

Vermont Community Broadband Board Meeting
Monday, March 13, 2023, 12:00pm – 4:00pm
AGENDA

Meeting is being held virtually.

[Click here to join the meeting](#)

Join by Phone; [+1 802-828-7667,494812198#](#)

Note: there may be executive sessions as needed

- 12:00 1) Meeting Call to Order, Roll Call, & Approval of Agenda
- 12:05 2) Approval of February 13 and February 16 (special meeting) Meeting Minutes
- 12:15 3) Staff Updates
- General VCBB Updates – *Rob Fish*
 - CUD Progress Updates – *Lucy Rogers*
 - Dashboard Review – *Alissa Matthews*
 - Communications & Media – *Herryn Herzog*
- 12:40 4) VCUDA Updates
- 1:10 5) Northwest Fiberworx PreConstruction Grant Amendment
- 1:30 6) BEAD and Digital Equity Deep Dive
- 3:15 7) Open Policy Discussion
- 3:30 8) Public Comment
- 3:45 9) Parking Lot – *Christine Hallquist*
- 3:55 10) Confirm Next Regular Meeting 4/10 & Motion to Adjourn

Press inquiries; please contact Herryn Herzog, herryn.herzog@vermont.gov, (802) 522-3396.



Board Packet Executive Summary

March 13, 2023

Christine Hallquist, Executive Director

Phone – 802-636-7853

Email – christine.hallquist@vermont.gov

NW Fiberworx Pre-Construction Amendment

VCBB staff met with Northwest Fiberworx to review the request for the VCBB to provide the CUD with their share of remaining pre-construction funds. These funds will provide NW Fiberworx with the resources they need in order to get to construction. As part of their due diligence, the CUD has experienced delays in getting to construction that will be explained to the Board at the meeting as part of the request. The staff recommends the Board approve the pre-construction grant request of \$1,371,663.75.

Staff presentation on the IIJA BEAD and Digital Equity program

The VCBB is in the process of building the 5-year plan and an Initial Proposal for pulling down the funds from the IIJA program. Staff has been working closely with the NTIA to overcome some of the challenges that the program has in place for models that focus on public ownership, accountability, and oversight. It is essential that the Board fully understands the program and the requirements and how this program interacts with ACT 71. The VCBB has approximately nine months to submit plans. These plans are a pre-requisite for the funding. We are planning to commit the bulk of this Board meeting to providing the information and address concerns from the Board as we embark on the planning process. Staff will provide ongoing updates with the Weekly Updates as well as Board meetings on the progress of the planning effort. The Board will be given an opportunity to review the plans prior to final submission. Included in this packet will be materials explaining the program. Staff will present a summary of the program to the Board at the meeting.

The Board is urged to review the following extensive set of background materials before the meeting

Broadband Equity Access Deployment (BEAD)

[BEAD NOFO](#)**

[BEAD Frequently Asked Questions](#)**

[Pew: BEAD What States Need to Know](#)

[BEAD Program Description – Annotated Guide \(Broadband Money\)](#)

[BEAD NOFO Deep Dive](#)

[BEAD Subgrantee Selection Primer](#)**

[BEAD NOFO – Financial Issues](#)**
[Five-Year Action Plan Guidance](#)

[Digital Equity Act \(DEA\)](#)

[Digital Equity Planning Grant Program Notice of Funding Opportunity](#)**

[Frequently Asked Questions \(FAQs\) for Digital Equity Act Programs](#)**

[BEAD-DE Alignment Guide](#) **

[Digital Equity Guide for States](#)

[Digital Equity Act – Request for Comments](#)

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Vermont Community Broadband Board Draft Meeting Minutes

Meetings are being held virtually.

February 16, 2023
Special Meeting

I. Call To Order – 12:37pm

Roll call completed by Patty Richards

Patty Richards, Chair (Remote)
Laura Sibilia (Remote)
Brian Otley (Remote)
Holly Groschner (Remote)
Dan Nelson (Not Able to Attend)
Christine Hallquist - Staff (Remote)
Robert Fish – Staff (Remote)
Alissa Matthews – Staff (Remote)

Patty Richards made a motion to approve the agenda as provided. Holly Groschner seconded the motion, and it was approved unanimously.

II. Election of VCBB Vice Chair

Patty Richards made a motion to re-elect Dan Nelson. The motion was seconded by Holly Groschner and was approved unanimously.

"At its initial organizational meeting, and annually thereafter at the first meeting following February 1, the Board shall elect from among its members a vice chair."

III. Confidential General Counsel Board Interview - Executive Session

Patty Richards made a motion to go into Executive Session. It was seconded by Holly Groschner and approved unanimously. The Board went into Executive Session with Christine Hallquist and Rob Fish.

"the appointment or employment or evaluation of a public officer or employee, provided that the public body shall make a final decision to hire or appoint a public officer or employee in an open meeting and shall explain the reasons for its final decision during the open meeting" 1 V.S.A. § 313(a)(3)

iv. Parking Lot, Confirm Next Regular Meeting 3/13 & Motion to Adjourn

Press inquiries; please contact Herryn Herzog, Herryn.herzog@vermont.gov, (802) 522-3396

DRAFT

Vermont Community Broadband Board Meeting

Monday, February 13th, 2023, 12:00pm – 3:30pm

Minutes

I. Meeting Call to Order, Roll Call, & Approval of Agenda

Patty Richards called the meeting to order at 12:05 and completed roll call.

- Patty Richards, Chair (Remote)
- Laura Sibia Joined at 12:14 (Remote)
- Brian Otley (Remote)
- Holly Groschner (Remote)
- Dan Nelson – Joined at 12:30 (Remote)
- Christine Hallquist - Staff (Remote)
- Robert Fish – Staff (Remote)
- Alissa Matthews – Staff (Remote)
- Herryn Herzog – Staff (Remote)
- Lucy Rogers – Staff (Remote)
- Tracy Collier - Staff (Remote)
- Kristin Brynga – PSD Staff (Remote)

Patty Richards made a motion to approve the agenda with a suggested change of moving (VI) budget report to (III). to make sure all board members were present for (III General Counsel Interview). The motion was seconded by Holly Groschner. The updated agenda was unanimously approved.

II. Approval of January 9th Meeting Minutes

The Board discussed the January 9, 2023, draft Board Meeting minutes. Patty Richards made a motion to approve the minutes, seconded by Brian Otley. Holly Groschner shared that the wrong statute was quoted regarding the reason to enter executive session and recommended that they be updated to A3 to discuss personnel matters. The motion passed unanimously.

III. Confidential General Counsel Board Interview (Executive Session - 1 VSA section 313 A3 - discuss personnel matters)

Patty Richards made a motion to enter executive session for personnel matters including Christine Hallquist and Rob Fish. Holly seconded the motion, and the motion passed unanimously. The board returned from executive session at 1:17 pm. No action was taken.

IV. Chittenden County CUD Pre-Construction Application Presentation & Review

Patty Richards disclosed that she sits on the select board for Underhill, a town included in the proposal and will recuse herself from the vote. Erik Wells and Ann Janda presented a pre-construction proposal to include hiring an executive director and other pre-construction needs. The CUD currently includes eight member towns including Westford and Underhill. Laura Sibia called attention to ACT 71 and the requirement of a universal service plan and mentioned that it will be important to consider accountability when selecting internet service providers. Holly Groschner moved to approve the pre-construction grant request of \$300,000.00 for the Chittenden County CUD. Dan Nelson seconded. Patty Richards abstained from the vote. The motion was approved by four votes.

V. NBRC Capacity Grant – Next Steps - Rob Fish & Rob Vietzke

Rob Fish shared that the NBRC approved the amendments submitted by the VCBB team. Rob Vietzke shared that the priorities outlined in the amendments are VCUDA/CUD priorities. Holly Groschner asked for clarity regarding the current Public Outreach position (Herryn Herzog). Rob Fish and Christine Hallquist explained that the current position is temporary and limited in hours, pay, and scope. Holly Groschner suggested that hiring a firm to do this work might be more cost effective. Laura questioned where the technical assistance for CUDs will be located? Rob Fish shared that this work will be done both at VCBB and VCUDA. Rob Vietzke shared that this funding will allow the CUDs to align and produce a product that will align the CUDs and show universal growth. Laura asked about the remaining funds (\$820,000.00) and if the board will be kept informed. Christine assured the board that the team will come back to the board on this. Patty made the motion to use the \$2.5 million to support the work of the CUDs. It was seconded by Laura Sibilia. Holly Groschner opposed the motion. The motion was approved with a vote of four. *For future votes the board requested that the staff provide the language.

VI. VCBB Budget Report Format and Review – Tracy Collier

Tracy Collier presented the draft budget report and requested feedback on the format. The Board suggested changes and acknowledged that the report would be iterative until it meets the needs of the Board. There was discussion around the current state and the need for supporting communications union districts with budgets monitoring and performance indicators.

VII. VCUDA Update – Rob Vietzke

Rob Vietzke reported that VCUDA has established working groups. The Make-Ready and Financial work group have met twice since the last board meeting. Process mapping is moving forward. The cost of pole and pole replacement is increasing as much as 30% over the last year. Poles that have been in service for 40 years or more are being discussed. Asking questions such as, is it possible to replace fewer poles? The financial working group is looking at inventory and coordination of the financial systems and compliance tools used. The BEAD program is being analyzed to build foundational knowledge and VCUDA will return to VCBB to align the efforts and budget. Legislative day on January 31, 2023, was successful, thanks to Laura Sibilia and team. Laura Sibilia questioned the 40-year poles and the discussions that are taking place with utilities and if there is engagement by the department. Rob Vietzke shared that this is not in the works currently, but collaboration is expected. Holly Groschner asked if the protocol for replacement poles is being followed and is the grant covering some costs? Rob Vietzke assured the board that they are committed to getting this right as early in the process as possible.

VIII. Staff Updates

- General VCBB Updates – *Rob Fish*
 - Weekly reports have been provided to the Board.
 - Staff attended a meeting in DC regarding Broadband, Equity, Access, & Deployment (BEAD) and the Digital Equity (DE) planning Grant. They had the opportunity to meet with congressional staff.
- CUD Progress Updates – *Lucy Rogers*
 - Chittenden pre-construction grant was approved in this meeting.
 - Otter creek and Northwest have construction grants in process and hope to have them ready for the April board meeting.
 - Lamoille is working on a pre-construction grant.
- Dashboard Review – *Alissa Matthews*
 - The dashboard has been updated with the pre-construction grants awarded in January.
 - There is a new map on the dashboard illustrating the school district data.
 - The maps are available on the hub link shared previously with the board.
- Communications & Media – *Herryn Herzog*

- “VCBB in the News” has been added to the VCBB website.
- FCC maps and challenge deadline are the top news items.
- The Vermont CUD models also received some press.
- Briefings were presented to the legislative committees.

Holly Groschner requested that a BEAD report be included in staff updates. Christine Hallquist shared that the team is hoping to have a full presentation for the board next meeting. Laura Sibia asked that VCUDA be included in this presentation.

IX. Public Comment

- No public comment.

X. Parking Lot – Christine Hallquist

Christine Hallquist reviewed the parking lot items noting that to establish policy to address enforceability of the partners of the CUDs is an on-going effort. Budget updates have been added to the board meeting agenda and will be on-going. Two items were added to the parking lot, including an update on Southern Vermont construction plans regarding Bennington County and BEAD/DE presentation for the next Board meeting.

Affordability will be added to the next Board meeting as a discussion.

XI. Confirm Next Regular Meeting 3/13 & Motion to Adjourn

There was discussion about availability to attend the next Board meeting. All agreed the 3/13 meeting will work. Patty made the motion to adjourn, and the motion was approved. 2:20 meeting adjourned.

Press inquiries; please contact Christine Hallquist, christine.hallquist@vermont.gov, 802-636-7853



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Vermont Community Broadband Board
112 State Street
Montpelier, VT 05620-2601

Dear Vermont Community Broadband Board,

On behalf of the Northwest Vermont Communications Union District, I would like to present a proposed addition to the awarded Broadband Preconstruction Grant. As we near the budget end date submitted in our first request in the fall of 2021, we must continue receiving operational support for our pre-construction activities and funding for staff. We have made great strides over the last year and are seeking to apply for the Act 71 Broadband Construction Grant this spring, with construction set to begin this summer. Following our first full year of operations, we now have an enhanced understanding of our budget requirements; the proposed addition will fund organizational needs for 18 months.

This request includes the following:

<ul style="list-style-type: none"> • Staff Salary & Benefits • Operational Expenses • Technology • Project Management & Design • VETRO Fibermap • Legal Services 	<ul style="list-style-type: none"> • Audit • Make Ready & Pole Application • Accounting/Payroll Services • Association Fees/Membership • Events/Conferences • Contingency
--	---

Remaining Pre-C NWCUD Allocation: \$1,371,663.75

Total request: \$1,371,663.75

I appreciate your consideration of this proposal.

Sincerely,

Sean R. Kio

Executive Director
Northwest Vermont Communications Union District



NORTHWEST FIBERWORX

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Task	2023 Request
Staff Salary & Benefits	\$ 592,167.00
Operational Expenses	\$ 119,758.50
Technology	\$ 7,500.00
Project Management & Design	\$ 305,000.00
VETRO Fibermap	\$ 37,500.00
Legal Services	\$ 60,000.00
Audit	\$ 15,000.00
Make Ready & Pole Application	\$ 173,625.00
Accounting/Payroll Services	\$ 15,000.00
Association Fees/Membership	\$ 15,000.00
Events/Conferences	\$ 7,500.00
Contingency	\$ 23,613.25
TOTAL	\$ 1,371,663.75

Budget Notes:

2021-2022 Budget was scheduled for 15 months.

2023-2024 Budget scheduled for 18 months.

Category changes to better align with 2023 NW Annual Budget

Additional Requests

- Staff Salary & Benefits
 - Current staff Executive Director (FT), Operations Manager (FT), Admin (PT)
 - Benefits – Medical, Dental, retirement, worker’s compensation, short-term and long-term disability.
- Operational Expenses
 - Necessary organizational expenses including: business development services, insurance, software services, utilities, financial, and other general expenses.
- Technology
 - Hardware replacement (if necessary)
- Project Management & Design
 - Contracted with NRTC
- VETRO Fibermap
 - Fiber management platform and mapping data aggregation
- Legal Services
 - Retained with Bauer Gravel Farnham and Lerman Setner
- Audit
 - Completed 2020 & 2021. To begin 2023 in May.



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- Make Ready & Pole Application
 - Contracted with Mission Broadband
- Accounting/Payroll Services
 - Contracted with Brad Lewis for monthly services.
- Association Fees/Membership
 - VCUDA & Fiber Broadband Association
- Events/Conferences
 - Training and broadband conferences
- Contingency
 - < 2% of budget

NOTICE OF FUNDING OPPORTUNITY

BROADBAND EQUITY, ACCESS, AND DEPLOYMENT PROGRAM

EXECUTIVE SUMMARY

A. Federal Agency Name

National Telecommunications and Information Administration (NTIA), U.S. Department of Commerce

B. Funding Opportunity Title

Broadband Equity, Access, and Deployment Program

C. Announcement Type

Initial

D. Funding Opportunity Number

NTIA-BEAD-2022

E. Assistance Listing (CFDA Number)

11.035

F. Key Dates

Completed Letters of Intent must be received by NTIA through the application portal no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 18, 2022**. Upon submission of the Letter of Intent, the Point of Contact for each Eligible Entity may request Initial Planning Funds through the application portal. The portal will provide additional information about submission requirements for funding, including but not limited to standard forms and a budget narrative. All supplemental information must be submitted by 11:59 p.m. Eastern Daylight Time (EDT) on **August 15, 2022**.

Eligible Entities that receive Initial Planning Funds (*see* Section IV.B.2) must submit a Five-Year Action Plan to NTIA within 270 days of receipt of Initial Planning Funds, as described in Section IV.B.3 below.

Eligible Entities will be notified of future submission deadlines following the Federal Communications Commission's (Commission's) release of the maps required by the Broadband

Deployment Accuracy and Technology Availability (DATA) Act, Pub. L. No. 116-130, 134 Stat. 228 (2020) (codified at 47 U.S.C. §§ 641-646) (Broadband DATA Maps). Initial Proposals may be submitted immediately upon issuance of the Notices of Available Amounts described in Section IV.B.4.b and will be due to NTIA no later than 180 days after such issuance. Final Proposals will be due to NTIA no later than 365 days after the approval of the Initial Proposal by the Assistant Secretary. *See* Section IV.B of this Notice of Funding Opportunity (NOFO) for additional timeline and program sequencing information.

G. Application Submission Address

Complete Letters of Intent, Requests for Initial Planning Funds, Five-Year Action Plans, Initial Proposals, and Final Proposals must be submitted electronically through NTIA's online application portal, available at <https://grants.ntia.gov/>. Complete program materials or portions thereof submitted by postal mail, courier, email, facsimile, or other means will not be accepted. *See* Section V of this NOFO for detailed information concerning submission requirements.

H. Funding Opportunity Description

NTIA issues this NOFO to describe the requirements under which it will award grants for the Broadband Equity, Access, and Deployment (BEAD) Program (Program), authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law. The BEAD Program provides new federal funding for NTIA to grant to all fifty states, the District of Columbia, and Puerto Rico (States), as well as American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the United States Virgin Islands (Territories), and in certain circumstances political subdivisions of these States and Territories, for broadband planning, deployment, mapping, equity, and adoption activities. Funding is distributed primarily based on the relative number of "unserved" locations (*i.e.*, broadband-serviceable locations that lack access to Reliable Broadband Service at speeds of at least 25 Mbps downstream and 3 Mbps upstream and latency levels low enough to support real-time, interactive applications) in each State and Territory. Each State is eligible to receive a minimum of \$100,000,000 and each Territory is eligible to receive a minimum of \$25,000,000. *See* Section I of this NOFO for the full Program Description.

I. Funding Instrument

Grant.

J. Eligibility

Eligible Entities authorized to apply to NTIA for grants under the BEAD Program are the entities identified in Section 60102(a)(2)(F) of the Infrastructure Act—specifically, any State of the United States, the District of Columbia, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands. *See* Section III of this NOFO for additional information concerning the BEAD Program's eligibility requirements.

K. Anticipated Amounts

Each State is eligible to receive a minimum allocation of \$100,000,000. Each State may request up to \$5,000,000 of its minimum allocation in Initial Planning Funds. American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands each are eligible to receive a minimum allocation of \$25,000,000. Each of those territories may request up to \$1,250,000 of its minimum allocation in Initial Planning Funds. Not less than twenty percent of the total allocation for a State or Territory will be made available at the approval of the Initial Proposal with remaining funds released upon approval of the Final Proposal.

After the publication of broadband coverage maps being prepared by the Federal Communications Commission (Broadband DATA Maps), which will be used to determine the number of unserved locations in every State and Territory, NTIA will notify Eligible Entities of their total funding allocations, calculated in accordance with Sections 60102(c)(1) and (c)(3) of the Infrastructure Act, and inclusive of the minimum initial allocation and Initial Planning Funds.

See Section II of this NOFO for additional information pertaining to award amounts and to the period of performance for grants issued pursuant to this NOFO.

L. Cost Sharing/Matching

Except in certain specific circumstances described herein (including projects in designated “high-cost areas,” as defined in Section 60102(a)(2)(G), and other cases in which NTIA has waived the matching requirement pursuant to Section 60102(h)(3)(A)(ii)), for each broadband deployment project utilizing BEAD grant funding, each Eligible Entity shall provide, require its subgrantee to provide, or provide in concert with its subgrantee, matching funds of not less than 25 percent of project costs. Funds from federal programs, including funds from the Commission’s Universal Service Fund programs, generally may not be used as matching funds; however, the Infrastructure Act expressly provides that matching funds for the BEAD Program may come from a federal regional commission or authority and from funds that were provided to an Eligible Entity or a subgrantee for the purpose of deploying broadband service under the Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281), the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or the American Rescue Plan Act of 2021 (Public Law 117-2; 135 Stat. 4), to the extent permitted by those laws. See Section III.B of this NOFO for more information pertaining to the cost sharing requirements for this Program.

FULL ANNOUNCEMENT TEXT

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I. Program Description

The National Telecommunications and Information Administration (NTIA) issues this Notice of Funding Opportunity (NOFO) to describe the requirements under which it will award grants in connection with the Broadband Equity, Access, and Deployment (BEAD) Program (Program), authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law. The BEAD Program provides federal funding for grants to Eligible Entities for broadband planning, deployment, mapping, equity, and adoption activities.

A. NOFO Structure

This NOFO presents information relevant to entities eligible for direct receipt of BEAD funding (*i.e.*, States and Territories, referred to in the Infrastructure Act as “Eligible Entities”), as well as entities that may seek subgrants from those Eligible Entities to conduct the numerous activities that are eligible uses for BEAD funding. It is generally organized as follows:

Section I (Program Description) provides an overview of the BEAD Program, including background material related to the Infrastructure Act broadly, as well as an overview of the Program’s procedural framework. It then defines key terms used throughout the NOFO.

Section II (Federal Award Information) provides basic information such as the amounts made available under the BEAD Program, key dates, the circumstances in which the Assistant Secretary may grant extensions, and the treatment of unallocated and unawarded funds.

Section III (Eligibility Information) describes entities eligible for BEAD Program grants (generally, States and Territories of the United States), requirements relating to the provision of matching funds by Eligible Entities and/or other actors, and circumstances that might warrant waiver of the match requirements.

Section IV (Program Sequencing, Structure, and Requirements) provides information regarding the BEAD Program’s structure, describing in detail the nine principal steps in the

process: (1) the Letter of Intent, (2) the Request for Initial Planning Funds, (3) the Five-Year Action Plan, (4) Program Fund Allocation and the Notice of Available Amounts, (5) the Initial Proposal, (6) the Challenge Process, (7) the Subgrantee Selection Process, (8) the 20 Percent Funding Release, and (9) the Final Proposal and Release of Remaining Funds. NTIA urges entities seeking to participate in the BEAD Program as Eligible Entities or as subgrantees to review this section especially closely. NTIA plans to provide detailed technical assistance to Eligible Entities regarding all matters addressed in this section.

Section V (Application and Submission Information) sets out information regarding how Eligible Entities may apply for and use BEAD Program funding, including a link to the online application portal, formatting instructions, certification requirements, submission timelines, and eligible uses for funding. It also provides information regarding certifications that prospective subgrantees must make in order to be eligible for subgrants.

Section VI (Application Review Information) briefly describes the review process that NTIA will undertake in assessing submissions by Eligible Entities in connection with the BEAD Program.¹

Section VII (Federal Award Administration Information) explains the process NTIA will employ to approve applications, notify successful and unsuccessful applicants of the process's results, and various legal obligations applicable to grant recipients (including, but not limited to, those relating to domestic procurement preferences ("Buy American" requirements) and contracting with small and minority businesses, women's business enterprises, and labor surplus area firms).

Section VIII (Federal Awarding Agency Contacts) provides contact information for individuals to whom interested parties may direct inquiries regarding the BEAD Program.

Section IX (Other Information) details information regarding topics including audit and reporting requirements, mandatory transparency, accountability, and oversight measures, and consequences associated with the unauthorized use of BEAD Program funds.

B. Overview

1. Background

In recent decades, access to the internet has played a critical and growing role in the ways in which Americans work, learn, receive health care, and participate in democracy. The COVID-19 pandemic crystalized what many have known for a very long time: High-speed internet access is not a luxury, but a necessity, for all Americans, regardless of their age, race, or income, irrespective of where they live, what languages they speak, what resources they have at their disposal, and what specific challenges they may face in their daily lives.

Recognizing broadband's fundamental role in today's society and its centrality to our nation's continued health and prosperity, President Biden has pledged to make sure that every American

¹ NIST is the entity within the Department of Commerce that will administer BEAD Program grants.

has access to reliable, affordable, high-speed internet. Full participation in our twenty-first century economy requires no less. Digital equity is necessary for civic and cultural participation, employment, lifelong learning, and access to essential services. Yet affordable, reliable, high-speed internet access has remained elusive to many for too long, because they live in a location where no service is available, the speed or quality of the service available is unreliable, or the offering available is unaffordable or inadequate. Internet connectivity itself is a necessary, but not sufficient, condition for eradicating the digital divide. Many on the wrong side of that divide require equipment, digital skills, financial resources, and more to realize the internet's full potential. Those who lack these resources face substantial barriers to digital equity, even in places where fast broadband connections are physically available. This digital divide is particularly acute for communities of color, Tribal nations, and lower-income areas and spans both urban and rural areas of the country.

Passed on a bipartisan basis, the Infrastructure Act includes \$42.45 billion to create the BEAD Program. The law charges NTIA—the President's chief advisor on telecommunications and information policy matters, housed within the United States Department of Commerce (DOC)—with administering this program.

This NOFO describes how, in partnership with other federal actors, as well as States, Territories, Tribal nations, cities, towns, counties and other localities, the non-profit sector, academia, unions and worker organizations, and industry, NTIA intends to administer the BEAD Program. This program will lay critical groundwork for widespread access, affordability, equity, and adoption of broadband, create good-paying jobs; grow economic opportunities, including for local workers, provide increased access to healthcare services, enrich educational experiences of students, close long-standing equity gaps, and improve the overall quality of life across America.

The Program's principal focus will be on deploying broadband service to *unserved* locations (those without any broadband service at all or with broadband service offering speeds below 25 megabits per second (Mbps) downstream/3 Mbps upstream) and *underserved* locations (those without broadband service offering speeds of 100 Mbps downstream/20 Mbps upstream). Eligible Entities that demonstrate they will be able to ensure service to all unserved and underserved locations will be free to propose plans that use remaining funds in a wide variety of ways, but NTIA underscores its strong preference that Eligible Entities also ensure deployment of gigabit connections to community anchor institutions such as libraries and community centers that lack such connectivity. Eligible Entities can apply any additional funding to pursue eligible access-, adoption-, and equity-related uses, as well as any other uses approved by the Assistant Secretary that support the Program's goals.

With respect to the deployment of last-mile broadband infrastructure, the Program prioritizes projects designed to provide fiber connectivity directly to the end user. It also requires all projects to provide a low-cost option to eligible subscribers, requires all states to have plans to address middle-class affordability, and further prioritizes proposals that improve affordability to ensure that networks built using taxpayer dollars are accessible to all Americans. The framework set out below will provide Eligible Entities flexibility to pursue deployments in the manner best suited to their populations – including, for example, the deployment of Wi-Fi service within multi-family buildings.

NTIA envisions and welcomes extensive coordination and cooperation with all relevant stakeholders. States and Territories have an important statutory role in the BEAD process. Localities and groups representing historically excluded communities can and must make their voices heard to ensure that longstanding equity gaps are finally closed. Existing broadband providers and new entrants must communicate well with Federal, State, Territorial, local, and Tribal partners to ensure that deployments proceed as expected and that non-deployment activities are designed and implemented in ways that most benefit the communities they are designed to serve. And, of course, NTIA urges individual stakeholders to engage throughout the process—with NTIA, with State, Territorial, and Tribal Governments, with providers, and with civil society groups—to ensure that this historic investment effectuates the purposes of the Infrastructure Act.

2. Process Overview

Successful execution of the BEAD Program will require close collaboration between NTIA, as the Program administrator, and the Eligible Entities, which must ensure that affordable, reliable, high-speed internet is accessible at every location within their jurisdictions and that other BEAD Program objectives are achieved. Eligible Entities, in turn, can succeed only by committing to close and ongoing coordination with their political subdivisions, subgrantees, and outside stakeholders, including current and prospective broadband providers, citizens, civil rights- and equity-focused organizations, community-based organizations, civil society and consumer-focused groups, unions and worker organizations, workforce boards, economic development organizations, schools, community colleges, neighborhood and housing associations, and the communities that stand to benefit from these unprecedented investments.

The Assistant Secretary and the staff of NTIA look forward to close communication during all phases of the process described in this NOFO. Broadly speaking, the process contemplated by the Infrastructure Act and this NOFO is as follows:

Stage	Description
Letter of Intent	July 18, 2022 is the deadline for an Eligible Entity to submit a Letter of Intent to participate in the Program.
Request for Initial Planning Funds	Either with its Letter of Intent or afterwards, an Eligible Entity that is a State (including the District of Columbia and Puerto Rico) may request up to \$5,000,000 in Initial Planning Funds. American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands each may request up to \$1,250,000. Each Eligible Entity’s Initial Planning Funds will be drawn from that Eligible Entity’s Minimum Initial Allocation. If the Eligible Entity requests Initial Planning Funds, it must submit an application for Initial Planning Funds by 11:59 p.m. Eastern Daylight Time (EDT) August 15, 2022, and a Five-Year Action Plan within 270 days of receipt of Initial Planning Funds.

<p>Notice of Available Amounts</p>	<p>On or after the date on which the Broadband DATA Maps are made public, the Assistant Secretary will notify each Eligible Entity of the estimated amount of funding that NTIA will make available to the Eligible Entity under the Program (Notice of Available Amounts) and invite the submission of an initial grant proposal (Initial Proposal) and a final grant proposal (Final Proposal).</p>
<p>Technical Assistance</p>	<p>Leading up to submission of the Initial Proposal and throughout the remainder of the process, NTIA will provide support and technical assistance to help ensure that the Eligible Entity’s proposals fully meet the requirements of the Infrastructure Act and the goals of the Program. This technical assistance will include iterative feedback on draft Initial and Final Proposals.</p>
<p>Initial Proposal</p>	<p>Eligible Entities will have 180 days from receipt of the Notice of Available Amounts to develop and submit an Initial Proposal, which will, among other things, describe the competitive process the Eligible Entity proposes to use to select subgrantees to construct broadband projects. Prior to submission to NTIA, the Initial Proposal must be made available for public comment, and the Initial Proposal must incorporate local coordination feedback for the Assistant Secretary’s review.</p>
<p>Challenge Process</p>	<p>After submission of its Initial Proposal and before allocating BEAD funds received for the deployment of broadband networks to subgrantees, an Eligible Entity must conduct a challenge process. Under this process, a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by the Eligible Entity in the Initial Proposal as to whether a particular location or community anchor institution within the jurisdiction of the Eligible Entity is eligible for the grant funds, including whether a particular location is unserved or underserved, and Eligible Entities must submit any successful challenges to NTIA for review and approval.</p>
<p>Initial Funding Availability</p>	<p>NTIA will review Initial Proposals as expeditiously as possible. Once an Initial Proposal is approved, NTIA will make available to the Eligible Entity not less than 20 percent of the total grant funds allocated to the Eligible Entity.</p>
<p>Subgrantee Selection</p>	<p>An Eligible Entity may initiate its competitive subgrantee selection process upon approval of its Initial Proposal and will have up to one year to conduct additional local coordination, complete the selection process, and submit a Final Proposal to NTIA. NTIA will provide support and technical assistance to help ensure that the Final Proposal fully meets the requirements of the Infrastructure Act and the goals of</p>

	the Program. The Eligible Entity may, at this point, utilize the funding provided (not less than 20 percent of the Eligible Entity’s total grant funds) to initiate certain eligible activities (<i>see</i> Section IV.B.8) before submission and approval of their Final Proposals.
Final Proposal	After the Eligible Entity has selected subgrantees and otherwise executed its approved Initial Proposal, it will submit to NTIA a Final Proposal describing how it complied with that Initial Proposal and the results of its processes. NTIA will award the remaining funds allocated to the Eligible Entity upon approval of the Eligible Entity’s Final Proposal, and Eligible Entities will initiate their subgrants for the remaining 80 percent of funding and any portion of the original 20 percent that the Eligible Entity has not yet awarded as a subgrant. Prior to submission to NTIA the Final Proposal must be made available for public comment.
Ongoing Monitoring, Reporting, and Performance Management	Throughout the BEAD Program, NTIA will conduct ongoing monitoring of an Eligible Entity’s progress against its plans and ensure that the requirements of the Infrastructure Act are met. Eligible Entities will be required to comply with reporting requirements and monitor subgrantee compliance.

NTIA strongly encourages each Eligible Entity participating in the BEAD Program to concurrently participate in the programs established under the Digital Equity Act of 2021, which provides \$2.75 billion to further advance federal goals relating to digital equity and digital inclusion. Just as the BEAD Program begins with a Five-Year Action Plan, the Digital Equity Act begins with State Digital Equity Planning Grants, which is the subject of a separate NOFO. Eligible Entities should view this NOFO and the State Digital Equity Planning Grant NOFO holistically as complementary efforts aimed at a singular, unified objective of closing the digital divide.

The Five-Year Action Plan that an Eligible Entity develops for the BEAD Program should therefore incorporate the Eligible Entity’s State Digital Equity Plan, as an Eligible Entity cannot have a Five-Year Action Plan that does not address digital equity. Moreover, Initial Proposals and Final Proposals developed for the BEAD Program should be informed by and be complementary to and closely integrated with the Eligible Entity’s Five-Year Action Plans and State Digital Equity Plans to address the goal of universal broadband access and adoption. So too each Eligible Entity should ensure overlap—or at least substantial interaction—between those tasked with developing the Five-Year Action Plan, Initial Proposal, Final Proposal, and State Digital Equity Plan. For example, Eligible Entities should ensure coordination between BEAD planning teams and State Digital Equity planning teams and should establish a formal and direct communication and collaboration pathway between the teams that remain in place throughout the entire planning process. This will be particularly important to reduce the burden and confusion on community stakeholders when fulfilling the local coordination requirements in this NOFO.

NTIA is committed to working closely with, and providing support and technical assistance to, Eligible Entities to help ensure that the Initial Proposals and Final Proposals fully meet the requirements of the Infrastructure Act and the goals of the Program. NTIA will provide submission templates throughout the process to provide clarity on expectations and reduce the administrative burden on Eligible Entities. When the Final Proposals have been approved and Eligible Entities begin to initiate Program activities, NTIA will work closely with the Eligible Entities to monitor progress, troubleshoot, and provide technical assistance as necessary and appropriate.

C. Definitions

The following definitions are applicable to the BEAD Program:

(a) Aging Individual—The term “aging individual” means an individual who is 60 years of age or older.²

(b) Assistant Secretary—The term “Assistant Secretary” means the Assistant Secretary of Commerce for Communications and Information or the individual who holds any successor position.

(c) Broadband; Broadband Service—The term “broadband” or “broadband service” has the meaning given the term “broadband internet access service” in Section 8.1(b) of title 47, Code of Federal Regulations, or any successor regulation, meaning it is a mass-market retail service by wire or radio that provides the capability to transmit data to and receive data from all or substantially all internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up internet access service. This term also encompasses any service that the Commission finds to be providing a functional equivalent of the service described in the previous sentence or that is used to evade the protections set forth in this part.

