ARTICLE 3
BROADBAND

Section 1. BROADBAND DEVELOPMENT APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose.

The figures "2024" and "2025" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.

"The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is fiscal years 2024 and 2025.

<table>
<thead>
<tr>
<th>Available for the Year</th>
<th>Ending June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$75,350,000</td>
</tr>
<tr>
<td>2025</td>
<td>$50,350,000</td>
</tr>
</tbody>
</table>

(a) $350,000 each year is for the Office of Broadband Development.
(b) $55,000,000 the first year and $30,000,000 the second year are transferred from the general fund to the border-to-border broadband fund account established in Minnesota Statutes, section 116J.396. These transfers are onetime.

c) $20,000,000 the first year and $20,000,000 the second year are appropriated to the commissioner for the lower population density grant program to award grants to provide broadband service to unserved and underserved areas of the state where a 50 percent match formula is not adequate to make a business case for the extension of broadband facilities. Grants awarded under this paragraph.

Appropriations Available for the Year

<table>
<thead>
<tr>
<th>Ending June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
</tr>
<tr>
<td>2025</td>
</tr>
</tbody>
</table>

(c) $20,000,000 the first year and $20,000,000 the second year are for transfer to the border-to-border broadband fund account established in Minnesota Statutes, section 116J.396. Of the amount transferred each year, $20,000,000 is for lower population density program grants under Minnesota Statutes, section 116J.3952. This is a onetime appropriation.
may fund up to 75 percent of the total cost of a project and must otherwise adhere to Minnesota Statutes, section 116J.395, subdivisions 1 to 6; subdivision 7, paragraph (b); and subdivision 8. These appropriations are onetime.

Subd. 7. Limitation. (a) No grant awarded under this section may fund more than 50 percent of the total cost of a project.

(b) Grants awarded to a single project under this section must not exceed $5,000,000.

Subd. 2. Grants. Grants awarded under this section may fund up to 75 percent of the total cost of a project and must otherwise adhere to section 116J.395, subdivisions 1 to 6 and subdivision 7, paragraph (b).

Sec. 5. Minnesota Statutes 2022, section 116J.396, subdivision 2, is amended to read:

Subd. 2. Expenditures. Money in the account may be used only:

(1) for grant awards made under sections 116J.395 and to 116J.3951; 116J.3952, including costs incurred by the Department of Employment and Economic Development to administer that section;

(2) to supplement revenues raised by bonds sold by local units of government for broadband infrastructure development; or

(3) to contract for the collection of broadband deployment data from providers and the creation of maps showing the availability of broadband service.

This act is effective July 1, 2023.
Sec. 6. Laws 2022, chapter 95, article 4, section 2, is amended to read:

Sec. 2. LOWER POPULATION DENSITY PILOT PROGRAM.

(a) The commissioner of employment and economic development must establish a pilot program to provide broadband service to unserved and underserved areas, as defined in Minnesota Statutes, section 116J.394, of the state where a 50 percent match formula is not adequate to make a business case for the extension of broadband facilities. Grants awarded under this section shall adhere to all other requirements of Minnesota Statutes, section 116J.395, subdivisions 1 to 6, and may fund up to 75 percent of the total cost of a project, notwithstanding Minnesota Statutes section 116J.395, subdivision 7. Grants awarded to a single project under this section may not exceed $10,000,000.

(b) The commissioner of employment and economic development may use up to $30,000,000 from the appropriations in sections 3 and 4 for the lower population density pilot program under paragraph (a).

(c) No later than December 31, 2023, the Office of Broadband Development must submit a report to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over broadband policy and finance analyzing the impacts of this section on the number and amounts of grants awarded under Minnesota Statutes, section 116J.395.

(d) This section expires December 31, 2026.