

MINUTES

Meeting of the Broadband Development Office Board of Advisors

February 29, 2024

Agenda Item I: Call to Order and Roll Call.

The Broadband Development Office Board of Advisors (BDOBOA) meeting was held virtually and in person. Comptroller Glenn Hegar called the meeting to order at 2:00 p.m. via Cisco Webex on Feb. 29, 2024.

Priyanka Kulkarni, from the BDO Digital Opportunity team, called each member's name. Comptroller Hegar noted a quorum was present.

All Members Present:

Comptroller Glenn Hegar

Representative Trent Ashby

Alonzo Cantu

Greg Conte

Sergio Contreras

Joe Cosgrove

Adriana Cruz

Scott Muri

Mari Robinson

Robert McGee

Agenda Item II: Adoption of Minutes from Sept. 21, 2023, meeting of BDOBOA.

Comptroller Hegar introduced Joe Cosgrove, the newest member of the BDOBOA, who serves as a member of the public with experience in telecommunications and broadband service.

Mr. Cosgrove has been involved in the telecom industry for 40 years. His primary focus has been on legislative and regulatory matters at the federal and state levels within the industry. Mr. Cosgrove has taught courses on internet and telecommunications regulation at The University of Texas School of Law since 2017.

Comptroller Hegar moved to approve the minutes from the BDOBOA meeting on Sept. 21, 2023. The minutes were approved.

Agenda Item III: Update on the Texas Digital Opportunity Plan (TDOP).

Comptroller Hegar introduced Cindy Fisher, the BDO's Digital Opportunity Program supervisor, to provide an update about the TDOP.

Ms. Fisher reminded the group that digital opportunity refers to the conditions required to achieve digital access for all Texans, including widespread, affordable and reliable broadband internet, high-quality device access, digital skills training and cybersecurity awareness.

The group was provided an update on the TDOP, which will serve as a roadmap for expanding reliable and affordable broadband, device deployment programs, digital skills training and cybersecurity awareness for all Texans. It will inform the grant-making strategy for implementing funds received from the National Telecommunications and Information Administration (NTIA) through the State Digital Equity Capacity Grant Program. A draft of the TDOP was submitted to the NTIA on Feb. 28, 2024.

The Digital Equity Act prioritizes improving digital opportunity outcomes for eight covered populations: members of racial or ethnic minority groups, low-income households, rural residents, aging individuals, individuals with disabilities, individuals with limited English proficiency, veterans and incarcerated individuals. In total, 24.8 million or 86 percent of Texans belong to one or more covered populations.

Texas has defined six goals for the TDOP: broadband availability and affordability, device availability, affordability and technical support, digital literacy, online privacy and cybersecurity, and online accessibility and inclusivity of public resources.

Ms. Fisher explained that the TDOP is a comprehensive document that includes information gathered from state agencies, local governments, community-based organizations and individual Texans. The TDOP has five chapters, including an executive summary, and a holistic approach detailing diverse input into the plan. Chapter 5 explains how the BDO intends to use the State Digital Equity Capacity Grant Program funding to advance goals and close the digital divide.

The TDOP includes charts and graphs based on the BDO surveys and federal data sets, as well as data by economic region to show regional patterns and trends of need. Ms. Fisher showed an example of a chart and map in the slide deck that illustrates the percentage of individuals with disabilities and their most significant need for affordable and available internet.

The BDO identified four strategies to address barriers to digital opportunity in Texas: partner with and fund statewide institutions; create a digital opportunity grant program to fund local initiatives and address gaps in digital opportunity for covered populations and regions most impacted by the digital divide; promote internet adoption; and maintain a living digital opportunity plan.

Ms. Fisher explained that the BDO partnered with the Texas Workforce Commission (TWC) and Texas A&M AgriLife Extension offices to improve data collection and fill essential topic areas. TWC helped promote the public comment process and provided preliminary research on how to reach covered populations. The BDO received 318 comments on the TDOP. Through a partnership with Texas A&M AgriLife Extension offices, the BDO obtained additional county data with low response rates. A team of researchers provided a white paper on the impacts of broadband adoption, affordability and digital literacy skills in rural Texas.

