

How Federal Funding Can Help Accelerate Local Broadband Goals | Infrastructure Investment and Jobs Act New Funding Initiatives

Andy Berke, Special Representative for Broadband at NTIA and former Mayor of Chattanooga, Tennessee

“This position that I have is new. The President of the United States has made this one of his top priorities, believes this is a legacy piece because he understands that full participation in the economy and in life in 2022 means you have an Internet connection. That's a revolution in how our government views this infrastructure.”

Quote: "This is bipartisan. Again, Democrats and Republicans passed the IIJA, they funded it together. That is so critical because we have buy-in and this is not a place where people are fighting. This is a place where people are coming together and say, 'how do we get this done?' And it's a lot more fun to be in the policy space and in the implementation space, if you're in a cooperative place than if there were people fighting all the time. But in the long run, it is the locals who are going to do this. That's just the way it's going to happen, it's the state, it's the local people, it's the partnerships."

Q&A

Q: How do local stakeholders like Housing Authorities work with the states in order to help them develop the plan at this time?

A: It varies depending on the state, but gathering localized data and developing organizational, municipal or regional digital equity plans

Q: Is there money available to help communities get started on some of this planning? For some communities, it might be a challenge just to pick up and start doing that plan, not having the human capital or economic resources to get it done.

A: Not directly in IIJA, that funding is aligned with state planning grants, but creative funding sources for this type of planning are ARP funds and local philanthropies

Q: What should local officials be doing now to prepare for these dollars?

A: Digging deep into the local data, gathering community stakeholders and reaching out to state broadband offices



INFRASTRUCTURE INVESTMENT AND JOBS ACT *NEW FUNDING INITIATIVES*

Next Century Cities
Regional Broadband Convening:
How Federal Funding Can Help Accelerate Local Broadband Goals
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NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

IIJA BROADBAND PROGRAMS OVERVIEW

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1. Broadband Equity, Access & Deployment (BEAD) Program
2. Digital Equity Programs
3. Tribal Connectivity Technical Amendments
4. Enabling Middle Mile Broadband Infrastructure

INFRASTRUCTURE ACT* CREATES ~\$65B IN BROADBAND FUNDING

NTIA will administer ~\$48B of this new funding

FCC to administer ~\$14B

\$14.2B

For Affordable Connectivity Program, which will replace the EBB program

USDA to administer \$2B

\$2.0B

Via the Rural Utilities Service

Private Activity Bonds

\$600M

\$600M

Authorizes State/local gov'ts to use private activity bonds for rural broadband

BEAD

**DIGITAL
EQUITY**

TRIBAL

**MIDDLE
MILE**

\$42.45B

\$2.75B

\$2.00B

\$1.00B

Title I - Broadband Equity, Access & Deployment Program

Formula-based grant program for U.S. states and territories. BEAD aims to close the access gap for unserved & underserved areas of the country.

Title III - Digital Equity Act

Three programs, established for planning & implementation of programs that promote digital equity, support digital inclusion activities, and build capacity related to the adoption of broadband.

Title II - Tribal Connectivity Technical Amendments

Furtheres current Tribal Broadband Connectivity Program by investing an additional \$2B to fund broadband adoption and infrastructure projects.

Title IV - Enabling Middle Mile Broadband Infrastructure

Provides funding to extend middle mile capacity to reduce cost of serving unserved and underserved areas and enhance network resilience.

* Infrastructure Investment and Jobs Act, Division F, Pub. L. 117-58 (Nov. 15, 2021)

Note: funding amounts inclusive of all administrative set-asides.



BEAD | THE "BEAD" PROGRAM WILL PROVIDE ~\$42B FOR INFRASTRUCTURE PLANNING AND IMPLEMENTATION

OVERVIEW

Official name: Broadband Equity, Access and Deployment Program

Funding pool: \$42.45B

Type of program: State and Territory formula program

Program objective: to close the availability gap, as Congress finds that "access to affordable, reliable, high-speed broadband is essential to full participation in modern life in the United States."