(d) Broadband DATA Maps—The term “Broadband DATA Maps” means the maps created by the Federal Communications Commission under Section 802(c)(1) of the Communications Act of 1934 (47 U.S.C. § 642(c)(1)).

(e) Commission—The term “Commission” means the Federal Communications Commission.

(f) Community Anchor Institution (CAI)—The term “community anchor institution” means an entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization³, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals. An Eligible Entity may propose to NTIA that additional types

² NTIA adopts the definition for “aging individual” set forth in Title III of the Infrastructure Act. *See* Section 60302(3) of the Infrastructure Act.

³ This term is used broadly and includes any public housing agency, HUD-assisted housing organization, or Tribal housing organization.

of institutions should qualify as CAIs within the entity’s territory. If so, the Eligible Entity shall explain why it has determined that the institution or type of institution should be treated as such and affirm that the institution or class of institutions facilitates greater use of broadband service by vulnerable populations, including low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals.

(g) Digital Equity—The term “digital equity” means the condition in which individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States.⁴

(h) Eligible Community Anchor Institution—The term “eligible community anchor institution” means a community anchor institution that lacks access to Gigabit-level broadband service.

(i) Eligible Entity—The term “Eligible Entity” means any State of the United States, the District of Columbia, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands or, in the case of an application failure, a political subdivision or consortium of political subdivisions that is serving as a Substitute Entity.

(j) Eligible Subscriber—The term “Eligible Subscriber” means any household seeking to subscribe to broadband internet access service that (1) qualifies for the Affordable Connectivity Program⁵ (ACP) or any successor program, or (2) is a member of a household that meets any of the following criteria:

- A) Household income for the most recently completed calendar year was at or below 200 percent of the Federal Poverty Guidelines;
- B) Any member of the household receives benefits under the Supplemental Nutrition Assistance Program, Medicaid, Federal Public Housing Assistance, Supplemental Security Income, Veterans and Survivors Pension benefit, or Special Supplemental Nutrition Program for Women, Infants, and Children;
- C) Any member of the household participates in Tribal specific assistance programs, such as Bureau of Indian Affairs General Assistance, Tribal TANF, Tribal Head Start, or Food Distribution Program on Indian Reservations;
- D) Any member of the household has applied for and been approved to receive benefits under the National School Lunch Program or the School Breakfast Program, or at least one member of the household is enrolled in a school or school district that participates in the USDA Community Eligibility Provision;
- E) Any member of the household received a Federal Pell Grant during the current award year;

⁴ NTIA adopts the definition for “digital equity” set forth in Title III of the Infrastructure Act. *See* Section 60302(10) of the Infrastructure Act.

⁵ The Affordable Connectivity Program was established in the Infrastructure Act as the successor to a previous program that has since been discontinued. The Commission in 2022 issued the *Affordable Connectivity Program Report and Order*, which sets out details regarding the ACP’s operation. *See* *Affordable Connectivity Program, Report and Order and Further Notice of Proposed Rulemaking*, FCC 22-2, (rel. Jan. 21, 2022).

- F) The household meets the eligibility criteria for a participating provider's existing low-income internet program; or
- G) The household satisfies any other additional criteria proposed by the Eligible Entity in its Initial Proposal and Final Proposal and approved by the Assistant Secretary.

(k) Extremely High Cost Per Location Threshold— an “Extremely High Cost Per Location Threshold” is a BEAD subsidy cost per location to be utilized during the subgrantee selection process described in Section IV.B.7 of this NOFO above which an Eligible Entity may decline to select a proposal if use of an alternative technology meeting the BEAD Program’s technical requirements would be less expensive.⁶

(l) Funded Network—The term “Funded Network” means any broadband network deployed and/or upgraded with BEAD Program funds.

(m) High-Cost Area—The term “high-cost area” means an unserved area in which the cost of building out broadband service is higher, as compared with the average cost of building out broadband service in unserved areas in the United States (as determined by the Assistant Secretary, in consultation with the Commission), incorporating factors that include— (I) the remote location of the area; (II) the lack of population density of the area; (III) the unique topography of the area; (IV) a high rate of poverty in the area; or (V) any other factor identified by the Assistant Secretary, in consultation with the Commission, that contributes to the higher cost of deploying broadband service in the area. For purposes of defining “high-cost area,” the term “unserved area” means an area in which not less than 80 percent of broadband-serviceable locations are unserved locations. NTIA will release further information regarding the identification of high-cost areas for purposes of BEAD funding allocations at a later date.

(n) Location; Broadband-Serviceable Location — The terms “location” and “broadband serviceable location” mean “a business or residential location in the United States at which fixed broadband Internet access service is, or can be, installed.”⁷

(o) Middle Mile Infrastructure — The term “middle mile infrastructure” (A) means any broadband infrastructure that does not connect directly to an end-user location, including a

⁶ Each Eligible Entity must establish its Extremely High Cost Per Location Threshold in a manner that maximizes use of the best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.6.b of this NOFO. NTIA expects Eligible Entities to set the Extremely High Cost Per Location Threshold as high as possible to help ensure that end-to-end fiber projects are deployed wherever feasible. NTIA looks forward to working with each Eligible Entity to help develop an appropriate Extremely High Cost Per Location Threshold.

⁷ Section 60102(a)(2)(H) states that the terms “location” and “broadband-serviceable location” “have the meanings given those terms by the Commission under rules and guidance that are in effect, as of the date of enactment of this Act.” *See* § 60102(a)(2)(H) of the Infrastructure Act. In the Third Broadband Data Collection Report and Order, the Commission adopted “as the fundamental definition of a ‘location’ for purposes of the [Broadband Serviceable Location] Fabric: a business or residential location in the United States at which fixed broadband Internet access service is, or can be, installed.” *See* Establishing the Digital Opportunity Data Collection; Modernizing the FCC Form 477 Data Program, WC Docket Nos. 19-195, 11-10, Third Report and Order, 36 FCC Rcd 1126, 1175 para. 126 (2021).

community anchor institution; and (B) includes—(i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links.⁸

(p) Non-Traditional Broadband Provider—The term “non-traditional broadband provider” means an electric cooperative, nonprofit organization, public-private partnership, public or private utility, public utility district, Tribal entity, or local government (including any unit, subdivision, authority, or consortium of local governments) that provides or will provide broadband services.

(q) Open Access— The term “open access” refers to an arrangement in which the subgrantee offers nondiscriminatory access to and use of its network on a wholesale basis to other providers seeking to provide broadband service to end-user locations, at just and reasonable wholesale rates for the useful life of the subsidized network assets. For this purpose, “just and reasonable wholesale rates” means rates that include a discount from the provider’s retail rates reflecting the costs that the subgrantee avoids by virtue of not providing retail service to the end user location (including, for example, marketing, billing, and collection-related costs).

(r) Priority Broadband Project—The term “Priority Broadband Project” means a project that will provision service via end-to-end fiber-optic facilities to each end-user premises.⁹ An Eligible Entity may disqualify any project that might otherwise qualify as a Priority Broadband Project from Priority Broadband Project status, with the approval of the Assistant Secretary, on the basis that the location surpasses the Eligible Entity’s Extremely High Cost Per Location Threshold (as described in Section IV.B.7 below), or for other valid reasons subject to approval by the Assistant Secretary.

(s) Program—The term “Program” means the Broadband Equity, Access, and Deployment Program.

(t) Project—The term “project” means an undertaking by a subgrantee to construct and deploy infrastructure for the provision of broadband service. A “project” may constitute a single unserved or underserved broadband-serviceable location, or a grouping of broadband-serviceable locations in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations or underserved locations.

⁸ NTIA adopts the definition of “middle mile infrastructure” set forth in Title IV of the Infrastructure Act, modified slightly to reflect the term “community anchor institution” used in the BEAD Program. *See* Infrastructure Act § 60401(a)(9).

⁹ A project that will rely entirely on fiber-optic technology to each end-user premises will ensure that the network built by the project can easily scale speeds over time to meet the evolving connectivity needs of households and businesses and support the deployment of 5G, successor wireless technologies, and other advanced services. *See* Infrastructure Act § 60102(a)(2)(I). *See also* Section IV.B.7.b.i of this NOFO.

(u) Reliable Broadband Service—The term “Reliable Broadband Service” means broadband service that the Broadband DATA Maps show is accessible to a location via:¹⁰ (i) fiber-optic technology;¹¹ (ii) Cable Modem/ Hybrid fiber-coaxial technology;¹² (iii) digital subscriber line (DSL) technology;¹³ or (iv) terrestrial fixed wireless technology utilizing entirely licensed spectrum or using a hybrid of licensed and unlicensed spectrum.¹⁴

(v) State—The term “State” means, for the purposes of the BEAD Program, any State of the United States, the District of Columbia, and Puerto Rico.

(w) Subgrantee/Subrecipient—The term “subgrantee” or “subrecipient” means an entity that receives grant funds from an Eligible Entity to carry out eligible activities.¹⁵

(x) Territory— The term “Territory” means, for the purposes of the BEAD Program, American Samoa, Guam, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(y) Tribal Lands— The term “Tribal Lands” means (A) any land located within the boundaries of— (i) an Indian reservation, pueblo, or rancharia; or (ii) a former reservation within Oklahoma; (B) any land not located within the boundaries of an Indian reservation, pueblo, or rancharia, the title to which is held— (i) in trust by the United States for the benefit of an Indian Tribe or an

¹⁰ The Infrastructure Act defines “reliable broadband service” as “broadband service that meets performance criteria for service availability, adaptability to changing end-user requirements, length of serviceable life, or other criteria, other than upload and download speeds, as determined by the Assistant Secretary in coordination with the Commission.” *Id.* § 60102(a)(2)(L). For the purposes of this definition, the Assistant Secretary adopts the criteria that Reliable Broadband Service must be (1) a fixed broadband service that (2) is available with a high degree of certainty, (3) both at present and for the foreseeable future, and finds, after coordination with the Commission, that the definition of Reliable Broadband Service set forth in this NOFO best meets those criteria.

¹¹ Broadband Data Collection Fixed Technology Code 50. *See* Federal Communications Commission, Broadband Data Collection Data Specifications for Biannual Submission of Subscription, Availability, and Supporting Data at 11, Table 4.1 (Apr. 5, 2022), *available at* <https://us-fcc.app.box.com/v/bdc-availability-spec> (BDC Specifications).

¹² Broadband Data Collection Fixed Technology Code 40. *Id.*

¹³ Broadband Data Collection Fixed Technology Code 10. *Id.* NTIA acknowledges concerns that, in some cases, DSL arrangements fail to provide consistent access to advertised speeds. To the extent a particular location is identified on the Broadband DATA Maps as served by DSL at speeds that warrant treatment of that location as “served” or “underserved” but is not in fact reliably served at such speeds, this would be a proper basis for challenging the relevant location’s service status during the challenge process created by the Eligible Entity.

¹⁴ Broadband Data Collection Fixed Technology Code 71. *Id.*

¹⁵ This NOFO generally uses the terms “subgrantee” and “subgrant” because these are the terms used in the relevant Infrastructure Act provisions. We note, though, that applicable regulations governing federal financial assistance generally use the term “subrecipient” to refer to what the Infrastructure Act calls “subgrantees” and the term “subaward” to refer to what the Infrastructure Act calls “subgrants.” *See generally* 2 C.F.R. Part 200. As used herein, the terms “subgrantee” and “subgrant” herein are meant to have the same meaning, respectively, as the terms “subrecipient” and “subaward” in those regulations and other governing authorities.

individual Indian; (ii) by an Indian Tribe or an individual Indian, subject to restriction against alienation under laws of the United States; or (iii) by a dependent Indian community; (C) any land located within a region established pursuant to section 7(a) of the Alaska Native Claims Settlement Act (43 U.S.C. § 1606(a)); (D) Hawaiian Home Lands, as defined in section 801 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. § 4221); or (E) those areas or communities designated by the Assistant Secretary of Indian Affairs of the Department of the Interior that are near, adjacent, or contiguous to reservations where financial assistance and social service programs are provided to Indians because of their status as Indians; and the term.

(z) Tribal Government—The term “Tribal Government” means the governing body of any Indian or Alaska Native Tribe, band, nation, pueblo, village, community, component band, or component reservation, individually recognized (including parenthetically) in the list published most recently as of the date of enactment of this Act pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. § 5131).¹⁶

(aa) Underrepresented Communities—The term “underrepresented communities” refers to groups that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, including: low-income households, aging individuals, incarcerated individuals, veterans, persons of color, Indigenous and Native American persons, members of ethnic and religious minorities, women, LGBTQI+ persons, persons with disabilities, persons with limited English proficiency, persons who live in rural areas, and persons otherwise adversely affected by persistent poverty or inequality.

(bb) Underserved Location—The term “underserved location” means a broadband-serviceable location that is (a) not an unserved location, and (b) that the Broadband DATA Maps show as lacking access to Reliable Broadband Service offered with—(i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.¹⁷

(cc) Underserved Service Project—The term “Underserved Service Project” means a project in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations or underserved locations. An “Underserved Service Project” may be as small as a single underserved broadband-serviceable location.

¹⁶ See Department of the Interior, Bureau of Indian Affairs, Indian Entities Recognized by and Eligible to Receive Services from the United States Bureau of Indian Affairs, 86 Fed. Reg. 7554 (Jan. 29, 2021), available at <https://www.govinfo.gov/content/pkg/FR-2021-01-29/pdf/2021-01606.pdf>.

¹⁷ The definitions of “unserved location” and “underserved location” set forth in Section 60102(a)(1) require that a location have Reliable Broadband Service with “a latency sufficient to support real-time, interactive applications.” See Infrastructure Act § 60102(a)(1)(A)(ii)(II), (C)(ii)(II). NTIA interprets this to mean a latency of less than or equal to 100ms for the reasons articulated by the FCC’s Wireline Communications Bureau in the 2013 Connect America Fund *Phase II Service Obligations Order*. See *Connect America Fund*, WC Docket No. 10-90, Report and Order, 28 FCC Rcd 15060, 15068-76 paras. 19-38 (*Phase II Service Obligations Order*).

(dd) Unserved Location—The term “unserved location” means a broadband-serviceable location that the Broadband DATA Maps show as (a) having no access to broadband service, or (b) lacking access to Reliable Broadband Service offered with—(i) a speed of not less than 25 Mbps for downloads; and (ii) a speed of not less than 3 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.¹⁸

(ee) Unserved Service Project—The term “Unserved Service Project” means a project in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations. An “Unserved Service Project” may be as small as a single unserved broadband-serviceable location.

II. Federal Award Information

This Section provides basic information such as the amounts made available under the BEAD Program, key dates, the circumstances in which the Assistant Secretary may grant extensions, and the treatment of unallocated and unawarded funds.

A. Funding Availability

NTIA will make up to \$41,601,000,000 available for federal assistance under the Broadband Equity, Access, and Deployment Program.¹⁹

B. Period of Performance

Completed Letters of Intent must be received by NTIA through the application portal no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 18, 2022**. Either with its Letter of Intent or afterwards, an Eligible Entity may submit a request for Initial Planning Funds. Upon submission of the Letter of Intent, the Point of Contact for each Eligible Entity that requests Initial Planning Funds through the application portal will be provided with additional information about submission requirements for that funding, including but not limited to standard forms and a budget narrative template. All requests for Initial Planning Funds and supplemental information must be submitted by 11:59 p.m. Eastern Daylight Time (EDT) on **August 15, 2022**.

Eligible Entities that receive Initial Planning Funds must submit their Five-Year Action Plans to NTIA no later than 270 days after their receipt of Initial Planning Funds.

Eligible Entities will be notified of future submission deadlines after the Commission’s Broadband DATA Maps are released. Eligible Entities’ Initial Proposals may be submitted immediately after Eligible Entities are formally notified of their formula allocations and will be due to NTIA no later than 180 days after that date. Final Proposals will be due to NTIA no later than 365 days after the approval of the Initial Proposal by the Assistant Secretary.

¹⁸ *See id.*

¹⁹ This figure reflects the \$42,450,000,000 appropriated for the BEAD program minus the two percent of that sum allocated for administrative purposes. *See* Section 60102(d) of the Infrastructure Act.

Eligible Entities may submit their Letters of Intent, Five-Year Action Plans, Initial Proposals, and Final Proposals at any time during the windows established in this NOFO, and are encouraged to file their submissions as soon as they are prepared to do so.

As established in Section 60102(h)(4)(C) of the Infrastructure Act, subgrantees that receive BEAD Program funds for network deployment must deploy the planned broadband network and begin providing services to each customer that desires broadband service within the project area not later than four years after the date on which the subgrantee receives the subgrant from the Eligible Entity.

1. Extensions

Extensions may be granted for both the Eligible Entity and subgrantees under the following circumstances:

An Eligible Entity may extend the four-year network deployment deadline for subgrantees by not more than one year if: (1) the subgrantee has a specific plan for use of the grant funds, with project completion expected by a specific date not more than one year after the four-year deadline; (2) the construction project is underway; or (3) extenuating circumstances require an extension of time to allow the project to be completed.

Extensions for Eligible Entities for any part of the process may be granted at the sole discretion of the Assistant Secretary when extenuating circumstances demonstrate that additional time will support the overall goals of the BEAD Program.

2. Petition for Extension

Each Eligible Entity must develop a process by which subgrantees may request extensions and provide documentation about the qualifying circumstance that warrants the extension.

If an Eligible Entity is seeking an extension for any part of the process with respect to which the Infrastructure Act does not authorize the Eligible Entity itself to grant such extension, it shall make a request in writing to NTIA and explain the need for such an extension. Such requests will then be evaluated by the Assistant Secretary based on the text of the Infrastructure Act and the goals of the BEAD Program.

C. Award Amount

States may request up to \$5,000,000 in Initial Planning Funds. Further, each State is eligible to receive a minimum initial allocation of \$100,000,000 (inclusive of the Initial Planning Funds). Territories may request up to \$1,250,000 of in Initial Planning funds and are each eligible to receive an initial minimum allocation of \$25,000,000. Remaining funds will be allocated to Eligible Entities based on the formulas provided in Section 60102(c)(1) and (c)(3) of the Infrastructure Act.

NTIA will notify Eligible Entities of the funding allocations available to each Eligible Entity according to the process described in Section IV.B.4.c.

D. Treatment of Unallocated and Unused Funds

If an Eligible Entity fails to submit a covered application (*i.e.*, a Letter of Intent, Initial Proposal, or Final Proposal) by the applicable deadline or any subsequent resubmission deadlines if revisions are needed, a political subdivision or consortium of political subdivisions of the Eligible Entity may submit the applicable type of covered application in place of the Eligible Entity. For more information on the ability of political subdivisions to apply in place of Eligible Entities see Section IV.B.10 of this NOFO.

Subject to the application failure provisions set forth in Section IV.B.10, if an Eligible Entity (including an Eligible Entity's political subdivision or a consortium of such subdivisions) fails to submit a covered application by the applicable deadline (including any deadlines for resubmission if revisions are needed) and no extension is granted, the Assistant Secretary may reallocate the amounts that would have been available to that Eligible Entity to the Eligible Entities that did submit and receive approval by the applicable deadline. Such reallocation will be based on the percentage of unserved locations in each Eligible Entity. If an Eligible Entity fails to use the full allocation made to that Eligible Entity by the applicable deadline, the Assistant Secretary may reallocate the unused amounts to other Eligible Entities with approved Final Proposals based on the percentage of unserved locations in each Eligible Entity. The number of unserved locations in each Eligible Entity for the purposes of such reallocations will be made using the most recently published version of the Broadband DATA Maps available as of the date the Assistant Secretary determines reallocation is appropriate.

E. Type of Funding Instrument

The funding instrument for awards made pursuant to this NOFO will be a grant.

III. Eligibility Information

This Section describes entities eligible for BEAD Program grants (generally, States and Territories of the United States), requirements relating to the provision of matching funds by Eligible Entities and/or other actors, and circumstances that might warrant waiver of the match requirements.

A. Eligible Applicants

Eligible Entities authorized to apply for grants under the BEAD Program are any State of the United States, the District of Columbia, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands. In cases of application failure, an Eligible Entity's political subdivision, or a consortium of such subdivisions, may seek to act in the place of the Eligible Entity. For more information on the ability of political subdivisions to apply in place of Eligible Entities see Section IV.B.10 of this NOFO.

B. Cost Sharing or Matching

1. Match Generally

Except in certain specific circumstances described herein (including projects in designated “high-cost areas” and other cases in which NTIA has waived the matching requirement), in the context of subgrants used to fund broadband network infrastructure deployment, each Eligible Entity shall provide, require its subgrantee to provide, or provide in concert with its subgrantee, matching funds of not less than 25 percent of project costs. Funds from other Federal programs (including funds from the Commission’s Universal Service Fund programs) generally may not be used as matching funds; however, the Infrastructure Act expressly provides that matching funds for the BEAD Program may come from a federal regional commission or authority and from funds that were provided to an Eligible Entity or a subgrantee for the purpose of deploying broadband service under the Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281), the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or the American Rescue Plan Act of 2021 (Public Law 117-2; 135 Stat. 4), to the extent permitted by those laws.

Eligible Entities should rigorously explore ways to cover a project’s cost with contributions outside of the BEAD program funding. Matching contributions, including in-kind contributions that lower project costs, demonstrate commitment to a particular project and minimize BEAD funding outlay, extend the reach of the BEAD program funding and help to ensure that every unserved location and underserved location in the United States has access to reliable, affordable, high-speed internet. In some cases, though, a match requirement could deter participation in the BEAD Program by small and non-traditional providers, in marginalized or low-income communities, or could threaten affordability (*i.e.*, if an applicant seeks to offset the cost of a substantial match through higher end user prices). In those cases, an Eligible Entity should consider ways to cover part or all of the provider’s match through Eligible Entity or other funds or seek a match waiver through the process explained below.

A matching contribution may be provided by the subgrantee, an Eligible Entity, a unit of local government, a utility company, a cooperative, a nonprofit or philanthropic organization, a for-profit company, regional planning or governmental organization, a federal regional commission or authority, or any combination thereof. As detailed in Section III.B.5, an Eligible Entity may seek, and the Assistant Secretary may grant, a partial or full waiver of the non-federal match requirement where warranted.

2. Preference for Maximum Subgrantee Contribution and Minimal BEAD Subsidy

While the match may be provided by multiple sources, Eligible Entities are encouraged to require a match from the subgrantee rather than utilizing other sources where it deems the subgrantee capable of providing matching funds.²⁰ This approach will maximize the impact of

²⁰ Rather than using State, Territorial, or local funds as a match to BEAD projects, Eligible Entities are encouraged to use these funding sources on broadband separately and leverage additional subgrantee match commitments. Eligible Entities also must use BEAD Program funds to supplement, and not

Eligible Entity funds and funds provided via other federal programs. As detailed below with regard to the subgrantee selection process for last-mile broadband deployment projects, Eligible Entities are also required to incentivize matches of greater than 25 percent from subgrantees wherever feasible (especially where expected operational costs and revenues are likely to justify greater investment by the subgrantee) by focusing on minimizing the BEAD funding outlay on a particular project, to the extent consistent with other programmatic goals described in this NOFO.²¹

NTIA will provide technical assistance to Eligible Entities to assist in making these determinations. Eligible Entities will be expected to explain in their Initial Proposals how they intend to ensure that subgrantees will offer the maximum feasible match for each project.²²

3. Matches from Other Federal Programs and Entities

Except as expressly provided for in the Infrastructure Act, funds from other Federal programs (including funds from the Commission's Universal Service Fund programs) may not be used as matching funds. The Infrastructure Act expressly provides that matching funds for the BEAD Program may come from a federal regional commission or authority and from funds that were provided to an Eligible Entity or a subgrantee for the purpose of deploying broadband service under the Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281), the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or the American Rescue Plan Act of 2021 (Public Law 117-2; 135 Stat. 4), to the extent permitted by those laws. Eligible Entities are encouraged to consider terms and conditions that may be associated with potential sources of match funds and how those may impact the project overall. For example, if an Eligible Entity utilizes federal regional commission funding as a match, the project will need to comply with all BEAD programmatic requirements and any requirements imposed by the federal regional commission. Likewise, Eligible Entities that use funds from the Coronavirus State and Local Fiscal Recovery Funds or Coronavirus Capital Projects Fund as the source of matching funds for the BEAD Program must comply with the requirements of both the BEAD Program and the relevant Treasury program. Loan funding issued through a federal agency, such as through the USDA ReConnect Program, may also be used as match funding.

4. In-Kind Matches

Matching funds may be provided in the form of either cash or in-kind contributions, so long as such contributions are made consistent with the Uniform Administrative Requirements, Cost

supplant, the amounts that the Eligible Entity would otherwise make available for the purposes for which the grant funds may be used.

²¹ See *supra* Section IV.B.7. If the Eligible Entity is considering competing proposals that are materially identical, and one includes a higher proposed total cost but a larger match, whereas the other includes a lower proposed total cost and smaller match, the key consideration for comparative purposes is the amount of the subsidy required, not the proportion of the stated cost that the prospective subgrantee is willing to match.

²² See *supra* Section IV.B.7.

Principles, and Audit Requirements for Federal Awards set forth at 2 C.F.R. Part 200.²³ In-kind contributions, which may include third-party in-kind contributions, are non-cash donations of property, goods or services, which benefit a federally assisted project, and which may count toward satisfying the non-federal matching requirement of a project's total budgeted costs when such contributions meet certain criteria.²⁴ In-kind contributions must be allowable and allocable project expenses. The rules governing allowable in-kind contributions are detailed and encompass a wide range of properties and services. NTIA encourages applicants to thoroughly consider potential sources of in-kind contributions that, depending on the particular property or service and the applicable federal cost principles, could include employee or volunteer services; equipment; supplies; indirect costs; computer hardware and software; and use of facilities. In the broadband context this could include, consistent with federal cost principles, waiver of fees associated with access to rights of way, pole attachments, conduits, easements, or access to other types of infrastructure.

5. Match Waivers

In evaluating requests for waiver of the BEAD Program's non-federal match requirement, NTIA will carefully balance the Program's various objectives. It is NTIA's policy to ensure that BEAD funds are used to bring affordable broadband to all Americans. Thus, the Assistant Secretary will generally seek to minimize the BEAD funding outlay on a particular project to extend the Program's reach, and expects to grant waivers only in special circumstances, when waiver is necessary to advance objectives that are critical to the Program's success. In order to be considered for a waiver, an Eligible Entity must submit a request that describes the special circumstances underlying the request and explain how a waiver would serve the public interest and effectuate the purposes of the BEAD Program. The Assistant Secretary retains the discretion to waive any amount of the match, including up to the full 25 percent requirement.

IV. Program Structure, Sequencing and Requirements

This Section provides information regarding the BEAD Program's structure, describing in detail the nine principal steps in the process: (1) the Letter of Intent, (2) the Request for Initial Planning Funds, (3) the Five-Year Action Plan, (4) Program Fund Allocation and the Notice of Available Amounts, (5) the Initial Proposal, (6) the Challenge Process, (7) the Subgrantee Selection Process, (8) the 20 Percent Funding Release, and (9) the Final Proposal and Release of Remaining Funds. NTIA urges entities seeking to participate in the BEAD Program as Eligible Entities or as subgrantees to review this section especially closely. NTIA plans to provide detailed technical assistance to Eligible Entities regarding all matters addressed in this section.

A. Program Structure

As described in greater detail below, the BEAD Program involves multiple steps and stages of application review, a robust and competitive subgrantee selection process, and ongoing reporting and monitoring obligations. NTIA will provide robust technical assistance throughout the Program's application, implementation, and reporting processes. NTIA intends to collaborate

²³ *See id.* and 2 C.F.R. § 200.306.

²⁴ *See* 2 C.F.R. § 200.306.

with Eligible Entities to maximize the effectiveness of allotted funding and ensure compliance with all federal requirements, while allowing Eligible Entities to tailor program design to the unique needs within their boundaries. Eligible Entities are encouraged to utilize resources that will be made available by NTIA or other partner organizations and should reach out to Program contacts whenever additional assistance is needed. Achieving programmatic goals will require a partnership and ongoing dialogue between NTIA and Eligible Entities.

B. Program Sequencing

As set forth in the Infrastructure Act and outlined in greater detail below, the BEAD Program is sequenced as follows:

1. Letter of Intent
2. Request for Initial Planning Funds
3. Five-Year Action Plan
4. Program Fund Allocation and Notice of Available Amounts
5. Initial Proposal
6. Challenge Process
7. Subgrantee Selection Process
8. 20 Percent Funding Release
9. Final Proposal and Release of Remaining Funds

The BEAD Program sequencing set forth in this Section contemplates that Eligible Entity submissions and NTIA review will occur on a rolling basis. The deadlines set forth below are the maximum amount of time allowed for each step in the process, absent an extension (*see* Section II.B.1).²⁵ Eligible Entities are encouraged, however, to submit materials as early as possible during each submission window to expedite implementation of the Program. NTIA will begin its review of submissions from Eligible Entities in the order they are received.

1. Letter of Intent

a. Timing

Each Eligible Entity that wishes to participate in the Program must file a Letter of Intent (LOI) to participate in the Program no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 18, 2022**. The Assistant Secretary reserves the right to extend this deadline; however, the Assistant Secretary will be reluctant to grant a waiver of the LOI deadline except in extraordinary circumstances.

b. Letter of Intent Form and Content

An Eligible Entity may submit only a single LOI. The LOI should be in letter form and signed by the Governor (or equivalent official, *e.g.*, the Mayor of the District of Columbia). The LOI must include:

²⁵ Eligible Entities may request an extension from the Assistant Secretary in extenuating circumstances, which will be granted if the Assistant Secretary determines good cause is shown.

1. A statement that the Eligible Entity intends to participate in the Program;
2. Identification of the agency, department, or office that will serve as the recipient of, and administering agent for, any BEAD Program award for the Eligible Entity and the main point of contact at that agency, department, or office for the purposes of the BEAD Program;
3. If the Eligible Entity so chooses, a request to access not more than \$5,000,000 (States) or not more than \$1,250,000 (Territories) for initial planning activities (the “Initial Planning Funds”),²⁶ for use as described in Section IV.B.3 of this NOFO. The Eligible Entity may instead submit a request for Initial Planning Funds and associated documentation at a later date. All requests and required documentation for Initial Planning Funds must, however, be submitted through the application portal by 11:59 p.m. Eastern Daylight Time (EDT) on August 15, 2022.

2. Request for Initial Planning Funds

Upon receipt of the Letter of Intent, NTIA will provide the Point of Contact for each Eligible Entity instructions on how to submit a request for Initial Planning Funds through the application portal at <https://grants.ntia.gov/>. These instructions will provide additional information regarding what materials must be submitted, including but not limited to standard forms and a budget narrative. All supplemental information must be submitted no later than 11:59 p.m. Eastern Daylight Time (EDT) on **August 15, 2022**.

Eligible Entities that receive Initial Planning Funds may use those funds for the following planning and pre-deployment activities:

1. Research and data collection, including initial identification of unserved locations and underserved locations consistent with the rules, regulations, and processes the Commission has established for making these determinations in the Broadband DATA Maps;
2. The development of a preliminary budget for pre-planning activities;
3. Publications, outreach, and communications support related to broadband planning, deployment, mapping, equity and adoption;
4. Providing technical assistance to potential subgrantees, including through workshops and events;
5. Training for employees of the broadband program or office of the Eligible Entity or employees of political subdivisions of the Eligible Entity, and related staffing capacity or consulting or contracted support to effectuate the goals of the BEAD Program;
6. Establishing, operating, or increasing capacity of a broadband office that oversees broadband programs and broadband deployment in an Eligible Entity;
7. Asset mapping across the Eligible Entity to catalogue broadband adoption, affordability, equity, access and deployment activities occurring within the Eligible Entity;
8. Conducting surveys of unserved, underserved, and underrepresented communities to better understand barriers to adoption;

²⁶ American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands may not request more than \$1,250,000 each in planning funds. Each Eligible Entity’s Initial Planning Funds will be drawn from that Eligible Entity’s Minimum Initial Allocation.

9. Costs associated with meeting the local coordination requirements in Section IV.C.1.c of this NOFO including capacity building at the local and regional levels or contracted support;
10. Reasonable post-NOFO, pre-Initial Planning Funds expenses in an amount not to exceed \$100,000 relating to the preparation of program submissions to NTIA (such as the Letter of Intent) or adding additional capacity to State or Territorial broadband offices in preparation for the BEAD Program may be reimbursed if they are incurred after the publication date of this NOFO and prior to the date of issuance of the grant award from NTIA;²⁷ and
11. Other uses approved in advance writing by the Assistant Secretary (including in response to an Eligible Entity's request) that support the goals of the Program.²⁸

In determining uses of Initial Planning Funds, Eligible Entities should take into consideration that NTIA will provide guidance on a variety of issues which include, but are not limited to, model job functions and descriptions for broadband office staff, grant support, asset management and data collection, policy considerations for broadband expansion, and outreach and engagement. Once NTIA approves an Eligible Entity's Letter of Intent, NTIA will provide a list of existing resources that are currently available, which will include NTIA slide decks, program and issue overviews, NTIA points of contact and where appropriate, share outside resources that may be able to assist Eligible Entities. Eligible Entities are strongly encouraged to utilize free resources provided by NTIA and other partners and are discouraged from using Initial Planning Funds for resources that can be accessed by the Eligible Entity for free. An NTIA Infrastructure Act website will have resources that are available to Eligible Entities. NTIA will have a robust technical assistance program that will continually share updated resources to Eligible Entities.

3. Five-Year Action Plan

An Eligible Entity that receives Initial Planning Funds must submit to the Assistant Secretary a Five-Year Action Plan that establishes the State or Territory's broadband goals and priorities and serves as a comprehensive needs assessment that will inform the State or Territory's Initial Proposal.

The Five-Year Action Plan developed using Initial Planning Funds must (a) be informed by collaboration with local, regional, and Tribal (as applicable) entities, as well as unions and worker organizations, (b) detail the Eligible Entity's investment priorities and associated costs, and (c) align the State or Territory's planned spending with its economic development, community benefit, workforce, telehealth, digital equity, and other related efforts.

