/nri/data-resources
[196] BEAD NOFO, p. 62-64; https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf
[197] BEAD Initial Proposal Volume II Guidance, p. 76; https://broadbandusa.ntia.doc.gov/sites/default/files/2023-07/BEAD_Initial_Proposal_Guidance_Volumes_I_II.pdf

Exhibit 46: Requirements for subgrantee demonstration of climate resilient Infrastructure

Mitigation measure	Task
Technology platform: Choice of a technology platform suitable to the climate risks of the region, reliance on alternative siting of facilities	Applicants submit a justification of how technology choice was informed by natural hazards
Retrofitting/hardening: Retrofitting or hardening of existing assets that are critical to BEAD-funded projects	Applicants outline their plan to update existing infrastructure being upgraded with BEAD funding and reinforce new infrastructure
Redundant power: Additional onsite and in-home power resources	Applicants provide a redundant power supply plan including in-home and/or network power
Existing plans: Use of established plans and processes to deal with extreme weather-related risks	Applicants submit a detailed plan on how they intend to mitigate natural hazard risk
Restoration speed: The speed of restoration of service in the case of an outage	Applicants include the speed of restoration in case of an outage that they will commit to in customer SLAs
Network redundancies: Use of network and facility redundancies to safeguard against threats to infrastructure	Applicants outline how their network design will ensure connectivity is maintained in case of equipment damage or disconnection

e. Describe plans for periodically repeating this process over the life of the Program to ensure that evolving risks are understood, characterized, and addressed, and that the most up-to-date tools and information resources are utilized.

The 2023 Montana MHMP was developed to collect data on hazards and provide recommendations on disaster resilience for the state of Montana. An original version of the guide was created based on the Disaster Mitigation Act of 2000 and meets the requirements of the State Mitigation Plan Review Guide to qualify for federal disaster assistance.

Updates to these plans are funded by the FEMA Pre-Disaster Mitigation grant program and are scheduled every five years or as necessary based on newly available information. Each new iteration builds upon the most recently published version, while also incorporating additional or refreshed data or analyses, as available. For example, the 2023 Montana MHMP built upon the 2018 Montana MHMP by incorporating renewed hazard analyses that were based on 2020 U.S. census estimates and enhanced geospatial understanding of hazard activity. It includes updates to proposed mitigation strategies as well as additional input from local and tribal governments. The plan also contains provisions to align with more detailed local plans for various counties, tribal entities, and specific hazards. Some of these plans include:

- Local Multi-hazard Mitigation Plan
- Local Multi-jurisdictional Multi-hazard Mitigation Plan
- Tribal Multi-hazard Mitigation Plan

The next update to the Montana MHMP is scheduled for 2028. Other resources, such as Montana's state climatologist and the Climate Impacts Research Consortium of NOAA's Climate Program Office, could be used to inform these updates.[198,199]

As the Montana MHMP is updated at a regular cadence every five years, the MBO and its subgrantees can utilize the plan to identify and address weather and climate-related risks on an ongoing basis. If significant new hazards to BEAD infrastructure are identified, subgrantees may be asked to adjust their natural hazard mitigation plans to ensure the integrity of BEAD-deployed infrastructure far into the future.

2.11.1.1 Climate Assessment Report Attachments

Optional Attachment: As an optional attachment, submit any relevant reports conducted within the past five years that may be relevant for this requirement and will be referenced in the text narrative above.

2.12 Low-Cost Broadband Service Option (Requirement 16)

2.12.1 Low-Cost Plan

Text Box: Describe the low-cost broadband service option(s) that must be offered by subgrantees as selected by the Eligible Entity, including why the outlined option(s) best services the needs of residents within the Eligible Entity's jurisdiction. At a minimum, this response must include a definition of low-cost broadband service option that clearly addresses the following, as outlined on page 67 of the BEAD NOFO:

a. All recurring charges to the subscriber, as well as any non-recurring costs or fees to the subscriber (e.g., service initiation costs);

[198] American Association of State Climatologists; https://stateclimate.org/state_programs/
[199] NOAA Climate Program Office, Current CAP/RISA Teams; https://cpo.noaa.gov/Divisions-Programs/Climate-and-Societal-Interactions/CAP-RISA/Current-Teams/

b. The plan's basic service characteristics (download and upload speeds, latency, any limits on usage or availability, and any material network management practices);

c. Whether a subscriber may use any Affordable Connectivity Benefit subsidy toward the plan's rate; and

d. Any provisions regarding the subscriber's ability to upgrade to any new low-cost service plans offering more advantageous technical specifications.

The State of Montana understands the critical role of affordability in its broadband strategy and is committed to making high-speed internet accessible to all Montanans. The Initial Proposal's low-cost plan is an important tool in achieving that task.

As the MBO developed its low-cost plan, it placed a high value on the guidance provided by the NTIA, and as such, it has adopted the majority of the elements outlined in the NOFO model low-cost broadband service option.

All applicants will be required to offer plans that provide typical download speeds of at least 100 Mbps, typical upload speeds of at least 20 Mbps, and latency measurements of no more than 100 milliseconds. Further, providers will be required to allow subscribers to apply the Affordable Connectivity Benefit, or any successor plan, toward the low-cost plan. The proposed low-cost plans may not be subject to data caps, surcharges, or usage-based throttling. Also, if, subsequent to the establishment of its low-cost plan, the provider offers another low-cost plan with higher speeds, the provider will be required to permit its existing low-cost subscribers to upgrade to the new low-cost plan at no additional cost. The MBO hopes that by aligning its low-cost plan with these components of the NTIA model low-cost plan, providers will be compelled to develop accessible, high-quality offerings for all Montanans.

In addition to the value the MBO places on affordability for Montanans, the Office understands the challenges inherent in deploying broadband infrastructure in the state, given its vastness, low population density, rugged geography, and extreme weather. These characteristics, which make Montana unique, can also make construction and maintenance expensive. Analysis conducted by the Montana Broadband Office indicates that the costliest BSLs may require upwards of $300,000 each to serve.[200]

These financial obstacles were reinforced repeatedly over the last year, as the MBO engaged a broad swath of stakeholders, including a number of internet service providers. Broadly, providers acknowledged and expressed concern about the potential financial challenges in deploying infrastructure in the state.

The State took the feedback gathered through its stakeholder engagement process to heart, and throughout the development of its Initial Proposal, the MBO has intentionally made design choices (e.g., provider-defined project areas, detailed in 2.4.6) that it believes will increase participation, competition, and the sustainability of the BEAD infrastructure investment. Montana, which is already projected to have a BEAD funding shortfall, will not achieve program goals without broad provider participation.

[200] Analysis conducted by the MBO; Estimates for fiber subsidy required assumes that locations connected by RDOF, RUS, CAF II, NTIABIP, and Reconnect (up to May 2023) are considered served. Subsidy required by location represents the NPV investment required for the location, estimated future cash flows and estimated ISP investment for each location

It was in this sprit that, as the State of Montana created its low-cost plan, it balanced dual priorities of ensuring that high-quality internet is affordable and that internet service providers participate in the BEAD program to build out broadband infrastructure to the far reaches of the vast state.

As described above, all applicants will be required to adopt the majority of the elements of the NTIA model low-cost plan. However, rather than setting a single price to which all providers would be required to adhere, which could be financially infeasible based on the challenges outlined above, the MBO designed affordability scoring criteria to incentivize providers to develop reasonably priced plans that are accessible to Montanans. For both priority and non-priority projects, these criteria carry the second-highest weights in the scoring rubrics.

