

# INFRASTRUCTURE INVESTMENT AND JOBS ACT NEW FUNDING INITIATIVES

Alaska State Legislature House Labor & Commerce Committee Hearing February 25, 2022

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

### IIJA BROADBAND PROGRAMS OVERVIEW

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NTIA

- 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

**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

Furthers 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.

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



<sup>\*</sup> 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**

- 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)



## 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



# 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



### 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



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

#### Competitive Grant Program

**ELIGIBILITY** 

#### **OVERVIEW**

### Any of the following, if they are not serving / have not

# **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

 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

- 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

public housing, in State

- 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



### TRIBAL (I/II) | 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**

- Adding \$2 billion for NTIA to distribute to eligible entities, including to fund previously-proposed programs
- 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
- Allowing infrastructure grantees to expend up to 2.5% total project cost for related planning, feasibility and sustainability studies
- Preserving unused allocated funds for other Tribal broadband projects instead of reverting back to the Treasury



### TRIBAL (II/II) | NO NEW RESTRICTIONS HAVE BEEN IMPOSED ON ELIGIBLE ENTITIES OR USES

#### **ELIGIBLE ENTITIES**

- A Tribal Government
- A Tribal College or University
- The Department of Hawaiian Home Lands on behalf of the Native Hawaiian Community, including Native Hawaiian Education Programs
- A Tribal organization
- A Native Corporation

#### **ELIGIBLE USES**

#### As outlined in prior legislation

- Broadband infrastructure deployment, including support for the establishment of carrier-neutral submarine cable landing stations
- Affordable broadband programs including
  - Providing free or reduced cost broadband service
  - Preventing disconnection of existing broadband service
- Distance learning
- Telehealth
- Digital inclusion efforts
- Broadband adoption activities
   Eligible entities can use no more than 2% of funds for administrative purposes

#### **PRIORITY**

Eligible entities shall prioritize projects that deploy broadband infrastructure to unserved households



## 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**

- 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"



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

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