²⁷ Lobbying costs and contingency fees are not reimbursable from grant funds. Pre-award expenses should be clearly identified in the proposed budget. Additionally, pre-award costs are incurred at the sole risk of the applicant and will not be reimbursed by NTIA if the proposed project or other eligible activity does not receive an award pursuant to this Program. Pre-award expenses must be approved by NTIA and the Grants Officer in writing to be considered allowable;

²⁸ Requests for approval of uses not listed here should be made in writing to the Assistant Secretary and submitted through the appropriate Federal Program Officer. Eligible Entities should make such requests on a timely basis to facilitate resolution prior to the point at which the Eligible Entity seeks to make the expenditure or expenditures at issue.

NTIA urges each Eligible Entity to apply for Initial Planning Funds and develop a Five-Year Action Plan to ensure that it has comprehensively evaluated the broadband needs of its communities and notes that much of the information required for the Five-Year Action Plan also will be required in the Initial Proposal. NTIA expects to offer technical assistance with regard to the Five-Year Action Plan and to provide specific feedback in response to each plan submitted, which can facilitate later steps in the BEAD Program's process.

a. Five-Year Action Plan Timing

A completed Five-Year Action Plan must be submitted to NTIA within 270 days of receipt of Initial Planning Funds. The Assistant Secretary reserves the right to extend this deadline; however, the Assistant Secretary will be reluctant to grant a waiver except in extraordinary circumstances.

b. Five-Year Action Plan Form and Content

Preparing a Five-Year Action Plan gives Eligible Entities the opportunity to identify their communities' broadband access, affordability, equity and adoption needs and to adopt strategies, goals and initial measures for meeting those needs using BEAD and other funds. At a minimum, an Eligible Entity's Five-Year Action Plan must:

1. Provide details of the existing broadband program or office within the Eligible Entity, including any activities that the program or office currently conducts, any previous entity-wide plans or goals for availability of broadband, and any prior experience awarding broadband deployment grants.
2. Identify the funding that the Eligible Entity currently has available for broadband deployment and other broadband-related activities, including data collection and local planning, and the sources of that funding, including whether the funds are from the Eligible Entity or from the federal government.
3. Identify existing efforts funded by the federal government, including the Universal Service Fund, or an Eligible Entity to deploy broadband and close the digital divide.
4. Identify the current full-time and part-time employees of the Eligible Entity who will assist in implementing and administering the BEAD Program and the duties assigned to those employees, as well as any existing contracted support, and any planned expansion of employees or contractors.
5. Identify known or potential obstacles or barriers to the successful implementation of the BEAD Program and the Eligible Entity's corresponding plans to address them.
6. Include an asset inventory that catalogues broadband adoption, affordability, equity, access, and deployment activities occurring within the Eligible Entity and identifies and provides details regarding any relevant partners, such as community-based organizations and CAIs that may inform broadband deployment and adoption planning.
7. Include a description of the Eligible Entity's external engagement process, demonstrating collaboration with local, regional, and Tribal (as applicable) entities (governmental and non-governmental) and reflective of the local coordination requirements outlined herein,

including outreach to underrepresented communities and unions and worker organizations. The engagement required must be undertaken both during the development of the Five-Year Action Plan itself and following submission of the plan, reflecting ongoing collaboration throughout the BEAD Program.

8. Incorporate available federal, Eligible Entity, or local broadband availability and adoption data, including but not limited to Affordable Connectivity Program enrollment data. Other federal broadband federal data sources include the NTIA Internet Use Survey,²⁹ the NTIA Indicators of Broadband Need Map,³⁰ and the American Community Survey.³¹

9. Identify local and regional broadband service needs and gaps within the Eligible Entity's boundaries, including unserved or underserved locations and CAIs without gigabit service, and/or any plans to make these determinations where service availability is unclear.

10. Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including:

- a. The estimated timeline and cost for universal service,
- b. The planned utilization of federal, Eligible Entity, and local funding sources,
- c. Prioritization of areas for federal support,
- d. Any consideration afforded to the use of public-private partnerships or cooperatives in addressing the needs of the Eligible Entity's residents,
- e. Strategies to address affordability issues, including but not limited to strategies to increase enrollment in the Affordable Connectivity Program by eligible households; and
- f. Strategies to ensure an available and highly skilled workforce (including by subgrantees, contractors, and subcontractors) to minimize project disruptions, including any plans to ensure strong labor standards and protections, such as those listed in Section IV.C.1.e; and plans to attract, retain, or transition the skilled workforce needed to achieve the plan's goals, including describing the involvement and partnerships of sub-grantees, contractors, and sub-contractors with existing in-house skills training programs, unions and worker organizations; community colleges and public school districts; supportive services providers; Registered Apprenticeship programs and other labor-management training programs, or other quality workforce training providers.

11. Identify digital equity and inclusion needs, goals, and implementation strategies, including ways in which the Eligible Entity plans to utilize BEAD funding, Digital Equity Act funding and/or other funding streams in concert to remedy inequities and barriers to inclusion. Accordingly, the Five-Year Action Plan should set forth a vision for digital equity, include the results of a needs assessment for underrepresented communities and an asset inventory of ongoing digital equity activities, and detail holistic strategies around affordability, devices, digital skills, technical support, and digital navigation. This requirement may be satisfied by the completion of a State Digital Equity Plan under the

²⁹ See NTIA Data Central, <https://www.ntia.gov/data>.

³⁰ See Indicators of Broadband Need Map, <https://broadbandusa.ntia.gov/indicatorsmap>.

³¹ See American Community Survey (ACS), <https://www.census.gov/acs>.

Digital Equity Act.³² Please refer to the Digital Equity Act State Planning Grant Program NOFO for the requirements and deadlines applicable to that program.

12. Detail alignment of the Five-Year Action Plan with other existing and planned economic development, telehealth, workforce development, related connectivity efforts, and other Eligible Entity priorities.

13. Describe technical assistance and additional capacity needed for successful implementation of the BEAD Program.

The Assistant Secretary will publish at www.grants.ntia.gov an online template for submission of the Five-Year Action Plan. Use of this template is optional. To the extent an Eligible Entity has an existing plan that meets the requirements set forth above and has been completed in the last 12 months from the date of receipt of Initial Planning Funds, it may submit that plan as its Five-Year Action Plan. If an Eligible Entity has an existing plan that meets the requirements set forth above in part, it may submit that plan as part of the Five-Year Action Plan, along with supplemental materials sufficient to fulfill all of the requirements set forth above. However, with regard to the statements above, please note that an Eligible Entity may not use BEAD funds to pay for previously incurred costs (subject to limited exceptions described in Section IV.B.2 of this NOFO). If an Eligible Entity does not utilize the online template published by NTIA, the Eligible Entity must also provide an index, crosswalk, or similar document to allow the reader to quickly and efficiently locate relevant content.

4. Program Fund Allocation and Notice of Available Amounts

a. Criteria for Reliable Broadband Service

For the purposes of the BEAD Program, locations served exclusively by satellite,³³ services using entirely unlicensed spectrum,³⁴ or a technology not specified by the Commission for purposes of the Broadband DATA Maps,³⁵ do not meet the criteria for Reliable Broadband Service and so will be considered “unserved.”³⁶

³² It is anticipated that each Eligible Entity participating in the BEAD Program will concurrently participate in the Digital Equity Program, which is the subject of a separate Notice of Funding Opportunity. Eligible Entities should consider the minimum content requirements of the State Digital Equity Plan listed in the State Digital Equity Planning Grants NOFO as the minimum content required here. Eligible Entities that do not participate in the Digital Equity Program should refer to the State Digital Equity Planning Grants NOFO for additional information.

³³ Broadband Data Collection Fixed Technology Codes 60 and 61. *See* BDC Specifications at 11, Table 4.1.

³⁴ Broadband Data Collection Fixed Technology Code 70. *Id.*

³⁵ Broadband Data Collection Fixed Technology Code 0. *Id.*

³⁶ *See* Section I.C of this NOFO (defining “Reliable Broadband Service”). Note that Eligible Entities may consider funding such services under certain circumstances during their subgrantee selection processes. *See* Section IV.B.7.a.ii of this NOFO.

b. Form and Content of Notice of Available Amounts

On or after the date on which the Broadband DATA Maps are made public, the Assistant Secretary, in coordination with the Commission, shall issue a notice to each Eligible Entity that contains the estimated amount of Program funds that will be available to the Eligible Entity pursuant to the funding allocation process described below (the Eligible Entity’s “Total Allocation”).

This “Notice of Available Amounts” will invite the Eligible Entity to submit an Initial Proposal and Final Proposal in accordance with Sections IV.B.5 and IV.B.9 below.

c. Funding Allocation Process

The Assistant Secretary will, in coordination with the Commission, choose a date certain upon which the Broadband DATA Maps will be utilized to identify unserved locations (the “Allocation Date”). Each Eligible Entity’s Total Allocation will be the sum of the Eligible Entity’s (i) Minimum Initial Allocation; (ii) High-Cost Allocation; and (iii) Remaining Funds Allocation, each calculated as follows:

i. Minimum Initial Allocation

The “Minimum Initial Allocation” for (i) each State of the United States, the District of Columbia, and Puerto Rico is \$100,000,000, and (ii) for American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands is \$25,000,000.

ii. High-Cost Allocation

The “High-Cost Allocation” for each Eligible Entity will be calculated by (i) dividing the number of unserved locations in high-cost areas in the Eligible Entity by the total number of unserved locations in high-cost areas in the United States and (ii) multiplying the quotient obtained by \$4.245 billion.

NTIA will provide further information regarding its designation of high-cost areas in future guidance and/or related documents.

iii. Remaining Funds Allocation

The funds remaining after subtracting each of (i) the total Minimum Initial Allocations; and (ii) the total High-Cost Allocation from \$41,601,000,000 are the “Remaining Funds.”³⁷

Each Eligible Entity’s Remaining Funds Allocation shall be computed by dividing the number of unserved locations in the Eligible Entity by the total number of unserved locations in the United States and multiplying the result by the Remaining Funds.

³⁷ This figure reflects the \$42,450,000,000 appropriated for the BEAD program minus the two percent of that sum allocated for administrative purposes. *See* Infrastructure Act § 60102(d); Section II.A of this NOFO.

5. Initial Proposal

The Initial Proposal is the “first draft” of an Eligible Entity’s Final Proposal for grant funding, and, among other things, should explain (as described below) how the Eligible Entity intends to ensure that every resident has access to a reliable, affordable, high-speed broadband connection, utilizing all funding available to be brought to bear to accomplish this goal, including but not limited to BEAD Program funds.

a. Initial Proposal Timing

On the date that an Eligible Entity’s Notice of Available Amounts is issued, the Assistant Secretary will invite each Eligible Entity to submit an Initial Proposal. Each Eligible Entity will have 180 days to submit its Initial Proposal but Eligible Entities are encouraged to submit Initial Proposals earlier, if possible. Eligible Entities should not wait until the Notice of Available Amounts is issued to begin preparing their Initial Proposals. Rather, they should begin this process immediately upon receiving the online template. If an Eligible Entity fails to submit an Initial Proposal by the deadline, this will be treated as an application failure by the Eligible Entity pursuant to Section IV.B.10 of this NOFO. The Assistant Secretary reserves the right to extend this deadline; however, the Assistant Secretary will be reluctant to grant a waiver except in extraordinary circumstances.

b. Form and Content of Initial Proposal

NTIA will provide Eligible Entities with an online template for submission of the Initial Proposal. An Eligible Entity may submit only a single Initial Proposal.³⁸

The Initial Proposal must, at a minimum:

1. Outline long-term objectives for deploying broadband, closing the digital divide, addressing access, affordability, equity, and adoption issues, and enhancing economic growth and job creation including information developed by the Eligible Entity as part of the Five-Year Action Plan and information from any comparable strategic plan otherwise developed by the Eligible Entity, if applicable.³⁹
2. Identify, and outline steps to support, local, Tribal, and regional broadband planning processes or ongoing efforts to deploy broadband or close the digital divide and describe coordination with local and Tribal Governments, along with local, Tribal, and regional broadband planning processes.⁴⁰

³⁸ Leading up to submission of the Initial Proposal and through the review and approval process, NTIA will provide support and technical assistance to help ensure that the proposal fully meets the requirements of the statute and the goals of the Program, up to and including iterative feedback on draft Initial Proposals.

³⁹ For States and Territories that have completed Five-Year Action Plans, reference to this plan satisfies this requirement.

⁴⁰ For States and Territories that have completed Five-Year Action Plans, reference to this plan satisfies this requirement.

3. Identify existing efforts funded by the federal government or an Eligible Entity within the jurisdiction of the Eligible Entity to deploy broadband and close the digital divide, including in Tribal Lands.⁴¹

4. Certify that the Eligible Entity has conducted coordination, including with Tribal Governments, local community organizations, unions and worker organizations, and other groups, consistent with the requirements set forth in Section IV.C.1.c of this NOFO, describe the coordination conducted, summarize the impact such coordination had on the content of the Initial Proposal, detail ongoing coordination efforts, and set forth the plan for how the Eligible Entity will fulfill the coordination requirements associated with its Final Proposal.

5. Identify each unserved location and underserved location under the jurisdiction of the Eligible Entity, including unserved and underserved locations in applicable Tribal Lands, using the most recently published Broadband DATA Maps as of the date of submission of the Initial Proposal, and identify the date of publication of the Broadband DATA Maps used for such identification.

6. Describe how the Eligible Entity applied the statutory definition of the term “community anchor institution,” identified all eligible CAIs in its jurisdiction, identified all eligible CAIs in applicable Tribal Lands, and assessed the needs of eligible CAIs, including what types of CAIs it intends to serve; which institutions, if any, it considered but declined to classify as CAIs; and, if the Eligible Entity proposes service to one or more CAIs in a category not explicitly cited as a type of CAI in Section 60102(a)(2)(E) of the Infrastructure Act, the basis on which the Eligible Entity determined that such category of CAI facilitates greater use of broadband service by vulnerable populations.

7. Include a detailed plan to conduct a challenge process as described in Section IV.B.6.

8. Include a detailed plan to competitively award subgrants consistent with Section IV.B.7.a of this NOFO with regard to both last-mile broadband deployment projects and other eligible activities. With respect to last-mile broadband deployment projects, the plan must explain how the Eligible Entity will ensure timely deployment of broadband and minimize the BEAD subsidy required to serve consumers consistent with Section IV.B.7 and the other priorities set out in this NOFO. The Initial Proposal must include identification of, or a detailed process for identifying, an Extremely High Cost Per Location Threshold to be utilized during the subgrantee selection process described in Section IV.B.7 of this NOFO. Each Eligible Entity must establish its Extremely High Cost Per Location Threshold in a manner that maximizes use of the best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.7.b of this NOFO. NTIA expects Eligible Entities to set the Extremely High Cost Per Location Threshold as high as possible to help ensure that end-to-end fiber projects are deployed wherever feasible.

9. With respect to non-deployment eligible activities, explain any preferences the Eligible Entity will employ in selecting the type of initiatives it intends to support using BEAD Program funds, the means by which subgrantees for these eligible activities will be selected, how the Eligible Entity expects the initiatives it pursues to address the needs of the Eligible Entity’s residents, the ways in which engagement with localities and stakeholders will inform

⁴¹ For States and Territories that have completed Five-Year Action Plans, reference to this plan satisfies this requirement.

the selection of eligible activities, and any efforts the Eligible Entity will undertake to determine whether other uses of the funds might be more effective in achieving the BEAD Program's equity, access, and deployment goals.

10. Describe any initiatives the Eligible Entity proposes to implement as the recipient without making a subgrant, and why it proposes that approach.

11. Detail how the Eligible Entity will ensure that subgrantees, contractors, and subcontractors use strong labor standards and protections, such as those listed in Section IV.C.1.e, and how the Eligible Entity will implement and apply the labor-related subgrantee selection criteria described below in Section IV.C.1.e of this NOFO.

12. Detail how the Eligible Entity will ensure an available, diverse, and highly skilled workforce consistent with Section IV.C.1.e of this NOFO.

13. Describe the process, strategy, and data tracking method(s) that the Eligible Entity will implement to ensure that minority businesses, women-owned business enterprises, and labor surplus area firms are recruited, used, and retained when possible.

14. Identify steps that the Eligible Entity will take to reduce costs and barriers to deployment, promote the use of existing infrastructure, promote and adopt dig-once policies, streamlined permitting processes and cost-effective access to poles, conduits, easements, and rights of way, including the imposition of reasonable access requirements.⁴²

15. Provide an assessment of climate threats within the Eligible Entity and proposed mitigation methods consistent with the requirements of Section IV.C.1.h of this NOFO.

16. Describe the low-cost plan(s) that must be offered by subgrantees consistent with the requirements of Section IV.C.2.c.i of this NOFO.

17. Describe the intended use of the 20 percent of total funding allocation that is made available upon approval of the Initial Proposal consistent with Section IV.B.8 of this NOFO.

18. Disclose (1) whether the Eligible Entity will waive all laws of the Eligible Entity concerning broadband, utility services, or similar subjects, whether they predate or postdate enactment of the Infrastructure Act, that either (a) preclude certain public sector providers from participation in the subgrant competition or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer; and (2) if it will not waive all such laws for BEAD Program project selection purposes, identify those that it will not waive and describe how they will be applied in connection with the competition for subgrants.

19. Certify the intent of the Eligible Entity to comply with all applicable requirements of the Program, including the reporting requirements, and describe subgrantee accountability procedures.

⁴² Consistent with the goal that Eligible Entities seek to minimize the BEAD funding outlay on a particular project, Eligible Entities and their political subdivisions are strongly encouraged to remove time and cost barriers associated with BEAD projects, including by expediting permitting timelines and waiving fees where applicable, where doing so does not undermine other critical policy goals.

Additional requirements for the Initial Proposal may be provided to Eligible Entities when the Notices of Available Amounts are released.

In drafting its Initial Proposal, an Eligible Entity should keep in mind that it may allocate grant funds for the following:

1. Deploying and/or upgrading broadband network facilities in connection with an Unserved Service Project or an Underserved Service Project;⁴³
2. Deploying and/or upgrading broadband network facilities to provide or improve service to an eligible community anchor institution;⁴⁴
3. Data collection, broadband mapping, and planning to the extent necessary beyond the planning fund allocation to facilitate the goals and deliverables of the BEAD Program;
4. Installing internet and Wi-Fi infrastructure or providing reduced-cost broadband within a multi-family residential building, with priority given to a residential building that has substantial share of unserved households or is in a location in which the percentage of individuals with a household income that is at or below 150 percent of the poverty line⁴⁵ applicable to a family of the size involved is higher than the national percentage of such individuals;
5. Broadband adoption, including programs to provide affordable internet-capable devices;
6. Training and workforce development; and
7. Other uses, including other Digital Equity programs not already included above, proposed by Eligible Entities and approved in advance in writing by the Assistant Secretary that support the goals of the Program.⁴⁶

The Assistant Secretary may request and accept corrections to the Initial Proposal of an Eligible Entity after the Initial Proposal has been submitted.

c. Review process

After receipt of an Initial Proposal, the Assistant Secretary shall acknowledge receipt and begin the review process in the order in which Initial Proposals are received. This review process is intended to be iterative and may require Eligible Entities to submit revised, updated, or corrected

⁴³ This can potentially include deployment of Middle Mile Infrastructure where the Middle Mile Infrastructure is in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of an Unserved Service Project or an Underserved Service Project.

⁴⁴ This can potentially include deployment of Middle Mile Infrastructure where the Middle Mile Infrastructure is in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of an Unserved Service Project or an Underserved Service Project.

⁴⁵ As determined under Section 673(2) of the Community Services Block Grant Act (42 U.S.C. § 9902(2)).

⁴⁶ Requests for approval of uses not listed here should be made in writing to the Assistant Secretary and submitted through the appropriate Federal Program Officer. Eligible Entities should make such requests on a timely basis to facilitate resolution prior to the point at which the Eligible Entity seeks to make the expenditure or expenditures at issue.

Initial Proposals after the Initial Proposal has been submitted. In reviewing the Initial Proposal, the Assistant Secretary shall determine whether the use of funds proposed in the Initial Proposal:

1. Complies with Section 60102(f) of the Infrastructure Act;
2. Is in the public interest; and
3. Effectuates the purposes of the Infrastructure Act.

d. Actions upon completion of review

i. Approval

If the Assistant Secretary determines that the Initial Proposal meets the standards set forth in Section IV.B.5.c, the Assistant Secretary shall approve the Initial Proposal, inform the Eligible Entity, and make available to the Eligible Entity 20 percent of its Total Allocation; or a higher percentage at the sole discretion of the Assistant Secretary, for uses as described in Section IV.B.8 of this NOFO.

ii. Disapproval

If the Initial Proposal is incomplete, or the Assistant Secretary determines that the use of funds proposed in the Initial Proposal does not meet the standards set forth in Section IV.B.5.c, the Assistant Secretary shall notify the Eligible Entity of deficiencies in the proposal, provide the Eligible Entity with an opportunity to resubmit the Initial Proposal, and establish a deadline for resubmission. If an Eligible Entity fails to resubmit an Initial Proposal that remedies the deficiencies identified by the Assistant Secretary by the applicable deadline, the Eligible Entity will be treated as an application failure pursuant to Section IV.B.10. NTIA will provide technical assistance to Eligible Entities in the revision process with the goal of ensuring an approved Initial Proposal for each participating Eligible Entity.

6. Challenge Process

Each Eligible Entity shall develop and describe in the Initial Proposal, a transparent, evidence-based, fair, and expeditious challenge process under which a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by the Eligible Entity in the Initial Proposal as to whether a particular location or community anchor institution within the jurisdiction of the Eligible Entity is eligible for grant funds. Among other things, the process must allow for challenges regarding whether a particular location is unserved or underserved as those terms are defined in the Infrastructure Act and Section I.C of this NOFO.⁴⁷ Eligible Entities should update the data provided in their Initial Proposal to reflect the most recently published version of the Broadband DATA Maps available as of the initiation of the challenge process.

⁴⁷ The fact that a location is served does not preclude its inclusion in an Unserved Service Project or an Underserved Service Project, as these terms contemplate that such projects may include served and (in the case of Unserved Service Projects) underserved locations. For example, a particular Unserved Service Project containing 10 total locations may have 8 unserved locations and 2 that are served.

The Assistant Secretary may modify the challenge process proposed by the Eligible Entity as necessary and shall inform the Eligible Entity of any modifications required. Once an Eligible Entity makes any required modifications, the Assistant Secretary shall approve the challenge process, either in conjunction with, or prior to, approval of the Eligible Entity's Initial Proposal. The Eligible Entity shall conduct the approved challenge process before allocating grant funds received from BEAD for the deployment of broadband networks to subgrantees.⁴⁸

After resolving each challenge and at least 60 days before allocating grant funds for network deployment, an Eligible Entity must provide public notice of the final classification of each unserved location, underserved location, or Eligible Community Anchor Institution within the jurisdiction of the Eligible Entity. An Eligible Entity must also notify NTIA of any modifications to the Initial Proposal that are necessitated by successful challenges to its initial determinations. Pursuant to the discretionary authority granted to the Assistant Secretary in the Infrastructure Act, NTIA may reverse the determination of an Eligible Entity with respect to the eligibility of a particular location or community anchor institution.

7. Subgrantee Selection Process

Each Eligible Entity must establish fair, open, and competitive processes for selecting subgrantees.⁴⁹ The selection of subgrantees is a critically important process that will determine which providers will bring service to all Americans, and in many cases, which entities will stand up and operate training programs and take other actions aimed at closing the digital divide.⁵⁰ Eligible Entities' selection processes must be made clear to potential subgrantees and must be described in the Eligible Entity's Initial Proposal and Final Proposal. NTIA recognizes that there may be a variety of competitive processes Eligible Entities might use to select subgrantees and does not mandate any specific approach. Each Eligible Entity is encouraged to invite participation in the process by a broad cross-section of potential subgrantees, including minority-owned business and other socially or economically disadvantaged individual-owned businesses. NTIA will provide further guidance and technical assistance on approaches to subgrantee selection.

a. General Principles Governing Subgrantee Selection

i. Protecting the Integrity of the Selection Process

In establishing a fair, open, equitable, and competitive selection process, each Eligible Entity must ensure that adequate safeguards are in place to protect the integrity of the competition, including safeguards against collusion, bias, conflicts of interest, arbitrary decisions, and other factors that could undermine confidence in the process.

⁴⁸ Eligible Entities may, but are not required to, update their post-challenge data to reflect updates to the Broadband DATA Maps that occur after conclusion of the challenge process.

⁴⁹ Subgrantees must meet the minimum qualifications set forth in Section IV.D of this NOFO.

⁵⁰ Eligible Entities must subgrant funds in connection with broadband deployment projects and may also subgrant funds for non-deployment activities. As a recipient, however, an Eligible Entity may also decide to carry out non-deployment activities themselves.

ii. Last-Mile Broadband Deployment Projects

When selecting subgrantees to provide broadband service to Unserved Service Projects, Underserved Service Projects, and Eligible Community Anchor Institutions (“last-mile broadband deployment projects”), each Eligible Entity must apply a process that abides by the following principles:

1. An “Unserved Service Project” or “Underserved Service Project” can be as small as a single unserved or underserved location, respectively. This principle will help ensure that isolated unserved and underserved locations that cannot be aggregated in groups that are 80 percent or more unserved or underserved are addressed by the BEAD Program.
2. An “Unserved Service Project” or “Underserved Service Project” may include Middle Mile Infrastructure in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of a project providing service to an unserved location, underserved location, or eligible CAI.⁵¹
3. In identifying an Unserved Service Project or Underserved Service Project, an Eligible Entity may not treat as “unserved” or “underserved” any location that is already subject to an enforceable federal, state, or local commitment to deploy qualifying broadband as of the date that the challenge process described in Section IV.B.6 of this NOFO is concluded.⁵² The

⁵¹ See Infrastructure Act § 60102(h)(4)(E).

⁵² An enforceable commitment for the deployment of qualifying broadband to a location exists when the commitment to deploy qualifying broadband service to that location was made as a condition of:

- Any grant, loan, or loan guarantee provided by an Eligible Entity to the provider of broadband service;
- Any grant, loan, or loan guarantee provided by the Secretary of Agriculture under:
 - Title VI of the Rural Electrification Act of 1936 (7 U.S.C. § 950bb *et seq.*), including: any program to provide grants, loans, or loan guarantees under Sections 601 through 603 of that Act (7 U.S.C. § 950bb *et seq.*); and the Community Connect Grant Program established under Section 604 of that Act (7 U.S.C. § 950bb–3); or
 - The broadband loan and grant pilot program known as the “Rural eConnectivity Pilot Program” or the “ReConnect Notice of Funding Opportunity Program” authorized under Section 779 of division A of the Consolidated Appropriations Act, 2018 (Public Law 115–141; 132 Stat. 348);
- Any high-cost universal service support provided under Section 254 of the Communications Act of 1934 (47 U.S.C. § 254), except that in the case of the Rural Digital Opportunity Fund, a location will be considered to have an enforceable commitment for qualifying broadband only (a) after the Federal Communications Commission has announced in a Public Notice that RDOF support for that location is ready-to-authorize or is authorized, and (b) the provider does not rely on satellite technologies to deliver service;
- Any grant provided under Section 6001 of the American Recovery and Reinvestment Act of 2009 (47 U.S.C. § 1305);
- Amounts made available for the Education Stabilization Fund established under the heading “DEPARTMENT OF EDUCATION” in title VIII of division B of the CARES Act (Public Law 116–136; 134 Stat. 564), and funded under the CARES Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act), and the American Rescue Plan Act (ARP Act);

Assistant Secretary may waive such treatment of locations or areas with prior enforceable commitments at the request of the Eligible Entity in cases where the Eligible Entity can demonstrate to the satisfaction of the Assistant Secretary that such treatment of such locations or areas is necessary to achieve the goals of the program, including where purported commitments do not have the appropriate documentation with respect to Tribal lands consistent with requirements set out above.⁵³ For the purposes of the subgrantee selection process, “qualifying broadband” to a location that is not a CAI is Reliable Broadband Service with (i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds; “qualifying broadband” to a CAI is Reliable Broadband Service with (i) a speed of not less than 1 Gbps for downloads and uploads alike and (ii) latency less than or equal to 100 milliseconds.

4. An Eligible Entity must establish a competitive process designed to maximize the public benefits achieved through the subgrant process by increasing subgrantee-provided match and reducing costs to consumers. The type of competitive process selected is at the discretion of the Eligible Entity, subject to the Assistant Secretary’s approval in reviewing the Eligible Entity’s Initial Proposal and to the criteria and other requirements set forth in this NOFO.

5. The Eligible Entity may seek proposals to serve unserved locations, underserved locations, and CAIs collectively or separately, so long as the Eligible Entity awards funding in a manner that prioritizes Unserved Service Projects and once it certifies that it will ensure coverage of all unserved locations within the Eligible Entity, prioritizes Underserved Service Projects.

6. The Eligible Entity may not exclude, as a class, cooperatives, nonprofit organizations, public-private partnerships, private companies, public or private utilities, public utility districts, or local governments from eligibility as a subgrantee.

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- Amounts made available for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) established under the American Rescue Plan Act of 2021 (Public Law 117–2; 135 Stat. 4) (ARPA);
 - Amounts made available for the Capital Projects Fund established by Section 604 of the Social Security Act, as added by Section 9901 of ARPA; or
 - Any other grant, loan, or loan guarantee provided by, or funded in whole or in part by, the federal government or a State or Territorial government for the provision of broadband service.

Eligible Entities may fund Unserved Service Projects and Underserved Service Projects that include locations in an area that has an enforceable commitment for the deployment of qualifying broadband to less than 100 percent of the locations in that area. *See, e.g.*, 47 C.F.R. § 54.308(a). Eligible Entities must, however, seek to identify as part of the challenge process described in Section IV.B.6 of this NOFO those unserved locations and underserved that will not be served by qualifying broadband service as a result of such enforceable commitment, and use that information in determining whether to treat each location as unserved or underserved within the relevant area.

Further, for unserved locations and underserved on Tribal Lands, a commitment that otherwise meets the criteria set forth above shall not constitute an enforceable commitment for the deployment of qualifying broadband unless it includes a legally binding agreement, which includes a Tribal Government Resolution, between the Tribal Government of the Tribal Lands encompassing that location, or its authorized agent, and a service provider offering qualifying broadband service to that location.

⁵³ *See supra* note 52.

7. The Eligible Entity may solicit proposals from prospective subgrantees at the geographic level of its choosing—for example, on a per-location basis, per-census block basis, per-town, per-county or another geographic unit. An Eligible Entity may alternatively solicit proposals for project areas it defines or ask prospective subgrantees to define their own proposed project areas. If the Eligible Entity allows prospective subgrantees to define proposed project areas, it must develop a mechanism for de-conflicting overlapping proposals (for example, by de-scoping some locations from a provider’s proposed project area) to allow for like-to-like comparison of competing proposals. Whatever process is selected, the Eligible Entity must ensure it has a plan for serving all unserved and (where it has sufficient funding) underserved locations.

8. Each Eligible Entity must require that each proposal from a prospective subgrantee identify, for each location to be served in the proposal, the amount of BEAD funding the prospective subgrantee is seeking to serve that location.

9. If, after soliciting proposals, the Eligible Entity has received no proposals to serve a location or group of locations that are unserved, underserved, or a combination unserved and underserved, the Eligible Entity may engage with existing providers and/or other prospective subgrantees to find providers willing to expand their existing or proposed service areas. An Eligible Entity may consider inducements such as use of state funding toward the match requirement set forth in Section III.B or benefits during the grant selection process (*e.g.*, points or credits). The Eligible Entity shall, in this circumstance, work to ensure that its approach is as transparent as possible. For the avoidance of doubt, this provider-specific outreach is only appropriate after the Eligible Entity has solicited proposals and failed to obtain one or more proposals to serve the location or locations at issue.

10. As discussed further in Section IV.B.9.b, if an Eligible Entity’s Final Proposal includes plans to deploy broadband to Unserved Service Projects or Underserved Service Projects that include any locations on Tribal Lands, the Eligible Entity must submit proof of the Tribal Government’s consent to such deployment.

11. Notwithstanding any of the above:

- An Eligible Entity may decline to select a proposal that requires a BEAD subsidy that exceeds the Extremely High Cost Per Location Threshold for any location to be served in the proposal if use of an alternative Reliable Broadband Service technology meeting the BEAD Program’s technical requirements would be less expensive. Subject to the overarching requirement to run a fair, open, and competitive process, the Eligible Entity has discretion to design a selection process that allows it to engage with a prospective subgrantee to revise the proposal to ensure that no location requires a subsidy that exceeds the Extremely High Cost Per Location Threshold.
- If no Reliable Broadband Service technology meeting the BEAD Program’s technical requirements would be deployable for a subsidy of less than the Extremely High Cost Per Location Threshold at a given location, an Eligible Entity is authorized to select a proposal involving a less costly technology for that location, even if that technology does *not* meet the definition of Reliable Broadband Service but otherwise satisfies the Program’s technical requirements.

In this instance, Eligible Entities are directed to seek out the most robust, affordable, and scalable technologies achievable under the circumstances particular to that location.

Eligible uses of funding in connection with last-mile broadband deployment projects include the following:⁵⁴

1. Construction, improvement, and/or acquisition of facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings.
2. Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements.
3. Deployment of internet and Wi-Fi infrastructure within an eligible multi-family residential building.
4. Engineering design, permitting, and work related to environmental, historical and cultural reviews.
5. Personnel costs, including salaries and fringe benefits for staff and consultants providing services directly connected to the implementation of the BEAD Program (such as project managers, program directors, and subject matter experts).
6. Network software upgrades, including, but not limited to, cybersecurity solutions.
7. Training for cybersecurity professionals who will be working on BEAD-funded networks.
8. Workforce development, including Registered Apprenticeships and pre-apprenticeships, and community college and/or vocational training for broadband-related occupations to support deployment, maintenance, and upgrades.

iii. Non-Deployment Uses

As detailed above, an Eligible Entity that can demonstrate it has a plan for bringing affordable, high-speed broadband service to all unserved and underserved locations within its jurisdiction may also allocate funding to non-deployment activities. Such eligible non-deployment uses include, but are not limited to, the following:

1. User training with respect to cybersecurity, privacy, and other digital safety matters.
2. Remote learning or telehealth services/facilities.
3. Digital literacy/upskilling (from beginner-level to advanced).
4. Computer science, coding and cybersecurity education programs.
5. Implementation of Eligible Entity digital equity plans (to supplement, but not to duplicate or supplant, Planning Grant funds received by the Eligible Entity in connection with the Digital Equity Act of 2021).⁵⁵

⁵⁴ These also are the uses to which an Eligible Entity must in the first instance devote funding in the initial 20 percent funding distribution, pursuant to Section IV.B.7 of this NOFO.