To underscore the importance of affordability in priority projects, the State has determined that affordability criteria will include an assessment of the price of both 1/1 Gbps service and 100/20 Mbps service in the project area. As a result, the affordability criterion for priority projects will now be two pronged: 10 points (50% of the affordability criteria) will be awarded based on the 1/1 Gbps plan cost, while the other 10 points (50% of the affordability criteria) will be earned based on the price of 100/20 Mbps plans, which will constitute the applicants' low-cost plans. For non-priority projects, the affordability criterion for 100/20 Mbps plans will be allotted the full 20%. For further details about the State's scoring approach and rubric, see 2.4.2 and 2.4.2.1.

To establish a reference point against which to evaluate the subgrantee 1/1 Gbps service and 100/20 Mbps service plans, the MBO conducted an analysis based on the annual FCC broadband rate survey.[201] According to the FCC, every year, the agency "conducts a survey of the fixed voice and broadband service rates offered to consumers in urban areas. The FCC uses the survey data to determine the reasonable comparability benchmarks for fixed voice and broadband rates for universal service purposes."

To develop a fulsome view of the plan landscape, the MBO reviewed the survey data reported over the last three years (2021-2023) in four geographic regions:

- Montana
- Western U.S. (e.g., Arizona, New Mexico, Utah, Wyoming, Colorado, Idaho, Montana, and Nevada)
- Western U.S. and the Pacific Coast (e.g., Arizona, New Mexico, Utah, Wyoming, Colorado, Idaho, Montana, Nevada, California, Oregon, and Washington)
- The United States

The State was interested in understanding the average and median costs of plans that met the speeds outlined in the NTIA's model low-cost plan—100 Mbps download and 20 Mbps upload. The data showed that across all geographies, both average and median plan costs ranged from $65-$70 (Exhibit 47).

[201] FCC broadband rate survey: https://www.fcc.gov/economics-analytics/industry-analysis-division/urban-rate-survey-data-resources

Exhibit 47: Price of ~100/20 Mbps internet plans reported in the FCC broadband rate survey[202]

Geographic area	Mean plan cost ($/month)	Median plan cost ($/month)	Number of plans reported
United States	$66.63	$65.00	1,222
Western US and Pacific Coast[203]	$69.43	$69.96	183
Western US[204]	$65.27	$65.00	60
Montana	$70.00	$70.00	2

The $65 reference price—which closely reflects the average and median price of plans in the Western United States, according to the FCC broadband rate survey—was used to develop the tiered evaluation rubric in Exhibit 48. Plans that are priced further below the reference price of $65 will earn more points.

[202] FCC broadband rate survey: https://www.fcc.gov/economics-analytics/industry-analysis-division/urban-rate-survey-data-resources
[203] "Western US" includes the following states: Arizona, New Mexico, Utah, Wyoming, Colorado, Idaho, Montana, Nevada. "Pacific Coast" includes the following states: California, Oregon, Washington
[204] Ibid.

Exhibit 48: Preliminary evaluation rubric for low-cost plan[205]

Price	Priority points	Non-priority points
>$65.00	0	0
$65.00	1	2
$62.50-$64.99	2	4
$60.00-$62.49	3	6
$57.50-$59.99	4	8
$55.00-$57.49	5	10
$52.50-$54.99	6	12
$50.00-$52.49	7	14
$47.50-$49.99	8	16
$45.01-$47.49	9	18
$45.00 or less	10	20

The MBO hopes that this approach strikes a balance of affordability for Montanans and financial feasibility for providers by prescribing many required elements of the plan (e.g., eligibility, speeds, latency) while giving applicants necessary flexibility in establishing viable business cases.

2.12.2 ACP Participation Certification

Check Box: Certify that all subgrantees will be required to participate in the Affordable Connectivity Program or any successor program.

2.13 Middle-Class Affordability Plans

2.13.1 Middle-Class Affordability Plans

Text Box: Describe a middle-class affordability plan that details how high-quality broadband services will be made available to all middle-class families in the BEAD- funded network's service area at reasonable prices. This response must clearly provide a reasonable explanation of how high-quality broadband services will be made available to all middle-class families in the BEAD-funded network's service area at reasonable prices.

The definition of "middle class" can vary widely depending on geographic location, lifestyle, and other cultural or societal norms. Because of the subjective nature of defining the middle class, and further, of determining what might be affordable for that population, the MBO utilized existing best practices from the Broadband Commission for Sustainable Development (BCSD) and relied on

[205] See Section 2.4: Deployment Subgrantee Process for additional details

data provided by the U.S. Census Bureau. These findings were validated with research from both the FCC and the Pew Charitable Trust, an independent, non-profit organization that works with state and federal policymakers, researchers, and other partners to advance the public interest on broadband access.[206]

The BCSD is a joint initiative between UNESCO and the International Telecommunications Union composed of over 50 industry CEOs, academics, civil and intergovernmental agency representatives and other leaders in broadband and telecommunications.[207] It conducts research and develops recommendations for achieving universal broadband service, and holds that, "prices for entry-level broadband service should be below 2% of monthly gross national income per capita."[208] Moreover, the FCC has stated that 2% of a household's monthly income should be used as a "yardstick" for measuring changes in general affordability of internet plans.[209]

To objectively evaluate "middle class affordability," the MBO utilized this approach to determine at what price an internet plan may be considered unaffordable in accordance with FCC and BCSD guidance.[210]

According to Pew, middle-class household incomes range from $40,000 to $150,000 nationally.[211] Given this wide range, the MBO used income data for all Montana households from the 2021 American Community Survey, administered by the U.S. Census Bureau, to determine the average household income for every county in Montana.[212] The MBO then applied BCSD's 2% principle to identify at what price point a plan may become unaffordable. The results are displayed in Exhibit 49.

In 50 out of 56 counties, 2% of the average household income is above $100/month. The average cost of an internet plan that represents 2% of average household income by county in Montana is $121/month. This is consistent with a comparable analysis conducted by the Pew Charitable Trust, which was based on 2021 5-year income data from the American Community Survey.[213] According