The BDO and its partners have undertaken two projects in the past three months to inform stakeholders of the Digital Equity Act Capacity Grant Funds and how they may be eligible to receive these funds through the BDO. The first project was a well-attended technical assistance webinar series called "Texas, Get Ready for Digital Opportunity." The series, in collaboration with HR&A Advisors and the Institute for Local Self-Reliance, comprised nine webinars that provided a comprehensive resource for understanding the Texas digital opportunity landscape, including information about leveraging data, grant-seeking best practices and forming partnerships.

The second project was the Texas Digital Opportunity Hub, an interactive online website launching this spring. The website aims to ensure that the data collected as part of TDOP are shared with the community that provided them. The site allows users to interact with and download data, access digital opportunity resources and better understand how Texas plans to close the digital divide. The board will be notified when the Digital Opportunity Hub goes live.

The next step for the TDOP is to await NTIA's acceptance of the document. The BDO expects to receive the Notice of Funding Opportunity (NOFO) for the State Digital Equity Capacity Grant Program in spring 2024. The NOFO will be used to implement funding strategies identified in the plan.

Mr. Cosgrove asked about the privacy implications of artificial intelligence (AI) within digital literacy programming.

Ms. Fisher informed Mr. Cosgrove that the TDOP has considered the impact of AI, and she also noted that one of the comments received from the public was related to AI. The BDO understands that addressing AI is essential to ensure the digital divide isn't widened.

Korry Castillo, Associate Deputy Comptroller, added that an AI panel established at the Department of Information Resources is Legislature-driven, so the Comptroller's office will continue to work with them as they establish any guidance around AI. The panel also advises the Legislature on matters that must be considered going forward with AI.

Agenda Item IV: Update on the Broadband Equity, Access, and Deployment (BEAD) Program's Initial Proposal.

Comptroller Hegar introduced Erin Benal, Senior Broadband Program Coordinator, to provide an update on the BEAD program.

Ms. Benal began by providing an update on the timeline and progress of the program. The team submitted the Five-Year Action Plan on Aug. 28, 2023, and on Dec. 23, 2023, the team submitted both Volume I and Volume II of the BEAD Initial Proposal. These documents lay out the plan for the BEAD Program. Volume I explains the challenge process and identifies all the eligible locations for the funding. Volume II maps out the subgrantee selection process and how the BDO plans to hold subgrantees accountable and monitor projects throughout the program. Volumes I and II received the first curing request from the NITA. The curing request for Volume I was submitted in January this year, and Volume II is currently being edited.

Ms. Benal then explained that the team submitted a Request for Proposal on Feb. 2, seeking proposals from qualified vendors who can provide the necessary resources and expertise to ensure the success of Texas' BEAD Program. This includes developing the BEAD challenge

portal, monitoring services and technical evaluation for the subgrantee selection process. The BDO is accepting proposals until March 18 and will then begin the review process.

There were no questions for Ms. Benal.

Agenda Item V: Update on the Broadband Infrastructure Fund (BIF).

Sarah Chacko introduced herself as the Legislative Affairs Manager for the Comptroller's office to discuss the BIF that Texans passed as Proposition 8 on Nov. 7, 2023. The BIF will enhance the availability and usage of broadband and telecommunications services. The BIF took effect on Jan. 1, 2024, and will expire on Sept. 1, 2035, with an initial investment of \$1.5 billion appropriated by the Legislature. The initial investment will be used to administer grants through the Broadband Development Program, fund 9-1-1 services and upgrades, fund the Broadband Pole Replacement Program and provide state matching funds for federal dollars under the BEAD Program.