⁵⁵ Note that an Eligible Entity that wishes to obtain a Digital Equity Capacity Grant under the Digital Equity Act of 2021 must first apply for and receive a Digital Equity Planning Grant in order to do so. The application for BEAD funding will not be considered an application for a grant under the Digital Equity Act of 2021. Use of BEAD funds for digital equity purposes will not alone render the Eligible Entity

6. Broadband sign-up assistance and programs that provide technology support.
7. Multi-lingual outreach to support adoption and digital literacy.
8. Prisoner education to promote pre-release digital literacy, job skills, online job-acquisition skills, *etc.*
9. Digital navigators.⁵⁶
10. Direct subsidies for use toward broadband subscription, where the Eligible Entity shows the subsidies will improve affordability for the end user population (and to supplement, but not to duplicate or supplant, the subsidies provided by the Affordable Connectivity Program).
11. Costs associated with stakeholder engagement, including travel, capacity-building, or contract support.
12. Other allowable costs necessary to carrying out programmatic activities of an award, not to include ineligible costs described below in Section V.H.2 of this NOFO.

When selecting subgrantees for non-deployment uses of BEAD funds, an Eligible Entity must adhere to the Infrastructure Act's requirement that subgrants be awarded "competitively."⁵⁷ NTIA recognizes that the breadth of potential non-deployment eligible activities could necessitate a broad range of subgrantee selection processes, even within a single Eligible Entity, and that such processes might even require the Eligible Entity to compare and choose among very different proposals (*e.g.*, whether to allocate funds to an affordability program, a cybersecurity training program, or a digital literacy drive).⁵⁸ Accordingly, NTIA does not prescribe any specific framework. NTIA reminds Eligible Entities that federal grant regulations "flow through" to subrecipients (*i.e.*, subgrantees), and that subrecipients are responsible for adherence to applicable Federal program requirements specified in the Federal award.⁵⁹ As with deployment projects, NTIA encourages Eligible Entities to promote participation by minority-owned businesses and other socially or economically disadvantaged individual-owned businesses.

b. Prioritization and Scoring in Selection of Last-Mile Broadband Deployment Projects

An Eligible Entity may choose its own means of competitively selecting subgrantees for last-mile broadband deployment projects, subject to approval by the Assistant Secretary (during review of the Eligible Entity's Initial Proposal). Each Eligible Entity's subgrantee selection process must, however, incorporate the following principles to satisfy the Infrastructure Act's mandates and the BEAD Program's goals.

eligible for a Digital Equity Planning Grant.

⁵⁶ "Digital Navigators are individuals who address the whole digital inclusion process — home connectivity, devices, and digital skills — with community members through repeated interactions." National Digital Inclusion Alliance, *The Digital Navigator Model: Adding Digital Equity to Our Social Safety Net*, available at <https://www.digitalinclusion.org/digital-navigator-model/>.

⁵⁷ See Infrastructure Act § 60102(f).

⁵⁸ An Eligible Entity could also run multiple competitions for different categories of activities.

⁵⁹ See, *e.g.*, 2 C.F.R. §§ 200.101(b)(2); 200.331.

1. ***Complete Coverage of Unserved Locations and Underserved Locations, Followed by Prioritization of Eligible CAIs.*** The Eligible Entity, in awarding subgrants for the deployment of a broadband network, shall award funding in a manner that ensures the deployment of service to all unserved locations within the Eligible Entity's jurisdiction. If the Eligible Entity has sufficient funds to ensure deployment of service to all underserved locations within its jurisdiction, it must ensure such deployment as well. If the Eligible Entity lacks sufficient funds to ensure deployment of service to all underserved locations, it must commit the remainder of its BEAD funds to ensure deployment to underserved locations. Eligible Entities must submit Initial Proposals and Final Proposals that will result in coverage for all unserved locations, and (to the extent funds are available) all underserved locations. The Assistant Secretary will only approve an Initial Proposal or Final Proposal that includes a plan to ensure deployment of broadband to all unserved and underserved locations within the State or Territory or that provides a strong showing that the Eligible Entity is financially incapable of ensuring universal coverage of all unserved and underserved locations. To the extent that an Eligible Entity demonstrates that there are insufficient funds available to fund deployment to all unserved, underserved, or eligible CAI locations, the Eligible Entity must prioritize projects within each of those categories based on a strong preference for projects in high poverty areas or persistent poverty counties.⁶⁰

In ensuring deployment of service to all unserved and underserved locations within its jurisdiction, the Eligible Entity may opt to fund deployment of Wi-Fi infrastructure to multi-family buildings that lack high-speed broadband access in their entirety or contain units that lack such access. Such an Eligible Entity must give priority to residential buildings that (1) have a substantial share of unserved households or (2) are in locations in which the percentage of individuals with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved⁶¹ is higher than the national percentage of such individuals.⁶²

NTIA strongly urges Eligible Entities that are able to fund deployment to all unserved and underserved locations to allocate remaining funds to eligible CAIs, and to move to alternative eligible uses only if they are able to fund deployments to all unserved locations, underserved locations, and eligible CAIs. An Eligible Entity that proposes to use BEAD funds to pursue objectives in lieu of the deployment of service to eligible CAIs must provide a strong rationale for doing so in its Initial Proposal.

The requirement that an Eligible Entity have a plan to ensure deployment to all unserved and underserved locations before contemplating non-deployment uses of funds does not

⁶⁰ For the purposes of this requirement, high poverty areas are areas in which the percentage of individuals with a household income that is at or below 150 percent of the poverty line applicable to a family of the size involved (as determined under Section 673(2) of the Community Services Block Grant Act (42 U.S.C. § 9902(2)) is higher than the national percentage of such individuals. Persistent poverty counties are counties that have had poverty rates of 20 percent or greater for at least 30 years as calculated by the Economic Research Service in the Department of Agriculture.

⁶¹ For this purpose, the applicable poverty line for a family of the relevant size is to be determined consistent with section 673(2) of the Community Services Block Grant Act, 42 U.S.C. § 9902(2).

⁶² See Infrastructure Act § 60102(g)(1)(D).

impose any temporal requirement as to the order in which BEAD-funded initiatives are undertaken or completed. NTIA recognizes that broadband deployment projects often take months or years to complete, whereas certain other eligible uses of BEAD funds can be implemented more quickly. Thus, if an Eligible Entity has a plan to deploy service to all unserved and underserved locations within its jurisdiction, it may pursue non-deployment initiatives using BEAD funds before or while deployment projects are underway. For example, while an Eligible Entity is only permitted to pursue a device-subsidy program using BEAD funds if it has a plan to deploy service to all unserved and underserved locations within its jurisdiction, an Eligible Entity proposing such a program is both permitted and encouraged to implement it as soon as is feasible once its Initial Proposal has been approved.

2. ***Selection Among Competing Proposals for the Same Location or Locations.*** An Eligible Entity's process in selecting subgrantees for last-mile broadband deployment projects must first assess which locations or sets of locations under consideration are subject to one or more proposals that (1) constitute Priority Broadband Projects and (2) satisfy all other requirements set out in this NOFO with respect to subgrantees. In the event there is just one proposed Priority Broadband Project in a location or set of locations, and that proposal does not exceed the Eligible Entity's Extremely High Cost Per Location Threshold, that proposal is the default winner, unless the Eligible Entity requests, and the Assistant Secretary grants, a waiver allowing the Eligible Entity to select an alternative project.⁶³ To the extent there are multiple proposals in a location or set of locations that (1) constitute Priority Broadband Projects and (2) satisfy all other requirements with respect to subgrantees, the Eligible Entity shall use its approved competitive process to select a project subject to the selection criteria set forth below.

i. Selection Among Priority Broadband Projects

Definition. The Infrastructure Act provides that a “priority broadband project” is one designed to (1) “provide broadband service that meets speed, latency, reliability, consistency in quality of service, and related criteria as the Assistant Secretary shall determine” and (2) “ensure that the network built by the project can easily scale speeds over time to ... meet the evolving connectivity needs of households and businesses” and “support the deployment of 5G, successor wireless technologies, and other advanced services.”⁶⁴ NTIA has determined that “Priority Broadband Projects” are those that use end-to-end fiber-optic architecture. Only end-to-end fiber will “ensure that the network built by the project can easily scale speeds over time to ... meet the evolving connectivity needs of households and businesses” and “support the deployment of 5G, successor wireless technologies, and other advanced services.”⁶⁵ End-to-end fiber networks can be updated by replacing equipment attached to the ends of the fiber-optic facilities, allowing for quick and relatively inexpensive network scaling as compared to other technologies. Moreover, new fiber deployments will facilitate the deployment and growth of 5G and other advanced wireless services, which rely extensively on fiber for essential backhaul.

⁶³ The Eligible Entity need not seek a waiver before rejecting a project whose costs, on average or for a given location, exceed the Eligible Entity's Extremely High Cost Per Location Threshold.

⁶⁴ Infrastructure Act § 60102(a)(1)(I).

⁶⁵ *Id.*

Primary Criteria. In deciding among competing Priority Broadband Projects covering the same location or locations, Eligible Entities must give the greatest weight (*e.g.*, substantial points or credits) to the following criteria:⁶⁶

- **Minimal BEAD Program Outlay.** The total BEAD funding that will be required to complete the project, accounting for both total projected cost and the prospective subgrantee's proposed match (which must, absent a waiver, cover no less than 25 percent of the project cost), with the specific points or credits awarded increasing as the BEAD outlay decreases. In comparing the project's BEAD outlay and the prospective subgrantee's match commitments, Eligible Entities should consider the cost to the Program per location while accounting for any factors in network design that might make a project more expensive, but also more scalable or resilient.
- **Affordability.** The prospective subgrantee's commitment to provide the most affordable total price to the customer for 1 Gbps/1 Gbps service in the project area.
- **Fair Labor Practices.** Eligible Entities must give priority to projects based on a prospective subgrantee's demonstrated record of and plans to be in compliance with Federal labor and employment laws. New entrants without a record of labor and employment law compliance must be permitted to mitigate this fact by making specific, forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects. This prioritization requirement is described in further detail in Section IV.C.1.e of this NOFO.

Secondary Criterion. Eligible Entities must also give weight (*e.g.*, some number of points or quantity of credits less than the amount given to the criteria above) to the following criterion:

- **Speed to Deployment.** All subgrantees that receive BEAD Program funds for network deployment must deploy the planned broadband network and begin providing services to each customer that desires broadband services within the project area not later than four years after the date on which the subgrantee receives the subgrant from the Eligible Entity. Eligible Entities must give secondary criterion prioritization weight to the prospective subgrantee's binding commitment to provide service by an earlier date certain, subject to contractual penalties to the Eligible Entity, with greater benefits awarded to applicants promising an earlier service provision date.⁶⁷

⁶⁶ The primary criteria must collectively account for no less than three-quarters of the total benefits available across all the criteria the Eligible Entity employs in choosing between or among competing proposals.

⁶⁷ Nothing herein supersedes the requirement that, barring an extension granted by the Assistant Secretary, any subgrantee that receives BEAD Program funds for network deployment must deploy the

Additional Prioritization Factors. Eligible Entities may develop additional secondary criteria to be given weights that align with Eligible Entity and local priorities, subject to the requirement to give the greatest weight to the primary criteria and the approval of the Assistant Secretary in the Initial and Final Proposal process. In particular, NTIA encourages Eligible Entities to incorporate the following as selection criteria:

- **Equitable Workforce Development and Job Quality.** NTIA encourages Eligible Entities to adopt selection criteria relating to the subgrantee’s enforceable commitments with respect to advancing equitable workforce development and job quality objectives, *see* Section IV.C.1.f of this NOFO.
- **Open Access.** NTIA encourages Eligible Entities to adopt selection criteria promoting subgrantees’ provision of open access wholesale last-mile broadband service for the life of the subsidized networks, on fair, equal, and neutral terms to all potential retail providers.
- **Local and Tribal Coordination.** NTIA encourages Eligible Entities to adopt selection criteria reflecting a prospective subgrantee’s support from the local and/or Tribal Government with oversight over the location or locations to be served.

ii. Selection Among Other Last-Mile Broadband Deployment Projects

With respect to locations or sets of locations for which the Eligible Entity did not receive a proposal to deploy a Priority Broadband Project, the Eligible Entity shall first identify any locations with only one proposal that satisfies all other requirements with respect to subgrantees. In those locations or sets of locations, the entity submitting the sole proposal is the default winner, unless the Eligible Entity requests, and the Assistant Secretary grants, a waiver allowing the Eligible Entity to seek other potential subgrantees. To the extent there are multiple proposals seeking to serve a location or area that satisfy all other requirements with respect to subgrantees, the Eligible Entity shall undertake its competitive process to choose between or among those proposals.

Primary Criteria. In deciding among competing projects that are not Priority Broadband Projects covering the same locations or area, Eligible Entities must give the greatest weight (*e.g.*, substantial points or credits) to the following criteria:⁶⁸

- **Minimal BEAD Program Outlay.** The total BEAD funding that will be required to complete the project, accounting for both total projected cost and the prospective subgrantee’s proposed match (which must, absent a waiver, cover no

planned broadband network and begin providing services to each customer that desires broadband service within the project area not later than four years after the date on which the subgrantee receives the subgrant from the Eligible Entity.

⁶⁸ The primary criteria must collectively account for no less than three-quarters of the total benefits available across all the criteria the Eligible Entity employs in choosing between or among competing proposals.

less than 25 percent of the project cost), with the specific benefits awarded increasing as the BEAD outlay decreases. In comparing the project's BEAD outlay and the prospective subgrantee's match commitments, Eligible Entities should consider the cost to the Program per location while accounting for any factors in network design that might make a project more expensive, but also more scalable or resilient.

- **Affordability.** The prospective subgrantee's commitment to provide the most affordable total price to the customer for 100/20 Mbps service in the proposed service area.
- **Fair Labor Practices.** Eligible Entities must give priority to projects based on a prospective subgrantee's demonstrated record of and plans to be in compliance with Federal labor and employment laws. New entrants without a record of labor and employment law compliance must be permitted to mitigate this fact by making specific, forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects. This prioritization requirement is described in further detail in Section IV.C.1.e of this NOFO.

Secondary Criteria. Eligible Entities must also give weight (*e.g.*, some number of points or credits less than the amount given to the criteria above) to the following criteria:

- **Speed to Deployment.** The prospective subgrantee's binding commitment to provision service by a date certain, subject to contractual penalties to the Eligible Entity, with greater benefits awarded to prospective subgrantees promising an earlier service provision date.
- **Speed of Network and Other Technical Capabilities.** Eligible Entities must weigh the speeds, latency, and other technical capabilities of the technologies proposed by prospective subgrantees seeking to deploy projects that are not Priority Broadband Projects. Applications proposing to use technologies that exhibit greater ease of scalability with lower future investment (as defined by the Eligible Entity) and whose capital assets have longer useable lives should be afforded additional weight over those proposing technologies with higher costs to upgrade and shorter capital asset cycles.

Additional Prioritization Factors. Eligible Entities may develop additional secondary criteria to be given weights that align with Eligible Entity and local priorities, subject to the requirement to give the greatest weight to the primary criteria and the approval of the Assistant Secretary in the Initial and Final Proposal process. In particular, NTIA encourages Eligible Entities to incorporate the following as selection criteria:

- **Equitable Workforce Development and Job Quality.** NTIA encourages Eligible Entities to adopt selection criteria relating to the subgrantee's enforceable commitments with respect to advancing equitable workforce development and job quality objectives, *see* Section IV.C.1.f of this NOFO.

- **Open Access.** NTIA encourages Eligible Entities to adopt selection criteria promoting subgrantees' provision of open access wholesale last-mile broadband service for the life of the subsidized networks, on fair, equal, and neutral terms to all potential retail providers.
- **Local and Tribal Coordination.** NTIA encourages Eligible Entities to adopt selection criteria reflecting a prospective subgrantee's support from the local and/or Tribal Government with oversight over the location or locations to be served.

8. 20 Percent Funding Release and Eligible Uses

If the Assistant Secretary determines that the Initial Proposal meets the standards set forth in Section IV.B.5.c, the Assistant Secretary shall make available to the Eligible Entity 20 percent of the grant funds that were allocated to the Eligible Entity, or a higher percentage at the sole discretion of the Assistant Secretary, for uses as described in Section IV.B.3 of this NOFO.

Upon completion of the challenge process described in Section IV.B.6 and the subgrantee selection process described in Section IV.B.7, an Eligible Entity may use the funds made available under this Section to fully fund deployment projects that:

1. Consist of at least 80 percent unserved locations; and
2. Are in a location in which the percentage of individuals with a household income at or below 150 percent of the poverty line applicable to a family of the size involved (as determined under Section 673(2) of the Community Services Block Grant Act (42 U.S.C. § 9902(2)) that is higher than the national percentage of such individuals.

An Eligible Entity may use the funds made available under this Section of the NOFO for other eligible uses described under Section IV.B.7 of this NOFO (*i.e.*, for uses other than deployment of last-mile broadband infrastructure to unserved and underserved locations or eligible CAIs) only if the Eligible Entity is able to demonstrate to the satisfaction of the Assistant Secretary that the Eligible Entity has a plan to meet the unserved and underserved location broadband deployment commitments set forth in the Eligible Entity's Final Proposal, in which case the Assistant Secretary may waive, in whole or in part, limitations on the use of this funding round.⁶⁹ Additional information on how to request the use of funds for other purposes and the associated documentation required to demonstrate such plan will be provided at a later date.

9. Final Proposal

a. Timing

To receive the remaining grant funds that were allocated to the Eligible Entity, an Eligible Entity shall submit a Final Proposal no later than twelve (12) months after the date upon which the Assistant Secretary approves the Eligible Entity's Initial Proposal. If an Eligible Entity fails to

⁶⁹ As described above, moreover, the Eligible Entity need not wait for its last-mile deployment projects to be completed before it can pursue its approved non-deployment uses. Rather, it is both permitted and encouraged to undertake those non-deployment activities as soon as is feasible.

submit a Final Proposal by this deadline, this will be treated as the Eligible Entity's application failure pursuant to Section IV.B.10. The Assistant Secretary reserves the right to extend this deadline; however, the Assistant Secretary will not grant a waiver of the Final Proposal deadlines except in extraordinary circumstances.

b. Form and Content of Final Proposal

NTIA will provide Eligible Entities an online template for submission of the Final Proposal. An Eligible Entity may submit only one final proposal.

The Final Proposal must include, at a minimum:

1. A detailed plan that specifies the outcome of the Eligible Entity's subgrantee selection process and how the Eligible Entity will:
 - a. allocate grant funds to subgrantees for the deployment of broadband networks to unserved locations, underserved locations, and (if applicable) CAIs in accordance with the prioritization framework described in Section IV.B.7.b of this NOFO; and
 - b. align the grant funds allocated to the Eligible Entity under the BEAD Program, where practicable, with the use of other funds for broadband that the Eligible Entity receives from the federal government, an Eligible Entity, or any other source.
3. A timeline for implementation of the detailed plan and completion of each project and other eligible activity to be funded;
4. Processes for oversight and accountability to ensure the proper use of the grant funds allocated to the Eligible Entity under the BEAD Program consistent with Section IX.G of this NOFO;
5. Certification that the Eligible Entity has conducted coordination, including with Tribal Governments, local community organizations, and unions and worker organizations, consistent with the requirements set forth in Section IV.C.1.c of this NOFO, a description of the coordination conducted, and a summary of the impact such coordination had on the content of the Final Proposal;
6. Description of the results of the challenge process conducted by the Eligible Entity under Section IV.B.6;
7. Certification that the Eligible Entity will provide service to all unserved and underserved locations, if the Eligible Entity is seeking to use BEAD funding for deployment to CAIs or for other eligible activities;
8. A detailed description of all planned uses of BEAD funding that are not last-mile broadband deployment projects, including the nature of each funded initiative, how those uses are consistent with Section IV.B.7.a.iii of this NOFO, how the Eligible Entity expects the initiative to address the needs of the Eligible Entity's residents, the ways in which engagement with localities and stakeholders informed the selection of such eligible activities, and any efforts the Eligible Entity undertook to determine whether other uses of the funds might have been more effective in achieving the BEAD Program's equity, access, and deployment goals;

9. The means by which subgrantees for non-deployment eligible activities were selected, if the Eligible Entity pursued those initiatives via subgrant, or, alternatively, how the Eligible Entity determined that it should undertake the initiative itself;
10. A description of efforts undertaken by the Eligible Entity to ensure the participation of non-traditional broadband providers (such as municipalities or political subdivisions, cooperatives, non-profits, Tribal Governments, and utilities), including an explanation for awards to traditional broadband providers when one or more non-traditional providers submitted competing proposals to serve an area consistent with the requirements of Section IV.C.1.a;
11. Implementation status of plans described in the Initial Proposal related to:
 - a. Steps that the Eligible Entity has taken or intends to take to promote streamlined permitting processes and cost-effective access to poles, conduits, easements, and rights of way, including the imposition of reasonable access requirements;
 - b. Labor and workforce activities, including how the Eligible Entity implemented and applied the labor-related subgrantee selection criterion required herein;
 - c. Utilization of minority businesses, women-owned business enterprises, and labor surplus area firms;
 - d. Low-cost plan requirements; and
 - e. Climate change and resilience;
12. Information regarding specific commitments made by provisionally selected subgrantees to warrant a project's treatment as a Priority Broadband Project;
13. Information regarding specific commitments made by provisionally selected subgrantees to warrant benefits in the Eligible Entity's subgrantee selection process (*e.g.*, the primary and secondary criteria);
14. Environmental documentation associated with any construction and/or ground-disturbing activities and a description of how the Eligible Entity will comply with applicable environmental and national historical preservation requirements.
15. To the extent an Eligible Entity's Final Proposal includes plans to deploy broadband to Unserved Service Projects or Underserved Service Projects on Tribal Lands, the Eligible Entity must submit a Resolution of Consent from each Tribal Government, from the Tribal Council or other governing body, upon whose Tribal Lands the infrastructure will be deployed⁷⁰.

⁷⁰ In the case of consortiums, a Tribal resolution is required from each Tribal Government on whose Tribal Lands the infrastructure will be deployed. For projects deploying to locations on Tribal Lands in Hawaii, consent must be obtained from the Department of Hawaiian Home Lands. For projects deploying to locations in Alaska, with the exception of deployments on the Metlakatla Reservation, an Eligible Entity must gain the consent (by Tribal resolution) of 51 percent or more of the federally recognized tribal governments in the Alaska Native Region in which the infrastructure will be deployed. Consent from the Metlakatla Reservation will not be required for deployments in the Southeast Alaska Region Village. Conversely, deployments within the Metlakatla Reservation will require only the consent (via Tribal resolution) of the Metlakatla Reservation's Tribal Government. If a Tribal Government is not meeting due to COVID-19 restrictions or will not meet between release of this NOFO and submission of the Eligible Entity's Initial Proposal, NTIA will allow the submission of a Letter of Consent from the Governing Body of the Tribe with the Eligible Entity's Final Proposal.

16. A description of (1) each unsuccessful application that was affected by laws of the Eligible Entity concerning broadband, utility services, or similar subjects, whether they predate or postdate enactment of the Infrastructure Act, that the Eligible Entity did not waive for purposes of BEAD Program project selection and that either (a) preclude certain public sector providers from participation in the subgrant competition or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer; and (2) how those laws impacted the decision to deny each such application.

Additional requirements for the Final Proposal may be provided to Eligible Entities when the approval of the Initial Proposal is granted.

c. Review process

After receipt of a Final Proposal, the Assistant Secretary shall acknowledge receipt and begin the review process in the order in which Final Proposals are received. Upon determination that the Final Proposal is complete, the Assistant Secretary shall determine whether the use of funds proposed in the Final Proposal:

1. Complies with Section 60102(f) of the Infrastructure Act;
2. Is in the public interest; and
3. Effectuates the purposes of the Infrastructure Act.

The Assistant Secretary may request and accept corrections to the Final Proposal of an Eligible Entity after the Final Proposal has been submitted.

d. Actions Upon Completion of Review

i. Approval

If the Assistant Secretary determines that the Final Proposal meets the standards set forth in Section IV.B.9.c, the Assistant Secretary shall approve the Final Proposal, so inform the Eligible Entity, and make available to the Eligible Entity the remaining Program funds identified in the Eligible Entity's Notice of Available Amounts to be used to implement the Eligible Entity's Final Proposal.

ii. Disapproval

If the Final Proposal is incomplete, or the Assistant Secretary determines that the use of funds proposed in the Final Proposal does not meet the standards set forth in Section IV.B.9.c, the Assistant Secretary will notify the Eligible Entity of the deficiencies in the proposal, provide the Eligible Entity with an opportunity to resubmit the Final Proposal, and establish a deadline for resubmission. If an Eligible Entity fails to resubmit its Final Proposal remedying the deficiencies identified by the Assistant Secretary or otherwise does not satisfy the standards set forth in Section IV.B.9.c by the applicable deadline, the Eligible Entity's application may be treated as an application failure pursuant to Section IV.B.10.

10. Application Failures

If an Eligible Entity fails to submit a covered application (*i.e.*, a Letter of Intent, Initial Proposal, or Final Proposal) by the applicable deadline (and following any relevant opportunity to cure deficiencies), NTIA will issue a public notice inviting a political subdivision or consortium of political subdivisions of the Eligible Entity (a “Substitute Entity”) to submit the applicable type of covered application in place of the Eligible Entity. In the case where an Eligible Entity has missed a deadline opening the process to a Substitute Entity, NTIA will publish a public notice to facilitate meaningful participation of political subdivisions.

In the case of a Substitute Entity that submits a covered application:

1. The Assistant Secretary shall, if necessary, establish revised deadlines for the Substitute Entity to meet the requirements of this NOFO; and
2. Any reference in this NOFO to an Eligible Entity in a geographic sense shall be deemed to refer to the Eligible Entity in whose place the Substitute Entity submitted the covered application.

If no Substitute Entity applies or if the Substitute Entity fails to meet a submission deadline without the grant of extension, an Eligible Entity’s Program funds may be reallocated pursuant to Section II.D above.

C. Program Requirements

As set forth in the Infrastructure Act and outlined in greater detail below, the programmatic requirements applicable to Eligible Entities and subgrantees are as follows:

1. Eligible Entity Obligations
 - a. Consider All Provider Types
 - b. Ensure Subgrantee Accountability
 - c. Local Coordination
 - d. Equitable and Nondiscriminatory Distribution of Funds
 - e. Fair Labor Practices and Highly Skilled Workforce
 - g. Civil Rights and Nondiscrimination Law Compliance
 - h. Climate Resilience
2. Subgrantee Obligations
 - a. Network Capabilities
 - b. Deployment Requirements
 - c. Service Obligations

1. Eligible Entity Obligations

a. Consider All Provider Types

Competition among broadband providers has the potential to offer consumers more affordable, high-quality options for broadband service. As required by the Infrastructure Act, in awarding subgrants for the deployment of a broadband network using grant funds, Eligible Entities may

not exclude cooperatives, nonprofit organizations, public-private partnerships, private companies, public or private utilities, public utility districts, or local governments (“potential providers”) from eligibility for grant funds. In determining whether to approve an Eligible Entity’s Initial or Final Proposal, NTIA will consider whether the Eligible Entity has, after the enactment of the Infrastructure Act, adopted new laws, regulations, policies, procedures or any other form of rule or restriction that, in the determination of NTIA, seeks to exclude or has the effect of excluding any potential providers from eligibility for its subgrant competition. This could include new laws that have the effect of excluding providers from offering broadband service or rendering them incapable of effectively competing for subgrants.

Some laws of Eligible Entities concerning broadband, utility services, or similar subjects that *predate* the enactment of the Infrastructure Act may either preclude certain public sector providers from participation in the subgrant competition or may impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer. NTIA strongly encourages Eligible Entities to waive all such laws for purposes of the Program. If an Eligible Entity does not do so, the Eligible Entity must identify all such laws in its Initial Proposal and describe how the laws will be applied in connection with the competition for subgrants. Such Eligible Entity must, in its Final Proposal, disclose each unsuccessful application affected by such laws and describe how those laws impacted the decision to deny the application.

b. Ensure Subgrantee Accountability

In addition to demonstrating how it expects to satisfy the subrecipient monitoring and management requirements identified in 2 C.F.R. Part 200 Subpart D, each Eligible Entity must include sufficient accountability procedures within its program to ensure subgrantee compliance with all applicable Program requirements. Each Eligible Entity must, at a minimum, include in any subgrant agreement reasonable provisions allowing for recovery of funds in the event of a subgrantee’s noncompliance with the BEAD Program’s requirements, including but not limited to failure to deploy network infrastructure in accordance with mandated deadlines. Each Eligible Entity must, at a minimum, employ the following practices: (1) distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow the Eligible Entity to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize); (2) the inclusion of clawback provisions (*i.e.*, provisions allowing recoupment of funds previously disbursed) in agreements between the Eligible Entity and any subgrantee; (3) timely subgrantee reporting mandates; and (4) robust subgrantee monitoring practices. NTIA will review proposed subgrant processes during the Initial Proposal and Final Proposal review phases and will reject Proposals that fail to provide sufficient recourse against subgrantees that do not fulfill their legal and contractual responsibilities. NTIA likewise will pursue clawback of funds directly from Eligible Entities that fail to ensure subgrantee accountability to the fullest extent of the law.

c. Local Coordination

Each Eligible Entity must develop a comprehensive local coordination approach that will begin in the development of the Five-Year Action Plan and continue at each stage of the BEAD

Program through the awarding of all subgrant funding. Local and Tribal coordination and stakeholder engagement is critical to the BEAD Program's success, to eliminating barriers to broadband access and adoption, and to rapidly and economically building out new broadband networks. NTIA views strong involvement between Eligible Entities and local and Tribal communities as key to ensuring that the broadband needs of all unserved and underserved locations and underrepresented communities are accounted for in Initial and Final Plans. Local coordination promotes alignment of priorities between Eligible Entity and local and Tribal officials and helps ensure visibility of local needs and preferences. Robust engagement efforts increase initial adoption rates once the broadband is deployed in an area and stimulate awareness about the programs that can support the local community.

Accordingly, each Eligible Entity is required to coordinate with political subdivisions, Tribal Governments, local and community-based organizations, and unions and worker organizations within its territory to ensure full representation and inclusion of unserved, underserved, and underrepresented communities throughout the planning and deployment processes. Each Eligible Entity must document its local coordination and outreach activities by providing a detailed description of their efforts to engage local governments, community groups, union and worker organizations, Tribal Governments, and underrepresented populations in its Five-Year Action Plan, Initial Proposal, and Final Proposal, relative to each stage in the BEAD Program process. Each Eligible Entity is strongly encouraged to integrate its local coordination efforts with any outreach and coordination efforts it is required to undertake pursuant to the Digital Equity Act. *See* Section V of this NOFO for additional information concerning application materials.

In evaluating whether local coordination and outreach efforts meet the programmatic requirements, the Assistant Secretary will assess whether plans and activities undertaken ensure: (1) full geographic coverage of the Eligible Entity; (2) meaningful engagement and outreach to diverse stakeholder groups, labor organizations, and community organizations, including to promote the recruitment of women and other historically marginalized populations for workforce development opportunities and jobs related to BEAD-funded eligible activities; (3) utilization of multiple awareness and participation mechanisms and different methods to convey information and outreach; (4) transparency of processes, to include the documentation and publication of results and outcomes of such coordination and outreach efforts, including additions or changes to the Eligible Entity's Initial Proposal and/or Final Proposal; and (5) outreach to and direct engagement of unserved and underserved communities to include historically underrepresented and marginalized groups and/or communities. These requirements are designed to allow Eligible Entities to tailor the program for the unique environments within its boundaries. In evaluating the sufficiency of local coordination efforts, the Assistant Secretary will consider quantitative measures as well as the quality of the engagements.

The requirements of this section are critical to ensuring that Eligible Entities are coordinating with all communities, including their marginalized and underrepresented populations. Broadband availability, or lack thereof, is not new to localities and in many instances, they have undertaken data collection, planning and outreach and engagement efforts to identify the specific and unique needs of their communities. Bringing these stakeholders to the table will not only result in Eligible Entities developing and implementing a successful broadband plan that carries out the intent of the Infrastructure Act, but fosters buy-in from the people the plan and these programs

are meant to serve. It also builds stronger relationships between Eligible Entities and localities and creates opportunities for them to further coordinate with each other. Eligible Entities should track all engagement efforts they conduct and provide a synopsis of the needs identified and if they were addressed (or not) in the appropriate portions of their Initial Proposals, Final Proposals, and reporting to NTIA.

i. Geographic Coverage

Each Eligible Entity must demonstrate that its engagement with its political subdivisions and applicable Tribal Governments include sufficient geographic granularity to demonstrate full participation within the Eligible Entity. Engagement must include Tribal, rural, suburban, and urban areas to the extent applicable in the Eligible Entity and must address diverse stakeholder groups. Each political subdivision and federally recognized Tribe must be given an opportunity to submit its own plan⁷¹ to the Eligible Entity for consideration in the development of the Eligible Entity's Proposals. Likewise, each political subdivision and federally recognized Tribe must be given an opportunity to comment on the Proposals of the Eligible Entity before submission to the Assistant Secretary. The Eligible Entity must detail how it addressed each submitted plan in each relevant Proposal.

ii. Diverse stakeholder groups

Throughout its local coordination and outreach activities, each Eligible Entity must ensure that a diverse set of stakeholders is involved in development of its Five-Year Action Plan, Initial Proposal, and Final Proposal. To the extent the Eligible Entity encompasses sovereign Tribal or Native entities, the Eligible Entity must ensure that such entities are involved in development of the Eligible Entity's plans, including, but not limited to a formal Tribal consultation process with the Eligible Entity. In addition, Eligible Entities must coordinate with local stakeholders—such as entities that carry out workforce development programs and labor unions—to provide a written explanation of their approach to ensuring a reliable supply of skilled workers, eliciting feedback on plans for creating good-paying jobs, and to recruiting and hiring women and other historically marginalized groups for the job opportunities created through the BEAD program. Other examples of stakeholder groups for consideration include but are not limited to the following:

- State and Territorial agencies, including departments and offices charged with overseeing transportation, economic development, community development, education, information technology, health and human services, labor, agriculture, and natural resources; County and municipal governments and regional associations of governments;
- Tribal Governments, Alaska Native entities, and Native Hawaiian organizations;
- Community anchor institutions;
- Nonprofit and community-based organizations;
- Civil rights organizations;
- Labor organizations and unions;

⁷¹ Plans in this context refer to formal, local broadband plans addressing deployment, equity, or other issues relevant to the BEAD program goals.