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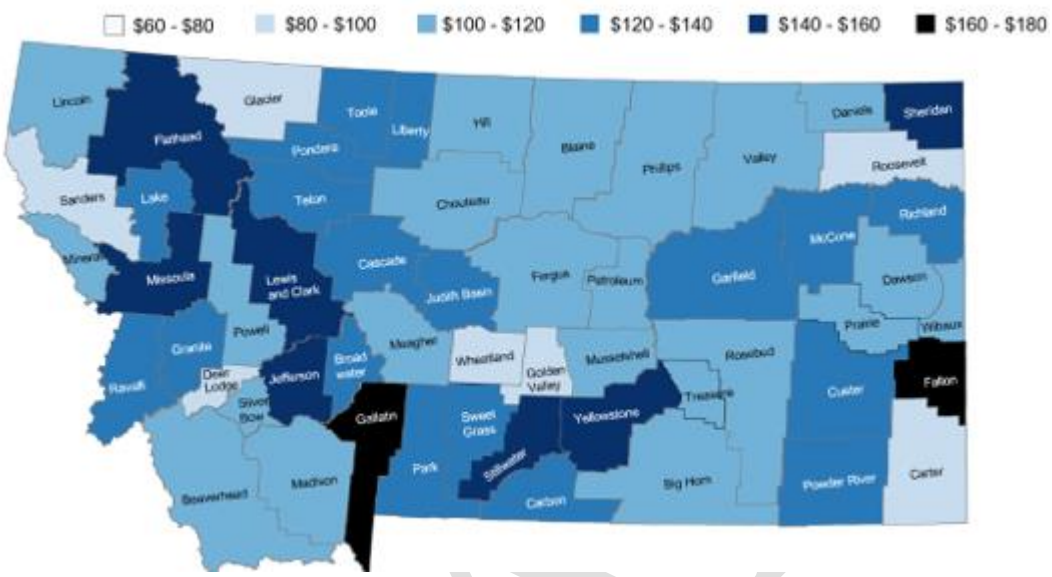
[206]Pew Charitable Trusts, Broadband Access Initiative, https://www.pewtrusts.org/en/projects/broadband-access-initiative
[207] Broadband Commission for sustainable Development, Our Commissioners, https://www.broadbandcommission.org/commissioners/
[208] Broadband Commission for Sustainable Development, 2025 Targets: Connecting the Other Half, https://www.broadbandcommission.org/broadband-targets/
[209] Federal Communications Commission, FCC 16-38, Third Report and Order, Further Report and Order, and Order On Reconsideration, https://docs.fcc.gov/public/attachments/FCC-16-38A1.pdf
[210] BEAD Initial Proposal Volume II Guidance, p. 82, https://broadbandusa.ntia.doc.gov/sites/default/files/2023-07/BEAD_Initial_Proposal_Guidance_Volumes_I_II.pdf
[211] Pew Charitable Trusts, Is Broadband Affordable for Middle-Class Families? https://www.pewtrusts.org/en/research-and-analysis/articles/2023/08/30/is-broadband-affordable-for-middle-class-families#:~:text=For%20the%20purposes%20of%20this,median%20affordability%20standard%20of%2093.21.
[212] American Community Survey, U.S. Census, https://data.census.gov/table?g=040XX00US30$0500000&tid=ACSST5Y2021.S1901
[213] Pew Charitable Trusts, Is Broadband Affordable for Middle-Class Families? https://www.pewtrusts.org/en/research-and-analysis/articles/2023/08/30/is-broadband-affordable-for-middle-class-

to Pew, in the western region of the United States, including the state of Montana, the "monthly affordability standard" is $100.72.

Exhibit 49: Potential cost of an affordable internet plan based on 2% of average county income[214]



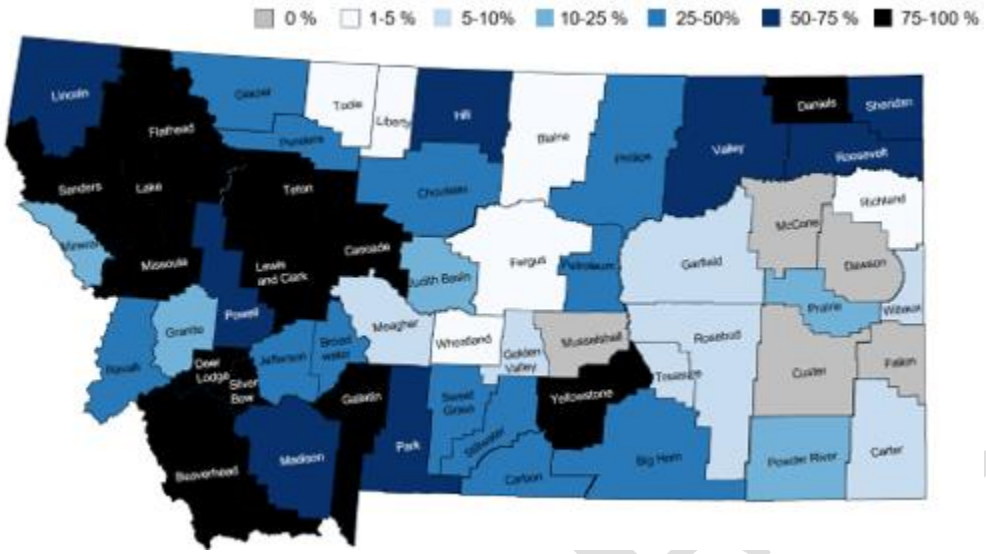
The MBO next wanted to understand the landscape of internet plans that were offered in the state. Desktop research and direct inquiries (i.e., calls to providers or quotes requested through provider websites) were conducted to determine which providers offered plans with speeds of at least 100/20 Mbps at various prices across Montana. The results of that research are illustrated in Exhibit 50. According to this analysis, ~326,400 BSLs in Montana, or 84.9% of total served locations, currently have access to an internet plan with at least 100/20 Mbps speeds at $100/month or less.[215]

families#:~:text=For%20the%20purposes%20of%20this,median%20affordability%20standard%20of%20%2493.21.

[214] American Community Survey, U.S. Census, https://data.census.gov/table?g=040XX00US30$0500000&tid=ACSST5Y2021.S1901

[215] Calculated based on a total of 384,643 served BSLs according to the FCC Broadband Map, broadbandmap.fcc.gov

Exhibit 50: Percent of BSLs that have access to 100/20 Mbps for ≤ $100/month[216]



Based on these findings, the MBO observed that most Montanans have access to a 100/20 Mbps internet plan for $100/month or less. Given the 2% benchmark adopted by the FCC and BCSD, average income by county, and the existing provider landscape, the MBO believes that most Montanans who could be reasonably considered "middle class" (based on average income) have access to adequate internet speeds at a cost that is not unaffordable.

The MBO anticipates that BEAD subgrantees will offer plans that are consistent with current offerings for a number of reasons, including:

Existing landscape

As noted above, plans that provide speeds of at least 100/20 Mbps at $100/month or less are offered widely in Montana. The MBO anticipates that pricing norms and market pressures will encourage providers establishing new service through BEAD funding to align with the prevailing prices.

Provider-defined project areas

One of the MBO's main objectives in allowing providers to draw their own project areas was to give applicants sufficient freedom to optimize their business cases, which could be achieved by utilizing existing infrastructure or strategically expanding service areas. If providers develop stronger business cases, they may be able to offer service at more accessible prices.

Scoring criteria

Whether or not an internet service provider offers an affordable plan is a primary scoring criterion for both priority and non-priority projects. As such, plan costs will significantly impact how

[216] BSL location data was obtained from the FCC Broadband Map, broadbandmap.fcc.gov; internet plan prices were obtained from desktop research and direct inquiries

applicants are scored relative to competitors, and providers will be directly incentivized to provide the lowest possible price for a 1/1 Gbps service commitment for priority projects and 100/20 Mbps for non-priority projects.

In addition, Montana has adopted a scoring metric that favors applicants that will serve greater numbers of unserved and underserved locations. This criterion is closely correlated to plan costs—providers that offer service to more locations will benefit from economies of scale, which should reduce the required revenue per BSL, allowing providers to offer plans at lower price points while maintaining viable business cases.

Evaluating high-cost outliers

As noted in 2.4.6, the MBO maintains the right to evaluate the cost to serve individual BSLs within project areas and consider alternative service opportunities for extremely high-cost locations. While the MBO plans to utilize this option as sparingly as possible, it does give the State the flexibility to reduce the overall cost of project areas. This could be impactful, as some of the most challenging and expensive locations to serve may require upwards of $300,000 each.[217] In those select cases, removing extremely high-cost locations could drastically improve a provider's business case, allowing them to offer plans at lower prices that are accessible to more Montanans.

Stakeholder engagement

The MBO has conducted, and will continue to conduct, extensive stakeholder engagement with ISPs to emphasize the importance of plan affordability. Through discussion at Communications Advisory Commission meetings as well as direct conversation with various internet service providers, the MBO has conveyed that affordability is a top priority as Montana strives to provide service to every un- and underserved location.

For these reasons, and given the analysis detailed above, the MBO is confident that high-quality broadband services will be made available to all middle-class families in the BEAD-funded network's service area at reasonable prices.

