

State of Alaska FY2024 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Alaska Broadband Office Component Budget Summary

Component: Alaska Broadband Office

Contribution to Department's Mission

Facilitate access to the full benefits of broadband with improved quality of service and lower costs.

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

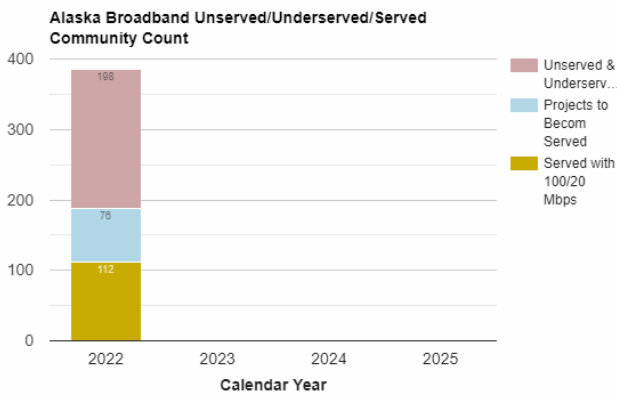
Core Services

- Develop and manage the funded portion of the five-year action plan for broadband deployment to unserved & underserved locations and community anchor institutions (CAI) through all phases of planning, granting, building and operations.
- Ensure broadband sustainability and growth post broadband deployments.

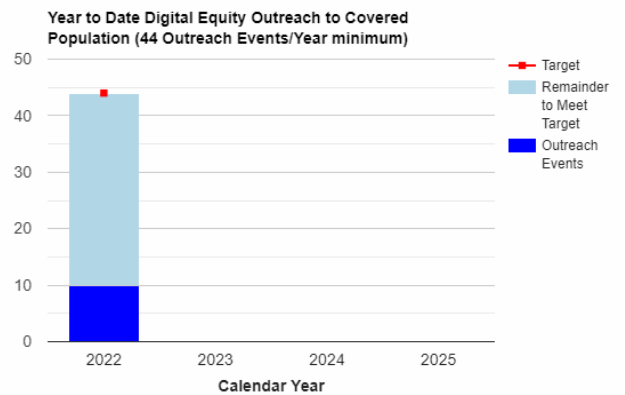
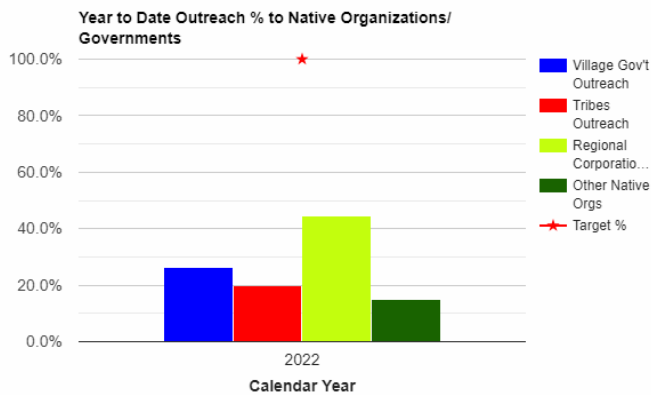
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Develop and manage the funded portion of the five-year action plan for broadband deployment to unserved & underserved locations and community anchor institutions (CAI) through all phases of planning, granting, building and operations.



2. Ensure broadband sustainability and growth post broadband deployments.



Major Component Accomplishments in 2022

- Established the State's Alaska Broadband Office (ABO), including the start of staff recruitment.
- Initiated responses to the Notices of Funding Opportunity for the Digital Equity Act and the Broadband, Equity and Access Deployment (BEAD) Program.
- Negotiated agreement with the Rasmuson Foundation to serve as the Administering Entity of Digital Equity Planning.
- Established relationships with federal partners, and tribal, municipal, agency, and industry stakeholders.
- Participated in stakeholder outreach and engagement opportunities.
- Engaged with the Federal Communications Commission (FCC) and the National Telecommunications and Information Administration (NTIA) about Fabric Mapping of Broadband Serviceable Locations (BSLs) in Alaska, and the use of that data in determining the BEAD formula funding allocations for the state.