- Entities that carry out workforce development programs, including labor-management partnership training programs (like Registered Apprenticeship programs and pre-apprenticeships tied to Registered Apprenticeships);
- Higher education institutions, including community colleges, Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCUs), and Minority-Serving Institutions (MSIs);
- Local educational agencies;
- Eligible Entity agencies that are responsible for administering or supervising adult education and literacy activities in the Eligible Entity;
- Public housing authorities or owners/operators of HUD-assisted housing in the Eligible Entity;
- Organizations that represent:
 - Individuals with disabilities, including organizations that represent children with disabilities;
 - Individuals who are 60 years of age or older;
 - Individuals with language barriers, including English learners and individuals with low levels of literacy;
 - People of color;
 - LGBTQI+ people;
 - Immigrants;
 - Veterans; and
 - Individuals in that Eligible Entity who are incarcerated;
- Economic development organizations, local businesses/chambers of commerce, including small and disadvantaged businesses and chambers of commerce (*e.g.*, chambers of commerce serving underrepresented groups);
- Internet Service Providers (ISPs) of all types;
- Public Utility Commissions (PUCs) and equivalents;
- Consumer advocates and advocacy groups;
- Faith-based organizations;
- Neighborhood associations; and
- Other organizations that serve as representatives of underrepresented communities.

iii. Awareness, Outreach and Participation Mechanisms

Successful coordination requires multiple mechanisms to ensure broad awareness and participation. Each Eligible Entity must design and implement efforts that promote inclusivity. This should be accomplished through facilitating broad outreach efforts that promote engagement in different ways to ensure that all unserved, underserved and underrepresented communities are included. Examples of such methods include but are not limited to:

1. Listening sessions, or public meetings (in-person within the community and virtual);
2. Eligible Entity websites and/or email address to submit comments directly;
3. Informational materials such as fact sheets, brochures, Frequently Asked Questions, and newsletters;
4. Social media (blogs, Twitter, Facebook, Instagram, *etc.*);

5. Email notifications and use of traditional mail;
6. Utilization of community anchor institutions to help promote and distribute information);
and
7. Local Advertisements and Public Service Announcements.

iv. Transparency

In conducting local coordination and outreach activities, Eligible Entities must establish, document, and adhere to clear procedures to ensure transparency. This includes publicly posting the Proposals prior to submission to NTIA as well as plans or comments submitted by local political subdivisions or Tribal Governments and explanations of how local recommendations were addressed. Examples of ways to promote and document transparency include but are not limited to publicly available information and easily navigable websites with up-to-date information, periodic reporting/reports to local and community stakeholders, and involvement of diverse stakeholders in the planning, implementation and execution of coordination and outreach efforts and activities, and in-person meetings and mailings.

v. Underrepresented Engagement

Specific engagement efforts must be targeted at underrepresented communities within the Eligible Entity. Underrepresented communities have historically faced barriers in participating in federal programs and therefore Eligible Entities must identify these communities and determine specific outreach and engagement strategies tailored to their needs, including providing outreach in the languages used in the communities these eligible activities serve. Examples of activities that might be used to reach unserved, underserved, and underrepresented communities include but are not limited to:

1. The creation of an Eligible Entity-wide task force or advisory board with representatives from underrepresented communities;
2. Frequent engagement with State, Territorial, county, Tribal, and municipal associations that may have a greater reach to these communities through their local elected official members;
3. Engagement with other Eligible Entity departments or agencies that regularly serve these communities and can help identify and engage with them, such as Eligible Entity departments of education, health and human services, workforce development, and/or public health;
4. Utilization of the mechanisms listed in Section IV.C.1.c.iii that demonstrates a targeted focus on the above identified communities; and
5. Investment in surveys, data collection, and mapping initiatives to better understand gaps in connectivity and needs.

Each Eligible Entity should combine multiple strategies to develop a comprehensive approach that ensures equitable and broad participation from all stakeholders. Each Eligible Entity also must document, publish and integrate its local coordination activities with the outreach and coordination efforts it will undertake pursuant to the Digital Equity Act. It is strongly

recommended that Eligible Entities conduct BEAD and Digital Equity Act program local coordination efforts in tandem as one cohesive effort.

d. Equitable and Nondiscriminatory Distribution of Funds

Consistent with Section 60102(g)(2)(C) of the Infrastructure Act, Eligible Entities must distribute funds in an equitable and nondiscriminatory manner and ensure, through stipulations in any subgrantee contracts, that each subgrantee uses the funds in an equitable and nondiscriminatory manner.

e. Fair Labor Practices and Highly Skilled Workforce

As set forth above in Section IV.B.7, Eligible Entities must give priority to projects based on (among other things) a demonstrated record of and plans to be in compliance with federal labor and employment laws. Eligible Entities are required to give preferential weight to projects based on the strength of the showing in their application on this factor. Doing so will help ensure that projects are carried out in accordance with the law, assist Eligible Entities in ensuring that a prospective subgrantee is capable of carrying out activities funded by a subgrant in a competent manner in compliance with all applicable federal, state, and local laws, and promote the effective and efficient completion of high-quality broadband infrastructure projects by ensuring a reliable supply of skilled workers and minimizing disruptive and costly delays.

Evaluation of a prospective subgrantee's demonstrated record of and plans to be in compliance with federal labor and employment laws requires focus on several components. First, Eligible Entities must obtain and evaluate information on the prospective subgrantee's record of compliance with federal labor and employment laws, as well as the records of any other entities that will participate in the project, including contractors and subcontractors. This information must include, at a minimum, information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years. For example, the Eligible Entity should collect data on a prospective subgrantee's historical use of contracting and subcontracting arrangements, including staffing plans, and at least one example of each contractor and subcontractor's past performance in the context of a similar project. Eligible Entities will be required to describe in their Initial and Final Proposals what specific information they will require prospective subgrantees to provide in their applications and how they will weight that information in their competitive selection process. This should include, but not be limited to, (1) a certification from an Officer/Director-level employee (or equivalent) of the prospective subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors, and (2) written confirmation that the prospective subgrantee discloses any instances in which it or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.

Second, Eligible Entities must require submission of, and evaluate, the prospective subgrantee's plans for ensuring compliance with Federal labor and employment laws. These plans must address, at a minimum, how the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including (1)

information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network and (2) how the subgrantee will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects. Eligible Entities will be required to describe in their Initial and Final Proposals what specific information they will require prospective subgrantees to provide in their applications and how they will weight that information in their competitive selection processes.

An effective plan for compliance with federal labor and employment laws can include a subgrantee's binding commitment to strong labor standards and protections for the project workforce (including contractors and subcontractors), which include:

- Using a directly employed workforce, as opposed to a subcontracted workforce;
- Paying prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, where applicable, and collecting the required certified payrolls;
- Using project labor agreements (*i.e.*, pre-hire collective bargaining agreements between unions and contractors that govern terms and conditions of employment for all workers on a construction project);
- Use of local hire provisions;
- Commitments to union neutrality;
- Use of labor peace agreements;⁷²
- Use of an appropriately skilled workforce, *e.g.*, through Registered Apprenticeships or other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded);
- Use of an appropriately credentialed workforce (*i.e.*, satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure); and
- Taking steps to prevent the misclassification of workers.

If an Eligible Entity includes any of these as mandatory requirements for all subgrantees (including contractors and subcontractors), it should describe these requirements in detail its Initial and Final Proposal and explain how it will incorporate them as binding legal commitments in the subgrants it makes. An Eligible Entity taking this approach can reduce the showing that prospective subgrantees need to make in their applications regarding their plans to comply with federal labor and employment laws.

⁷² Ability to require labor peace agreements:

- By a governmental entity: Where a governmental entity receives NTIA grant funds, whether directly as an Eligible Entity or as a subgrantee, and the governmental entity uses those funds for the construction of facilities over which it will maintain a proprietary interest (*e.g.*, governmental ownership of the network), it is authorized and encouraged to require labor peace agreements, unless prohibited by state or local law.
- By a non-governmental subgrantee: Subgrantees that are non-governmental entities, and construct broadband facilities over which no governmental entity maintains a proprietary interest, are authorized and encouraged to require labor peace agreements, unless prohibited by state or local law.

To ensure that subgrantees have the technical and operational capacity to carry out the subgrant, prospective subgrantees must have a plan for ensuring that the project workforce will be an appropriately skilled and credentialed workforce (including by the subgrantee and each of its contractors and subcontractors). For purposes of this section, the “project workforce” includes those employees of the subgrantee, its contractors, or subcontractors directly engaged in the physical construction of the broadband network. The plan for a highly skilled workforce should include the following information:

- The ways in which the subgrantee will ensure the use of an appropriately skilled workforce, *e.g.*, through Registered Apprenticeships or other joint labor-management training programs that serve all workers;
- The steps that will be taken to ensure that all members of the project workforce will have appropriate credentials, *e.g.*, appropriate and relevant pre-existing occupational training, certification, and licensure;
- Whether the workforce is unionized;
- Whether the workforce will be directly employed or whether work will be performed by a subcontracted workforce; and
- The entities that the proposed subgrantee plans to contract and subcontract with in carrying out the proposed work.

If the project workforce or any subgrantee’s, contractor’s, or subcontractor’s workforce is not unionized, the subgrantee must also provide with respect to the non-union workforce:

- The job titles and size of the workforce (FTE positions, including for contractors and subcontractors) required to carry out the proposed work over the course of the project and the entity that will employ each portion of the workforce;
- For each job title required to carry out the proposed work (including contractors and subcontractors), a description of:
 - safety training, certification, and/or licensure requirements (*e.g.*, OSHA 10, OSHA 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications, titles; and
 - information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.

f. Advancing Equitable Workforce Development and Job Quality Objectives

A skilled workforce is critical to meeting infrastructure buildout timelines under the Infrastructure Act and connecting households across the country to reliable, affordable, high-speed broadband. A highly skilled workforce will also allow for the safe deployment of sustainable networks. To meet the workforce needs of this program, Eligible Entities and their subgrantees should make appropriate investments to develop a skilled, diverse workforce for the jobs that the subgrantees need to fill.⁷³

⁷³ Workforce development programs that provide high-skilled workers that support BEAD-funded projects are an eligible use of grant funds. *See* Section V.K for eligible uses.

i. Requirements. Eligible Entities are required to include in their Initial and Final Proposals:

1. A description of how the Eligible Entity will ensure that subgrantees support the development and use of a highly skilled workforce capable of carrying out work in a manner that is safe and effective.
2. A description of how the Eligible Entity will develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, unions and worker organizations, and community-based organizations that provide relevant training (including through Registered Apprenticeships and pre-apprenticeships that are integrated with Registered Apprenticeships, or other quality work-based learning programs) and provide wrap-around services to support workers to access and complete training (such as child care, transportation, mentorship, *etc.*), to attract, train, retain, or transition to meet local workforce needs and increase high-quality job opportunities.⁷⁴
3. A description of how the Eligible Entity will plan to create equitable on-ramps into broadband-related jobs (*e.g.*, how entities plan to engage or partner with stakeholders like State, Territorial, and local workforce boards, training partners, labor and community organizations); maintain job quality for new and incumbent workers engaged in the sector; and continually engage with labor organizations and community-based organizations to maintain worker voice throughout the planning and implementation process;
4. A description of how the Eligible Entity will ensure that the job opportunities created by the BEAD Program and other broadband funding programs are available to a diverse pool of workers, including by engaging in targeted outreach, and seek subgrantees with effective plans for outreach, to populations that have traditionally been underrepresented in broadband and information technology jobs, including but not limited to women and people of color. Eligible Entities should be prepared to report on the demographics of each subgrantee workforce that is engaged on a project or other eligible activity utilizing BEAD grant funding (this will be aggregate workforce data only, not personally identifiable information), and should expect that this data will be made public.

ii. Other Considerations. NTIA encourages Eligible Entities to consider workforce development goals when selecting subgrantees. This could include setting requirements applicable to all subgrantees or establishing scoring factors. Eligible Entities can accomplish this in various ways, including the following:

1. Ensuring that subgrantees require their contractors and subcontractors to provide Registered Apprenticeships and pre-apprenticeships tied to a Registered Apprenticeship, joint labor management partnerships, and other high-quality, on-the-job training opportunities, which may include minimum requirements of contractor or subcontractor job hours to be performed by apprentices; and ensuring that such programs lead to

⁷⁴ For additional information on sector-based partnerships, Eligible Entities should review the Economic Development Administration's Good Jobs Challenge NOFO, EDA-HDQ-ARPGJ-2021-2006964, available at <https://www.grants.gov/web/grants/view-opportunity.html?oppID=334720>.

employment with wages at rates not less than the rates prevailing on projects and other eligible activities of a similar character in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

2. Ensuring that subgrantees offer “quality” jobs.⁷⁵ For example, an Eligible Entity should consider scoring applicants based in part on the extent to which they will deliver on the quality jobs standard.
3. Ensuring that subgrantees prioritize hiring local workers and have robust and specific plans to recruit historically underrepresented populations facing labor market barriers and ensure that they have reasonable access to the job opportunities created by subgrantees. Such populations may include communities of color, women, and other groups (such as persons with disabilities, LGBTQI+ people, disconnected youth, individuals in recovery, individuals with past criminal records, including justice-impacted and reentry participants, serving trainees participating in the SNAP, TANF, and WIC, and veterans and military spouses).

g. Civil Rights and Nondiscrimination Law Compliance

No person in the United States may, on the ground of actual or perceived race, color, national origin, sex, gender identity, sexual orientation, age, disability, or handicap, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity receiving federal financial assistance. Prior to distributing any BEAD funding to a subgrantee, an Eligible Entity must require the subgrantee to agree, by contract or other binding commitment, to abide by the non-discrimination requirements set forth in the following legal authorities, to the extent applicable, and to acknowledge that failure to do so may result in cancellation of any award and/or recoupment of funds already disbursed:

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d *et seq.*) and the Department of Commerce’s implementing regulations, published at 15 C.F.R. Part 8, which prohibit discrimination on the grounds of race, color, or national origin under programs or activities receiving federal financial assistance;
2. Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681 *et seq.*) which prohibits discrimination on the basis of sex under federally assisted education programs or activities;
3. The Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 *et seq.*) which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by Eligible Entity and local governments or instrumentalities or agencies thereto, as well as public or private entities that provide public transportation;

⁷⁵ A “quality job” is defined as a job that (1) exceeds the local prevailing wage for an industry in the region, includes basic benefits (*e.g.*, paid leave, health insurance, retirement/savings plan), and/or is unionized, and (2) helps the employee develop the skills and experiences necessary to advance along a career path. *See* Economic Development Administration, ARPA Good Jobs Challenge NOFO, EDA-HDQ-ARPGJ-2021-2006964, at n. 1, available at <https://www.grants.gov/web/grants/view-opportunity.html?oppId=334720>.

4. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and Department of Commerce implementing regulations published at 15 C.F.R. Part 8b, which prohibit discrimination on the basis of handicap under any program or activity receiving or benefiting from federal assistance;
5. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 *et seq.*), and Department of Commerce implementing regulations published at 15 C.F.R. Part 20, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance;
6. Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e *et seq.*, which provides that it is an unlawful employment practice for an employer to discharge any individual or otherwise to discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment because of such individual's race, color, religion, sex, or national origin. Note in this regard that Title VII, 42 U.S.C. § 2000e-1(a), expressly exempts from the prohibition against discrimination based on religion "a religious corporation, association, educational institution, or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities;" and
7. Any other applicable non-discrimination law(s). Application requirements, award terms, and conditions do not impose civil rights and nondiscrimination law compliance requirements on Indian Tribes or Native Entities beyond what would otherwise apply under federal law.

In addition, each Eligible Entity must demonstrate in its Initial Proposal and Final Proposal that its selection of subgrantees will account for and satisfy the following authorities:

1. Parts II and III of Executive Order 11246, Equal Employment Opportunity (30 Fed. Reg. 12319), which requires that federally assisted construction contracts incorporate and fulfill the nondiscrimination provisions of §§ 202 and 203 of E.O. 11246 and Department of Labor regulations implementing E.O. 11246 (41 C.F.R. § 60-1.4(b)).⁷⁶
2. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency (65 Fed. Reg. 50121), which requires federal agencies to examine the services that they provide, identify any need for services to those with limited English proficiency (LEP), and develop and implement a system to provide those services so LEP persons can have meaningful access to them. Note that the Department of Commerce issued policy guidance on March 24, 2003 (68 Fed. Reg. 14180) to articulate the Title VI prohibition against national origin discrimination affecting LEP persons and to help ensure that non-federal entities provide meaningful access to their LEP applicants and beneficiaries.
3. Executive Order 13798, Promoting Free Speech and Religious Liberty, and Office of Management and Budget, M-20-09—Guidance Regarding Federal Grants and Executive

⁷⁶ Among other things, entities undertaking either wholly or partially federally funded construction projects may not "discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin," and must "take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin." Executive Order 11246 § 202.

Order 13798 (January 16, 2020), which provide that States or other public grantees may not condition sub-awards of federal grant money in a manner that would disadvantage grant applicants based on their religious character.

h. Climate Resilience

In establishing their Initial Proposals and Final Proposals, Eligible Entities must demonstrate that they have sufficiently accounted for current and future weather- and climate-related risks to new infrastructure projects. At present, weather- and climate-related risks to broadband networks include wildfires, extreme heat and cold, inland and coastal flooding, and the extreme winds produced by weather events such as tornadoes, hurricanes, and other weather events. Because retrofitted and new infrastructure for broadband might be expected to have a lifetime of 20 years or more, Eligible Entities must account not only for current risks but also for how the frequency, severity, and nature of these extreme events may plausibly evolve as our climate continues to change over the coming decades. Future projected climate change is expected to continue to result in higher seasonal temperatures and an increased likelihood of extreme heat events, higher risk of wildfires, more intense rainfall events, sea level rise and coastal inundation, permafrost thaw in Alaska, and the potential for stronger hurricanes when they do form, and other climate change related impacts.⁷⁷

Communities that lack broadband are also often the most vulnerable to extreme weather and climate events. This combination often results in a lack of crucial communications infrastructure to respond during these emergencies. Building climate-resilient broadband infrastructure for such communities provides emergency response preparedness and thus greater climate resilience for the community itself.

In light of the above, Eligible Entities should make use of available tools and resources from the National Oceanic and Atmospheric Administration (NOAA) and other federal agencies, as well as Eligible Entity-level resources and centers of expertise, in drawing up their Proposals pursuant to the BEAD Program. Each Eligible Entity must explain in its Initial and Final Proposal how it has utilized these tools and resources to account for, mitigate, and where possible, avoid the known and identifiable risks of current and future projected weather and climate conditions. Eligible Entities also should explain how they addressed these risks through measures such as (but not necessarily limited to) choice of a technology platform suitable to the climate risks of the region, reliance on alternative siting of facilities (*e.g.*, underground construction where appropriate), retrofitting or hardening of existing assets that are critical to BEAD-funded offerings, additional onsite and in-home power resources, use of established plans and processes to deal with extreme weather related risks, the speed of restoration of service in the case of an outage, and use of network and facility redundancies to safeguard against threats to infrastructure. In particular, in its Initial Proposal and Final Proposal, each Eligible Entity should, at a minimum, clearly do each of the following:

⁷⁷ For example, in accordance with Section 2(a)(1) of Executive Order 11988, as amended by Executive Order 13690, before taking an action, the applicant, in coordination with NTIA, must determine whether a proposed action will occur in a floodplain.

1. Identify the geographic areas that should be subject to an initial hazard screening for current and future weather- and climate-related risks and the time scales for performing such screenings;
2. Identify which weather and climate hazards may be most important to account for and respond to in these areas and over the relevant time horizons, utilizing the tools and resources recommended below or other resources available to the Eligible Entity;
3. Characterize any weather and climate risks to new infrastructure deployed using BEAD Program funds for the 20 years following deployment;
4. Identify how the proposed plan will avoid and/or mitigate the weather and climate risks identified; and
5. Detail the Eligible Entity's plans for periodically repeating this process over the life of the Program to ensure that evolving risks are understood, characterized and addressed, and that the most up-to-date tools and information resources are utilized.

For flooding hazards, the Eligible Entity should take into account the Federal Flood Risk Management Standard and Implementing Guidelines established through in Executive Order 14030, *Climate-Related Financial Risk* (86 FR 27967) and Executive Order 13690, *Establishing a Federal Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input* (80 FR 6425). The Executive Orders and Guidelines can be found at <https://www.fema.gov/floodplain-management/intergovernmental/federal-flood-risk-management-standard>.

In implementing the above requirements, Eligible Entities should make use of the user-friendly resources and tools provided below. The information contained within these tools and resources should be carefully reviewed to understand key characteristics of the information and data provided (*e.g.*, geographic scale of the information, timeframe of the information, levels of confidence in the information).

1. For broad, coarse-level screening of current and projected future weather- and climate-related risks for the region and Eligible Entity, review and cite the regional chapters found in the 2018 National Climate Assessment (<https://nca2018.globalchange.gov/>).
2. For more Eligible Entity-specific information on current and projected climate conditions and risks, refer to NOAA's 2022 state climate summaries (<https://statesummaries.ncics.org/>).
3. In assessing current weather-related risks for specific regions, Eligible Entities can use NOAA's disaster and risk mapping tool (<https://www.ncdc.noaa.gov/billions/mapping>). and NOAA's storms event database (<https://www.ncdc.noaa.gov/stormevents/>).
4. The NOAA tools [Climate Explorer](#) and [Digital Coast](#) (updated with recently-published regional sea level rise scenarios) allow users to look up historic and future projected environmental variables (*e.g.*, changes in temperature thresholds, sea level rise) for their region.
5. FEMA's National Risk Index (<https://hazards.fema.gov/nri/learn-more>) provides a composite risk index for all regions across the United States, incorporating a range of natural

hazards (most of which, but not all, are weather- and climate-related). FEMA’s flood risk maps (<https://msc.fema.gov/portal/home>) for current conditions and for specific locations.

6. Eligible Entities are also encouraged to consult their FEMA-approved Hazard Mitigation Plans to help identify key risks and hazards.

To understand and access climate and weather information, Eligible Entities are encouraged to work with NOAA and its partners at the State and regional levels (National Weather Service Weather Forecast Offices (<https://www.weather.gov/srh/nwsoffices>), Regional Climate Centers (<https://www.ncei.noaa.gov/regional/regional-climate-centers>), Regional Climate Services Directors (<https://www.ncei.noaa.gov/regional/regional-climate-services-directors>), academic and other partners under NOAA’s RISA program (<https://cpo.noaa.gov/Meet-the-Divisions/Climate-and-Societal-Interactions/RISA/RISA-Teams>), State climatologists (https://stateclimate.org/state_programs/), and any other relevant centers of expertise at the Eligible Entity and local level.

2. Obligations for Subgrantees Deploying Network Projects

a. Network Capabilities

Eligible Entities shall ensure that any subgrant agreement for a Funded Network permits the subgrantee to use the subgrant to deploy broadband infrastructure in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of a project providing broadband service to an unserved location, underserved location, or Eligible Community Anchor Institution.

Pursuant to Section 60102(g)(1)(A) of the Infrastructure Act, which directs the Assistant Secretary to establish quality-of-service standards to which each subgrantee must comply, each Eligible Entity shall ensure that every Funded Network meets the following criteria:

i. Speed and Latency

To ensure that Funded Networks meet current and future use cases and to promote consistency across federal agencies, NTIA adopts the compliance standards and testing protocols for speed and latency established and used by the Commission in multiple contexts, including the Connect America Fund and the Rural Digital Opportunity Fund.⁷⁸ In order to demonstrate continued compliance with these standards, subgrantees must perform speed and latency tests from the customer premises of an active subscriber to a remote test server at an end-point consistent with the requirements for a Commission-designated IXP.⁷⁹

Subject to the exceptions identified in Section IV.B.7.a, Funded Networks shall deliver Reliable Broadband Service with speeds of not less than 100 Mbps for downloads and 20 Mbps for

⁷⁸ See, e.g., *Connect America Fund*, WC Docket No. 10-90, Order, 33 FCC Rcd 6509 (WCB/WTB/OET 2018) (*Performance Measures Order*); *Connect America Fund*, Order on Reconsideration, WC Docket No. 10-90, 34 FCC Rcd 10109 (2019) (*Performance Measures Reconsideration Order*).

⁷⁹ See *Performance Measures Reconsideration Order*, 34 FCC Rcd at 10114-16, paras. 17-19.

uploads.⁸⁰ In addition, 95 percent of latency measurements during testing windows must fall at or below 100 milliseconds round-trip time.⁸¹ This approach ensures a connection that supports reasonably foreseeable real-time applications. In the limited circumstance where even a fiber deployment cannot achieve this latency threshold (for example in a remote territory), NTIA may expand the latency threshold for specific Funded Networks at the request of an Eligible Entity.

Funded Network connections to Eligible Community Anchor Institutions shall be capable of delivering service at speeds not less than 1 Gigabit per second for downloads and 1 Gigabit per second for uploads.⁸² Eligible Entities shall ensure that such connections can be used to provide business data services.⁸³

ii. Network Outages

Each Funded Network's outages should not exceed, on average, 48 hours over any 365-day period except in the case of natural disasters or other force majeure occurrence. Each Eligible Entity should ensure a prospective network is designed to meet this requirement and should develop metrics for measuring outages to be utilized in connection with this requirement once the network is operational.

b. Deployment Requirements

i. Deployment Deadlines and Benchmarks

Eligible Entities shall ensure that each subgrantee deploys its Funded Networks and begins providing broadband service to each customer that desires broadband service not later than four years after the date on which the subgrantee receives the subgrant for the applicable network.⁸⁴ Eligible Entities shall establish interim buildout milestones, enforceable as conditions of the subgrant, sufficient to ensure that subgrantees are making reasonable progress toward meeting the four-year deployment deadline. Eligible Entities may, following consultation with the NTIA and with the approval of the Assistant Secretary, extend the deadlines under this subparagraph if the Eligible Entity reasonably determines that (i) the subgrantee has a specific plan for use of the grant funds, with project completion expected by a specific date not more than one year after the four-year deadline; (ii) the construction project is underway; or (iii) extenuating circumstances require an extension of time to allow the project to be completed.

⁸⁰ 80 percent of a provider's download and upload measurements must be at or above 80 percent of the required speed (*i.e.*, an 80/80 standard). *See Performance Measures Order*, 34 FCC Rcd at 6528, para. 51.

⁸¹ *See id.*, 34 FCC Rcd at 6527-28, para. 50.

⁸² These requirements are consistent with § 60401(e)(3)(C) of the Infrastructure Act.

⁸³ The term "business data service" refers to the dedicated point-to-point transmission of data at certain guaranteed speeds and service levels using high-capacity connections. *See Business Data Services in an Internet Protocol Environment et al.*, WC Docket No. 16-143 *et al.*, Report and Order, 32 FCC Rcd 3459, 3463 para. 6 (2017).

⁸⁴ As detailed below, each subgrantee that uses BEAD Funding to undertake a broadband infrastructure deployment project has a continuing obligation to provide access to broadband service to each customer served by the project that desires such service on terms and conditions that are reasonable and non-discriminatory. *See* Section IV.C.2.c.iii of this NOFO.

ii. Conduit Access Points

Any Funded Network deployment project that involves laying fiber-optic cables or conduit underground or along a roadway must include interspersed conduit access points at regular and short intervals for interconnection by unaffiliated entities. Where a project proposes to lay conduit, Eligible Entities shall require prospective subgrantees to propose to deploy a reasonable amount of excess conduit capacity and to propose a conduit access point interval as part of the grant application process and shall consider the adequacy of the prospective subgrantee's proposed excess conduit capacity and access points when evaluating the application.

c. Service Obligations

i. Affordability and Low-Cost Plans

The Infrastructure Act's BEAD provisions are premised on Congress's determination that "[a]ccess to affordable, reliable, high-speed broadband is essential to full participation in modern life in the United States," and that "[t]he persistent 'digital divide' in the United States is a barrier to" the nation's "economic competitiveness [and the] equitable distribution of essential public services, including health care and education."⁸⁵ Accordingly, each Eligible Entity must include in its Initial and Final Proposals a middle-class affordability plan to ensure that *all* consumers have access to *affordable* high-speed internet. We expect that Eligible Entities will adopt diverse strategies to achieve this objective. For example, some Eligible Entities might require providers receiving BEAD funds to offer low-cost, high-speed plans to all middle-class households using the BEAD-funded network. Others might provide consumer subsidies to defray subscription costs for households not eligible for the Affordable Connectivity Benefit or other federal subsidies. Others may use their regulatory authority to promote structural competition. Some might assign especially high weights to selection criteria relating to affordability and/or open access in selecting BEAD subgrantees.⁸⁶ And others might employ a combination of these methods, or other methods not mentioned here. Ultimately, however, each Eligible Entity must submit a plan to ensure that high-quality broadband services are available to all middle-class families in the BEAD-funded network's service area at reasonable prices. Eligible Entities will be required to ensure that services offered over Funded Networks allow subscribers in the service area to utilize the ACP.

In addition, the Infrastructure Act requires that each subgrantee receiving BEAD funding to deploy network infrastructure offer at least one low-cost broadband service option. Each Eligible Entity must consult with the Assistant Secretary and prospective subgrantees regarding a proposed definition of the term "low-cost broadband service option." Each Eligible Entity shall thereafter submit a proposed definition to the Assistant Secretary for approval in its Final Proposal. The Infrastructure Act directs the Assistant Secretary to define the subscribers eligible for such low-cost plans.

Eligible Entities must propose low-cost broadband service option parameters that best serve the needs of residents within their jurisdictions. Low-cost broadband service options must remain

⁸⁵ Infrastructure Act § 60101.

⁸⁶ *See supra* Section IV.B.7.

available for the useful life of the network assets. In crafting proposals, NTIA emphasizes that access to *affordable* broadband is among the Infrastructure Act’s objectives. In determining whether to approve an Eligible Entity’s proposed definition of “low-cost broadband service option,” the Assistant Secretary will consider, among other factors, (1) whether prospective subgrantees will be required to participate in the Affordable Connectivity Program, any successor program, and/or any other household broadband subsidy programs; (2) the expected cost (both monthly and non-recurring charges) to an Eligible Subscriber for a typical broadband internet access service plan after the application of any subsidies; and (3) the performance characteristics of the proposed options, including download and upload speeds, latency, data caps, and reliability commitments.

A definition of low-cost broadband service option should address, at a minimum: (1) all recurring charges to the subscriber, as well as any non-recurring costs or fees to the subscriber (*e.g.*, service initiation costs); (2) the plan’s basic service characteristics (download and upload speeds, latency, any limits on usage or availability, and any material network management practices, (3) whether a subscriber may use any Affordable Connectivity Benefit subsidy toward the plan’s rate; and (4) any provisions regarding the subscriber’s ability to upgrade to any new low-cost service plans offering more advantageous technical specifications. For example, a definition of low-cost broadband service option could be as follows:

1. The proposed service option:

- a. Costs \$30 per month or less, inclusive of all taxes, fees, and charges if the subscriber does not reside on Tribal Lands, or \$75 per month or less, inclusive of all taxes, fees, and charges if the subscriber resides on Tribal Lands, with no additional non-recurring costs or fees to the consumer;
- b. Allows the end user to apply the Affordable Connectivity Benefit subsidy to the service price;
- c. Provides the greater of (a) typical download speeds of at least 100 Mbps and typical upload speeds of at least 20 Mbps, or the fastest speeds the infrastructure is capable of if less than 100 Mbps/20 Mbps or (b) the performance benchmark for fixed terrestrial broadband service established by the Federal Communications Commission pursuant to Section 706(b) of the Communications Act of 1934, as amended;⁸⁷
- d. Provides typical latency measurements of no more than 100 milliseconds; and
- e. Is not subject to data caps, surcharges, or usage-based throttling, and is subject only to the same acceptable use policies to which subscribers to all other broadband internet access service plans offered to home subscribers by the participating subgrantee must adhere;
- f. In the event the provider later offers a low-cost plan with higher speeds downstream and/or upstream, permits Eligible Subscribers that are subscribed to a

⁸⁷ 47 U.S.C. § 1302(b). The current performance benchmark for fixed terrestrial broadband service is 25 Mbps for downloads and 3 Mbps for uploads. *See Inquiry Concerning Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion*, Fourteenth Broadband Deployment Report, GN Docket No. 20-269, 36 FCC Rcd 836, 841 para. 12 (2021).

low-cost broadband service option to upgrade to the new low-cost offering at no cost;⁸⁸

2. Subgrantees are required to participate in the Affordable Connectivity Program or any successor program, and Eligible Subscribers that are eligible for a broadband service subsidy can apply the subsidy to the proposed service option.

NTIA recognizes, however, that different Eligible Entities face different circumstances. NTIA will review and consider any definition proposed by an Eligible Entity in accordance with the terms of the BEAD statute. In all cases, an Eligible Entity must explain in its Initial and Final Proposal why the selected definition best effectuates the purposes of the program. NTIA may provide additional guidance to Eligible Entities on the development of the low-cost broadband service option definition.

ii. Consumer Protections

Each Eligible Entity shall ensure that each prospective subgrantee does not impose data usage caps on any plans offered over a Funded Network or impose unjust or unreasonable network management practices.⁸⁹ Subgrantees shall certify through the semiannual reporting requirements described in Section VII.E of this NOFO that the plans offered over Funded Networks do not contain data usage caps for subscribers.

iii. Access to Service

Operators of Funded Networks shall provide access to broadband service to each customer served by the project that desires broadband service on terms and conditions that are reasonable and non-discriminatory.

iv. Public Notice

Eligible Entities shall require subgrantees to carry out public awareness campaigns in their service areas that are designed to highlight the value and benefits of broadband service in order to increase the adoption of broadband service by consumers. Awareness campaigns must include information about low-cost service plans and any federal subsidies for low-income households such as the Lifeline Program, the Affordable Connectivity Program, and any successor programs. Further, awareness campaigns must be conducted in an equitable and nondiscriminatory manner. Subgrantees must utilize a variety of communications media (*e.g.*, online, print, radio) and provide information in languages other than English when warranted based on the demographics of the community.

Eligible Entities shall require that once a Funded Network has been deployed, each subgrantee shall provide public notice, online and through other means, of that fact to individuals residing in

⁸⁸ By way of example, if a customer is subscribed to a low-cost broadband service option that provides service at 100/20 Mbps and the customer's service provider offers a new low-cost broadband service option at 200/20 Mbps after the FCC issues a new report pursuant to section 706(a) of the Communications Act of 1934, as amended, the customer would be allowed to upgrade to the 200/20 Mbps offering at no charge.