2.14 Use of 20 Percent of Funding (Requirement 17)

2.14.1 Use of Funding Request

Text Box: Describe the Eligible Entity's planned use of any funds being requested, which must address the following:

a. If the Eligible Entity does not wish to request funds during the Initial Proposal round, it must indicate no funding requested and provide the rationale for not requesting funds.

b. If the Eligible Entity is requesting less than or equal to 20 percent of funding allocation during the Initial Proposal round, it must detail the amount of funding requested for use

[217] Analysis conducted by the MBO; Estimates for fiber subsidy required assumes that locations connected by RDOF, RUS, CAF II, NTIABIP, and Reconnect (up to May 2023) are considered served. Subsidy required by location represents the NPV investment required for the location, estimated future cash flows and estimated ISP investment for each location

upon approval of the Initial Proposal, the intended use of funds, and how the proposed use of funds achieves the statutory objective of serving all unserved / underserved locations.

c. If the Eligible Entity is requesting more than 20 percent (up to 100 percent) of funding allocation during the Initial Proposal round, it must detail the amount of funding requested for use upon approval of the Initial Proposal, the intended use of funds, how the proposed use of funds achieves the statutory objective of serving all unserved / underserved locations, and provide rationale for requesting funds greater than 20 percent of the funding allocation.

The State of Montana is requesting 100 percent of its funding allocation during the Initial Proposal round. In doing so, the MBO aims to instill confidence in potential subgrantees that all awards can be distributed in the guaranteed amounts in a timely fashion. The State recognizes that, especially for small providers, broadband deployment requires significant capital investment well before any revenue is collected. As such, the MBO believes that having immediate access to all allocated funds will reduce the potential risk incurred by providers.

Given that the State anticipates a funding shortfall, the MBO plans to use nearly its full allocation to support deployment, rather than non-deployment activities. These funds will also be used, in line with NTIA guidance, for administrative costs, the implementation of the challenge and subgrantee selection processes, and funding last-mile broadband deployment projects.

2.14.2 Initial Proposal Funding Request

Financial Data Entry: Enter the amount of the Initial Proposal Funding Request. If not requesting Initial Proposal funds, enter '$0.00.'

$628,973,798.59

2.14.3 Adherence to BEAD Program Requirements

Check Box: Certify that the Eligible Entity will adhere to BEAD Program requirements regarding Initial Proposal funds usage. If the Eligible Entity is not requesting funds in the Initial Proposal round and will not submit the Initial Proposal Funding Request, note "Not applicable."

The State will certify compliance via check box.

2.15 Eligible Entity Regulatory Approach (Requirement 18)

2.15.1 Waiving Laws

Text Box:

a. Disclose whether the Eligible Entity will waive all laws of the Eligible Entity concerning broadband, utility services, or similar subjects, whether they predate or postdate enactment of the Infrastructure Act that either (a) preclude certain public sector providers from participation in the subgrant competition or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer.

The Montana law that imposes limitations on public sector participation in broadband deployment is known as Montana Code Annotated (MCA) 2021, 2-17-603, titled "Government Competition

With Private Internet Service Providers Prohibited – Exceptions."[218] This law was enacted on May 1, 2001 and thus predates the enactment of the Infrastructure Investment and Jobs Act (IIJA). Under MCA 2021, 2-17-603, municipal governments are restricted from offering broadband services to Montana residents in areas where a private company provides service, unless the municipality offers "advanced services" that are not otherwise available. If a private internet service provider (ISP) enters an area served by a municipality, that municipality must notify customers at least 30 days in advance of the private provider's service offering and can discontinue their service within 180 days of the private ISP's service initiation. This law does not apply to agencies or subdivisions of municipalities that provided service prior to July 1, 2001, nor does it restrict the ability of a local government to access the internet or provide funding for broadband projects.[219,220]

After the passage of the IIJA, the Montana State Senate enacted Senate Bill (SB) 531 in 2023, which reduced the barriers to entry for municipalities offering broadband services. Passed on May 22, 2023, this legislation allows government entities to apply for broadband funding from the State or federal government if they apply in partnership with an eligible broadband provider.[221,222]

SB 531 endeavored to adjust existing state definitions to align with the BEAD NOFO and reduce barriers to participation. The State's goal in modifying the manner in which public sector entities could provide broadband, by partnering with private companies, was intended to make BEAD broadly accessible. SB 531 supersedes some portions of MCA 2021, 2-17-603. Municipalities are no longer expressly prohibited from offering broadband services, although they are still prohibited from operating independently in areas where private providers exist. The State views this as a compromise that reduces previous barriers to entry for municipal internet service providers while preserving the competitiveness of the broadband market.

Given that the State has provided an avenue for public sector participation, Montana will not waive MCA 2021, 2-17-603, and its associated restrictions on public sector participation in broadband deployment will remain in effect.

b. If the Eligible Entity will not waive all such laws for BEAD Program project selection purposes, identify those that it will not waive (using the Excel attachment) and their date of enactment and describe how they will be applied in connection with the competition for subgrants. If there are no applicable laws, note such.

As noted in 2.15.1 (a), the State will not waive the Montana Code Annotated 2-17-603. This law, enacted in May 2001, currently prevents municipalities from providing broadband services on their

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[218] Montana Code Annotated 2021, 2-17-603, https://leg.mt.gov/bills/mca/title_0020/chapter_0170/part_0060/section_0030/0020-0170-0060-0030.html
[219] Ibid.
[220] Montana Legislature Detailed Bill Information, http://laws.leg.mt.gov/legprd/LAW0210W$BSIV.ActionQuery?P_BILL_NO1=327&P_BLTP_BILL_TYP_CD=SB&Z_ACTION=Find&P_SESS=20011
[221] Montana Senate Bill 531, https://leg.mt.gov/bills/2023/SB0599/SB0531_1.pdf
[222] Montana Legislature Detailed Bill Information, http://laws.leg.mt.gov/legprd/LAW0203W$BSRV.ActionQuery?P_SESS=20231&P_BLTP_BILL_TYP_CD=SB&P_BILL_NO=531&P_BILL_DFT_NO=&P_CHPT_NO=&Z_ACTION=Find&P_ENTY_ID_SEQ2=&P_SBJT_SBJ_CD=&P_ENTY_ID_SEQ=

own in areas where private providers are already operating, unless the municipality offers advanced services that private ISPs cannot provide. Essentially, this means that municipalities cannot seek subgrants that would enable them to offer independent broadband services under the BEAD Program.

2.15.1.1 List of Laws Not Waived

Optional Attachment: As a required attachment only if the Eligible Entity will not waive laws for BEAD Program project selection purposes, provide a list of the laws that the Eligible Entity will not waive for BEAD Program project selection purposes, using the Eligible Entity Regulatory Approach template provided.

Excel attachment to be included, listing Montana Code Annotated (MCA) 2021, 2-17-603, "Government Competition With Private Internet Service Providers Prohibited – Exception."

2.16 Certification of Compliance with BEAD Requirements (Requirement 19)

2.16.1 Compliance Certification

Check Box: Certify the Eligible Entity's intent to comply with all applicable requirements of the BEAD Program, including the reporting requirements.

2.16.2 Subgrantee accountability procedures

Text Box: Describe subgrantee accountability procedures, including how the Eligible Entity will, at a minimum, employ the following practices outlined on page 51 of the BEAD NOFO:

a. Distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow the Eligible Entity to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize);

The MBO will review invoices and fund projects on a reimbursable basis.

b. The inclusion of clawback provisions (i.e., provisions allowing recoupment of funds previously disbursed) in agreements between the Eligible Entity and any subgrantee;

c. Timely subgrantee reporting mandates; and

The MBO will require subgrantees to report on a semiannual basis to align with the Eligible Entity's NTIA reporting requirements.

d. Robust subgrantee monitoring practices.