Key Component Challenges

The state is receiving multiple federal awards for broadband in FY2023: Digital Equity totaling \$567,800; and Broadband Equity, Access, and Deployment (BEAD) Planning Grant totaling \$5 million. The respective deliverables for these grants are a Digital Equity Plan and a Five-Year Action Plan. The Alaska Broadband Office (ABO) has designated the Rasmuson Foundation as the Administering Entity of Digital Equity Planning; in coordination with the ABO, they will facilitate the required stakeholder engagement and outreach, and development of the written Digital Equity Plan.

The Alaska Broadband Office will lead development of the BEAD Five-Year Action Plan in FY2023. The most critical elements are:

- Stakeholder engagement and outreach.
- The estimated timeline and cost for universal service.
- The planned utilization of federal, state, and local funding sources.
- Prioritization of areas for federal support.
- Any consideration afforded to the use of public-private partnerships or cooperatives in addressing the needs of Alaska residents.
- Strategies to address affordability issues, including but not limited to strategies to increase enrollment in the Affordable Connectivity Program by eligible households.
- Strategies to ensure an available and highly skilled workforce.

The Alaska Broadband Office is approaching workforce development as a three-pronged approach:

- A qualified workforce to work on the deployment of broadband infrastructure across the state.
- A qualified workforce to operate and maintain the networks across Alaska once they are installed.
- A qualified workforce able to take full advantage of remote work opportunities once they can access high-speed internet.

The Alaska Broadband Office will work with the University of Alaska; the Department of Labor and Workforce Development; trade and labor unions; and industry to develop the workforce development plan.

The Alaska Broadband Office is additionally focused on ensuring the Federal Communications Commission (FCC) Fabric Mapping of Broadband Serviceable Locations (BSLs) is accurate. In addition to the minimum \$100 million allocation, the BSL mapping will be used by the NTIA in calculating the formula funding allocations for the state under the BEAD program. Funding formulas are based on the total number of unserved BSLs. The original release of the Fabric Mapping required revisions, as 65 Alaskan communities were missing. While the issue of the missing communities has been remedied, continued work with the FCC, NTIA, the Alaska Telecom Association, and the Congressional Delegation is needed to ensure the BLS mapping is as accurate as possible. The Rasmuson Foundation is funding the acquisition of independent building footprint data for the state to compare to the FCC mapping fabric and support any challenges to the mapping data, if necessary.

Addressing rate parity is a required component of the Digital Equity and BEAD Five-Year Action Plan. HB 363 created an uncapitalized Parity Fund to support equity in the cost of internet service across the state, and a private parity endowment fund is also being explored.

HB 363 also created the Statewide Broadband Advisory Board. The ABO will work with this advisory body regarding all aspects of the planning and implementation process of the BEAD program. Other charters tasked to the ABO from

HB 363 are encouraging and championing streamlining statewide efforts for broadband permitting; developing, facilitating, and managing a grant program to distribute the BEAD funding; and conducting an In-State Mapping Challenge to ensure that public input into mapping is received.

Significant Changes in Results to be Delivered in FY2024

The Alaska Broadband Office anticipates the BEAD Five-Year Action Plan will be approved by the NTIA and will initiate work on the State’s Initial Proposal immediately after the Five-Year Action Plan is filed. The Initial Proposal is the “first draft” of the state’s Final Proposal for grant funding. The Initial Proposal must explain how the state intends to ensure that every resident has access to a reliable, affordable, high-speed broadband connection. Integral to that explanation is the utilization of all funding resources (federal, state and local) and not just the BEAD Program funds. The Initial Proposal includes 19 required components, the most critical of which is a description of the competitive process the state proposes to use to select subgrantees to construct broadband projects in order of priority for unserved, underserved and community anchor institutions. Selecting subgrantees requires the state to develop and implement a grant program based on the federal program requirements and any state-determined priorities. Upon approval of the Initial Proposal by NTIA, the state is eligible to receive a minimum of 20% of the total allocated funding (expected to be between \$400 million and \$1.2 billion depending on the, as yet codified, “High Cost” allocation).