⁸⁹ Providers may apply otherwise-applicable acceptable use policies to BEAD-funded networks.

the locations to which broadband service has been provided and share the public notice with the Eligible Entity that awarded the subgrant. Each Eligible Entity shall require each prospective subgrantee seeking to deploy or upgrade network facilities to explain in its application how it intends to notify relevant populations of the new or newly upgraded offerings available in each area. Such proposals shall be designed in a manner that reflects any unique needs of the specific demographics of the area at issue (including, for example, languages prominently spoken in the area and the best means of ensuring that the population is likely to encounter the subgrantee's public notice).

v. Interconnection Requirements and Wholesale Access

Any subgrantee receiving funds to deploy Middle Mile Infrastructure under this Program in connection with service to an Unserved Service Project or an Underserved Service Project shall permit other broadband service providers to interconnect with its funded Middle Mile Infrastructure network facilities on a just, reasonable, and nondiscriminatory basis. An Eligible Entity awarding funds for construction of Middle Mile Infrastructure shall require the subgrantee, via contract or other binding mandate, to allow such interconnection at any technically feasible point on the Middle Mile Infrastructure network (without exceeding current or reasonably anticipated capacity limitations). This duty includes, at a minimum, the physical interconnection of the subgrantee's Middle Mile Infrastructure to a requesting party's facilities for the exchange of traffic. In addition, subgrantees shall connect to the public internet directly or indirectly and provide requesting parties with an ability to connect to the internet. Rates and terms for interconnection shall be reasonable and nondiscriminatory. Each Eligible Entity shall require each subgrantee that obtains funding for the deployment or upgrade of Middle Mile Infrastructure to negotiate in good faith with any requesting party (including public, Tribal, private, non-profit, or other parties) making a bona fide request for interconnection. Subgrantees shall report through the subgrantee reporting process established in Section VII.E.2 of this NOFO any interconnection requests made to the subgrantee during that year and the status of those requests. In selecting subgrantees for last-mile deployments to Unserved Service Projects and Underserved Service Projects, NTIA encourages Eligible Entities to give preference to prospective subgrantees who commit to offering wholesale broadband services at rates and terms that are reasonable and nondiscriminatory.

Eligible Entities shall require that if a subgrantee, at any time, is no longer able to provide broadband service to the end user locations covered by the subgrant at any time on a retail basis remedial action be taken to ensure continuity of service. In consultation with NTIA, the Eligible Entity shall require the subgrantee to sell the network capacity at a reasonable, wholesale rate on a nondiscriminatory basis to one or more other broadband service providers or public-sector entities or sell the network in its entirety to a new provider who commits to providing services under the terms of the BEAD Program.⁹⁰ The Eligible Entity may pursue either remedial action so long as such action results in continued retail service to end users in the grant area.

⁹⁰ If the subgrantee is no longer viable as a going concern, or if it is unable to provide sustained service over the network at issue, the Eligible Entity should work with the subgrantee and NTIA to assist in sale of the assets to a new owner that can assume the original subgrantee's service and programmatic responsibilities.

vi. Cybersecurity and Supply Chain Risk Management

The Infrastructure Act directs the Assistant Secretary to specify prudent cybersecurity and supply-chain risk management practices for subgrantees deploying or upgrading broadband networks using BEAD funds. NTIA recognizes the importance of (a) protecting American communications networks and those who use them from domestic and international threat actors, and (b) promoting the natural evolution of cybersecurity and supply-chain risk management practices in a manner that allows flexibility in addressing evolving threats. To that end, we impose baseline requirements herein, though an Eligible Entity may propose additional measures it believes necessary to safeguard networks and users falling within its jurisdiction for consideration by the Assistant Secretary.

With respect to cybersecurity, prior to allocating any funds to a subgrantee, an Eligible Entity shall, at a minimum, require a prospective subgrantee to attest that:

1. The prospective subgrantee has a cybersecurity risk management plan (the plan) in place that is either:
 - a. operational, if the prospective subgrantee is providing service prior to the award of the grant; or
 - b. ready to be operationalized upon providing service, if the prospective subgrantee is not yet providing service prior to the grant award;
2. The plan reflects the latest version of the National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1) and the standards and controls set forth in Executive Order 14028 and specifies the security and privacy controls being implemented;
3. The plan will be reevaluated and updated on a periodic basis and as events warrant; and
4. The plan will be submitted to the Eligible Entity prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days. The Eligible Entity must provide a subgrantee's plan to NTIA upon NTIA's request.

With respect to supply chain risk management (SCRM), prior to allocating any funds to a subgrantee, an Eligible Entity shall, at a minimum, require a prospective subgrantee to attest that:

1. The prospective subgrantee has a SCRM plan in place that is either:
 - a. operational, if the prospective subgrantee is already providing service at the time of the grant; or
 - b. ready to be operationalized, if the prospective subgrantee is not yet providing service at the time of grant award;
2. The plan is based upon the key practices discussed in the NIST publication NISTIR 8276, *Key Practices in Cyber Supply Chain Risk Management: Observations from Industry* and related SCRM guidance from NIST, including NIST 800-161, *Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations* and specifies the supply chain risk management controls being implemented;

3. The plan will be reevaluated and updated on a periodic basis and as events warrant; and
4. The plan will be submitted to the Eligible Entity prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days. The Eligible Entity must provide a subgrantee's plan to NTIA upon NTIA's request

An Eligible Entity also must ensure that, to the extent a BEAD subgrantee relies in whole or in part on network facilities owned or operated by a third party (*e.g.*, purchases wholesale carriage on such facilities), obtain the above attestations from its network provider with respect to both cybersecurity and supply chain risk management practices.

D. Subgrantee Qualifications

Eligible Entities shall ensure that any prospective subgrantee is capable of carrying out activities funded by the subgrant in a competent manner and in compliance with all applicable federal, State, Territorial, and local laws. Eligible Entities also shall ensure that prospective subgrantees have the *competence, managerial* and *financial* capacity to meet the commitments of the subgrant and any requirements of the Program, as well as the *technical* and *operational* capability to provide the services promised in the subgrant in the manner contemplated by the subgrant award.

Specific showings that Eligible Entities must require from prospective subgrantees seeking to deploy network facilities using BEAD funds are further detailed in Section IV.D.2. NTIA acknowledges that prospective subgrantees may be able to, or required, to demonstrate their capabilities in a variety of manners. A newly established special purpose vehicle established by a consortium of entities may point to the capabilities and experience of those entities in support of its application. A prospective subgrantee that has significant experience deploying broadband networks but no experience operating them may be able to demonstrate operational capability by entering a binding contract with another entity with such experience. The types of evidence available to municipal entities seeking to demonstrate financial capability may well differ from the kinds of evidence expected of commercial enterprises; Eligible Entities should accommodate these differences in establishing their requirements. The Assistant Secretary invites Eligible Entities to propose alternatives to the specific showings set forth herein if they are necessary and sufficient to ensure that the Program's objectives are met.

1. General Qualifications

Prior to entering into any subgrantee agreement, each Eligible Entity shall ensure that any prospective subgrantee:

1. Is capable of carrying out activities funded by the subgrant in a competent manner in compliance with all applicable federal, Eligible Entity, and local laws;
2. Has the financial and managerial capacity to meet the commitments of the subgrantee under the subgrant, the requirements of the Program and such other requirements as have been prescribed by the Assistant Secretary or the Eligible Entity; and

3. Has the technical and operational capability to provide the services promised in the subgrant in the manner contemplated by the subgrant award.

Eligible Entities shall, *at a minimum*, take the steps detailed below to evaluate the ability of a prospective subgrantee to meet the requirements set forth above prior to entering into any subgrant agreement.

2. Specific Qualifications for Subgrantees Deploying Network Facilities

a. Financial Capability

With the exception of the certifications required under Section IV.D.2.a.i below, Eligible Entities may, with the permission of the Assistant Secretary, allow prospective subgrantees that have the ability to issue public bonds (*e.g.*, municipalities) to provide comparable evidence in support of their financial capabilities. NTIA will provide additional guidance regarding acceptable comparable evidence after publication of this NOFO.

i. Certifications

Prospective subgrantees must certify that they are financially qualified to meet the obligations associated with a Project, that they will have available funds for all project costs that exceed the amount of the grant, and that they will comply with all Program requirements, including service milestones. To the extent the Eligible Entity disburses funding to subgrantees only upon completion of the associated tasks (a practice that NTIA encourages Eligible Entities to adopt, as described in Section IV.C.1.b of this NOFO), each prospective subgrantee must also certify that it has and will continue to have sufficient financial resources to cover its eligible costs for the Project until such time as the Eligible Entity authorizes additional disbursements.

ii. Letter of Credit

Each Eligible Entity shall establish a model letter of credit substantially similar to the model letter of credit established by the Commission in connection with the Rural Digital Opportunity Fund (RDOF).⁹¹

During the application process, prospective subgrantees shall be required to submit a letter from a bank that meets eligibility requirements consistent with those set forth in 47 C.F.R. § 54.804(c)(2) committing to issue an irrevocable standby letter of credit, in the required form, to the prospective subgrantee. The letter shall at a minimum provide the dollar amount of the letter of credit and the issuing bank's agreement to follow the terms and conditions of the Eligible Entity's model letter of credit.

Prior to entering into any subgrantee agreement, each prospective subgrantee shall obtain an irrevocable standby letter of credit, which shall be acceptable in all respects to the Eligible Entity

⁹¹ *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 773-77, Appx. C.

and in a value of no less than 25 percent of the subaward amount.⁹² Eligible Entities may adopt rules under which a subgrantee may obtain a new letter of credit or renew its existing letter of credit so that it is valued at a lesser amount than originally required by the Eligible Entity upon verification that the subgrantee has met optional or required service milestones.⁹³ In no event, however, shall the letter of credit have a value of less than 25 percent of the subaward amount.

A prospective subgrantee shall provide with its letter of credit an opinion letter from legal counsel clearly stating, subject only to customary assumptions, limitations, and qualifications, that in a proceeding under Title 11 of the United States Code, 11 U.S.C. § 101 *et seq.* (the “Bankruptcy Code”), the bankruptcy court would not treat the letter of credit or proceeds of the letter of credit as property of the winning subgrantee’s bankruptcy estate under Section 541 of the Bankruptcy Code.

iii. Audited Financial Statements

Each prospective subgrantee shall submit to the Eligible Entity from which it seeks funding financial statements from the prior fiscal year that are audited by an independent certified public accountant. If the potential subgrantee has not been audited during the ordinary course of business, in lieu of submitting audited financial statements, it must submit unaudited financial statements from the prior fiscal year and certify that it will provide financial statements from the prior fiscal year that are audited by an independent certified public accountant by a deadline specified by the Eligible Entity.

An Eligible Entity shall not approve any grant for the deployment or upgrading of network facilities unless it determines that the documents submitted to it demonstrate the prospective subgrantee’s financial capability with respect to the proposed project.

iv. Sustainability / Pro Forma Analyses of Proposed Project

The Eligible Entity shall require prospective subgrantees to submit business plans and related analyses that substantiate the sustainability of the proposed project. This can be provided in the form of pro forma statements or analyses, inclusive of cash flow and balance sheet projections and should include at least three years of operating cost and cash flow projections post targeted completion of project.

b. Managerial Capability

Prospective subgrantees shall submit to the Eligible Entity resumes for all key management personnel and any necessary organizational chart(s) detailing all parent, subsidiaries, and affiliates. Each prospective subgrantee must also provide a narrative describing the prospective subgrantee’s readiness to manage a broadband services network. This narrative should describe the experience and qualifications of key management for undertaking this project, its experience

⁹² At this step, the subgrantee must obtain an actual letter of credit, in contrast to bank’s commitment to issue the letter of credit, which is what is required during the application process.

⁹³ *See, e.g.*, 47 C.F.R. § 54.804(c)(1).

undertaking projects of similar size and scope, recent and upcoming organizational changes including mergers and acquisitions, and relevant organizational policies. An Eligible Entity shall not approve any grant for the deployment or upgrading of network facilities unless it determines that the documents submitted to it demonstrate the prospective subgrantee's managerial capability with respect to the proposed project.

Eligible Entities may require a prospective subgrantee to agree to special grant conditions relating to maintaining the validity of representations a prospective subgrantee has made regarding its organizational structure and key personnel.

c. Technical Capability

Each prospective subgrantee seeking funding to deploy or upgrade a broadband network must certify that it is technically qualified to complete and operate the Project and that it is capable of carrying out the funded activities in a competent manner, including that it will use an appropriately skilled and credentialed workforce (*see* Section IV.C.1.e of this NOFO).

Prospective subgrantees must submit a network design, diagram, project costs, build-out timeline and milestones for project implementation, and a capital investment schedule evidencing complete build-out and the initiation of service within four years of the date on which the entity receives the subgrant, all certified by a professional engineer, stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the Project. An Eligible Entity shall not approve any grant for the deployment or upgrading of network facilities unless it determines that the materials submitted to it demonstrate the prospective subgrantee's technical capability with respect to the proposed project.

d. Compliance With Laws

Each prospective subgrantee must demonstrate that it is capable of carrying out funded activities in a competent manner in compliance with all applicable Federal, State, Territorial, and local laws. To ensure that a subgrantee complies with occupational safety and health requirements, subgrantees must permit workers to create worker-led health and safety committees that management will meet with upon reasonable request.

e. Operational Capability

Prospective subgrantees must certify that they possess the operational capability to qualify to complete and operate the Project. A prospective subgrantee that has provided a voice, broadband, and/or electric transmission or distribution service for at least the two (2) consecutive years prior to the date of its application submission or that it is a wholly owned subsidiary of such an entity, must submit a certification that attests to these facts and specifies the number of years the prospective subgrantee or its parent company has been operating.

If the prospective subgrantee has provided a voice and/or broadband service it must certify that it has timely filed Commission Form 477s and the Broadband DATA Act submission, if applicable, as required during this time period, and otherwise has complied with the Commission's rules and regulations. Alternatively, a prospective subgrantee should explain any

pending or completed enforcement action, civil litigation, or other matter in which it failed to comply or was alleged to have failed to comply with Commission rules or regulations.

If the prospective subgrantee has operated only an electric transmission or distribution service, it must submit qualified operating or financial reports that it has filed with the relevant financial institution for the relevant time period along with a certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution.⁹⁴

For a new entrant to the broadband market, a prospective subgrantee must provide evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities. Such evidence may include resumes from key personnel, project descriptions and narratives from contractors, subcontractors, or other partners with relevant operational experience, or other comparable evidence.

An Eligible Entity shall not approve any grant for the deployment or upgrading of network facilities unless it determines that the documents submitted to it demonstrate the prospective subgrantee's operational capability with respect to the proposed project.

f. Ownership

Eligible Entities shall require each prospective subgrantee to provide ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7).

g. Other Public Funding

Eligible Entities shall require each prospective subgrantee to disclose, for itself and for its affiliates,⁹⁵ any application the subgrantee or its affiliates have submitted or plan to submit, and every broadband deployment project that the subgrantee or its affiliates are undertaking or have committed to undertake at the time of the application using public funds, including but not limited to funds provided under: the Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281), the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or the American Rescue Plan of 2021 (Public Law 117-2; 135 Stat. 4), any federal Universal Service Fund high-cost program (e.g., RDOF, CAF), or any Eligible Entity or local universal service or broadband deployment funding program. At a minimum, the Eligible Entity shall require the disclosure, for each broadband deployment project, of: (a) the speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules), (b) the geographic area to be

⁹⁴ Acceptable submissions for this purpose will be the Rural Utilities Service (RUS) Form 7, Financial and Operating Report Electric Distribution; the RUS Form 12, Financial and Operating Report Electric Power Supply; the National Rural Utilities Cooperative Finance Corporation (CFC) Form 7, Financial and Statistical Report; the CFC Form 12, Operating Report; or the CoBank Form 7; or the functional replacement of one of these reports. *See Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 719, n. 202.

⁹⁵ The term "affiliate" shall be defined consistent with 47 U.S.C. § 153(2) ("The term 'affiliate' means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than 10 percent.").

covered, (c) the number of unserved and underserved locations committed to serve (or, if the commitment is to serve a percentage of locations within the specified geographic area, the relevant percentage),⁹⁶ (d) the amount of public funding to be used, (e) the cost of service to the consumer, and (f) the matching commitment, if any, provided by the subgrantee or its affiliates.

V. Application and Submission Information

This Section sets out information regarding how Eligible Entities may apply for and use BEAD Program funding, including a link to the online application portal, formatting instructions, certification requirements, submission timelines, and eligible uses for funding. It also provides information regarding certifications that prospective subgrantees must make in order to be eligible for subgrants.

A. Single Application

The governor (or equivalent official) of an Eligible Entity that wishes to be awarded a grant under the BEAD Program shall select an administering entity for that Eligible Entity, which shall serve as the recipient of, and administering agent for, any BEAD Program grant awarded to the Eligible Entity under this Section. An Eligible Entity may submit only one LOI, request for Initial Planning Funds, one Initial Proposal, and one Final Proposal, subject to the revision provisions described in Sections IV.B.5.d.ii and IV.B.9.d.ii.

B. Address to Request Application Package

Application forms and instructions are available at <https://grants.ntia.gov/>. Applications will be accepted until the deadline and will be processed as received. Application packages, or portions thereof, submitted by email, paper, or facsimile will not be accepted.

With respect to electronic methods for providing information about funding opportunities or accepting applicants' submissions of information, NTIA is responsible for compliance with Section 508 of the Rehabilitation Act of 1973, as amended by the Workforce Act of 1998.

C. Content and Form of Applications

See Section IV.B .

D. Certifications Regarding Debarment and Suspension

By signing and submitting an application for funding pursuant to the BEAD Program, the Eligible Entity is making the following certifications (*see* Line 21 on Form SF-424, Application for Federal Assistance):

⁹⁶ *See, e.g.*, 47 C.F.R. § 54.802.

1. Instructions for Primary Tier Participant Certification:

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of 2 C.F.R. Parts 180, 1200 and 1326.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms *covered transaction*, *civil judgment*, *debarment*, *suspension*, *ineligible*, *participant*, *person*, *principal*, and *voluntarily excluded*, as used in this clause, are defined in 2 C.F.R. Parts 180, 1200 and 1326. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 C.F.R. Parts 180, 1200 and 1326.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each

participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency may terminate the transaction for cause or default.

2. Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Tier Covered Transactions:

1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any federal department or agency;
 - i. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, Eligible Entity, or local) transaction or contract under a public transaction; violation of federal or Eligible Entity antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - ii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, Eligible Entity or local) with commission of any of the offenses enumerated in paragraph 1.a.i of this certification; and
 - iii. Have not within a three-year period preceding this application/proposal had one or more public transactions (federal, Eligible Entity, or local) terminated for cause or default.
2. Where the prospective primary tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

3. Instructions for Lower Tier Participant Certification (applies to subgrantees):

1. By submitting this proposal and accepting federal funding, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 C.F.R. Parts 180, 1200 and 1326.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms *covered transaction*, *civil judgment*, *debarment*, *suspension*, *ineligible*, *participant*, *person*, *principal*, and *voluntarily excluded*, as used in this clause, are defined in 2 C.F.R. Parts 180, 1200 and 1326. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion- Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 C.F.R. Parts 180 and 1200.
 - a. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov>).
 - b. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
 - c. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the

federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

4. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

E. Unique Entity Identifier and System for Award Management

Pursuant to 2 C.F.R. Part 25, an applicant or recipient (as the case may be) is required to: (i) be registered in the System for Award Management (SAM) before submitting its complete application packet; (ii) provide a valid unique entity identifier in its application; and (iii) continue to maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency, unless otherwise excepted from these requirements pursuant to 2 C.F.R. § 25.110. NTIA will not make a federal award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements and, if an applicant has not fully complied with the requirements by the time that NTIA is ready to make a federal award pursuant to this NOFO, NTIA may determine that the applicant is not qualified to receive a federal award.

1. Unique Entity Identifier

The U.S. government will use the unique entity identifier (UEI), found in an entity's SAM.gov registration, for federal awards management, including but not limited to, contracts, grants, and cooperative agreements. The UEI is the primary key to identify an entity throughout the federal awarding lifecycle and in SAM gov. Each Eligible Entity must obtain a UEI. Each subrecipient must obtain a UEI and provide it to the Eligible Entity. Subrecipients are not required to complete full SAM registration to obtain a UEI. 2 C.F.R. § 25.300.

The SAM-generated UEI (SAM) became the official identifier in April 2022.

For more information on the establishment of an entity's UEI, please visit <http://www.sam.gov>.

2. System for Award Management

Eligible Entities must register in the SAM before submitting any submissions through the application portal. Additionally, the Eligible Entity must maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency. Entities can register for the SAM at <https://www.sam.gov/>.

F. Submission Dates and Times

Completed letters of intent must be received by NTIA through the application portal no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 18, 2022**. Eligible Entities that wish to request Initial Planning Funds must submit their requests and required documentation by 11:59 p.m. Eastern Daylight Time (EDT) August 15, 2021. Eligible Entities that receive Initial Planning Funds must submit their Five-Year Action Plans to NTIA within 270 days of their receipt of Initial Planning Funds.

Eligible Entities will be notified of future submission deadlines after the Commission's Broadband DATA Maps are released and the Initial Proposal and Final Proposal process begins. Initial Proposals will be due to NTIA no later than 180 days after issuance of their Notice of Available Amounts.

Submissions submitted by postal mail, courier, email, facsimile, or other means aside from those detailed herein will not be accepted. All application forms and documents must be included with an applicant's complete application packet submission via NTIA's application portal.

When developing the submission timeline, each eligible applicant should keep in mind that: (1) all applicants are required to have current registrations in the electronic System for Award Management (SAM.gov) and the free annual registration process in SAM.gov generally takes between three (3) and five (5) business days but can take more than three weeks. Please note that a federal assistance award cannot be issued if the designated recipient's registration in SAM.gov is not current at the time of the award.

G. Intergovernmental Review

Applications from an Eligible Entity or a political subdivision of the Eligible Entity under this Program are subject to Executive Order 12372, "Intergovernmental Review of Federal Programs," which requires intergovernmental consultation with State, Territorial, and local officials. All applicants are required to submit a copy of their applications to their designated Single Point of Contact (SPOC) offices.⁹⁷

H. Funding Restrictions

1. Eligible Uses of BEAD Program Funds

Grant recipients may only use federal award funds and any non-federal cost share committed to an award to pay for allowable costs under the BEAD Program. Allowable costs are determined in accordance with the cost principles identified in 2 C.F.R. Part 200, including Subpart E of such regulations for States and non-profit organizations, and in 48 C.F.R. Part 31 for commercial organizations,⁹⁸ as well as in the grant program's authorizing legislation. In addition, costs must

⁹⁷ See 7 C.F.R. Part 3015, Subpart V.

⁹⁸ The government has established a set of principles for determining eligible or allowable costs. Allowable costs are determined in accordance with the cost principles applicable to the entity incurring the costs. For example, the allowability of costs incurred by State, Territorial, local or Federally

be reasonable, necessary, allocable, and allowable for the proposed project or other eligible activity and conform to generally accepted accounting principles. Funds committed to an award may only be used to cover allowable costs incurred during the period of performance, except for reasonable pre-award expenses as described above, and for allowable closeout costs incurred during the grant closeout process.

2. Ineligible Costs

Ineligible costs include those costs that are unallowable under the applicable federal cost principles. Please note that costs ineligible for the BEAD Program may not be paid for with matching funds committed to an award. If an Eligible Entity is found to have used grant or matching funds on a prohibited cost, the Assistant Secretary may take remedial action, including but not limited to deobligation or clawback of funding.

In addition, grant funds awarded to an Eligible Entity under this program shall be used to supplement, and not supplant, the amounts that the Eligible Entity would otherwise make available for the purposes for which the grant funds may be used.

The following costs are specifically identified as prohibited under the BEAD Program:

a. Prohibition On Use of Grant Funds for Covered Communications Equipment or Services under the Secure and Trusted Communications Networks Act

An Eligible Entity or subgrantee (including contractors and subcontractors of subgrantees) may not use grant funds received under the BEAD Program to purchase or support any covered communications equipment or service (as defined in Section 9 of the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. § 1608)).

b. Prohibition on Profit and Fees

A profit, fee, or other incremental charge above actual cost incurred by an Eligible Entity or subgrantee is not an allowable cost under this Program.

c. Prohibition on Use of Grant Funds to Support or Oppose Collective Bargaining

An Eligible Entity or a subgrantee may not use grant funds, whether directly or indirectly, to support or oppose collective bargaining.

Recognized Indian Tribal Governments is determined in accordance with the provisions of 2 C.F.R. Part 200, Subpart E and the allowability of costs for commercial organizations is determined in accordance with the provisions of 48 C.F.R. Part 31, unless the Grants Officer decides in writing to apply the cost principles in 2 C.F.R. Part 200, Subpart E, to commercial organizations pursuant to 2 C.F.R. § 200.101(a)(2).

3. Administrative Expenses

An Eligible Entity may not use more than two percent of the grant amounts received under the BEAD Program for expenses relating (directly or indirectly) to administration of the grant under Section 60102(d)(2)(B) of the Infrastructure Act. NTIA will release further guidance on what expenses qualify as “expenses relating (directly or indirectly) to administration of the grant” subject to the statutory two percent limitation on these expenses.

I. Material Representations and Public Disclosure of Applications

All forms and supporting documents submitted as part of the Letter of Intent, Initial Proposal, and Final Proposal will be treated as material representations of fact upon which NTIA will rely in awarding grants. Applicants should acknowledge that NTIA may make all or portions of their applications for grants under the BEAD Program publicly available consistent with applicable federal law. See Section IX.B of this NOFO for additional information concerning the confidentiality of information contained in an application.

J. Other Submission Requirements

Complete applications for the BEAD Program must be electronically submitted through grants.ntia.gov. Late or incomplete applications and applications submitted by mail, courier, or by facsimile will not be accepted.

1. How to Register to Apply and Submit an Application

Applicants should carefully follow specific instructions on the application site at <https://grants.ntia.gov/>.

2. Timely Receipt Requirements and Proof of Timely Submission

Applicants should carefully follow specific instructions on the application site at <https://grants.ntia.gov/> to successfully submit an application or other required materials. Applicants, specifically the Authorized Organization Representative submitting the application and materials, will receive a time and date stamped email from the NTIA Grants Portal confirming the submission and receipt of the application or other required documents, *e.g.*, Letter of Intent, Initial Proposal, Final Proposal.

3. Amendments

Any amendments to this NOFO or additional Program guidance will be announced on [NTIA.gov](https://www.ntia.gov) and [BroadbandUSA.NTIA.gov](https://www.broadbandusa.ntia.gov).

VI. Application Review Information

This Section briefly describes the review process that NTIA will undertake in assessing submissions by Eligible Entities in connection with the BEAD Program.

A. Review Process for the BEAD Program

Letters of Intent, Initial Planning Funds requests, Initial Proposals, and Final Proposals will be evaluated by the Assistant Secretary to determine compliance with all necessary requirements outlined in the Infrastructure Act, this NOFO, and additional regulations and/or guidance that may be issued by NTIA.

After receipt of a completed Initial Proposal, the Assistant Secretary shall determine whether the use of funds proposed in the Initial Proposal complies with applicable Program guidelines, is in the public interest, and effectuates the purposes of the Infrastructure Act. Based on that assessment, the Assistant Secretary will approve or disapprove the Initial Proposal. If the Initial Proposal is approved, the Assistant Secretary will make at least 20 percent of the total allocation available to the Eligible Entity. If the Initial Proposal is incomplete or is disapproved, the Assistant Secretary shall notify the Eligible Entity and provide the Eligible Entity with an opportunity to resubmit the Initial Proposal for consideration under the factors mentioned above.

After receipt of a completed Final Proposal, the Assistant Secretary shall determine whether the use of funds proposed in the Final Proposal complies with applicable Program guidelines, is in the public interest, and effectuates the purposes of the Infrastructure Act. Based on that assessment, the Assistant Secretary will approve or disapprove the Final Proposal. If the Final Proposal is approved, the Assistant Secretary will make the remainder of the grant funds allocated available to the Eligible Entity. If the Final Proposal is incomplete or is disapproved the Assistant Secretary shall notify the Eligible Entity and provide the Eligible Entity with an opportunity to resubmit the Final Proposal for consideration under the factors mentioned above. If an Eligible Entity fails to meet any applicable deadline and has not secured an extension from the Assistant Secretary before the applicable deadline, a political subdivision or consortium of political subdivisions of the Eligible Entity may submit the applicable type of covered application in place of the Eligible Entity.

Eligible Entities are encouraged to maintain an ongoing dialogue with NTIA throughout proposal development as a part of the technical assistance process. This partnership allows Eligible Entities to receive interim feedback and ensure alignment of Eligible Entity and federal priorities.

B. Federal Awarding Agency Review of Risk Posed by Applicants

After applications are proposed for funding by the Selecting Official for the BEAD Program (specifically, the Assistant Secretary or the Assistant Secretary's designee), the NIST Grants Management Division (GMD) will perform pre-award risk assessments in accordance with 2 C.F.R. § 200.206. Such assessments may include review of the financial stability of an applicant (*i.e.*, an Eligible Entity), the quality of the applicant's management systems, the history of performance, reports and findings from audits, and/or the applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-federal entities. In addition, prior to making an award where the total federal share is expected to exceed the simplified acquisition threshold (currently \$250,000), NIST GMD will review and consider the non-publicly available information about that applicant in the Federal Awardee Performance and Integrity Information System (FAPIIS). Upon completion of the pre-award risk assessment,

NIST GMD will determine whether the applicant is qualified to receive the award and, if so, whether appropriate specific award conditions that correspond to the degree of risk posed by the applicant should be applied to the award.

C. Anticipated Announcement and Award Dates

NTIA will review Letters of Intent, requests for Initial Planning Funds, Initial Proposals, and Final Proposals on a rolling basis. Additional timeline details will be provided to Eligible Entities once the Commission's Broadband DATA Maps have been released and allocations have been calculated.

VII. Federal Award Administration Information

This Section explains the process NTIA will employ to approve applications, notify successful and unsuccessful applicants of the process's results, and various legal obligations applicable to grant recipients (including, but not limited to, those relating to domestic procurement preferences ("Buy American" requirements) and contracting with small and minority businesses, women's business enterprises, and labor surplus area firms).

A. Federal Award Notices

The Assistant Secretary, or the Assistant Secretary's designee, will submit the applications recommended for funding, along with the bases for the recommendation, to the National Institute of Standards and Technology (NIST) Grants Officer, who serves as the Grants Officer for the BEAD program. The final approval of selected applications and the issuance of awards will be made by the NIST Grants Officer. The award decisions of the NIST Grants Officer are final.

An applicant will be notified in writing by the NIST Grants Officer if its application is selected for an award. If the application is selected for funding, the NIST Grants Officer will issue the grant award (Form CD-450), which is the authorizing financial assistance award document. By signing the Form CD-450, the recipient agrees to comply with all award provisions, terms, and conditions.

If an applicant is awarded funding, neither NTIA nor NIST is under any obligation to provide any additional future funding in connection with that award or to make any future award(s). Amendment of an award to extend the period of performance is at the discretion of NTIA and the NIST Grants Officer.

B. Notification to Unsuccessful Applications.

As detailed in Section VI.A of this NOFO, Eligible Entities will be notified if either the Initial Proposal or Final Proposal is not approved by the Assistant Secretary and given a chance to resubmit the proposal.

C. Retention of Unsuccessful Applications.

Unsuccessful applications will be retained in accordance with NTIA recordkeeping requirements.

D. Administrative and National Policy Requirements

Grant recipients will comply with applicable statutes and regulations, including but not limited to:

1. Uniform Administrative Requirements, Cost Principles and Audit Requirements.

Through 2 C.F.R. § 1327.101, the Department of Commerce adopted Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. Part 200, which apply to awards in this Program. Refer to <http://go.usa.gov/SBYh> and <http://go.usa.gov/SBg4>.

2. Department of Commerce Financial Assistance Standard Terms and Conditions.

The Department of Commerce will apply to each award in this Program, the Financial Assistance Standard Terms and Conditions in effect on the date of award. The current version, dated November 12, 2020, is accessible at [Department of Commerce Financial Assistance Standard Terms and Conditions](#). Refer to Section VIII of this NOFO (Federal Awarding Agency Contact(s)) if you need more information.

3. Pre-Award Notification Requirements.

The Department of Commerce will apply the Pre-Award Notification Requirements for Grants and Cooperative Agreements dated December 30, 2014 (79 FR 78390), accessible at <http://go.usa.gov/hKkR>. Refer to Section VIII of this NOFO (Federal Awarding Agency Contact(s)) if you need more information.

4. Environmental and National Historical Preservation Requirements.

Awarding agencies are required to analyze the potential environmental impacts, as required by the National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 *et seq.*) and the National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 *et seq.*) for Eligible Entity proposals and awardee projects and other eligible activities seeking funding under the BEAD Program. Eligible Entities with projects or other eligible activities containing construction and/or ground-disturbing activities are required to submit all required environmental documentation to NTIA with their Final Proposals, which also must describe how they will comply with applicable environmental and national historical preservation requirements. It is the Eligible Entity's and subgrantee's responsibility to obtain all necessary federal, Eligible Entity, and local governmental permits and approvals necessary for the proposed work to be conducted. Projects and other eligible activities are expected to be designed so that they minimize the potential for adverse impacts on the environment. Eligible Entities also will be required to cooperate with NTIA in identifying feasible measures to reduce or avoid any identified adverse environmental impacts of their proposed projects or other eligible activities. The failure to do so may be grounds for not making an award. Proposals will be reviewed to ensure that they contain sufficient information to allow agency staff to conduct a NEPA analysis so that appropriate NEPA documentation can be

submitted to NTIA, along with the recommendation for funding of the selected projects or other eligible activities. If additional information is required after an application is accepted for funding, funds can be withheld by NTIA under a specific award condition requiring the awardee to submit additional environmental compliance information sufficient for the agency to make an assessment of any impacts that a project or other eligible activity may have on the environment.