Proposition 8 provides for two one-time transfers of \$155.2 million to the Next Generation 9-1-1 Fund to be managed by the Commission on State Emergency Communications, which will help modernize 9-1-1 services to support first responders. The second transfer will be \$75 million to the Texas Pole Replacement Program funded by HB 1505 to assist the deployment of broadband programs in rural areas by reimbursing a portion of the eligible pole replacement costs. HB 9, authored by Representative Ashby, ensured these state funds replaced the Capital Projects Fund (CPF) funds requested in SB 8 once Texas voters approved Proposition 8. The BDO is currently developing the program, including updating the rules.

After the mandatory transfers, the BIF will primarily be used for the 25-percent match requirement under the federal BEAD Program. The statute directs the BDO to award matching funds based on an applicant's demonstrated financial need and to make the proposed project economically feasible.

Ms. Chacko continued explaining that the BDO is considering other uses for the BIF, such as connection locations that the BEAD Program may not cover, including community anchor institutions (CAIs) and multi-dwelling units (MDUs). Ms. Chacko noted that when compared with other states and territories, the size and number of unserved locations in Texas make it possible that federal funds allocated to the state may not be enough to cover the whole state and the locations within the MDUs and CAIs. The BDO is considering a program that may bring reliable, high-speed internet to those locations.

Another idea the BDO is exploring is establishing a Texas Middle Mile Program. The BDO is considering the BIF funds to develop digital opportunity pilot programs and support new and existing workforce development programs while waiting for the funds from the Digital Equity Act Capacity Grant.

A member of the public asked Ms. Chacko and the BDO team a question. Mari Robinson asked about workforce development and if the BDO had touched base with the Texas Workforce Commission (TWC), as it is in the process of developing a workforce training program specifically tailored to the technical aspects of broadband, including all of the health care uses. Ms. Robinson asked if she should connect the BDO with someone she knows who is working on the training program.

Ms. Fisher replied, mentioning that as part of the work the BDO has been considering with the TDOP, the team has been working in partnership with TWC and has continued to work

with Courtney Arbour and her team. As part of the TDOP, a white paper will come out that discusses broadband and workforce needs, and the BDO will work with the workforce team to consider options for executing that plan. Ms. Fisher added that the BDO is hiring a Broadband Workforce Coordinator, and the primary role would be to liaise with other state agencies to ensure alignment among initiatives across agencies and industries.

There were no further questions.

Agenda Item VI: Update from the BDO regarding the Bringing Online Opportunities to Texas (BOOT) Program, amendments to the administrative rules and the Texas Broadband Development Map.

Brian Vair introduced himself as the Broadband Development Program Supervisor, provided updates on the infrastructure team's progress in the past few months and discussed the BOOT Program. The BDO has concluded its primary evaluation of the original funding request and has positioned itself to start making award decisions for BOOT. The office prioritized applications that did not contain previous federal commitments and did not overlap with other applications. Applicants will be contacted and can amend their application before award decisions to correspond with their submitted FCC location IDs. Mr. Vair stated that overlapping applications may be considered for funding following the first iteration of award decisions.

Mr. Vair then provided an update on the Technical Assistance Program (TAP). Mr. Vair reminded the group that TAP is designed to empower local communities that lack the necessary resources to overcome their digital divide by providing technical assistance through broadband planning and consulting services at no cost. The program targets Texas counties that can apply for this assistance and should begin this summer. TAP awardees or counties will exit the program with a county broadband plan that provides community data and actionable items that can be leveraged to achieve a county's broadband goals.

Cobb, Fendley and Associates will assist the BDO with administering TAP and provide the necessary services to awarded counties. Part of the services that counties can apply for are stakeholder identification and outreach, asset mapping, gap analysis/community needs identification, public-private partnership identification and analysis, workforce development strategy, digital opportunity strategy and needs identification, and network design assessments (also known as feasibility assessments).

Mr. Vair continued by covering the BDO administrative rules. Proposed amendments to the BDO's administrative rules were submitted to the Secretary of State's office on Oct. 2, 2023. These updates are associated with the legislative language from SB 1238. Public comments were accepted from Oct. 13 to Nov. 12, 2023. More than 200 public comments were received. The feedback played a significant role in determining some of the details of the proposed rules. The BDO is in the final stages of preparing the rules for adoption, expecting submission to the *Texas Register* in early March. The amended rules will be effective 20 days after submission to *the Texas Register*.