PROGRAM PRIORITIES

- 1 Unserved locations
No access to 25/3 Mbps
- 2 Underserved locations
No access to 100/20 Mbps
- 3 Community anchor institutions
Without gigabit connections

Eligible entity must also prioritize

- Persistent poverty / high-poverty areas
- Speed of proposed network
- Build time
- Demonstrated record on compliance with federal labor & employment laws

OTHER KEY FEATURES

Quality requirements

Specific network requirements are included e.g., speeds of at least 100/20 Mbps

Matching requirement

Eligible entities must ensure that they or a subgrantee provide at least 25% match (*unless waiver granted*)

Low-cost plan requirement

Required to offer a low-cost plan to eligible subscribers (*to be determined by NTIA*)

Note: funding amounts inclusive of all administrative set-asides



DIGITAL EQUITY (I/IV) | THE DIGITAL EQUITY ACT CREATES 3 SEQUENCED PROGRAMS TO PROMOTE DIGITAL INCLUSION

OVERVIEW

Official name: Title III – The Digital Equity Act

Funding pool: \$2.75B

Programs' objective: support the closure of the digital divide & promote equity and digital inclusion, so that "individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States."

PROGRAM/S PRIORITIES

- **Veterans**
- Individuals living in households **earning at or below 150% of the poverty line**
- **Aging** individuals
- **Incarcerated** individuals
- Individuals with **disabilities**
- Individuals with a **language barrier**
- Individuals who are members of a **racial or ethnic minority group**
- Individuals who primarily reside in **a rural area**

PROGRAMS CREATED

State program

State Planning Grant Program (\$60M)



State Capacity Grant Program (\$1.44B)

Comp. program

Competitive Grant Program (\$1.25B)

Created once state implementation grants begin being awarded

Note: funding amounts inclusive of all administrative set-asides



DIGITAL EQUITY (II/IV) | THE FIRST PROGRAM CREATES \$60M FOR STATE DIGITAL EQUITY PLANNING

State Planning Grant Program

OVERVIEW

Official name: State Digital Equity Planning Grants

Funding pool: \$60M

Type of program: State and Territory formula program

Programs' objective:
Ensure States have the capacity & appropriate plans to achieve digital equity & support digital inclusion

ELIGIBILITY

"Eligible entities" for this program are any U.S. State, the District of Columbia & Puerto Rico. State Governors must appoint an 'administering entity', which can be one, or a partnership of:

- The State, political subdivision, agency, or instrumentality of State
- An Indian Tribe, Alaska Native entity or Native Hawaiian organization located in the State
- A foundation, corporation, institution, association, or coalition that is a not-for-profit, not a school, and is providing services in the State;
- A community anchor institution (not a school) located in the State.
- A local educational agency that is located in the State.
- An entity located in the State that carries out a workforce development program.
- An agency of the State that is responsible for administering or supervising adult education and literacy activities in the State.
- A public or multi-family housing authority that is located in the State.

ELIGIBLE COSTS

Grant funds awarded for planning can only be used for the following purposes

- To develop the Stage Digital Equity Plan
- To make subgrants to any eligible entities to assist in the development of the State Digital Equity Plan

Note: funding amounts inclusive of all administrative set-asides



DIGITAL EQUITY (III/IV) | FOLLOWING PLANNING PROGRAM, STATES CAN APPLY FOR CAPACITY GRANTS TO IMPLEMENT

State Capacity Grant Program

OVERVIEW

Official name: State Digital Equity Capacity Grants

Funding pool: \$1.44B

Type of program: State and Territory formula program

Programs' objective:
To support the implementation of State Digital Equity Plans and digital inclusion activities

ELIGIBILITY

Eligibility and administering entity options are **consistent with the planning program**

Note, in order to apply for Capacity Grants, States must have participated in and completed the planning program

ELIGIBLE COSTS & ACTIVITIES

Funds awarded under this program can only be used for the following purposes:

- To update or maintain the State's Digital Equity Plan (no more than 20% of amount awarded)
- To implement the State's Digital Equity Plan
- To award sub-grants to 'eligible entities' to assist in implementation of the State's Plan
- To pursue digital inclusion activities in the State consistent with the Plan
- To report back to the State on related activities
- To determine the efficacy of efforts (no more than 5% of awarded funds can be used)