Using lessons learned from the successful ARPA/CPF ConnectMT program, the MBO will develop a comprehensive subgrantee monitoring policy that will review awardee activities to reduce waste, fraud and abuse, oversee project implementation, and monitor overall progress toward completion. The program will require a robust closeout process that includes field confirmation of completion of projects.

2.16.3 Civil Rights and Nondiscrimination Certification

Check Box: Certify that the Eligible Entity will account for and satisfy authorities relating to civil rights and nondiscrimination in the selection of subgrantees.

2.16.4 Cybersecurity and Supply Chain Risk Management Requirements

Check Box: Certify that the Eligible Entity will ensure subgrantee compliance with the cybersecurity and supply chain risk management requirements on pages 70 - 71 of the BEAD NOFO to require prospective subgrantees to attest that:

Cybersecurity

1. The prospective subgrantee has a cybersecurity risk management plan (the plan) in place that is either: (a) operational, if the prospective subgrantee is providing service prior to the award of the grant; or (b) ready to be operationalized upon providing service, if the prospective subgrantee is not yet providing service prior to the grant award;

During the prequalification round, applicants must indicate via checkbox certification whether it has an operational plan or if there is a plan in creation. If a plan exists, the applicant must submit the plan as an attachment in accordance with 2.16.4 (4). If a plan does not yet exist, the applicant must commit to completing and providing the plan during the main round application. If a plan is not provided as part of the main round application, the application will be disqualified.

2. The plan reflects the latest version of the National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1) and the standards and controls set forth in Executive Order 14028 and specifies the security and privacy controls being implemented;

During the prequalification round, applicants must indicate via checkbox certification that their plans are in compliance with NIST standards.

The MBO will validate that the cybersecurity plan meets the NIST standards.

3. The plan will be reevaluated and updated on a periodic basis and as events warrant; and

During the prequalification round, each applicant must indicate via checkbox certification that its cybersecurity risk management plan will be reevaluated and updated periodically and detail via narrative the anticipated timeline to complete those updates.

4. The plan will be submitted to the Eligible Entity prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days.

As noted in 2.16.4 (1), applicants with existing cybersecurity risk management plans must submit them during the prequalification period. If the plan has not yet been created, it must be submitted upon completion during the main round. The applicant must also indicate via checkbox certification that, if, at any time, it makes substantive changes to its plan, a new version will be submitted within 30 days of those changes being incorporated.

Supply Chain Risk Management (SCRM)

1. The prospective subgrantee has a SCRM plan in place that is either: (a) operational, if the prospective subgrantee is already providing service at the time of the grant; or (b) ready to be operationalized, if the prospective subgrantee is not yet providing service at the time of grant award;

During the prequalification round, applicants must indicate via checkbox certification whether it has an operational plan or if there is a plan in creation. If a plan exists, the applicant must submit the plan as an attachment in accordance with 2.16.4 (4). If a plan does not yet exist, the applicant must commit to completing and providing the plan during the main round.

2. The plan is based upon the key practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800-161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented;

During the prequalification round, applicants must indicate via checkbox certification that their plans are in compliance with NIST standards.

3. The plan will be reevaluated and updated on a periodic basis and as events warrant; and

During the prequalification round, each applicant must indicate via checkbox certification that its supply chain risk management plan will be reevaluated and updated periodically and detail via narrative the anticipated timeline to complete those updates.

4. The plan will be submitted to the Eligible Entity prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days. The Eligible Entity must provide a subgrantee's plan to NTIA upon NTIA's request.

As noted in 2.16.4 (1), applicants with existing supply chain risk management plans must submit them during the prequalification period. If the plan has not yet been created, it must be submitted upon completion during the main round. The applicant must also indicate via checkbox certification that, if, at any time, it makes substantive changes to its plan, a new version will be submitted within 30 days of those changes being incorporated.

2.17 Volume II Public Comment

2.17.1 Public Comment Period

Text Box: Describe the public comment period and provide a high-level summary of the comments received during the Volume II public comment period and how they were addressed by the Eligible Entity. The response must demonstrate:

a. The public comment period was no less than 30 days; and

b. Outreach and engagement activities were conducted to encourage feedback during the public comment period.

2.17.2 Supplemental Materials Attachments

Optional Attachment: As an optional attachment, submit supplemental materials to the Volume II submission and provide references to the relevant requirements. Note that only content submitted via text boxes, certifications, and file uploads in sections aligned to Initial Proposal requirements in the NTIA Grants Portal will be reviewed, and supplemental materials submitted here are for reference only.

2.18 Appendices

2.18.1 Stakeholder engagement survey methodology

The MBO developed two surveys for distribution across the state to gather input on how to close the digital divide in Montana. The Montana Internet Access Household Survey was designed for any Montanan over the age of 18, while the Montana Internet Access Community Leader Survey was designed for community groups (such as libraries, public health organizations, religious organizations, and chambers of commerce).

The survey was designed based on similar surveys fielded by other states, such as the North Carolina Broadband Survey and the Kansas Broadband Study. The survey covered the following topics:

- Availability of internet access at home and in the community
- Type of internet access at home, if any (including speeds)
- Reasons for internet use
- Awareness of internet subsidy programs such as ACP
- Reasons for lack of home internet access
- Assessment of affordable monthly price for high-speed home internet

Survey fielding. Both surveys followed the same fielding methodology. The survey was marketed through similar materials as created for the stakeholder engagement sessions. All materials included both a hyperlink to the survey as well as a QR code to enable respondents to access the survey on smartphones. Marketing materials included:

- Flyers for the general public and stakeholder populations
- Press releases
- Social media posts for Twitter, Instagram, and Facebook
- Email messaging tailored to state agencies and stakeholder populations
- Updated state website language

The survey was advertised during all Round 1 stakeholder engagement sessions, encouraging participants to take the survey and share in their communities. As described below in the survey limitations section, the MBO also provided computers during these sessions to allow participants to take the survey.

The survey field period lasted from August 24, 2022 to September 30, 2022 (for a total of five weeks). 1,622 complete responses were received for the Montana Internet Access Household Survey and 83 complete responses were received for the Montana Internet Access Community Leader Survey.

Survey limitations. Given a necessarily short fielding period, a paper survey option was not feasible. To mitigate the lower response rate given a web-only administration, the MBO created a QR link for each survey, to enable respondents with a smartphone to take the survey from a location where they can access the internet. In addition, the team brought computers with the survey to each in-person stakeholder engagement session, to allow participants to take the survey.

2.18.2 Individual/Household Survey Data Tables by Survey Question[223,224]

There are 1,622 complete responses and no partial responses included in these results. Responses with invalid or missing zip codes were removed from the data.

2.18.2.1 Survey flow questions

Table 1: Do you have an internet connection at home?

Response	Count	Percent
Yes	1,560	96.2%
No	62	3.8%
TOTAL	1,622	100%

Table 2: Which of the following devices do you or others in your household use to connect to the internet, whether at home or somewhere else? Choose all that apply.