Prior to launching the grant program, the state must facilitate an in-state mapping challenge. In this process the public will have an opportunity to review the statewide maps of broadband serviceable locations (BSLs) and self-report if their location and posted level of internet service is correct. The results of this challenge will determine the prioritization and allocation of BEAD grant funding to projects around the state. This in-state mapping challenge is complementary to but distinct from the FCC Mapping Challenge described above.

The Digital Equity Plan is anticipated to receive approval in late FY2023 or early FY2024, which will make the state eligible to receive the formula-funded Digital Capacity Grant. The purpose of the Capacity Grant funding is to implement solutions outlined in the Digital Equity Plan.

Statutory and Regulatory Authority

AS 44.33.910-930

Contact Information
Contact: Thomas Lochner, Director Phone: (904) 269-4048 E-mail: thomas.lochner@alaska.gov

Alaska Broadband Office Personal Services Information					
Authorized Positions			Personal Services Costs		
	<u>FY2023</u> <u>Management</u> <u>Plan</u>	<u>FY2024</u> <u>Governor</u>			
Full-time	3	4	Annual Salaries		428,571
Part-time	0	0	Premium Pay		0
Nonpermanent	0	0	Annual Benefits		246,357
			<i>Less 2.20% Vacancy Factor</i>		(14,828)
			Lump Sum Premium Pay		0
Totals	3	4	Total Personal Services		660,100

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Specialist	1	0	0	0	1
Connectivity Manager	1	0	0	0	1
Director of Broadband	1	0	0	0	1
Tribal Liaison	0	0	1	0	1
Totals	3	0	1	0	4

Component Detail All Funds
Department of Commerce, Community, and Economic Development

Component: Alaska Broadband Office (3379)

Non-Formula Component

RDU: Executive Administration and Development (119)

	FY2022 Actuals	FY2023 Conference Committee	FY2023 Authorized	FY2023 Management Plan	FY2024 Governor	FY2023 Management Plan vs FY2024 Governor	
71000 Personal Services	0.0	513.0	467.7	504.2	660.1	155.9	30.9%
72000 Travel	0.0	0.0	15.0	15.0	65.3	50.3	335.3%
73000 Services	0.0	0.0	393.5	357.0	792.3	435.3	121.9%
74000 Commodities	0.0	0.0	37.0	37.0	47.0	10.0	27.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	0.0	513.0	913.2	913.2	1,564.7	651.5	71.3%
Fund Sources:							
1061 CIP Rcpts (Other)	0.0	513.0	913.2	913.2	1,564.7	651.5	71.3%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	513.0	913.2	913.2	1,564.7	651.5	71.3%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	3	3	3	4	1	33.3%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Broadband Office (3379)
RDU: Executive Administration and Development (119)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2023 Conference Committee To FY2023 Authorized *****												
FY2023 Conference Committee	ConfCom	513.0	513.0	0.0	0.0	0.0	0.0	0.0	0.0	3	0	0
1061 CIP Rcpts		513.0										
Transfer Unallocated Rate Adjustments to Alaska Broadband Office	Unalloc	0.5	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		0.5										
Broadband: Office, Grants, Parity Ch52 SLA2022 (HB363) (Sec2 Ch11 SLA2022 P48 L15 (HB281))	FisNot	399.7	-45.3	15.0	393.0	37.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		399.7										
Subtotal		913.2	467.7	15.0	393.5	37.0	0.0	0.0	0.0	3	0	0
***** Changes From FY2023 Authorized To FY2023 Management Plan *****												
Align Authority with Anticipated Expenditures	LIT	0.0	36.5	0.0	-36.5	0.0	0.0	0.0	0.0	0	0	0
Align authorization for anticipated expenditures in the travel line, consistent with the FY2023 Travel Plan and for planned personal services.												
Subtotal		913.2	504.2	15.0	357.0	37.0	0.0	0.0	0.0	3	0	0
***** Changes From FY2023 Management Plan To FY2024 Governor *****												
Statutory Designated Program Receipts for Participation in Broadband Activities	Language	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
The Alaska Broadband Office has been working with private organizations to increase participation in broadband planning and implementation measures across the state. Recently a private foundation was willing to participate and fund acquisition of certain mapping data, but the Department of Commerce, Community, and Economic Development (DCCED) was limited because receipt authority was not available. Adding authorization to allow potential future business, nonprofit, or private participation in the statewide broadband project will help the DCCED nimbly navigate broadband planning in the state and strengthen relationships with local partners.												
* Sec. XX. DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT. (h) The amount of statutory designated program receipts received by the Alaska Broadband Office, estimated to be \$0, is appropriated to the Department of Commerce, Community, and Economic Development, Alaska broadband office, for the fiscal year ending June 30, 2024												
Federal Receipts for Broadband in Alaska	Language	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
The bulk of federal funding for the Broadband Equity and Deployment (BEAD) program is expected to be received by the Alaska Broadband Office (ABO) in												