5. Property Trust Relationship and Public Notice Filings for Grant-Acquired Property.

In accordance with 2 C.F.R. § 200.316, any real property, equipment, or intangible property acquired or improved with a federal award must be held in trust by the Eligible Entity or subgrantee as trustee for the beneficiaries of the project, other eligible activity, or program under which the property was acquired or improved. This trust relationship exists throughout the duration of the property's estimated useful life, as determined by the Grants Officer in consultation with the Program Office, during which time the federal government retains an undivided, equitable reversionary interest in the property (Federal Interest). In this connection, NTIA may require the non-federal entity to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a federal award and that use and disposition conditions apply to the property. Awards issued pursuant to this NOFO may contain specific award conditions pertaining to the use and disposition of grant-acquired property and to a requirement that the recipient or subgrantee file certain public notices (*e.g.*, UCC-1, Covenant of Purpose, Use and Ownership, *etc.*) with respect to grant-acquired property. NTIA will provide information regarding the useful life schedules associated with assets acquired with grant funds.

6. Domestic Preference for Procurements (Buy American).

The Infrastructure Act presents an important opportunity to ensure that American taxpayer dollars are spent procuring needed products and supplies from American workers and businesses, strengthening and growing U.S. domestic manufacturing capacity. Accordingly, all funds made available through the BEAD Program for broadband infrastructure must comply with the Build America, Buy America Act.⁹⁹ The Build America, Buy America Act requires that all of the iron, steel, manufactured products (including but not limited to fiber-optic communications facilities), and construction materials used in the project or other eligible activities are produced in the United States unless a waiver is granted. Under the Build America, Buy America Act and the Buy America Guidance issued by the Office of Management and Budget on April 18, 2022,¹⁰⁰ the Secretary of Commerce (Secretary) may waive the application of this preference when (1) applying the domestic content procurement preference would be inconsistent with the public interest; (2) types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory

⁹⁹ Infrastructure Investment and Jobs Act of 2021, Division G, Public Law 117-58, 135 Stat. 429 (November 15, 2021).

¹⁰⁰ See Shalanda D. Young, Director, OMB, *Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure*, M-22-11 (Apr. 18, 2022), available at <https://www.whitehouse.gov/wp-content/uploads/2022/04/M-22-11.pdf> (Buy America Guidance).

quality; or (3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project or other eligible activities by more than 25 percent. Consistent with the waiver principles detailed in Sec. 70921(b)(1) of the Build America, Buy America Act and the Buy America Guidance, the Secretary will seek to minimize waivers, and any waivers will be limited in duration and scope.

In determining whether a product is produced in America, subgrantees must comply with definitions included in Section 70912 of the Build America, Buy America Act, which provides that a manufactured product is considered produced in the United States if the manufactured product was manufactured in the United States and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

In addition to the provisions above, subgrantees may not use BEAD funding to purchase or support any covered communications equipment or service, as defined in Section 9 of the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. § 1608).

Additionally, the Infrastructure Act expressly prohibits subgrantees from using BEAD funding to purchase or support fiber optic cable and optical transmission equipment manufactured in the People's Republic of China unless a waiver of this requirement is received from the Assistant Secretary. Waivers of the ban on Chinese-made fiber will be based on a demonstration from the Eligible Entity that application of this prohibition would unreasonably increase the cost of or delay the project or other eligible activities. Waiver applicants will need to provide concrete evidence of this circumstance and will be held to a high burden of proof. Waiver policy in this case will be guided by the same principles set out in Section 70921(b)(1) of the Build America, Buy America Act, meaning that the Assistant Secretary will be disposed against waivers. In addition, NTIA will consider any national security issues particular to Chinese-made fiber, and even where domestic production is not feasible, will be reluctant to waive the ban if another foreign supplier could meet the need at similar cost.

7. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms

Minority Businesses Enterprises (MBEs) and Women's Business Enterprises (WBEs) are major catalysts for economic growth and job creation. However, data shows that MBEs and WBEs historically face significant contracting disparities compared to other businesses. Pursuant to 2 C.F.R. § 200.321, Eligible Entities must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring subgrantees to take the affirmative steps listed above as it relates to its subcontractors.

Eligible Entities are strongly encouraged to establish MBE and WBE utilization plans consistent with their Initial and Final Proposals.

E. Reporting

Both Eligible Entities and subgrantees will be required to comply with reporting requirements. In addition to the reporting requirements found in 2 C.F.R. Part 200, NTIA will provide additional reporting instructions in connection with the requirements set forth in this Section, including details on the manner and format that Eligible Entities will be required to report information in support of federal agency obligations under the ACCESS BROADBAND Act, 47 USC § 1307, and Infrastructure Act § 60105.¹⁰¹

1. Reporting Requirements - Eligible Entities

Not later than 90 days after receiving any Program grant funds, for the sole purposes of providing transparency and providing information to inform future federal broadband planning, an Eligible Entity shall submit to the Assistant Secretary an **initial report** that (i) describes the planned and actual use of funds; (ii) describes the planned and actual subgrant process; (iii) identifies the establishment of appropriate mechanisms by the Eligible Entity to ensure that all subgrantees of the Eligible Entity comply with the eligible uses prescribed under the BEAD Program and (iv) includes any other information required by the Assistant Secretary.

Not later than 1 year after receiving grant funds under this Section, and semiannually thereafter until the funds have been expended, an Eligible Entity shall submit to the Assistant Secretary a **semiannual report**, with respect to the 6-month period immediately preceding the report date, that tracks the progress the Eligible Entity is making against its approved plans. Any such report should include, at a minimum, the following information: (i) a description of how the Eligible Entity expended the grant funds; (ii) a description of each service provided with the grant funds and the status of projects or other eligible activities supported by such funds; (iii) a description of the locations at which broadband service was made or will be made available using the grant funds, the locations at which broadband service was utilized, and the comparative demographics of those served; and (iv) a certification that the Eligible Entity complied with the requirements of this Section and with any additional reporting requirements prescribed by the Assistant

¹⁰¹ In addition to the requirements set forth herein, Eligible Entities and subgrantees must comply with the mandates set out in Section VI.F of this NOFO.

Secretary. The semiannual report must also include an SF-425 and a Federal Financial Report and must meet the requirements described in 2 C.F.R. §§ 200.328 and the Department of Commerce Financial Assistance Standard Terms and Conditions (dated November 12, 2020), Section A.01 for Financial Reports. The semiannual report shall contain information as prescribed in 2 C.F.R. § 200.329.

Not later than one year after an Eligible Entity has expended all grant funds received under this Section, the Eligible Entity shall submit to the Assistant Secretary a final report that (i) describes how the Eligible Entity expended the funds; (ii) describes each service provided with the grant funds; (iii) describes the locations at which broadband service was made available using the grant funds, the locations at which broadband service was utilized, and the comparative demographics of those served; (iv) includes each report that the Eligible Entity received from a subgrantee under Section 60102(j) of the Infrastructure Act; and (v) certifies that the Eligible Entity complied with the requirements of this Section and with any additional reporting requirements prescribed by the Assistant Secretary.

As noted below, an Eligible Entity must also make every report submitted to it by a subgrantee available to NTIA upon request.

2. Reporting Requirements - Subgrantees

The recipient of a subgrant from an Eligible Entity under this Section shall submit to the Eligible Entity a regular reporting, at least semiannually, for the duration of the subgrant to track the effectiveness of the use of funds provided. Each report shall describe each type of project and/or other eligible activities carried out using the subgrant and the duration of the subgrant. Eligible Entities may add additional reporting requirements or increase the frequency of reporting with the approval of the Assistant Secretary and must make all subgrantee reports available to NTIA upon request. In the case of a broadband infrastructure project, the report must, at minimum:

1. Include a list of addresses or location identifications (including the Broadband Serviceable Location Fabric established under 47 U.S.C. 642(b)(1)(B)) that constitute the service locations that will be served by the broadband infrastructure to be constructed and the status of each project;
2. Identify new locations served within each project area at the relevant reporting intervals, and service taken (if applicable);
3. Identify whether each address or location is residential, commercial, or a community anchor institution;
4. Describe the types of facilities that have been constructed and installed;
5. Describe the peak and off-peak actual speeds of the broadband service being offered;
6. Describe the maximum advertised speed of the broadband service being offered;
7. Describe the non-promotional prices, including any associated fees, charged for different tiers of broadband service being offered;
8. List all interconnection agreements that were requested, and their current status;
9. Report the number and amount of contracts and subcontracts awarded by the subgrantee disaggregated by recipients of each such contract or subcontracts that are MBEs or WBEs;

10. Include any other data that would be required to comply with the data and mapping collection standards of the Commission under Section 1.7004 of title 47, Code of Federal Regulations, or any successor regulation, for broadband infrastructure projects;
11. Include an SF-425, Federal Financial Report and meet the requirements described in the Department of Commerce Financial Assistance Standard Terms and Conditions (dated November 12, 2020), Section A.01 for Financial Reports;
12. For projects over \$5,000,000 (based on expected total cost):
 - a. A subgrantee may provide a certification that, for the relevant Project, all laborers and mechanics employed by contractors and subcontractors in the performance of such Project are paid wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate State entity pursuant to a corollary State prevailing-wage-in-construction law (commonly known as “baby Davis-Bacon Acts”). If such certification is not provided, a Recipient must provide a project employment and local impact report detailing:
 - i. The number of contractors and sub-contractors working on the Project;
 - ii. The number of workers on the Project hired directly and hired through a third party;
 - iii. The wages and benefits of workers on the Project by classification; and
 - iv. Whether those wages are at rates less than those prevailing.¹⁰²
 - b. If a subgrantee has not provided a certification that a Project either will use a unionized project workforce or includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)), then the subgrantee must provide a project workforce continuity plan, detailing:
 - i. Steps taken and to be taken to ensure the Project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure construction is completed in a competent manner throughout the life of the Project (as required in Section IV.C.1.e), including a description of any required professional certifications and/or in-house training, Registered Apprenticeships or labor-management partnership training programs, and partnerships with entities like unions, community colleges, or community-based groups;

¹⁰² As determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed.

- ii. Steps taken and to be taken to minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the Project;
- iii. Steps taken and to be taken to ensure a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities, including descriptions of safety training, certification, and/or licensure requirements for all relevant workers (*e.g.*, OSHA 10, OSHA 30, confined space, traffic control, or other training required of workers employed by contractors), including issues raised by workplace safety committees and their resolution;
- iv. The name of any subcontracted entity performing work on the Project, and the total number of workers employed by each such entity, disaggregated by job title; and
- v. Steps taken and to be taken to ensure that workers on the Project receive wages and benefits sufficient to secure an appropriately skilled workforce in the context of the local or regional labor market.

13. Comply with any other reasonable reporting requirements determined by the Eligible Entity to meet the reporting requirements established by the Assistant Secretary; and certify that the information in the report is accurate.

Subgrantees must maintain sufficient records to substantiate all information above upon request.

3. Provision of Information to Federal Communications Commission and United States Department of Agriculture.

The Assistant Secretary will provide the information collected under Section I.E.2 of this NOFO, and such other Program information as is necessary, to the Commission, the Department of Agriculture, the Department of the Treasury, and any other federal agency that funds broadband deployment, to be used, as applicable, in determining whether to award funds for the deployment of broadband under any program administered by those agencies.

F. Recipient Integrity and Performance Matters

In accordance with Section 872 of Public Law 110-417, as amended, *see* 41 U.S.C. § 2313, if the total value of a recipient's currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of an award made under this NOFO, then the recipient shall be subject to the requirements specified in Appendix XII to 2 C.F.R. Part 200,¹⁰³ for maintaining the currency of information reported to SAM that is made available in the Federal Awardee Performance and Integrity Information System (FAPIIS) about certain civil, criminal, or administrative proceedings involving the recipient.

¹⁰³ *See* 2 C.F.R. Part 200, Appendix XII, available at <http://go.usa.gov/cTBwC>.

G. Audit Requirements

2 C.F.R. Part 200, Subpart F, adopted by the Department of Commerce through 2 C.F.R. § 1327.101 requires any non-federal entity that expends federal awards of \$750,000 or more in the recipient's fiscal year to conduct a single or program-specific audit in accordance with the requirements set out in the Subpart. Additionally, unless otherwise specified in the terms and conditions of the award, entities that are not subject to Subpart F of 2 C.F.R. Part 200 (*e.g.*, commercial entities) that expend \$750,000 or more in grant funds during their fiscal year must submit to the Grants Officer either: (i) a financial related audit of each DOC award or subaward in accordance with Generally Accepted Government Auditing Standards; or (ii) a program-specific audit for each award or subaward in accordance with the requirements contained in 2 C.F.R. § 200.507. Eligible Entities and its subgrantees are reminded that NTIA, the Department of Commerce Office of Inspector General, or another authorized federal agency may conduct an audit of an award at any time.

H. Federal Funding Accountability and Transparency Act of 2006

In accordance with 2 C.F.R. Part 170, all recipients of a federal award made on or after October 1, 2010, are required to comply with reporting requirements under the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. No. 109-282). In general, all recipients are responsible for reporting sub-awards of \$30,000 or more. In addition, recipients that meet certain criteria are responsible for reporting executive compensation. Applicants must ensure they have the necessary processes and systems in place to comply with the reporting requirements should they receive funding.¹⁰⁴

VIII. Federal Awarding Agency Contact(s)

Please direct programmatic inquiries to:

Evan Feinman

Director of BEAD

Office of Internet Connectivity and Growth

National Telecommunications and Information Administration

U.S. Department of Commerce

1401 Constitution Avenue, NW

Washington, DC 20230

Phone: (202) 482-2048

Email: BEAD@ntia.gov

Please direct grant management inquiries to:

Scott McNichol

NIST Grants Officer

¹⁰⁴ See OMB, Requirements for Federal Funding Accountability and Transparency Act Implementation, Interim final guidance to agencies with opportunity to comment, 75 FR 55663 (Sept. 14, 2010), available at <http://go.usa.gov/hKnQ>.

Grants Management Division
National Institute of Standards and Technology
325 Broadway
Boulder, CO 80305
Phone: (301) 975-8449
Email: scott.mcnichol@nist.gov

Please direct media inquiries to:

Stephen F. Yusko
Public Affairs Specialist
Office of Public Affairs
National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue NW, Room 4897
Washington, DC 20230
Phone: (202) 482-7002
Email: press@ntia.doc.gov

IX. Other Information

This Section details information regarding topics including audit and reporting requirements, mandatory transparency, accountability, and oversight measures, and consequences associated with the unauthorized use of BEAD Program funds.

A. Transparency

The Infrastructure Act contains robust reporting requirements for Eligible Entities and subgrantees, and requires NTIA, the Commission, and other agencies to coordinate to make information regarding federal broadband funding, low-cost plans, and other aspects of the BEAD Program readily available to and understandable by the public. NTIA will fulfill its obligations to the fullest extent possible. Recipients of U.S. Department of Commerce and NTIA grants also should be cognizant of the access to records requirements set forth at 2 C.F.R. § 200.337.

B. Protected and Proprietary Information

Eligible Entities and subgrantees acknowledge and understand that information and data contained in applications for financial assistance, as well as information and data contained in financial, performance, and other reports submitted by either entity, may be used by the Department of Commerce in conducting reviews and evaluations of its financial assistance programs and for statistical purposes. For this purpose, information and data may be accessed, reviewed, and evaluated by Department of Commerce employees, other federal employees, federal agents and contractors, and/or by non-federal personnel, all of whom enter into appropriate confidentiality and nondisclosure agreements covering the use of such information. As may be provided in the terms and conditions of a specific financial assistance award, Eligible Entities and subgrantees are expected to support Program reviews and evaluations by submitting required financial and performance information and data in an accurate and timely manner, and

by cooperation with the Department of Commerce and external program evaluators. In accordance with 2 C.F.R. § 200.303(e), Eligible Entities and subgrantees are reminded that they must take reasonable measures to safeguard protected personally identifiable information and other confidential or sensitive personal or business information created or obtained in connection with a Department of Commerce financial assistance award.

NTIA will protect confidential and proprietary information from public disclosure consistent with applicable law, including the Trade Secrets Act, as amended (18 U.S.C. 1905) and the Economic Espionage Act of 1996 (18 U.S.C. 1831 *et seq.*). In the event that a submission contains information or data deemed to be confidential commercial information or that otherwise should not be publicly disclosed, that information should be identified, bracketed, and marked as Privileged, Confidential, Commercial or Financial Information. Based on these markings, the confidentiality of the contents of those pages will be reviewed for protection consistent with applicable law.

Additionally, some of the information submitted in the course of applying for funding under this Program, or provided in the course of its grant management activities, may be considered law enforcement sensitive or otherwise important to national security interests. This may include threat, risk, and needs assessment information, and discussions of demographics, transportation, public works, and industrial and public health infrastructures. In the event that a submission contains such information or data, that information should be identified, bracketed, and marked appropriately. Based on these markings, the confidentiality of the contents of those pages will be reviewed for protection consistent with applicable law. The Eligible Entity and subgrantee should be familiar with the regulations governing Protected Critical Infrastructure Information (6 C.F.R. Part 29) and Sensitive Security Information (49 C.F.R. Part 1520), as these designations may provide additional protection to certain classes of homeland security information.

In addition to the public disclosure requirements of this program, the Eligible Entity is encouraged to consult its own laws and regulations regarding the release of information, which should be considered when reporting sensitive matters in the grant application. The Eligible Entity may consult with NTIA regarding concerns or questions about the release of information or how omitting sensitive information could impact NTIA's assessment of the Eligible Entity's application.

C. Funding Availability and Limitation of Liability

Funding for the Program is contingent upon the continued availability of appropriations. Publication of this NOFO does not oblige NTIA, NIST or the Department of Commerce to award any specific project or other eligible activity or to obligate any available funds. NTIA will recommend for funding only projects and other eligible activities that are deemed likely to achieve the BEAD Program goals and for which funds are available.

D. Third Party Beneficiaries

The BEAD Program is not intended to and does not create any rights enforceable by third party beneficiaries.

E. Waiver Authority

It is the general intent of NTIA not to waive any of the provisions set forth in this NOFO. However, at the discretion of the Assistant Secretary, NTIA, upon its own initiative or when requested, may waive the provisions in this NOFO. Waivers may only be granted for requirements that are discretionary and not mandated by statute or other applicable law. Any request for a waiver must set forth the circumstances for the request.

F. Paperwork Reduction Act and Administrative Procedures Act

Section 60102(o) specifically exempts the BEAD Program from the requirements of the Paperwork Reduction Act (44 U.S.C. § 3506) and the Administrative Procedures Act.

G. Transparency, Accountability, And Oversight Required

1. Generally

NTIA, Eligible Entities, and subgrantees each have a critical role to play in ensuring that the BEAD Program is implemented in a manner that ensures transparency, accountability, and oversight sufficient to, among other things:

1. Minimize the opportunity for waste, fraud, and abuse;
2. Ensure that recipients of grants under the Program use grant funds to further the overall purpose of the Program in compliance with the requirements of the Infrastructure Act, this NOFO, 2 C.F.R. Part 200, the terms and conditions of the award, and other applicable law; and
3. Allow the public to understand and monitor grants and subgrants awarded under the Program.

To that end, NTIA and Eligible Entities shall:

1. Conduct such audits of grantees and subgrantees as are necessary and appropriate, including audit requirements described in Section VII.G. Eligible Entities shall report the full results of any audits they conduct to the appropriate Federal Program Officer.
2. Develop monitoring plans, subject to the approval of the Assistant Secretary, which may include site visits or desk reviews, technical assistance, and random sampling of compliance requirements.
3. Impose specific conditions on grant awards designed to mitigate the risk of nonperformance where appropriate.

Each Eligible Entity and/or subgrantee shall, as appropriate:

1. Comply with the reporting requirements set forth in Section I.E of this NOFO.

2. Comply with the obligations set forth in 2 C.F.R. Part 200 and the Department of Commerce Financial Assistance Standard Terms and Conditions.
3. Establish and widely publicize telephone numbers and email addresses for the Eligible Entity's Office of Inspector General (or comparable entity) or subgrantees' internal ethics office (or comparable entity) for the purpose of reporting waste, fraud or abuse in the Program. Eligible Entities and subgrantees shall produce copies of materials used for such purpose upon request of the Federal Program Officer.

2. U.S. Department of Commerce Office of Inspector General

The U.S. Department of Commerce Office of Inspector General (OIG) seeks to improve the efficiency and effectiveness of the Department's programs, including deterring and detecting fraud, waste, abuse and mismanagement. The OIG accomplishes this mission primarily through investigations, audits, and inspections of Department activities, including grants, cooperative agreements, loans, and contracts.

a. Disclosures

Recipients of financial assistance originating from the U.S. Department of Commerce, including NTIA, shall timely disclose, in writing, to the OIG and awarding agency, whenever, in connection with the award, performance, or closeout of this grant or sub-award thereunder, the recipient has credible evidence that a principal, employee, agent, or sub-recipient has committed:

1. A violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or
2. A violation of the civil False Claims Act (31 U.S.C. §§ 3729-3733).

b. Reporting

The OIG maintains a hotline to receive allegations of fraud, waste, or abuse. To report such allegations, please visit <https://www.oig.doc.gov/Pages/Hotline.aspx>. Upon request, the OIG will take appropriate measures to protect the identity of any individual who reports misconduct, as authorized by the Inspector General Act of 1978, as amended. Reports to the OIG may also be made anonymously.

3. Whistleblower Protection

Recipients, sub-recipients, and employees working on this grant award will be subject to the whistleblower rights and remedies established under 41 U.S.C. § 4712.

An employee of a recipient or sub-recipient may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of: gross mismanagement of a federal contract or award; a gross waste of federal funds; an abuse of authority (*i.e.*, an arbitrary and capricious exercise of authority that is inconsistent with the mission of NTIA or the U.S. Department of Commerce or the successful

performance of a contract or grant awarded by NTIA or the Department) relating to a federal contract or award; a substantial and specific danger to public health or safety; or a violation of a law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

The recipient or sub-recipient shall inform its employees and contractors, in writing, in the predominant language of the workforce or organization, of employee whistleblower rights and protections under 41 U.S.C. § 4712, as described above and at <https://www.oig.doc.gov/Pages/Whistleblower-Protection-Program.aspx>.

4. Enforcement

NTIA shall take enforcement action against Eligible Entities and, if necessary, subgrantees, and Eligible Entities shall take enforcement action against subgrantees, as necessary and appropriate:

1. A subgrantee that fails to comply with any requirement under Section 60102 of the Infrastructure Act or this NOFO shall be required to return up to the entire amount of the subgrant to the Eligible Entity, at the discretion of the Eligible Entity or the Assistant Secretary.
2. If a subgrantee fails to comply with the low-cost broadband service option requirement set out in Section 60102(h)(4)(B) of the Infrastructure Act, the Assistant Secretary may take corrective action, including recoupment of funds from the subgrantee.
3. NTIA and Eligible Entities may also enforce applicable rules and laws by imposing penalties for nonperformance, failure to meet statutory obligations, or wasteful, fraudulent, or abusive expenditure of grant funds. Such penalties include, but are not limited to, imposition of additional award conditions, payment suspension, award suspension, grant termination, de-obligation/clawback of funds, and debarment of organizations and/or personnel.

H. Unauthorized Use of Funds.

To the extent that the Assistant Secretary or the Inspector General of the Commerce Department determines that an Eligible Entity or subgrantee has expended grant funds received under the BEAD Program in violation of the requirements set forth in Section 60102 of the Infrastructure Act, 2 C.F.R. Part 200, the terms and conditions of the award, or other applicable law, the Assistant Secretary shall, if appropriate, recover the amount of funds that were so expended.

INTERNET FOR ALL

**Frequently Asked Questions
and Answers Draft Version 2.0**
Broadband, Equity, Access, and
Deployment (BEAD) Program



U.S. Department of Commerce
National Telecommunications and Information Administration

Note

The Broadband, Equity, Access & Deployment Program (BEAD)¹ provides federal funding to make grants to Eligible Entities for broadband planning, deployment, mapping, equity, and adoption projects and activities. The following Frequently Asked Questions (FAQs) are intended to clarify and provide guidance on information set forth in the Notice of Funding Opportunity (NOFO) on May 13, 2022. NTIA will update this document on a periodic basis as further questions arise. Newly added questions in this FAQ are indicated with an asterisk (*). Questions may be submitted to BEAD@ntia.gov.

The below FAQs are for informational purposes only and are intended solely to assist potential applicants in better understanding the NTIA BEAD Program and the application requirements set forth in the Notice of Funding Opportunity (NOFO) for this program. The FAQs do not and are not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, or the specific application requirements set forth in the NOFO. In all cases, statutory and regulatory mandates, and the requirements set forth in the NOFO, shall prevail over any inconsistencies contained in the below FAQs.

Please note that all new questions are disbursed throughout the document as well in their appropriate sections. All new questions and answers are italicized.

¹ Authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021), also known as the Bipartisan Infrastructure Law.

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1. Program Overview and Eligibility

1.1 Who can apply for funding under the BEAD program?

Any State of the U.S., the District of Columbia, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands are considered “Eligible Entities” under the BEAD program and may apply for funding.

1.2 Can U.S. territories / the District of Columbia apply for funding under the BEAD program?

Yes, BEAD funds are available for use by U.S. territories and the District of Columbia.

1.3 What are the eligible uses of general funds (i.e., funds not including planning funds) for BEAD?

Subject to the prioritization scheme included in the NOFO, BEAD funds may be used for the purposes listed below. A complete list of the eligible uses of funds is included in the NOFO at Sections IV.B.7.a.(ii) and (iii).

1. Deploying and/or upgrading broadband network facilities in connection with an Unserved Service Project or an Underserved Service Project;
2. Deploying and/or upgrading broadband network facilities to provide or improve service to an eligible community anchor institution;
3. Data collection, broadband mapping, and planning to the extent necessary beyond the planning fund allocation to facilitate the goals and deliverables of the BEAD Program;
4. Installing internet and Wi-Fi infrastructure or providing reduced-cost broadband within a multi-family residential building, with priority given to a residential building that has substantial share of unserved households or is in a location in which the percentage of individuals with a household income that is at or below 150 percent of the poverty line² applicable to a family of the size involved is higher than the national percentage of such individuals;
5. Broadband adoption, including programs to provide affordable internet-capable devices;
6. Training and workforce development; and
7. Other uses, including other Digital Equity programs not already included above, proposed by Eligible Entities and approved in advance in writing by the Assistant Secretary that support the goals of the Program.³

² As determined under Section 673(2) of the Community Services Block Grant Act (42 U.S.C. § 9902(2)).

³ Requests for approval of uses not listed here should be made in writing to the Assistant Secretary and submitted through the appropriate Federal Program Officer. Eligible Entities should make such requests on a timely basis to facilitate resolution prior to point at which the Eligible Entity seeks to make the expenditure or expenditures at issue.

1.4 What are the core milestones for the BEAD program and what does an Eligible Entity need to submit by when?

In creating the BEAD program, the Bipartisan Infrastructure Law created a multi-step, multi-year process. NTIA will work as expeditiously as possible to effectively implement the program. The chart below summarizes the key milestones of the BEAD Program and additional information about program sequencing can be found in Section IV.B. of the NOFO:

Stage	Description
Letter of Intent	July 18, 2022 , is the deadline for an Eligible Entity to submit a Letter of Intent to participate in the Program.
Request for Initial Planning Funds	A state, the District of Columbia, or Puerto Rico may request up to \$5,000,000 in Initial Planning Funds. American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands may request up to \$1,250,000. Each Eligible Entity's Initial Planning Funds will be drawn from that Eligible Entity's Minimum Initial Allocation. If the Eligible Entity requests Initial Planning Funds, it must submit an application for Initial Planning Funds by August 15, 2022 , and a Five-Year Action Plan within 270 days of receipt of Initial Planning Funds.
Notice of Available Amounts	On or after the date on which the Broadband DATA Maps are made public, the Assistant Secretary will notify each Eligible Entity of the estimated amount of funding that NTIA will make available to the Eligible Entity under the Program (Notice of Available Amounts) and invite the submission of an initial grant proposal (Initial Proposal) and a final grant proposal (Final Proposal).
Initial Proposal	Eligible Entities will have 180 days from receipt of the Notice of Available Amounts to develop and submit an Initial Proposal, which will, among other things, describe the competitive process the Eligible Entity proposes to use to select subgrantees to construct broadband projects. Prior to submission to NTIA, the Initial Proposal must be made available for public comment and must incorporate local coordination feedback for the Assistant Secretary's review.
Challenge Process	After submission of its Initial Proposal and before allocating BEAD funds received for the deployment of broadband networks, an Eligible Entity must conduct a challenge process. Under this process, a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by the Eligible Entity in the Initial Proposal as to whether a particular location or community anchor institution within the jurisdiction of the Eligible Entity is eligible for the grant funds, including whether a particular location is unserved or underserved, and submit any successful challenges to NTIA for review and approval.
Initial Funding Availability	NTIA will review Initial Proposals as expeditiously as possible. Once an Initial Proposal is approved, NTIA will make available to the Eligible Entity not less than 20 percent of the total grant funds allocated to the Eligible Entity.
Subgrantee Selection	An Eligible Entity may initiate its competitive subgrantee selection process upon approval of its Initial Proposal and will have up to one year to conduct additional local coordination, complete the selection

	process, and submit a Final Proposal to NTIA. The Eligible Entity may, at this point, utilize the funding provided upon approval of the Initial Proposal (not less than 20 percent of the Eligible Entity’s total grant funds) to initiate qualifying activities.
Final Proposal	After the Eligible Entity has selected subgrantees and otherwise executed its approved Initial Proposal, it will submit to NTIA a Final Proposal describing how it complied with that Initial Proposal and the results of its processes. NTIA will award the remaining funds allocated to the Eligible Entity upon approval of the Eligible Entity’s Final Proposal, and Eligible Entities will initiate their subgrants for the remaining 80 percent of funding and any portion of the original 20 percent that the Eligible Entity has not yet awarded as a subgrant. Prior to submission to NTIA the Final Proposal must be made available for public comment.
Ongoing Monitoring, Reporting, and Performance Management	Throughout the BEAD Program, NTIA will conduct ongoing monitoring of an Eligible Entity’s progress against its plans and ensure that the requirements of the Infrastructure Act are met. Eligible Entities will be required to comply with reporting requirements and monitor subgrantee compliance.

1.5 How does the BEAD program define an “unserved” location?

An unserved service project is defined as a project in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations. An “Unserved Service Project” may be as small as a single unserved broadband serviceable location (NOFO Section I.C. ee).

An unserved location is defined as a broadband-serviceable location that the Broadband DATA Maps show as (a) having no access to broadband service, or (b) lacking access to Reliable Broadband Service offered with - (i) a speed of not less than 25 Mbps for downloads; and (ii) a speed of not less than 3 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds (NOFO Section I.C. dd).

1.6 How does the BEAD program define an “underserved” location?

An underserved service project is defined as a project in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations or underserved locations. An “Underserved Service Project” may be as small as a single underserved broadband-serviceable location (NOFO Section I.C. cc).

An underserved location is defined as a broadband-serviceable location that is (a) not an unserved location, and (b) that the Broadband DATA Maps show as lacking access to Reliable Broadband Service offered with - (i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds (NOFO Section I.C. bb).

1.7 How does the BEAD program define a “Community Anchor Institution” (CAI)?

Section I.C.f. of the NOFO defines “Community Anchor Institution” as an entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals. An Eligible Entity may propose to NTIA that additional types of institutions should qualify as CAIs within the entity’s territory.

1.8 Which Community Anchor Institutions are eligible to receive broadband access through the BEAD Program?

A Community Anchor Institution that lacks access to Gigabit-level broadband service is an eligible service location under the BEAD Program.

1.9 Are BEAD funds only restricted for use on last-mile broadband deployment? May funds be used for middle mile infrastructure?

As noted in Section IV.B.5.b. of the NOFO an “Unserved Service Project” or “Underserved Service Project” may include Middle Mile Infrastructure in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of a project providing service to an unserved location, underserved location, or eligible CAI.

1.10 How must an Eligible Entity prioritize eligible uses of BEAD funding?

In general, Eligible Entities must follow the process below in prioritizing eligible uses of BEAD funding as explained in Section IV.B.7.b. of the NOFO:

1. An Eligible Entity must prioritize deploying broadband service to unserved service projects. With respect to those deployments, the Eligible Entity should prioritize projects designed to provide fiber connectivity directly to the end user. The Eligible Entity should also prioritize proposals that provide affordable service to end users, minimize the program subsidy required, and demonstrated record of and plans to follow Federal labor and employment laws, speed of deployment, and speed of the proposed network. Eligible Entities may also consider other factors that align with state and local priorities. This can include deploying Wi-Fi to multiunit buildings that are currently unserved.
2. Once an Eligible Entity certifies that it will reach all unserved locations in its jurisdiction, the Eligible Entity must next prioritize the provision of broadband to underserved service projects, again prioritizing fiber services and the other criteria mentioned above.
3. To the extent an Eligible Entity has funds left over after allocating funds for unserved and underserved areas, it can then use funds to connect and upgrade community anchor institutions such as libraries and community centers that lack a 1 gigabit per second (Gbps) connection or to pursue eligible access-, adoption-, and equity-related uses, as well as any other uses approved by the Assistant Secretary that support the Program’s goals.

Please note that these requirements do not impose any temporal requirement as to the order in which BEAD-funded initiatives are undertaken or completed. NTIA recognizes that broadband deployment projects often take months or years to complete, whereas certain other eligible uses of BEAD funds can be implemented more quickly. Thus, if an Eligible Entity has a plan to deploy service to all unserved and underserved locations within its jurisdiction, it may pursue non-deployment initiatives using BEAD funds before or while deployment projects are underway. For example, while an Eligible Entity is only permitted to pursue a device-subsidy program using BEAD funds if it has a plan to deploy service to all unserved and underserved locations within its jurisdiction, an Eligible Entity proposing such a program is both permitted and encouraged to implement it as soon as is feasible once its Initial Proposal has been approved.

1.11 Who can an Eligible Entity designate to administer the BEAD program?

An Eligible Entity may designate any entity within the state or territorial government (i.e., state department, agency, or office) to administer the BEAD program, so long as this entity is able to meet program requirements, including administration of a competitive subgrant process. An Eligible Entity may create and designate a new or standalone entity to administer the program if desired.

1.12 Is an Eligible Entity able to change the administering entity for the BEAD program after initial designation in the LOI?

Yes. An Eligible Entity may contact its Federal Program Officer or other designated program contact to change the designated administering entity or the point-of-contact. Eligible Entities must provide updates to Federal Program Officers of any personnel changes that result in changes to the designated point-of-contact.