Device	Count[225]	Percent (Total Number of Responses)	Percent (Total Number of Respondents)
Desktop or laptop computer	1,538	31.1%	94.8%
Tablet device	1,184	24.0%	73.0%
Smartphone or cellphone that connects to the internet	1,544	31.3%	95.2%
None of these	7	0.1%	0.4%
E-Readers*	9	0.2%	0.6%
Gaming*	124	2.5%	7.6%
General Internet of Things (IoT) Devices*	17	0.3%	1.0%
Miscellaneous*	8	0.2%	0.5%
Music Devices*	2	0.0%	0.1%
Other Home and Garden Appliances*	19	0.4%	1.2%
Personal Health & Medical Devices*	13	0.3%	0.8%
Security*	24	0.5%	1.5%
Smart Home Devices*	24	0.5%	1.5%
Streaming, TVs*	423	8.6%	26.1%
Unable to Access Internet*	1	0.0%	0.1%
No response/skipped	2	0.0%	0.1%
TOTAL	4,939 (1,622)	100%	N/A

** If responded "Yes" in Table 1, jump to Questions for Only Respondents that Have Home Internet Access, beginning with Table 3. If responded "No" or "I don't know" in Table 1, jump to Questions for Only Respondents that Do Not Have Home Internet Access, beginning with Table 10.*

2.18.2.2 Questions for only respondents who have home internet access

Table 3: What type of internet access do you have at home?

Internet Type	Count	Percent
Fixed service installed at home, such as cable or fiber-optic service provided by a cable or phone company	622	39.9%
DSL (digital subscriber line)	156	10.0%

[223] * Indicates an "other" response, not provided in the list of response options.
[224] The percent columns may not add to 100 due to rounding.
[225] The first number in the total count represents the total number of *responses* and the second number represents the total number of *respondents*.

Internet Type	Count	Percent
Fixed wireless service	339	21.7%
Satellite internet service received through a satellite dish	353	22.6%
Dial-up service	6	0.4%
I don't know	48	3.1%
Hotspot*	18	1.2%
Cellular*	17	1.1%
No response/skipped	1	0.1%
TOTAL	1,560	100%

Table 4: What is your download speed?

Speed	Count	Percent
I don't know	319	20.4%
Slower than 25 Mbps	548	35.1%
Between 25 Mbps and 100 Mbps	450	28.8%
Faster than 100 Mbps	238	15.3%
No response/skipped	5	0.3%
TOTAL	1,560	100%

Table 5: What is your upload speed?

Speed	Count	Percent
I don't know	474	30.4%
Slower than 3 Mbps	311	19.9%
Between 3 Mbps and 20 Mbps	559	35.8%
Faster than 20 Mbps	213	13.7%
No response/skipped	3	0.2%
TOTAL	1,560	100%

Table 6: Why do you not have high-speed internet?

High speed internet is defined as faster than 100 Mbps download speed and 20 Mbps upload speed.

*Question is only shown if respondents select "Slower than 25 Mbps" or "Between 25 Mbps and 100 Mbps" in Table 4 and "Slower than 3 Mbps" or "Between 3 Mbps and 20 Mbps" in Table 5.

Reason	Count	Percent
It is not available in my area	573	73.8%
It is not affordable	130	16.8%
I do not want or need high speed internet	9	1.2%
I don't know	26	3.4%
I do but it's not sufficient or doesn't work well*	22	2.8%
I don't know if it's available*	1	0.1%
Skeptical of Providers/It's a Hassle*	3	0.4%
I already do/thought I did*	7	0.9%
No response/skipped	5	0.6%
TOTAL	776	100%

Table 7: Are you aware of any internet subsidy programs, such as the Affordable Connectivity Program or the Emergency Broadband Benefit, that help cover monthly internet costs for qualifying households?

Response	Count	Percent
No, I am not aware of any programs	1,074	68.8%
Yes, I am aware, but I do not participate in any of these programs	429	27.5%

Response	Count	Percent
Yes, I am aware, and I do participate in one of these programs	57	3.7%
TOTAL	1,560	100%

**If responded "No, I am not aware of any programs" or "Yes, I am aware, and I do participate in one of these programs" in Table 7, skip to Table 9.*

Table 8: Why do you not participate in an internet subsidy program like the Affordable Connectivity Program?

Reason	Count	Percent
I am not eligible	343	80.0%
It is too difficult to apply	8	1.9%
My internet service provider does not participate in the program	16	3.7%
I applied and was rejected	4	0.9%
I don't know how to apply	27	6.3%
I don't want/need it*	5	1.2%
I am financially stable and can afford internet service without it*	6	1.4%
I haven't pursued it*	2	0.5%
I am going to apply*	1	0.2%
Internet service isn't expensive*	2	0.5%
I am not sure if I am eligible*	8	1.9%
There is no internet service provider in area*	3	0.7%
Unknown/NA*	2	0.5%
No response/skipped	2	0.5%
TOTAL	429	100%

Table 9: Do you use the internet at any of the following places in your community? Choose all that apply.

Location	Count	Percent (Total Number of Responses)	Percent (Total Number of Respondents)
My place of work	910	37.6%	58.3%
Library	298	12.3%	19.1%
Community center	57	2.4%	3.7%
Coffee shop or other local business	563	23.2%	36.1%
Park	107	4.4%	6.9%
Internet access is not available anywhere in my community	70	2.9%	4.5%
Airport/Travel*	3	0.1%	0.2%
Businesses*	20	0.8%	1.3%
Campgrounds*	4	0.2%	0.3%
Car/Bus*	9	0.4%	0.6%
Church*	11	0.5%	0.7%
Everywhere with internet access*	3	0.1%	0.2%
Family/Friend's house*	7	0.3%	0.4%
Home*	23	0.9%	1.5%
Hospital/Doctor's office*	9	0.4%	0.6%
Local government*	2	0.1%	0.1%
None*	5	0.2%	0.3%
Office*	8	0.3%	0.5%
On my phone*	18	0.7%	1.2%
School*	10	0.4%	0.6%
Visitor's center*	2	0.1%	0.1%
No response/skipped	284	11.7%	18.2%
TOTAL	2,423 (1,560)	100%	N/A

2.18.2.3 Questions for only respondents who do not have home internet access

Table 10: Why do you not have an internet connection at home? Choose all that apply.

Reason	Count	Percent (Total Number of Responses)	Percent (Total Number of Respondents)
Can't afford the cost of an internet connection	26	27.1%	41.9%
Can't afford a computer, tablet, or other device to connect to the internet	2	2.1%	3.2%
Not worth the cost	7	7.3%	11.3%
Can use the internet elsewhere	6	6.3%	9.7%
Internet connection not available in the area	35	36.5%	56.5%
Don't know how to use the internet	1	1.0%	1.6%
Using the internet is too difficult	1	1.0%	1.6%
Don't want or need the internet	0	0.0%	0.0%
Don't have a computer or device to access the internet	1	1.0%	1.6%
Online privacy or cybersecurity concerns	3	3.1%	4.8%
Personal safety concerns	1	1.0%	1.6%
Household moved or is in the process of moving	2	2.1%	3.2%
Century Link is the least expensive option and they do not offer it*	1	1.0%	1.6%
Currently hotspot off phone. Limited local internet available*	1	1.0%	1.6%
Mountainous terrain, the one company that says they provide internet service is consistently less than 2MB download speeds. There is no cellular service either, so a borrowed hotspot from the public library doesn't work either. *	1	1.0%	1.6%
No providers available*	1	1.0%	1.6%
Satellite is only option, too expensive to set up*	1	1.0%	1.6%
Unable to connect to internet*	1	1.0%	1.6%
Unable to find who services this area*	1	1.0%	1.6%
No broadband in my area*	1	1.0%	1.6%
Not good service where we are at*	1	1.0%	1.6%
Only one service provider in the area and have been trying for 3 plus months to get internet installed to no available*	1	1.0%	1.6%
Too spotty and constantly interrupted*	1	1.0%	1.6%
TOTAL	96 (62)	100%	N/A

Table 11: Do you access the internet at any of the following places in your community? Choose all that apply.

