

Gov. Pritzker Announces \$50 Million in Grants to Kick Off State's Largest-Ever Broadband Expansion

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Geneseo, Ill. – Launching the state's largest-ever broadband expansion initiative, Governor JB Pritzker announced \$50 million in Connect Illinois grants to 28 projects touching every region of the state. The \$50 million in state grants will be matched by \$65 million in nonstate funding for a total of \$115 million, with plans to expand access for more than 26,000 homes, businesses, farms, and community institutions across Illinois.

These funds are being released as part of the state's \$420 million statewide broadband expansion, Connect Illinois—the Governor's plan to bring basic access to all communities by 2024. This plan aims to improve access through an unprecedented capital investment and with the nation's largest grant matching program.

The governor was joined by the Illinois Department of Commerce and Economic Opportunity (DCEO) and grantee, Geneseo Communications, for an event at Olson Acres Farms in Geneseo to make the announcement.

"Connect Illinois is about the right of all our communities to access health care, education, and economic opportunity – because in the 21st century, all those rights are tied to digital connectivity," said Governor JB Pritzker. "The unacceptable consequences of disparities in broadband access were clear before the COVID-19 pandemic – and over the last few months, we've seen firsthand what it means when a small business that had to close its doors has no online shop, what it means when an elderly couple has no safe way to get medical advice at a distance, what it means when a child has no ability to access homework assignments online. This work has never been more urgent – the disadvantages that persist when our communities are left out of opportunity demand ambitious efforts to bring them to a close."

With the first round of Connect Illinois grants, 18 internet service providers, rural cooperatives, nonprofits and local governments were granted a total of \$50 million to invest in growing broadband capacity across the state. Round one leverages over \$65 million in nonstate match for a total of more than \$115 million to support fiber infrastructure investments made over the next 12-18 months.

"The first \$50 million in Connect Illinois grants will expand broadband infrastructure to bring resources to communities that need it most, laying a foundation for continued economic growth," said Acting Director of DCEO Michael Negron. "Access to high-speed, reliable internet is essential for households and businesses across our state, and the Governor's plan provides a roadmap for our state to build 21^{st} century communities. Throughout this multi-year plan, DCEO is committed to ensuring this program benefits those that need it most - boosting education, jobs, and economic opportunity for all of Illinois in the process."

Grants were awarded to a diverse group of recipients representing every region of the state, with projects supporting fully scalable broadband infrastructure that will serve these areas for decades into the future. A full <u>list</u> and a <u>map</u> of first round recipients is available on <u>DCEO's broadband page</u>.

"Long before COVID-19 forced us to rely on high speed Internet for much of our daily life, the Governor's team was already laying the groundwork for reducing the digital divide in Illinois through by making reliable and affordable high speed Internet available in communities where it's not available," said Rep. John Connor (D-Crest Hill). "If you don't have reliable high speed Internet available to you now in your neighborhood, today begins the solution to that problem so that soon you can use all those services that depend on fast, reliable Internet.

The Governor and local stakeholders highlighted investments proposed by Geneseo Communications, Inc. to serve nearly 4,000 businesses, farms, households, and anchor institutions in Henry and Rock Island counties located in northwestern Illinois. The Geneseo Rural FTTH fiber-to-the-home (FTTH) project will transform underserved areas into highly productive rural communities, opening doors to advancements such as precision agriculture.

"High speed internet access is just as important to a farmer in Henry County as it is to a corporation in a downtown Chicago high-rise," said Mike McClain, CEO of Geneseo Communications. "Due to the lack of density in most counties in Illinois, it is cost prohibitive to build direct fiber internet access to homes or farms. Connect Illinois and Geneseo Communications will build direct fiber and Gigabit-level internet speeds to homes and farms in rural Henry County, putting our communities on a level playing field with the best-served cities across the globe."

Internet access is essential to community and economic development in the State of Illinois, and the Governor's plan responds to the needs of key industries and business sectors that face a lack of access due to a number of factors, including their location. Farm and agriculture is one of those sectors – with an estimated 40 percent of farmers in Illinois underserved or completely unserved by reliable internet access.

"Reliable and affordable broadband service is a necessity for the success of agriculture and the quality of farm family life," said Richard Guebert, Jr., President of the Illinois Farm Bureau. "The recent COVID-19 situation has further highlighted the importance of broadband connectivity. Improving broadband service will help revitalize rural Illinois and boost our economy. The Illinois Farm Bureau appreciates the State of Illinois providing grants for broadband service in areas where it is most needed."

Grant applications were reviewed and evaluated on a competitive basis, with proposals evaluated in seven categories: broadband impact; matching funds; community support; project readiness; project sustainability; broadband adoption assistance; and shared use /open access.

"Expanding access to broadband in underserved areas is not only vital for schools and elearning, it is essential for economic development," said Sen. Bill Cunningham (D-Chicago). "I'm proud to stand with Governor Pritzker as he makes these important investments in broadband technology."

Applicants were eligible for up to \$5 million per project and they were required to provide a non-state funding match of at least 50 percent, more than doubling the first-round impact of the nation's largest state broadband matching grant program. Funds will be used for projects that build or increase fiber infrastructure to support broadband access. This in turn will create jobs across the state and offer new economic opportunities for Illinois residents.

"Jo-Carroll Energy through its Sand Prairie business unit is excited about the opportunity that the Connect Illinois Program brings to accelerate fiber buildout throughout two rural areas of our service territory," said Mike Casper, CEO, Jo-Carroll Energy Cooperative. "Our buildout will provide fiber to nearly 1,600 rural homes and businesses, including farms. We look forward to the public/private partnership and the expanded benefits in education, telehealth, precision agriculture and economic development that it will bring to our members."

The Governor's *Connect Illinois* initiative directs a total \$420 million broadband expansion – including a \$400 million grant matching program, and the \$20 million capital program for the Illinois Century Network, a high-speed broadband network serving K-12 and higher education institutions, among others. This includes a

requirement by internet service providers to match grants put forward in the Rebuild Illinois capital plan – yielding an additional \$400 million for broadband investment in Illinois.

"The public private partnership inherent to Connect Illinois is critical to meeting the call for fully scalable fiber that will stand the test of time," said Rick Holzmacher, board member of the Illinois Rural Broadband Association and the Illinois Broadband Advisory Council. "It has been an honor to serve on the Broadband Advisory Council and have the opportunity to work collaboratively with stakeholders of diverse interests toward the shared goal of universal high-speed internet access for all Illinoisans."

"High speed internet is an absolute necessity for economic growth and our ability to deliver high-quality education and health care. For rural families and businesses, the effects of the digital divide have been compounded by the COVID-19 pandemic," said Sen. Andy Manar (D-Bunker Hill). "Bold investments in broadband expansion under the Connect Illinois plan are the most impactful steps we can take to strengthen economic viability and secure a promising future for rural communities like those in Macoupin and northern Madison Counties. I appreciate the Pritzker administration's commitment to closing this disparity in all corners of our state."

"As a member of the Illinois Broadband Advisory Council, I have learned from communities, residents and other stakeholders how important broadband access is in all parts of our state, especially rural areas," said Sen. Jil Tracy (R-Quincy). "The recent stay-at-home, shelter-in-place periods have really highlighted the glaring gaps in broadband access and how necessary it is if we are to make full use of the vast educational, telemedicine, informational and recreational resources of the Internet."

DCEO anticipates issuing another round of Connect Illinois grants later this year. For more on these and other grant programs, please visit <u>DCEO's website</u> or follow us on social at @IllinoisDCEO.