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Broadband Office (3379)
RDU: Executive Administration and Development (119)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	

FY2025. However, if the award is received earlier due to processing efficiencies or the ABO's aggressive application and follow-up timeline, it is possible that some limited funding will be available to expend in late FY2024. This language appropriation allows the Alaska Broadband Office to receive federal funds in FY2024 if funding is received earlier than expected. In addition, this authority would allow the ABO to continue to seek out other smaller funding opportunities to supplement BEAD funds. The Department of Commerce, Community, and Economic Development (DCCED) plans to submit appropriation requests for the significant future federal investment in broadband for the FY2025 budget cycle.

* Sec. XX. DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT. (i) The amount of federal receipts received by the Alaska broadband office for broadband activities is appropriated to the Department of Commerce, Community, and Economic Development, Alaska broadband office, for the fiscal year ending June 30, 2024.

Reverse IJJA Division F Title I Broadband-Establish Alaska Broadband Office for Broadband Program Implementation (FY23)

1061 CIP Rcpts	OTI	-513.0	-513.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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Create the State of Alaska Office of Broadband within the Executive Administration Results Delivery Unit. The office will be responsible for the implementation of the broadband programs and funding set out for the State of Alaska in the Infrastructure Investment and Jobs Act (IJJA). Funding for broadband program establishment is included in the capital budget and positions are funded from capital funds. A small amount of general funds is needed to support core services and other shared costs that may not be eligible for federal reimbursement.

This transaction adds three positions to establish the Office of Broadband and complete the necessary work products for the State of Alaska to receive the remainder of its federal allocation. In the future, grant staff and additional staff with technical expertise may be needed.

Year 2 Broadband: Office, Grants, Parity Ch52 SLA2022 (HB363) (Sec2 Ch11 SLA2022 P48 L15 (HB281))

1061 CIP Rcpts	Inc	256.2	0.0	0.0	256.2	0.0	0.0	0.0	0.0	0	0	0
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Year 2 funding from the House Bill 363 fiscal note.

Year 2 includes funding for grant administrator support, legal support services, and contractual support costs for the office.

Add Tribal Liaison (08-T190) for Broadband Support

1061 CIP Rcpts	Inc	236.2	155.9	50.3	20.0	10.0	0.0	0.0	0.0	1	0	0
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The new federal Broadband Equity, Access, and Deployment (BEAD) program will significantly advance broadband access in the state. The Alaska Broadband Office is a very small program tasked with significant responsibility for what will likely be a billion-dollar program for the state. The Tribal Liaison will ensure that the state's broadband efforts and broadband efforts by Alaska's Tribal entities are coordinated and aligned to maximize funding and ensure that federal funds and programs maximize opportunity for broadband for Alaskans across the state. Alaska's Tribal organizations will be critical partners and sources of information to ensure that federal funds are used effectively across the state. This position will meet the collaborative engagement requirements under federal funding agreements from the National Telecommunications and Information Administration (NTIA).