Mr. Vair concluded by discussing the Texas Broadband Development Map updates, reminding the group that the BDO will adopt FCC's national broadband map data to ensure

the latest fabrication will be used. The map will be used for future grant programs, such as BEAD and CPF, that require alignment with the federal map for funding and reporting services. Currently, the BDO is working to have the map online by spring 2024, which will not only contain information on the federal map but will also include public school campuses.

Mr. Cosgrove asked about the FCC map and inquired whether the BDO would integrate a direct link to it or if the Texas map would be a self-contained map that uses the FCC data and other relevant information such as school locations.

Mr. Conte said the BDO has a link to the FCC map on its website. When the Texas map launches, the BDO will have a stand-alone map that utilizes FCC data the BDO pulled from the FCC's vendor, CostQuest. Additionally, the Texas map will include the public school campuses.

Mr. Cosgrove responded, asking if this would be a separate work product.

Mr. Conte agreed with Mr. Cosgrove that the Texas map would leverage access to the federal data. There will be no differences between the FCC map and the Texas map, except the Texas map will specifically call out school districts, as that is part of the legislation.

Agenda Item VII: Discussion on topics and dates of future BDOBOA meetings.

Comptroller Hegar discussed the BDOBOA's move to semiannual meetings and asked for suggested topics for future meetings.

There were no suggestions or questions.

Agenda Item VIII: Public comment. Comptroller Hegar opened the meeting to public comment.

Comptroller Hegar called on Stephanie Kennedy. Ms. Kennedy said she represents the internet service provider (ISP) RISE. Ms. Kennedy indicated that one of the things RISE has struggled with in preparation for the BEAD Program is that they have had to engage high-level attorneys to help with the highly complex workforce requirements. Ms. Kennedy hoped the BDO could host presentations about this so ISPs could determine how to meet all the requirements. The BDO will consider the suggestion for planning a future presentation.

Mr. Conte responded, saying there would be more technical assistance for subgrantees through the BEAD Program's process. Mr. Conte continued that all states are learning as they go, so if the state receives information, the BDO will be sure to share it with stakeholders.

Mr. Conte suggested that the board meetings and industry roundtables the BDO holds monthly are great ways to stay informed.

Comptroller Hegar welcomed Tim Valis to make his comment. Mr. Valis asked if there will be additional requirements Texas will have to submit to the FCC on data that are not currently collected by the FCC, or if the BDO will rely on the FCC data that are already there. The question was out of the scope of the agenda of the meeting.

Comptroller Hegar welcomed Jack Yates. Regarding the BOOT Program, Mr. Yates needed clarification as to why the BDO would allow some applicants to alter their applications after

they have already gone through the first round of cuts. Mr. Yates asked why not all applicants were permitted to amend their applications at that point.

David Cruz, attorney for the BDO, explained that the BDO permitted applicants who had issues with FCC location ID addresses but had otherwise complied with the BOOT Notice of Funding Availability (NOFA) to amend their applications by removing those addresses. With those applicants, the BDO is asking them if they want to proceed with the reduced number of addresses. If so, the BDO allowed them to amend their application and confirm their willingness to proceed with fewer addresses. Applications that did not fully comply with the BOOT NOFA were withdrawn from consideration.

Comptroller Hegar called on Herb Krasner, who asked about the BDO's stand-alone map developed from the FCC's data set. Mr. Krasner asked if there is a more definitive description of what will be on the BDO's stand-alone map, and whether a link or reference could be provided.

Mr. Conte mentioned that the school campuses will be called out as additional information in the stand-alone map; however, as the BDO builds its stand-alone map, the BDO will be able to add its additional information map. The BDO will put out this information when available.

Agenda Item IX: Adjournment.

Comptroller Hegar called the meeting to close at 2:50 p.m.