No more than 3% can be used for administrative purposes

Note: funding amounts inclusive of all administrative set-asides



DIGITAL EQUITY (IV/IV) | ONCE NTIA BEGINS AWARDING STATE CAPACITY GRANTS, COMPETITIVE PROGRAM WILL BE LAUNCHED

Competitive Grant Program

OVERVIEW

Official name: Digital Equity Competitive Grant Program

Funding pool: \$1.25B

Type of program: Competitive grant

Programs' objective: Support efforts to promote digital inclusion, achieve digital equity & improve adoption of broadband

ELIGIBILITY

Any of the following, if they are not serving / have not served, as administering entity under state program

- A political subdivision, agency, or instrumentality of a State, including an agency of a State that is responsible for administering or supervising adult education and literacy activities, or for providing public housing, in State
- Indian Tribe/ Alaska Native entity / Native Hawaiian organization
- A foundation, corporation, institution, or association that is a not-for-profit and not a school
- A community anchor institution
- A local educational agency
- Entity that carries out a workforce development program
- A partnership between any of the entities described above, and any additional entities approved by NTIA

ELIGIBLE ACTIVITIES

Must support at least one of the following, to benefit covered population/s

- Develop & implement digital inclusion activities
- Facilitate broadband adoption to provide educational and employment opportunities
- Implement training and/or other workforce development programs
- Make equipment, instrumentation, networking capability, hardware and software, or digital network technology available at low/no cost
- Construct, upgrade, expend, or operate new or existing public access computing centers through CAIs

Max 10% for administration; Max Federal share of any project is 90%; Max 10% for evaluation

Note: funding amounts inclusive of all administrative set-asides



TRIBAL | TECHNICAL AMENDMENTS AND NEW FUNDING WILL STRENGTHEN CURRENT TRIBAL CONNECTIVITY PROGRAM

OVERVIEW

Official name: Tribal Broadband Connectivity Technical Amendments

Funding pool: \$2.00B

Type of program: Grants to eligible entities with approved applications

Program objective: providing new funds and extending expenditure deadlines for the Tribal Broadband Connectivity Program (established by Consolidated Appropriations Act, 2021, Div. N, Tit. IX, Sec. 905(c))

KEY AMENDMENTS TO PRIOR PROGRAM

- 1 Adding \$2 billion for NTIA to distribute to eligible entities, including to fund previously-proposed programs
- 2 Relaxing time requirements of original program—after receipt of funding, eligible entities now have up to
 - 6 months to submit applications
 - 18 months to commit the funds to projects
 - 4 years to fully expend the grant funds
- 3 Allowing infrastructure grantees to expend up to 2.5% total project cost for related planning, feasibility and sustainability studies
- 4 Preserving unused allocated funds for other Tribal broadband projects instead of reverting back to the Treasury

Note: funding amounts inclusive of all administrative set-asides



MIDDLE MILE | \$1 BILLION ALLOCATED TO MIDDLE MILE GRANT PROGRAM TO SUPPORT EXPANSION OF NETWORKS

OVERVIEW

Official name: Enabling Middle Mile Broadband Infrastructure

Funding pool: \$1.00B

Type of program: Direct competitive grant on technology-neutral basis

Program objective: "Encourage the expansion and extension of middle mile infrastructure to reduce the cost of connecting unserved and underserved areas ... and to promote broadband connection resiliency"

PROGRAM PRIORITIES

- 1 For eligible entities meeting **at least two of five conditions:**
 - Adopt "fiscally sustainable middle mile strategies"
 - Commit to offering non-discriminatory interconnect
 - Identify specific, documented and sustainable demand for middle mile interconnect
 - Identify conditions/resources to speed up project
 - Demonstrate benefits to national security interests

- 2 **Eligible entities must also:**
 - Agree to prioritize connecting to unserved areas, connecting to non-contiguous trust lands, or offering wholesale carrier-neutral service at reasonable rate
 - Offer interconnection "in perpetuity ... on reasonable rates and terms"

Note: funding amounts inclusive of all administrative set-asides



To ask questions about IIJA broadband programs or
provide additional feedback:

BroadbandForAll@ntia.gov

For more information about upcoming listening sessions:
<https://broadbandusa.ntia.doc.gov/events/latest-events>