

### **Executive Summary**

As part of the historic \$45 billion Rebuild Illinois capital plan, Governor JB Pritzker and bipartisan members of the General Assembly allocated \$420 million to expand access to high-speed "broadband" internet across the state, called the Connect Illinois program. As the largest state broadband grant program ever created, Connect Illinois commits the level of funding needed to expand broadband access across the state.

Created through Public Act 100-833, the Broadband Advisory Council is charged with removing barriers and fostering collaborations to expand broadband access and adoption. The governor identified three main outcomes that would center the council's work: telehealth, education and economic development.

Telehealth. Increase access to telehealth across the state of Illinois, which will provide additional healthcare options to communities in rural Illinois and expand treatment opportunities in areas such as mental health and opioid addiction.

Education. Put the state on a path to increased broadband access for K-12 schools throughout Illinois to ensure students have the tools they need to succeed in the classroom.

Economic Development. Expand economic development and opportunity in urban and rural communities throughout Illinois. This investment will support the growth of Illinois' agriculture economy and information technology sector and will help to modernize transportation and support the development of entrepreneurs and small business owners.

## **Members of the Broadband Advisory Council**

To inform and advise the Connect Illinois program, the Governor-appointed Illinois Broadband Advisory Council convened in August 2019. The 25-member council includes representation from various internet service providers, state agency officials and legislators, and certain broadband-related stakeholders.

Gov. Pritzker appointed seven leaders with deep knowledge of the telecommunications industry, particularly in serving rural and urban areas throughout the state. These appointees include:

- Karen Boswell, Director of Government and Regulatory Affairs at Frontier Communications Corporation
- Melia Carter, a Director of Government Affairs at Verizon
- Steve Hill, President, Satellite Broadcast and Communications Association
- Rick Holzmacher, Director of Government Affairs for the Illinois Rural Broadband Association
- Zak Horn, President, Metro Communications Company
- Christopher Nelson, Comcast's Director of Government and Regulatory Affairs for the Chicago region
- Deno Perdiou, AT&T's Director of Government and Regulatory Affairs for Illinois

The seven governor-appointed members joined the following 18-member organizations that were designated in statute to round out the 25-member council:

- Deb Alfredson, Illinois Association of Housing Authorities
- David Antonacci, Illinois Board of Higher Education
- Paula Basta, Illinois Department on Aging
- Bill Bodine, Illinois Farm Bureau
- Mike Chamberlain, Illinois Municipal League, Mayor of Belvidere
- John Connor (D), Illinois House of Representatives
- Bill Cunningham (D), Illinois Senate
- Kristi Dula, Illinois Department of Commerce and Economic Opportunity
- Theresa Eagleson, Illinois Department of Healthcare and Family Services
- Ryan Gruenenfelder, AARP
- Jeff Newell, Illinois Community College Board
- Susan Satter, Illinois Attorney General's Office
- Josh Shallenberger, Shelby Electric Coop
- Anne Slaughter, Illinois Library Association
- Lori Sorenson, Illinois Department of Innovation and Technology
- Jil Tracy (R), Illinois Senate
- Keith Wheeler (R), Illinois House of Representatives
- Jim Zolnierik, Illinois Commerce Commission

The following individuals serve as officers of the Broadband Advisory Council:

- Chair Senior Advisor Nikki Budzinski, Governor's Office
- Vice Chair Lori Sorenson, Illinois Department of Innovation and Technology
- Secretary/Treasurer Margaret Croke, Illinois Department of Commerce and Economic Opportunity

# **Meetings of the Broadband Advisory Council**

By statute, the Broadband Advisory Council is required to meet once quarterly. The Broadband Advisory convened four times in 2019, with two regular meetings and two special meetings.

- Regular Meeting: Monday, August 19<sup>th</sup>, 2019
- Special Meeting: Tuesday, October 1<sup>st</sup>, 2019
- Special Meeting: Monday, October 21st, 2019
- Regular Meeting: Monday, November 18<sup>th</sup>, 2019

August 19<sup>th</sup> Meeting: Chairwoman Budzinski provided an overview of the Broadband Office in the Department of Commerce and Economic Opportunity ("DCEO"), gave an overview of the Broadband Advisory Council, the members' objectives, and an explanation of the annual report requirement that the Broadband Advisory Council is mandated to provide to the General Assembly. The council adopted a Vice Chair, Secretary/Treasurer and the Broadband Advisory Council bylaws. The council was provided an overview of the funding for the Broadband Office including office operational costs, grants, and the Illinois Century Network. Finally, the council

established the Broadband Advisory Council working groups: access; economic development; education; infrastructure and technology; and telehealth.

October 1<sup>st</sup> Meeting: Director of Commerce and Economic Opportunity Erin Guthrie introduced the council to Matt Schmit, Deputy Director of Broadband. The council heard recommendations from the five working groups: Telehealth, Economic Development, Access, Technology & Infrastructure, and Education. Ryan Croke, Chief of Staff, Department of Human Services, presented on prior state broadband investment. Deputy Director of Broadband Matt Schmit presented on best practices of other states and what Illinois can learn.

October 21<sup>st</sup> Meeting: Nancy Kaszak, Partnership for a Connect Illinois, presented on opportunities in telehealth for the state of Illinois. Matt Schmit, Deputy Director of Broadband, presented on state best practices and strategies on broadband expansion to inform Illinois' broadband program. The council discussed future agenda items to be included in the coming year.