Location	Count	Percent (Total Number of Responses)	Percent (Total Number of Respondents)
My place of work	23	25.3%	37.1%
Library	26	28.6%	41.9%
Community center	2	2.2%	3.2%
Coffee shop or other local business	22	24.2%	35.5%
Park	0	0.0%	0.0%
I do not access the internet at any location	5	5.5%	8.1%
Friend/Family*	4	4.4%	6.5%
Hotspot*	6	6.6%	9.7%
I don't know*	1	1.1%	1.6%
Travels out of town*	2	2.2%	3.2%
TOTAL	91 (62)	100%	N/A

2.18.2.4 Questions for all respondents

Table 12: Why do you or others in your household use the internet? Choose all that apply.

Activity	Count	Percent (Total Number of Responses)	Percent (Total Number of Respondents)
To work	1,218	11.8%	75.1%
To attend classes or complete coursework for kindergarten through high school	341	3.3%	21.0%
To attend classes or complete coursework for higher education (including certification programs and college)	492	4.7%	30.3%
To schedule or attend healthcare appointments, or to get medication	1,120	10.8%	69.1%
Online shopping	1,528	14.7%	94.2%
To access entertainment (such as watching videos)	1,400	13.5%	86.3%
Staying connected with family and friends	1,469	14.2%	90.6%
To access government services (such as the Motor Vehicle Division; burning, fishing, or hunting permits; unemployment benefits; or nutrition assistance programs)	1,327	12.8%	81.8%
Access financial services	1,336	12.9%	82.4%
Additional entertainment*	5	0.0%	0.3%
Business purposes (email, meetings, small businesses) *	18	0.2%	1.1%
Education*	10	0.1%	0.6%
Fitness*	1	0.0%	0.1%
Games*	12	0.1%	0.7%
Health care*	2	0.0%	0.1%
I use the internet for everything*	6	0.1%	0.4%
Meetings*	2	0.0%	0.1%
N/A*	3	0.0%	0.2%
News*	20	0.2%	1.2%
Pay bills*	4	0.0%	0.2%
Phone/keep in contact with friends & family*	7	0.1%	0.4%
Reading*	4	0.0%	0.2%
Research*	17	0.2%	1.0%
Responding to surveys*	2	0.0%	0.1%
Security*	2	0.0%	0.1%
Smart devices*	3	0.0%	0.2%
Streaming services*	4	0.0%	0.2%
TV*	3	0.0%	0.2%
No response/skipped	8	0.1%	0.5%
TOTAL	10,364 (1,622)	100%	N/A

Table 13: How confident are you in your ability to complete the following activities?

Activity	Very confident	Somewhat confident	Not very confident	Not at all confident	No Response /Skipped
Saving downloaded files	1,212 74.7%	310 19.1%	75 4.6%	21 1.3%	4 0.2%
Opening downloaded files	1,221 75.3%	308 19.0%	72 4.4%	13 0.8%	8 0.5%
Searching for information online	1,297 80.0%	272 16.8%	38 2.3%	8 0.5%	7 0.4%
Knowing what information is safe to share online	963 59.4%	494 30.5%	128 7.9%	22 1.4%	15 0.9%

Table 14: How important is it to you to have a local service provider (now or in the future), instead of a large provider that services many states?

Response	Count	Percent
Very important	863	53.2%
Somewhat important	467	28.8%
Not very important	196	12.1%
Not at all important	90	5.5%
No response/skipped	6	0.4%
TOTAL	1,622	100%

Table 15: How much are you or your household willing to pay for reliable high speed internet service in your home?

For example, for at least two or more users to regularly stream high-definition video, use videoconferencing, participate in online gaming, or work from home.

Dollar amount	Count	Percent
Under $10	15	0.9%
$10 - $25	50	3.1%
$26 - $50	339	20.9%
$51 - $75	570	35.1%
$76 - $100	438	27.0%
More than $100	203	12.5%
No response/skipped	7	0.4%
TOTAL	1,622	100%

2.18.2.5 Demographic questions

Table 16: Do you live on a reservation?

Response	Count	Percent
Yes	89	5.5%
No	1,526	94.1%
No response/skipped	7	0.4%
TOTAL	1,622	100%

Table 17: On which reservation do you live?

**Question is only shown if respondents selected "Yes" in Table 16.*

Reservation	Count	Percent
Blackfeet Tribe of the Blackfeet Reservation	7	7.9%
Chippewa Cree Tribe of the Rocky Boy's Reservation	4	4.5%
Confederated Salish & Kootenai Tribes of the Flathead Reservation	30	33.7%
Crow Tribe of the Crow Reservation	14	15.7%
Fort Belknap Tribes of the Fort Belknap Reservation	14	15.7%
Fort Peck Tribes of the Fort Peck Reservation	19	21.3%
Little Shell Chippewa Tribe	0	0.0%
Northern Cheyenne Tribe of the Northern Cheyenne Reservation	1	1.1%
TOTAL	89	100%

Table 18: Do any of the following historically underserved populations describe you? Choose all that apply.

Population	Count	Percent (Total Number of Responses)	Percent (Total Number of Respondents)
Aged 60 or older	677	34.6%	41.7%
Veteran	251	12.8%	15.5%
Individual with a disability (mental or physical)	182	9.3%	11.2%
Non-native English speaker	23	1.2%	1.4%
Currently Incarcerated	0	0.0%	0.0%
Racial or Ethnic minority (such as Native American, Black, Hispanic, Asian, etc.)	126	6.4%	7.8%
None of these	656	33.5%	40.4%
No response/skipped	41	2.1%	2.5%
TOTAL	1,956 (1,622)	100%	N/A

2.18.3 Community leader survey data tables by survey question[226,227]

There are 83 complete responses and 11 partial responses included in these results. Responses with invalid or missing zip codes were removed from the data.

2.18.3.1 Demographic questions

Table 1: Which of the following best describes your community group?

Community Group	Count	Percent
Adult education or literacy organization	3	3.2%
Advocacy group	0	0.0%
Chamber of commerce	6	6.4%
Education organization serving pre-kindergarten through high school students	4	4.3%
Higher education organization	4	4.3%
Internet service provider	13	13.8%
Labor organization	3	3.2%
Local government	30	31.9%
Nonprofit organization	17	18.1%
Public health organization (including health clinics)	2	2.1%

[226] An asterisk (*) indicates an "other" response, not provided in the list of response options.
[227] The percent columns may not add to 100 due to rounding.

Community Group	Count	Percent
Public library	8	8.5%
Religious or faith-based organization	0	0.0%
Tribal government	0	0.0%
Veterans' association (such as the American Legion)	0	0.0%
Agriculture*	1	1.1%
Economic Development Organization*	1	1.1%
State Government*	2	2.1%
TOTAL	94	100%

Table 2: Is your organization located on or does it serve a reservation?

Response	Count	Percent
Yes	20	21.3%
No	73	77.7%
No response/skipped	1	1.1%
TOTAL	94	100%

**If "No", jump to Table 4.*

Table 3: On which reservation is your organization located or does it serve?

Reservation	Count	Percent
Blackfeet Tribe of the Blackfeet Reservation	1	5.0%
Chippewa Cree Tribe of the Rocky Boy's Reservation	2	10.0%
Confederated Salish & Kootenai Tribes of the Flathead Reservation	4	20.0%
Crow Tribe of the Crow Reservation	0	0.0%
Fort Belknap Tribes of the Fort Belknap Reservation	2	10.0%
Fort Peck Tribes of the Fort Peck Reservation	9	45.0%
Little Shell Chippewa Tribe	0	0.0%
Northern Cheyenne Tribe of the Northern Cheyenne Reservation	2	10.0%
TOTAL	20	100%

2.18.3.2 Questions about the entire community

Table 4: To the best of your knowledge, what percent of residents in the community where your organization is located, or areas your organization serves, have an internet connection at home? Your best guess is fine.