The Alaska Broadband Office is primarily funded from federal receipts received from the federal BEAD program. Alaska's application for the federal program has

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Broadband Office (3379)
RDU: Executive Administration and Development (119)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<p>been submitted, but due to the high demand for these funds and the limited amount of initial planning funds, federal funds are not available for this position. This position is funded by existing Economic Development Administration grant funds in FY2023 but will require general funds to support the position beginning in FY2024.</p> <p>The following position is added: Full-time Tribal Liaison (08-T190), range 23, located in Juneau.</p>												
Broadband Grants Management												
1061 CIP Rcpts	Inc	159.1	0.0	0.0	159.1	0.0	0.0	0.0	0.0	0	0	0
<p>Alaska is projected to receive up to \$1 billion in federal funds through the Broadband Equity and Access Deployment (BEAD) program beginning in FY2025. This funding will be used to establish and manage subgrants to be awarded to the end entities who will be building out the broadband to the communities (Tribal entities, telecoms, internet service providers, utilities, municipalities, and non-profits) throughout Alaska.</p> <p>These Grant Administrator positions will work closely with Alaska Broadband Office (ABO) staff to create and develop the grant programs, requirements, and documentation in advance of the federal grant funding so that the ABO is positioned to issue grant solicitations as soon as the federal grant funding is available. Once funding is available, these positions will issue grant solicitations, draft grant agreements, work with grantees, and perform ongoing grant administration and compliance reporting.</p> <p>These positions will be housed in the Division of Community and Regional Affairs with the Department of Commerce, Community, and Economic Development's existing Grant Administrator team, and will be primarily funded by federal receipts from the Alaska Broadband Office through a reimbursable services agreement.</p> <p>Some personal services funding for these positions was provided in year 2 of the fiscal note for House Bill 363 in 2022. Additional receipt authority is needed to fund these positions and their ongoing support costs.</p>												
Restore Base Funding for the Alaska Broadband Office												
1061 CIP Rcpts	IncM	513.0	513.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<p>The Alaska Broadband Office was created in FY2023 in the Executive Administration Results Delivery Unit. The office will be responsible for the implementation of the broadband programs and funding set out for the State of Alaska in the Infrastructure Investment and Jobs Act (IIJA). Funding for broadband program establishment was included in the capital budget and positions are funded from capital funds.</p> <p>Funding was initially added as a one-time item. This transaction restores base funding for the Alaska Broadband Office in FY2024.</p>												
Totals		1,564.7	660.1	65.3	792.3	47.0	0.0	0.0	0.0	4	0	0

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Travel

Component: Alaska Broadband Office (3379)

Line Number	Line Name		FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
2000	Travel		0.0	15.0	65.3
Object Class	Servicing Agency	Explanation	FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
2000 Travel Detail Totals			0.0	15.0	65.3
2000	In-State Employee Travel	In-State Transportation - Transportation costs for travel relating to administration, meetings, boards and commissions.	0.0	15.0	65.3

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Alaska Broadband Office (3379)

Line Number	Line Name		FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
3000	Services		0.0	357.0	792.3
Object Class	Servicing Agency	Explanation	FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
3000 Services Detail Totals			0.0	357.0	792.3
3007	Advertising and Promotions	Advertising, promotions and legal notices.	0.0	7.0	7.0
3011	Other Services	Contractual support for planning and grant making, which may include mapping, gap analysis, or other activities.	0.0	114.0	169.3
3011	Other Services	Law - Department-wide Other professional services.	0.0	16.0	16.0
3024	Inter-Agency Legal	Labor - Department-wide Legal services.	0.0	175.0	175.0
3038	Inter-Agency Management/Consulting	Commerce - Administrative Services (1028) Administrative Services support.	0.0	30.0	45.0
3038	Inter-Agency Management/Consulting	Commerce - Commissioner's Office (1027) Commissioner's Office support.	0.0	15.0	30.0
3038	Inter-Agency Management/Consulting	Commerce - Community & Regional Affairs (2879) Reimbursable services agreement with the Division of Community and Regional Affairs for grants management support.	0.0	0.0	350.0