November 18<sup>th</sup> Meeting: Lori Sorenson, Chief Technology Officer of the Department of Innovation and Technology, presented on the Illinois Century Network and the Rebuild Illinois capital investment into the network. Matt Schmit, Deputy Director of Broadband, presented an overview of the Connect Illinois program strategy and received feedback from the council. The council then heard from Jonathan Sallet, Senior Fellow at the Benton Institute for Broadband & Society, about his report, "Broadband for America's Future: A Vision for the 2020s."

## Accomplishments of the Broadband Advisory Council

### **Broadband Working Groups**

During the first meeting of the Broadband Advisory Council, the council convened and established five working groups to discuss key issues and to identify various opportunities and barriers related to broadband infrastructure and utilization. The working groups included: access; economic development; education; infrastructure and technology; and telehealth. The working groups each met three times and then presented recommendations to the Broadband Advisory Council to inform the broadband strategic plan.

Access. The working group on access explored barriers and opportunities for improved collaboration between broadband providers and private land owners and public facilities. Through careful communication and coordination, Connect Illinois deployments will seek to leverage shared stakeholder interests to improve access to public facilities and private assets, such as agricultural land, railroad crossings, and utility poles, wherever possible. The Access working group was chaired by John Sullivan, Director of Agriculture.

Economic Development. The working group on economic development examined how to leverage the convergence of improved bandwidth, innovative applications, and useful metrics to promote and measure the impact of new broadband investment and related opportunities. The working group found that broadband is increasingly necessary for business attraction and growth in the economy of today — and tomorrow. For instance, broadband was found to reduce transaction

costs and improve access to online resources, boosting sales and reducing input costs. In addition, multiple studies suggest that rural broadband is positively associated with: GDP growth; median household incomes; farm revenues; and non-farm rural businesses growth — with faster broadband having greater impact.

Often overlooked or understated, residential broadband is an important business attraction tool, providing quality of life for workers and local customers – not to mention the capacity for telework, flex schedules, or home-based business start-ups that could grow to produce new jobs or future property tax base.

The state's recently-released five-year economic plan highlights six primary sectors for driving growth: agriculture; energy; healthcare; information technology; manufacturing and transportation. Notably, each of these sectors requires broadband, with information technology providing perhaps the greatest growth potential and broadband needs. Regarding the rural economy, companies with high transaction costs or high labor intensity – such as financial services, wholesale trade, health, or tourism – stand to benefit the most from better broadband. The Economic Development working group was chaired by Jason Horwitz, DCEO Deputy Director of Policy and Research.

Education. The working group on education considered the barriers and opportunities at the intersection of broadband and education. While the federal e-rate program and state investment in the Illinois Century Network have produced clear successes, continued progress is needed to ensure that all students have access to the level of broadband they need – both inside the classroom and out – for such uses as interactive and multimedia curriculum, flip schedules, and distance learning, to name a few. In July 2019 ICN announced the K-12 Broadband Network initiative which provides state funded Internet, broadband circuits, security services and E-rate program administration for public K-12 schools. More than half the school districts signed on within the first 60 days. The Education working group was chaired by Mary Reynolds, Illinois State Board of Education Executive Director of Regulatory Services.

Infrastructure and Technology. The working group on infrastructure and technology focused on identifying elements of a successful broadband grant program, such as the need for mapping, matching funds, clear funding criteria, and a balanced challenge process to ensure accurate mapping and fair grant administration. The Infrastructure and Technology working group was co-chaired by Vice Chairwoman Lori Sorenson, DoIT and Travis March, DCEO Chief Operations Officer.

Telehealth. The working group on telehealth identified barriers and opportunities related to expanded health care service and technology enabled by broadband connectivity, including the need for clear regulation of and reimbursement for telehealth services, related equipment for telehealth services and facilities, and the bandwidth necessary for real-time interaction between patient and heath care professional. The Telehealth working group was chaired by Chairwoman Nikki Budzinski, Senior Advisor to the Governor.

#### Office of Broadband

Created in September 2019, the Office of Broadband is housed within the Illinois Department of Commerce and Economic Opportunity, the state's largest grant-making authority. As a primary charge, the office is responsible for administering the Connect Illinois broadband infrastructure grant program. In addition, the Office will develop and administer related programming in areas such as community planning and capacity building and digital literacy, adoption, and inclusion.

Beyond the administration of grants and programming, the office will work with one or more third-party vendors to develop state-specific mapping of broadband assets, including available technology and levels of service. Recognizing the limitation of current mapping offered by the FCC, this effort will leverage otherwise propriety broadband provider data — and direct consumer feedback — to generate interactive mapping detailing various technology and levels of service available to communities and consumers throughout Illinois. Among other attributes, the mapping will enable analysis of various layers, such as by county, legislative district, or deployment year.

Finally, the office will serve as a one-stop shop for all things broadband. From infrastructure to utilization, public funding to private deployment, the office will strive to be a useful resource to individual consumers, local communities, various state agencies, and broadband providers alike. Just as broadband connects seemingly distinct aspects of our lives or otherwise siloed areas of government, the office of broadband seeks to make meaningful connections – including through thoughtful public-private partnership, innovative cross-sector collaboration, and increased efficiency within state agencies and across all levels of government.

#### Deputy Director of Broadband

In September 2019, Matt Schmit was hired as the Deputy Director of Broadband. Matt has many years of experience in the broadband space from various perspectives, including as an academic, private consultant, and state legislator. As a Minnesota state legislator, Matt was instrumental in passing and implementing the successful broadband expansion program in Minnesota, which is seen as a national model for effective investment in broadband infrastructure. As Deputy Director of Broadband, Matt participated vigorously in the working group process, helped to establish the Office of Broadband at DCEO, and is writing the statewide broadband strategic plan for Illinois.