Range	Count	Percent
Less than 10%	0	0.0%
10% - 25%	2	2.1%
26% - 50%	11	11.7%
51% - 75%	41	43.6%
76% - 100%	23	24.5%
I don't know	12	12.8%
No response/skipped	5	5.3%
TOTAL	94	100%

Table 5: To the best of your knowledge, why don't some residents have an internet connection at home? Choose all that apply.

Reasons	Count[228]	Percent (Total Number of Responses)	Percent (Total Number of Eligible Respondents)
Can't afford the cost of an internet connection	71	21.0%	75.5%
Can't afford a computer, tablet, or other device to connect to the internet	49	14.5%	52.1%
Not worth the cost	13	3.8%	13.8%
Can use the internet elsewhere	19	5.6%	20.2%
Internet connection not available in the area	44	13.0%	46.8%
Don't know how to use the internet	26	7.7%	27.7%
Using the internet is too difficult	14	4.1%	14.9%
Don't need or want the internet	29	8.6%	30.9%
Don't have a computer or device to access the internet	41	12.1%	43.6%
Online privacy or cybersecurity concerns	14	4.1%	14.9%
Personal safety concerns	3	0.9%	3.2%
Household moved or is in the process of moving	2	0.6%	2.1%
Internet in this area is poor and has lots of issues*	1	0.3%	1.1%
Larger publicly traded companies have failed to invest in Montana's rural communities*	1	0.3%	1.1%
Over 90% of have internet*	1	0.3%	1.1%
Rural Area*	2	0.6%	2.1%
There is no fiber service to our specific area, we provide a WISP*	1	0.3%	1.1%
No response/skipped	7	2.1%	7.4%
TOTAL	338 (94)	100%	N/A

Table 6: To the best of your knowledge, what is the most common reason why a resident does not have an internet connection at home?[229]

Reasons	Count[230]	Percent (Total Number of Responses)	Percent (Total Number of Eligible Respondents)
Can't afford the cost of an internet connection	39	28.3%	41.5%
Can't afford a computer, tablet, or other device to connect to the internet	18	13.0%	19.1%
Not worth the cost	5	3.6%	5.3%
Can use the internet elsewhere	5	3.6%	5.3%
Internet connection not available in the area	29	21.0%	30.9%
Don't know how to use the internet	6	4.3%	6.4%
Using the internet is too difficult	1	0.7%	1.1%
Don't need or want the internet	10	7.2%	10.6%
Don't have a computer or device to access the internet	8	5.8%	8.5%
Online privacy or cybersecurity concerns	1	0.7%	1.1%
Personal safety concerns	1	0.7%	1.1%
Household moved or is in the process of moving	1	0.7%	1.1%
Internet in this area is poor and has lots of issues*	1	0.7%	1.1%
Rural area*	2	1.4%	2.1%
Larger publicly traded companies have failed to invest in Montana's rural communities*	1	0.7%	1.1%
No response/skipped	10	7.2%	10.6%
TOTAL	138 (94)	100%	N/A

[228] The first number in the total count represents the total number of *responses* and the second number represents the total number of *respondents*.
[229] Only responses recorded in **Table 5** were shown to participants.
[230] The first number in the total count represents the total number of *responses* and the second number represents the total number of *respondents*.

Table 7: Is internet access available at any of the following places in the community where your organization is located, or the area which your organization serves? Choose all that apply.

Locations	Count[231]	Percent (Total Number of Responses)	Percent (Total Number of Eligible Respondents)
Library	79	40.3%	84.0%
Community center	26	13.3%	27.7%
Coffee shop or other local business	61	31.1%	64.9%
Park	5	2.6%	5.3%
Internet access is not available anywhere in my community	2	1.0%	2.1%
Additional local businesses*	2	1.0%	2.1%
Campgrounds*	2	1.0%	2.1%
Educational center/institution*	8	4.1%	8.5%
Golf course*	1	0.5%	1.1%
Health center*	1	0.5%	1.1%
ISP office*	2	1.0%	2.1%
Non-profit organization*	1	0.5%	1.1%
No response/skipped	6	3.1%	6.4%
TOTAL	196 (94)	100%	N/A

2.18.3.3 Questions about the organization's members or clients

Table 8: To the best of your knowledge, what percent of your organization's members or clients have an internet connection at home? Your best guess is fine.

Range	Count	Percent
Less than 10%	0	0.0%
10% - 25%	1	1.1%
26% - 50%	11	11.7%
51% - 75%	17	18.1%
76% - 100%	44	46.8%
I don't know	10	10.6%
No response/skipped	11	11.7%
TOTAL	94	100%

[231] The first number in the total count represents the total number of *responses* and the second number represents the total number of *respondents*.

Table 9: To the best of your knowledge, why don't some of your organization's members or clients have an internet connection at home? Choose all that apply.

Reasons	Count[232]	Percent (Total Number of Responses)	Percent (Total Number of Eligible Respondents)
Can't afford the cost of an internet connection	39	16.9%	41.5%
Can't afford a computer, tablet, or other device to connect to the internet	27	11.7%	28.7%
Not worth the cost	13	5.6%	13.8%
Can use the internet elsewhere	20	8.7%	21.3%
Internet connection not available in the area	39	16.9%	41.5%
Don't know how to use the internet	10	4.3%	10.6%
Using the internet is too difficult	8	3.5%	8.5%
Don't need or want the internet	18	7.8%	19.2%
Don't have a computer or device to access the internet	24	10.4%	25.5%
Online privacy or cybersecurity concerns	5	2.2%	5.3%
Personal safety concerns	2	0.9%	2.1%
Household moved or is in the process of moving	3	1.3%	3.2%
All members have internet*	2	0.9%	2.1%
Can't be a member without subscribing to service*	1	0.4%	1.1%
Unreliable internet service*	1	0.4%	1.1%
No response/skipped	19	8.2%	20.2%
TOTAL	231 (94)	100%	N/A

Table 10: To the best of your knowledge, what is the most common reason why some of your organization's members or clients do not have an internet connection at home?[233]

Reasons	Count[234]	Percent (Total Number of Responses)	Percent (Total Number of Eligible Respondents)
Can't afford the cost of an internet connection	26	23.4%	27.7%
Can't afford a computer, tablet, or other device to connect to the internet	8	7.2%	8.5%
Not worth the cost	5	4.5%	5.3%
Can use the internet elsewhere	6	5.4%	6.4%
Internet connection not available in the area	28	25.2%	29.8%
Don't know how to use the internet	2	1.8%	2.1%
Using the internet is too difficult	0	0.0%	0.0%
Don't need or want the internet	4	3.6%	4.3%
Don't have a computer or device to access the internet	7	6.3%	7.4%
Online privacy or cybersecurity concerns	0	0.0%	0.0%
Personal safety concerns	0	0.0%	0.0%
Household moved or is in the process of moving	0	0.0%	0.0%
Can't be a member without subscribing to service*	1	0.9%	1.1%
All members have internet*	1	0.9%	1.1%
No response/skipped	23	20.7%	24.5%
TOTAL	111 (94)	100%	N/A

[232] The first number in the total count represents the total number of *responses* and the second number represents the total number of *respondents*.
[233] Only responses recorded in Table 9 were shown to participants.
[234] The first number in the total count represents the total number of *responses* and the second number represents the total number of *respondents*.