COUNCIL for CITIZENS AGAINST GOVERNMENT WASTE

Thomas A. Schatz, *President*
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August 12, 2022

Governor Greg Gianforte
Montana State Capitol
1306 East 6th Avenue
Helena, Montana 59601

Dear Governor Gianforte,

On behalf of the 8,799 members and supporters of the Council for Citizens Against Government Waste (CCAGW) in Montana, we urge you to ask the ARPA (American Rescue Plan Act) Communications Advisory Commission to oppose the imposition of a "provider cap" on the number of grants that a single provider may receive.

According to an August 8, 2022, article published by KTVH News in Helena, the commission considered the results of the scoring system it approved to determine which applicants met the qualifications for each of 75 proposed projects. Points were awarded to applicants whose submissions included higher speeds and matching funds, getting the connections made more quickly, connecting unserved communities, addressing "equity and affordability," providing new connections to unserved or underserved healthcare facilities, and serving areas with significant low-income customers. There was no preference for Montana-based companies. Based on the criteria, one company won 20 of the 46 projects that had high enough scores to be recommended for funding.

Despite the awards meeting the advisory commission's own transparent and fair criteria, which were designed to deliver broadband services to as many unserved locations in Montana as possible, one of the commissioners suggested adopting a "provider cap" of 35 percent, which was considered but not approved. It is expected that the advisory commission will revisit this cap at its August 17, 2022, meeting. Montana Department of Administration Director Misty Ann Giles noted the criteria were adopted after "a lot of fair debate" in December, 2021, and have been "the rules of the road" since that time. Changing the criteria now would undermine that process, overturn the project rankings, give projects to lower-scoring applicants at a higher cost to taxpayers, and connect fewer unserved communities.

CCAGW hopes that you will ask the commission to adhere to the process that was set in place for all bidders, which will both maintain the integrity of the Communications Advisory Commission's process and encourage fair competition for future federal broadband funds.

Thank you for your consideration of CCAGW's concerns about ensuring that Montana's unserved and underserved communities receive broadband access as quickly and effectively as possible.

Sincerely,

Tom Schatz