Line Item Detail (1676)

**Department of Commerce, Community, and Economic Development
Commodities**

Component: Alaska Broadband Office (3379)

Line Number	Line Name		FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
4000	Commodities		0.0	37.0	47.0
Object Class	Servicing Agency	Explanation	FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
		4000 Commodities Detail Totals	0.0	37.0	47.0
4000	Business	Supplies for office, library, training, and instructional needs, including small equipment, tools and subscriptions.	0.0	37.0	47.0

Revenue Detail (1681)

Department of Commerce, Community, and Economic Development

Component: Alaska Broadband Office (3379)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
5061 CIP Rcpts (1061 CIP Rcpts)			0.0	913.2	1,564.7
5351 Capital Improvement Project Inter-Agency		Capital Improvement Project receipts from federal Broadband funding.	0.0	913.2	1,564.7

Inter-Agency Services (1682)

Department of Commerce, Community, and Economic Development

Component: Alaska Broadband Office (3379)

				FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
Component Totals				0.0	236.0	616.0
With Department of Law				0.0	16.0	16.0
With Department of Labor and Workforce Development				0.0	175.0	175.0
With Department of Commerce, Community, and Economic Development				0.0	45.0	425.0
Object Class	Servicing Agency	Explanation		FY2022 Actuals	FY2023 Management Plan	FY2024 Governor
3011 Other Services	Law - Department-wide	Other professional services.		0.0	16.0	16.0
3024 Inter-Agency Legal	Labor - Department-wide	Legal services.		0.0	175.0	175.0
3038 Inter-Agency Management/Consulting	Commerce - Administrative Services (1028)	Administrative Services support.		0.0	30.0	45.0
3038 Inter-Agency Management/Consulting	Commerce - Commissioner's Office (1027)	Commissioner's Office support.		0.0	15.0	30.0
3038 Inter-Agency Management/Consulting	Commerce - Community & Regional Affairs (2879)	Reimbursable services agreement with the Division of Community and Regional Affairs for grants management support.		0.0	0.0	350.0

Personal Services Expenditure Detail
Department of Commerce, Community, and Economic Development

Scenario: FY2024 Governor (19867)
Component: Alaska Broadband Office (3379)
RDU: Executive Administration and Development (119)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
08-T186	Director of Broadband	FT	A	XE	Anchorage	N00	26O / P	12.0		155,649	0	0	79,726	235,375	0
08-T187	Connectivity Manager	FT	A	XE	Anchorage	N00	22J / K	12.0		104,052	0	0	60,434	164,486	0
08-T190	Tribal Liaison	FT	A	XE	Juneau	N05	23C	12.0		98,943	0	0	58,523	157,466	0
08-X189	Administrative Specialist	FT	A	XE	Anchorage	N00	17F	12.0		69,927	0	0	47,674	117,601	0
													Total Salary Costs:	428,571	
													Total COLA:	0	
													Total Premium Pay:	0	
													Total Benefits:	246,357	
													Total Pre-Vacancy:	674,928	
													Minus Vacancy Adjustment of 2.20%:	(14,828)	
													Total Post-Vacancy:	660,100	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	660,100	
Total Component Months:		48.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1061 Capital Improvement Project Receipts	674,928	660,100	100.00%
Total PCN Funding:	674,928	660,100	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

State of Alaska
Department of Commerce, Community, and Economic Development
Alaska Broadband Office
FY2024 Governor Organization Chart