1.13 Can an Eligible Entity designate more than one entity to administer the program?

An Eligible Entity must designate a lead entity for BEAD program administration in the LOI, but an Eligible Entity may distribute program administration responsibilities among multiple entities if desired.

1.14 Must the same entity administer both the Digital Equity Act and the BEAD program?

No. The same entity is not required to administer both the BEAD Program and the Digital Equity Act Planning and Capacity Grants. However, Eligible Entities are strongly encouraged to ensure collaboration between these initiatives to create a cohesive effort to close the digital divide with the Eligible Entity. This will be important in reducing the burden and confusion on community stakeholders when fulfilling the local coordination requirements in the NOFO and building an inclusive plan for the Eligible Entity.

1.15 Are public health institutions considered an Eligible Entity as a subgrant recipient?*

Eligible Entities may not exclude cooperatives, nonprofit organizations, public-private partnerships, private companies, public or private utilities, public utility districts, or local governments (“potential providers”) from eligibility for grant funds (NOFO Section IV.C.1.a).

To the extent that a “public health institution” falls into one of those categories, it is eligible to be a subgrant recipient.

1.16 Will BEAD cover both capital expenditures (CapEx) and operating expenditures (OpEx)?*

The BEAD Program does not restrict eligible uses of funds to capital expenses. However, the cost principals applied must be in accordance with 2 C.F.R. Part 200, Subpart E for States and non-profit organizations and in 48 C.F.R. Part 31 for commercial organizations.

Refer to section IV.B.2 of the NOFO for a listing of eligible uses of Initial Planning Funds, Section IV.B.5.b. for how funds can be allocated for the Initial Proposal, and sections IV.B.7.a.ii and IV.B.7.a.iii for eligible use of funds for last-mile broadband Deployment and non-Deployment activities.

An Eligible Entity may not use more than two percent of the grant amounts received under the BEAD Program for expenses relating (directly or indirectly) to administration of the grant under Section 60102(d)(2)(B) of the Infrastructure Act.

In addition, requests for approval of uses of funds not listed should be made in writing to the Assistant Secretary and submitted through the appropriate Federal Program Officer (FPO). Eligible Entities should make such requests on a timely basis to facilitate resolution prior to the point at which the Eligible Entity seeks to make the expenditure or expenditures at issue.

1.17 How long do Eligible Entities have to spend Initial Planning Funds?*

The period of performance for the planning grants will be 5 years from the date of award. Eligible Entities can spend initial planning funds over the 5-year period.

1.18 Is an area that has no fiber but is served by fixed wireless at speeds of 100/20 considered served or unserved?*

Under the BEAD Program, any location with speeds of 100/20 by technology that meets the definition of Reliable Broadband Service is considered served. Reliable Broadband Service is broadband service that the FCC Broadband DATA Maps show is accessible to a location via: (i) fiber-optic technology; (ii) Cable Modem/ Hybrid fiber-coaxial technology; (iii) digital subscriber line (DSL) technology; or (iv) terrestrial fixed wireless technology utilizing entirely licensed spectrum or using a hybrid of licensed and unlicensed spectrum (NOFO Section I.C.u).

Eligible Entities will establish an Extremely High Cost Per Location Threshold above which an Eligible Entity may decline to select a proposal if use of an alternative technology meeting the BEAD Program’s technical requirements would be less expensive. Eligible Entities must establish its Extremely High Cost Per Location Threshold in a manner that maximizes use of the best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.7.b of the BEAD NOFO. NTIA expects Eligible Entities to set the Extremely High Cost Per Location Threshold as high as possible to help ensure that end-to-end fiber projects are deployed wherever feasible.

1.19 Are Eligible Entities or subgrantees subject to any union requirements?*

Quality, high paying jobs, a skilled workforce, and safe workplaces are critically important to the overall goals of the BEAD Program. However, a union workforce is not required. If a subgrantee

does not utilize union labor or pay at or above the prevailing wage, the wages paid to staff must be reported (NOFO Section VII.E.2).

1.20 Are subgrantees required to retain ownership of assets that they build, or can ownership be transferred in exchange for arrangements like right of way?*

The costs related to the assets are only allowed to be charged to the grant if they are necessary and reasonable for the performance of the BEAD award. As these assets would not be used in the performance of the BEAD award, they are not necessary and reasonable for the purpose of this grant and are thus not allowed (*see* 2 CFR 200.403(a)). The costs related to a plan to build grant-funded assets for eventual exchange, for example exchanging asset ownership for right of way, are not allowable. If a subgrantee sought to obtain a right of way using NTIA grant funds, and the costs related to obtaining that right of way were determined to be necessary and reasonable for the purpose of the grant, those costs would be an allowable use of NTIA grant funds.

In the event that original or replacement grant-funded equipment is no longer needed for the original project or program, the Eligible Entity and subrecipients must dispose of property in accordance with 2 CFR 200.313.

1.21 Are Tribal Entities eligible to apply for BEAD Program funding?*

Tribal Entities are not Eligible Entities under the BEAD Program. However, Tribal entities can apply to be a subgrantee through the Eligible Entity's (the state's or territory's) Grants Office. Additionally, states are required to have formal Tribal consultations with Tribal Entities as part of their BEAD planning. Contact information for state broadband offices can be found at broadbandusa.ntia.doc.gov/resources/states,

1.22 How do Tribal Entities pursue a subgrant?*

Tribal Entities can apply to be a subgrantee through their respective Eligible Entity's (their state's or territory's) Grant Office. Tribal Entities are encouraged to engage with Eligible Entities, beginning with the planning process and extending through the implementation of the program.

1.23 If a provider has a demonstrated relationship with a subcontractor, is it permissible to pursue a subcontract without obtaining three (3) competitive quotes?*

Eligible Entities should keep in mind that there is a distinction between a subcontract and a subgrantee/subrecipient. A subgrantee or subrecipient is an entity that receives grant funds from an Eligible Entity (state, territory or the District of Columbia) to carry out eligible activities. A contractor is an entity that receives a contract for the purpose of obtaining goods and services for a non-Federal entity's own use (See 2 CFR § 200.331 for additional information on subrecipient and contractor determinations).

When Eligible Entities are entering into a subcontracting relationship, they must follow their own local procurement policies and procedures, including any competitive procurement process. When Eligible Entities (states, territories, or the District of Columbia) enter into a subgrant or subrecipient relationship to build broadband infrastructure, Eligible Entities must establish a fair, open, and competitive process for selecting subgrantees (NOFO Section IV.B.7).

Eligible Entities that receive grants from the BEAD Program must satisfy the standards established by the relevant NOFO, the Department's Standard Terms and Conditions for federal financial assistance awards, and 2 CFR Part 200. Under 2 CFR § 200.317, all subrecipients must follow the procurement standards set forth in 2 CFR §§ 200.318 – 200.327.

1.24 Will subgrantees be allowed to deploy other offerings over a Funded Network?*

Yes, subgrantees may use BEAD-funded facilities to provide other offerings, such as telephone and video, over a Funded Network. It is important to note that income generated by a project over the period of performance is subject to project income regulations outlined in 2 CFR § 200.307.

1.25 Is it permissible for broadband providers to use BEAD funding to serve unserved locations within a different provider's service area?*

Yes, if those areas are unserved or underserved locations.

1.26 Who holds the title to BEAD funded assets at the end of the period of performance?*

Eligible Entities or subgrantees (when funding through a subgrant) will hold the title to BEAD funded assets. All assets, however, are subject to federal interest per 2 CFR § 200 Subpart D, the DOC Standard Terms and Conditions, and Specific Award Conditions.

2. Letter of Intent (LOI) Submission and Initial Planning Funds

2.1 Who can apply for funding under the BEAD program?

Any State of the U.S., the District of Columbia, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands are considered “Eligible Entities

2.2 When is the LOI due, and where must it be submitted?

The LOI is due by 11:59 pm EDT on July 18, 2022. The LOI must be submitted through the NTIA Grants Portal at grants.ntia.gov. Additional information about LOIs can be found in Section IV.B.1. of the NOFO.

2.3 Who can an Eligible Entity contact if it is having difficulty navigating the NTIA Grants Portal?

If an Eligible Entity has questions related to the NTIA Grants Portal, they can contact ngphelpdesk@ntia.gov.

2.4 Can an Eligible Entity edit its LOI once it has been submitted?

Edits may not be made to the LOI after submission. However, if an Eligible Entity needs to change the administering entity or point-of-contact, the Federal Program Officer or other assigned contact can assist in updating this information.

2.5 What are the necessary form and contents of the LOI?

The LOI should be in letter form and signed by the Governor of the Eligible Entity, or an equivalent official (e.g., the Mayor of the District of Columbia). The LOI must include:

1. A statement that the entity intends to participate in the Program;
2. Identification of the agency, department, or office that will serve as the recipient of, and administering agent for, any BEAD Program award for the Eligible Entity and the main point of contact at that agency, department, or office for the purposes of the BEAD Program;

Additionally, if the Eligible Entity wishes to receive planning funds, the LOI can include a request for Initial Planning Funds. The Eligible Entity may also submit a request for Initial Planning Funds and associated documentation later through the NTIA Grants Portal.

For the planning funds to be released, Eligible Entities must complete the planning fund application within the NTIA Grants Portal by August 15, 2022.

Eligible Entities are encouraged to use the provided LOI Template provided with the Application Guidance. Additional information about LOIs can be found in Section IV.B.1. of the NOFO.

2.6 Who can be listed as a Point of Contact in the LOI?

The main “Point of Contact” may be any individual coordinating the implementation of the BEAD program within the administering agency, department, or office of the Eligible Entity. This individual should be the person with line responsibility for programmatic operations.

2.7 How do I know if my state has submitted a Letter of Intent?

Visit internetforall.gov to see which states have submitted a Letter of Intent.

2.8 What if an Eligible Entity does not submit a LOI to participate in the BEAD Program?

As explained in Section IV.B.10. of the NOFO, if an Eligible Entity does not submit an LOI before the deadline (and no extension is granted), then a political subdivision or a consortium of political subdivisions of the Eligible Entity may apply by submitting an LOI instead. In this case, NTIA will publish a public notice inviting political subdivisions to apply. The public notice will include any relevant deadlines and instructions for application submission.

2.9 If an Eligible Entity submits an LOI, do they automatically receive Initial Planning Funds? If not, how does an Eligible Entity request Initial Planning Funds?

No, an Eligible Entity will not automatically receive Initial Planning Funds by submitting an LOI. An Eligible Entity must request Initial Planning Funds in the NTIA Grants Portal (NGP) by submitting a planning application. The application can be submitted beginning immediately following submission of the Letter of Intent up until August 15, 2022. As a part of the application, an Eligible Entity will be required to submit the following information:

1. Standard organization information (i.e., AOR, Technical/Program POC);
2. Detail on eligible planning activities that the Eligible Entity plans to fund using the Initial Planning Funds;
3. A brief narrative (1000 words maximum) describing activities to be completed using the planning money;
4. SF 424, (i.e., application for federal assistance);
5. SF 424-C (i.e., budget information for construction programs)
6. SF-LLL (i.e., disclosure of lobbying activities);
7. CD-511 (i.e., certification of lobbying activities);
8. A detailed budget; and
9. A budget narrative.

Further detail and instruction on the above components are available in the [application guidance](#), which can be found on internetforall.gov, and in Section V of the NOFO.

2.10 If an Eligible Entity chooses not to request Initial Planning Funds in the LOI, are they able to request the Funds at a later date?

Yes, until August 15, 2022. An Eligible Entity can re-enter the Grants Portal at any time until the deadline to request Initial Planning Funds and submit the required application materials.

2.11 If an Eligible Entity requests Initial Planning Funds within its LOI, does the Eligible Entity need to submit all the required application materials for the funds at the same time?

No, an Eligible Entity does not need to submit all application materials at the time of LOI submission. They can re-enter the Grants Portal at any time until August 15, 2022, to submit the required application materials.

2.12 How much funding can an Eligible Entity request in Initial Planning Funds?

U.S. States, the District of Columbia, and Puerto Rico may request up to \$5,000,000 in Initial Planning Funds. American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands may request up to \$1,250,000 in Initial Planning Funds.

2.13 What happens to the Initial Planning Funding designated for an Eligible Entity if that Entity does not request planning funding or requests less than the maximum amount of planning funding?

Initial Planning Funds are part of the Minimum Total Allocation that each Eligible Entity will receive. If an Eligible Entity does not request planning funds, those funds will be available to the entity upon approval of the Initial and Final Proposals for broadband deployment and other authorized uses. If an Eligible Entity requests less than the maximum amount of planning funds, the remaining funds will be available as part of the Minimum Allocation released upon approval and of the Initial and Final Proposals. Any Eligible Entity that does not request planning funds or requests less than the maximum amount of planning funds will have those funds for implementation. However, Eligible Entities that do not participate in the planning process will not receive access to any funds prior to the approval of the Initial Proposal. Additional information about the funding allocation process can be found in Section IV.B.4.c. of the NOFO.

2.14 When and how will Initial Planning Funds be released?

NTIA will review LOI submissions for completeness, evaluate the application for Initial Planning Funds, and award Initial Planning Funds as expeditiously as possible. As explained in Section VI.C. of the NOFO, applications will be reviewed on a rolling basis. Eligible Entities are encouraged to submit their applications as soon as possible.

2.15 Are there any conditions to receiving Initial Planning Funds?

Eligible Entities that receive Initial Planning Funds are required to submit a Five-Year Action Plan within 270 days of the receipt of funds. Eligible Entities must also comply with all programmatic and grant requirements included in the NOFO.

2.16 How may an Eligible Entity use the Initial Planning Funds?

Initial Planning Funds may be used for the following planning and pre-deployment activities:

1. Research and data collection, including initial identification of unserved locations and underserved locations;
2. The development of a preliminary budget for pre-planning activities;
3. Publications, outreach, and communications support;
4. Providing technical assistance to potential subgrantees, including through workshops and events;
5. Training for employees of the broadband program or office of the Eligible Entity, or employees or political subdivisions of the Eligible Entity, and related staffing capacity or consulting or contract support to effectuate the goals of the BEAD Program;
6. Establishing, operating, or increasing capacity of a broadband office that oversees broadband programs and broadband deployment in an Eligible Entity;
7. Asset mapping across the Eligible Entity to catalogue broadband adoption, affordability, equity, access and deployment activities occurring within the Eligible Entity;
8. Conducting surveys of unserved, underserved, and underrepresented communities to better understand barriers to adoption;
9. Costs associated with meeting the local coordination requirements in Section IV.C.1.c of this NOFO including capacity building at the local and regional levels or contract support;
10. Reasonable post-NOFO, pre-award expenses in an amount not to exceed \$100,000 relating to the preparation of program submissions to NTIA (such as the LOI) or adding additional capacity to state or territorial broadband offices in preparation for the BEAD Program may be reimbursed if they are incurred after the publication date (May 13, 2022) of this NOFO and prior to the date of issuance of the grant award from NTIA, except that lobbying costs and contingency fees are not reimbursable from grant funds. Pre-award expenses should be clearly identified in the proposed project budget. Additionally, pre-award costs are incurred at the sole risk of the applicant and will not be reimbursed by NTIA if the proposed project does not receive an award pursuant to this Program. Pre-award expenses must be approved by NTIA and the Grants Officer in writing to be considered allowable; and
11. Other uses approved in advance writing by the Assistant Secretary (including in response to an Eligible Entity's request) that support the goals of the Program.⁴

⁴ Requests for approval of uses not listed here should be made in writing to the Assistant Secretary and submitted through the appropriate Federal Program Officer. An Eligible Entity should make such requests on a timely basis to facilitate resolution before the Eligible Entity seeks to make the expenditure or expenditures at issue.

If an Eligible Entity requests and receives Initial Planning Funds, it will be required to submit a Five-Year Action Plan. Eligible Entities should reserve enough resources to complete the plan in a timely manner. Additional information about requesting Initial Planning Funds can be found in Section IV.B.2. of the NOFO.

2.17 Can an Eligible Entity use Initial Planning Funds to hire additional full time employees or increase the capacity of its broadband office or program?

Yes, these are eligible uses of BEAD funds as noted in Section IV.B.2. of the NOFO.

2.18 Can an Eligible Entity subgrant planning funds to local governments?

Yes, an Eligible Entity can make subgrants to local governments to carry out eligible activities for the Initial Planning Funds.

2.19 How may BEAD Initial Planning Funds be used in conjunction with other federal funding (e.g., Capital Projects Fund, DEA) allocated to an Eligible Entity?

Designated entities may use funds for eligible purposes as described in Section IV.B.2. of the NOFO, but entities may not seek reimbursement for the same cost from different funding sources. For example, one half of a staff member’s salary may be paid for through BEAD and one half may be paid for through DEA, but the full staff member’s salary may not be paid for through BEAD and DEA because then the federal government would be paying for the same cost twice.

2.20 If an Eligible Entity has incurred planning costs prior to receiving a planning grant, may these costs be reimbursed once Initial Planning Funds are released?

As described in Section IV.B.2. of the NOFO, BEAD funds may only be used to cover allowable costs incurred during the period of performance, except for reasonable pre-award expenses not exceeding \$100,000 relating to the preparation of program submissions to NTIA (such as the LOI and planning funds application) or adding capacity to a broadband office in preparation for the BEAD Program. Reasonable pre-award expenses must be incurred after the publication date (May 13, 2022) of this NOFO and prior to the date of issuance of the grant award from NTIA.

3. Local Coordination

3.1 What are the BEAD requirements for local coordination?

Each Eligible Entity is required to demonstrate coordination and collaboration with local, regional, and Tribal (as applicable) entities (governmental and non-governmental) and diverse stakeholder groups, including political subdivisions and local and community-based organizations, to ensure full representation and inclusion of unserved, underserved, and underrepresented communities throughout the planning and deployment process. This local coordination must begin in the development of the Five-Year Action Plan and continue throughout the entirety of the program. NTIA will evaluate the sufficiency of local coordination efforts to ensure that each Eligible Entity activities include the following as further explained in Section IV.C.1.c. of the NOFO:

1. Full geographic coverage of the Eligible Entity;
2. Meaningful engagement and outreach to diverse stakeholder groups and community organizations;
3. Utilization of multiple awareness and participation mechanisms and different methods to convey information and outreach;
4. Transparency of processes to include the documentation and publication of results and outcomes of coordination and outreach efforts, including related additions or changes to the Initial Proposal and/or Final Proposal (*e.g.*, documentation of responses to comments received from local stakeholders); and
5. Outreach to and direct engagement of unserved and underserved communities to include historically underrepresented and marginalized groups and/or communities.

3.2 Why is local coordination important?

Local coordination and stakeholder engagement is critical to the BEAD Program's success, to eliminating barriers to broadband access and adoption, and to rapidly and economically building out new broadband networks. NTIA views strong involvement between Eligible Entities and local communities as key to ensuring that the broadband needs of all unserved and underserved locations and underrepresented communities are accounted for in Initial and Final Plans. Local coordination promotes alignment of priorities between the Eligible Entity and local officials and helps ensure visibility of local needs and preferences. Robust engagement efforts increase initial adoption rates once the broadband is deployed and stimulate awareness about the programs that can support the local community.

3.3 What must an Eligible Entity do to demonstrate that it has met the requisite level of local coordination in its Five-Year Plan and throughout the BEAD program?

An Eligible Entity is required to document local coordination and outreach activities by providing a detailed description of its efforts to engage local governments, community groups, underrepresented populations, and other stakeholders in the Five-Year Action Plan, Initial Proposal, and Final Proposal, relative to each stage in the BEAD program process. NTIA will

consider quantitative measures as well as the quality of the engagements as noted in Section IV.C.1.c. of the NOFO.

3.4 How may localities, tribes, and other stakeholders become involved in the BEAD program?

Localities, tribes, and other stakeholders should reach out to and establish communication with their state broadband offices. Entities may connect with their state office by looking up state contacts through the State Broadband Leaders Network (SBLN) at [this link](#), reaching out to NTIA to make a connection, or reaching out to state and county municipal associations.

Stakeholders may consider assessing previous stakeholder engagement efforts, sharing feedback with states and localities on engagement processes, and communicating opportunities for local involvement and collaboration.

Localities can play a key role in:

- a. Understanding community needs, priorities, and current broadband projects;
- b. Engaging with underrepresented populations to ensure all voices are heard; and
- c. Communicating local insights to the Eligible Entity.

3.5 How will NTIA monitor whether states are indeed engaging with key stakeholders as required?*

For BEAD, each Eligible Entity must ensure that a diverse set of stakeholders is involved in development of its Five-Year Action Plan, Initial Proposal, and Final Proposal. The Final Proposal requires the Eligible Entity to provide a certification that it has conducted coordination, including with Tribal Governments, local community organizations, and unions and worker organizations, consistent with the requirements set forth in the BEAD NOFO and include a description of the coordination conducted, and a summary of the impact such coordination had on the content of the Final Proposal (NOFO Section IV.C.1.c). For Digital Equity, Eligible Entities must include stakeholder engagement in Digital Equity plan, implementation strategy, and their coordination and outreach strategy. States and Territories must establish coordinate and collaborate with ongoing engagement representatives of each category of covered populations within the State and with the full range of stakeholders within the State (NOFO Section IV.C.4.b.i).

When conducting local coordination and outreach activities, Eligible Entities must establish, document, and adhere to clear procedures to ensure transparency. This includes publicly posting the proposals prior to submission to NTIA as well as plans or comments submitted by local political subdivisions or Tribal Governments and explanations of how local recommendations were addressed. Examples of ways to promote and document transparency include but are not limited to publicly available information and easily navigable websites with up-to-date information, periodic reporting/reports to local and community stakeholders, and involvement of diverse stakeholders in the planning, implementation and execution of coordination and outreach efforts and activities, and in-person meetings and mailings.

NTIA will also have FPO in place as state NTIA liaisons to provide support and technical assistance, and to ensure that the Final Proposal fully meets the requirements of the Infrastructure Act and the goals of the program.

3.6 Can planning funds be expended for consulting services to support stakeholder outreach and plan development?*

Yes, Planning Funds may be used for planning and pre-deployment activities to include training for employees of the broadband program or office of the Eligible Entity or employees of political subdivisions of the Eligible Entity, and related staffing capacity or consulting or contracted support to effectuate the goals of the BEAD Program (NOFO Section IV.B.2).

This section of the NOFO also states that funds can be used for other uses approved in advance in writing by the Assistant Secretary (including in response to an Eligible Entity’s request) that support the goals of the Program.

3.7 What are the differences between the local coordination requirements for BEAD and the Digital Equity Act? Should an eligible entity organize one local coordination effort that meets the requirements of both programs?*

Yes. In fact, NTIA strongly encourages Eligible Entities to conduct BEAD and Digital Equity Program local coordination efforts in tandem as one cohesive effort, especially because BEAD and the State Digital Equity Planning Grant Program are very closely aligned. Specifically, NTIA expects that the Five-Year Action Plans and Initial Proposals developed for the BEAD Program will fully incorporate the Digital Equity Plans developed for the State Digital Equity Planning Grant Program.

See Section I.B. of the State Digital Equity Planning Grant Program NOFO and Section IV.C.1.c. of the BEAD NOFO for more information.

<p>BEAD Local Coordination Requirements</p>	<p>Local coordination efforts include the following as further explained in Section IV.C.1.c. of the BEAD NOFO:</p> <ol style="list-style-type: none"> 1. Full geographic coverage of the Eligible Entity 2. Meaningful engagement and outreach to diverse stakeholder groups and community organizations 3. Utilization of multiple awareness and participation mechanisms and different methods to convey information and outreach 4. Transparency of processes to include the documentation and publication of results and outcomes of coordination and outreach efforts, including related additions or changes to the Initial Proposal and/or Final Proposal (e.g., documentation of responses to comments received from local stakeholders) 5. Outreach to and direct engagement of unserved and underserved communities to include historically underrepresented and marginalized groups and/or communities.
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DE Local Coordination Requirements	<p>Local coordination efforts included as further explained in Section IV.C1.b.ii.8. of the DE NOFO:</p> <ol style="list-style-type: none">1. Implementation strategy for engaging or partnering with Workforce agencies such as state workforce agencies and state/local workforce; boards and workforce organizations; labor organizations and community-based organizations; and Institutions of higher learning, including but not limited to four-year colleges and universities, community colleges, education and training providers, and educational service agencies2. Incorporation of municipal, regional, and/or Tribal digital equity plans3. A coordination and outreach strategy, including opportunities for public comment by, collaboration with, and ongoing engagement with representatives of each category of covered populations within the State and with the full range of stakeholders within the State4. Collaboration with entities that serve covered populations or, through their ties to the community, are able to provide valuable insight into how best to advance digital equity, broadband adoption, device access, and digital literacy among all populations in the State.
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4. Mapping and Analytics

The following content has been developed from publicly available information.

4.1 What are the FCC Broadband DATA Maps?

The Broadband DATA Maps⁵ refer to the maps created by the Federal Communications Commission (FCC) that will be utilized by NTIA in determining the allocation of funding for each Eligible Entity in the BEAD program. These maps will identify the availability of broadband service at the individual location level as opposed to [previous maps](#) produced by the FCC that provided data at the less granular census block level. Entities may refer to the [FCC's Second Report and Order on Establishing the Digital Opportunity Data Collection](#) for further detail on the FCC maps.

4.2 When will the FCC be accepting broadband deployment data and when are FCC DATA Maps expected to be released?

[FCC Public Notice DA 22-182](#) states that broadband service providers may begin submitting broadband deployment data beginning on June 30, 2022, with all data required to be submitted by September 1, 2022.

4.3 What can an Eligible Entity do now to prepare for the FCC DATA Maps release?

In preparation for the FCC Broadband DATA Map release and subsequent challenge process, an Eligible Entity may improve their data collection and analysis efforts by identifying existing pertinent data sources (e.g., [NTIA's Broadband Indicators of Need Map](#), the American Community Survey, National Broadband Availability Map), collecting relevant data and information on both infrastructure availability/access and adoption/use, and developing/updating a comprehensive broadband map at the location level. Refer to the [FCC's Third Report and Order \(FCC 21-20\)](#) for further detail on the FCC challenge process.

4.4 Must an Eligible Entity's Five-Year Action Plan and subsequent proposals be based on the FCC's Broadband DATA maps?

Eligible Entities are encouraged to begin their planning processes prior to the release of the FCC's Broadband DATA maps. In this situation, Eligible Entities may utilize all available sources of existing data such as state level data, existing FCC data, the National Broadband Availability Map, [NTIA's Broadband Indicators of Need Map](#), the American Community Survey, and other sources.

NTIA will use the updated FCC Broadband DATA maps in allocating funds, but an Eligible Entity can incorporate information from its own mapping data and must conduct its own challenge process prior to awarding subgrants for broadband deployment.

4.5 How will the challenge process be run for the FCC DATA Maps?

⁵ Created under Section 802(c)(1) of the Communications Act of 1934 (47 U.S.C. 642(c)(1)).

Per the Broadband Deployment Accuracy and Technological Availability (DATA) Act requirements, the FCC will design a challenge process through which consumers, State, local, and Tribal governmental entities, and other entities or individuals may submit coverage data to the FCC. The FCC will provide associated technical assistance to stakeholders, including Tribal governments, small service providers, and participants in the challenge process. Refer to the [FCC's Third Report and Order \(FCC 21-20\)](#) for further detail on the challenge process.

4.6 What is the FCC Challenge Process?*

The FCC is in the process of establishing a granular location-by-location map of broadband availability nationwide under the Broadband DATA Act. The FCC's challenge processes will permit types of challenges:

1. Challenges to the "Fabric," which is a common dataset of all locations (or structures) in the U.S. where fixed broadband internet access service can be installed, and
2. Challenges to the "coverage map," which is the layer on the FCC map that will show what services providers report as offered at each location on the Fabric in the Broadband Data Collection (BDC).

The FCC has provided information regarding the Fabric and the BDC for providers at <https://help.bdc.fcc.gov/hc/en-us>. NTIA is coordinating with the FCC and will provide additional information when it is available.

4.7 What is the expected timeline for the FCC challenge processes?*

The FCC has not yet made public the anticipated timeline and all aspects of its challenge processes.

After the inaugural BDC filing window closes on September 1st, the FCC will review data and published the fixed and mobile availability data maps in the Fall of 2022. A bulk Fabric challenge process will open on September 12, 2022, for providers and State, local, and Tribal governments.

Upon the release of maps in the Fall, challenges to the availability data and individual consumer challenges to Fabric location data will be accepted. Windows of time for submitting challenges will be made available on a rolling, on-going basis to allow for the maps to be continuously updated and improved.

4.8 What is the difference between the FCC BDC challenge processes and the NTIA BEAD Program Eligible Entity challenge process?*

The FCC challenge process will give service providers, State/Territory/Tribal/local governments, and other entities opportunities to challenge the accuracy of the data collected in the BDC. A challenge will contest whether provider-reported services and speeds are in fact offered at a given location, and a speed test that demonstrates a difference between offered and actual speed will be accepted as crowdsourced data that the FCC may use to verify the accuracy of provider data. The BDC will be an ongoing, iterative process to continually improve and refine broadband availability data. Broadband coverage maps (Broadband DATA Maps) prepared by the FCC will be used to determine the allocation of BEAD funding based on the number of unserved locations in every state and territory.

Separately, the BEAD Program requires Eligible Entities to conduct a challenge process under which a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by the Eligible Entity in their BEAD Initial Proposal as to whether a particular location is unserved or underserved and thereby eligible for grant funds. When designing the challenge process, an Eligible Entity may decide to accept a broader range of information that may bear on broadband service in an area than is considered in an FCC BDC challenge. The BEAD Eligible Entity challenge process will be conducted after the submission of the Initial Proposal but before the distribution of funding for broadband deployment (see BEAD NOFO section IV.B.6).

In short, the FCC BDC challenge processes will provide an opportunity for the broadband availability data displayed on the FCC's broadband DATA map to be challenged, which will eventually inform funding allocation to Eligible Entities (states, territories and the District of Columbia) under the BEAD Program. The NTIA BEAD Program challenge process will be designed and set forth by each Eligible Entity (states, territories and the District of Columbia) and will allow for further refinement of service determinations as states prepare to select subgrants and fund specific locations.

4.9 What speeds will be reflected in the Broadband DATA Maps? How does that relate to the BEAD Program?*

The Broadband DATA Maps will reflect advertised speeds offered to a given location. NTIA will use the Broadband DATA Maps to identify the number of unserved and underserved locations in an area and thereby determine funding allocations under the BEAD Program. Speed standards are outlined in the legislation and in the BEAD NOFO section I.C. – for unserved communities, this includes speeds less than 25/3, and for underserved communities, this includes speeds less than 100/20.

4.10 Which version of FCC maps will NTIA leverage for formula funding calculations?*

Section 60102(c)(1)(A) states that the Assistant Secretary shall allocate BEAD Program funds to the Eligible Entities “[o]n or after the date on which the Broadband DATA Maps are made public.” The Assistant Secretary will decide when to calculate that allocation while balancing the need for accuracy with the desire to distribute funding as soon as possible.

The Assistant Secretary has stated that NTIA intends to calculate the allocation during the first half of 2023.

4.11 What is the Eligible Entity challenge process for the BEAD Program?*

By statute, the FCC's Broadband DATA Act maps are the beginning, but not the end, of the process for identifying the universe of unserved and underserved locations that each Eligible Entity will put out for bid during their subgrantee selection process. Section 60102(h)(2) requires Eligible Entities to “ensure a transparent, evidence-based, and expeditious challenge process under which a unit of local government, nonprofit organization, or other broadband service provider can challenge a determination made by the Eligible Entity in the initial proposal as to whether a particular location or community anchor institution within the jurisdiction of the Eligible Entity is eligible for the grant funds, including whether a particular location is unserved or underserved.” The BEAD NOFO section IV.B.6 directs Eligible Entities

to “update the data provided in their Initial Proposal to reflect the most recently published version of the Broadband DATA Maps available as of the initiation of the challenge process.”

Eligible Entities are required to include a detailed plan for their challenge process as part of their Initial Proposal, which should include descriptions of the types of evidence that the Eligible Entity may consider as part of that challenge process. NTIA will review each of these proposals, and the Assistant Secretary may modify the challenge process proposed by the Eligible Entity as necessary and shall inform the Eligible Entity of any modifications required.

Upon conclusion of the challenge process, each Eligible Entity must notify NTIA of any modifications to the Initial Proposal that are necessitated by successful challenges to its initial determinations. Pursuant to the discretionary authority granted to the Assistant Secretary, NTIA may reverse the determination of an Eligible Entity with respect to the eligibility of a particular location or community anchor institution.

NTIA has and will continue to work closely with each Eligible Entity on ensuring that the challenge process required under Section 60102(h)(2) is transparent, evidence-based, and expeditious.

4.12 Will the FCC provide technical assistance and resources related to the BDC challenge process?*

Technical assistance resources for the FCC’s Fabric Challenge Process and Broadband Availability Data Collection are available at the [Broadband Data Collection Help Center](https://www.fcc.gov/broadbanddata/help) (fcc.gov/broadbanddata/help). This includes resources related to:

- [How to Prepare Availability Data for the BDC](#)
- [How to Prepare Subscription Data for the BDC](#)
- [What the Broadband Serviceable Location Fabric is and How to Access It](#)
- [How to use the BDC System](#)
- [BDC System Video Tutorials](#)

In addition to resources on the BDC Help site, the BDC system is built with robust error checking guidance and warning signals within the tool that will guide users throughout the process and intend to prevent the submission of any issue-ridden data. Those submitting data through the BDC system should also refer to the [BDC System User Guide](#) for additional information and guidance.

4.13 Where can I find additional information about the BDC and challenge processes?*

The FCC has published FAQs related to the [Broadband Data Collection](#) and the [Broadband Serviceable Location Fabric](#).

4.14 Can Eligible Entities use BEAD funding to hire data validators?*

Yes, hiring data validators qualifies as an eligible expense under BEAD subject to the general rules regarding uses of grant funding under 2 CFR § 200. (See BEAD NOFO Section V.H.1).

5. Five-Year Action Plan

5.1 When is the Five-Year Action Plan due?

As noted in Section IV.B.3.a. of the NOFO, the Five-Year Action Plan is due no later than 270 days after receipt of the Initial Planning Funds. The 270-day period begins when the Initial Planning Funds have been awarded and are accessible by the Eligible Entity.

5.2 What is the distinction between the Five-Year Action Plan and the Initial Proposal?

The purpose of the Five-Year Action Plan is for the Eligible Entity to establish its broadband goals and priorities and serve as a comprehensive needs assessment that will inform Initial Plans.

The Initial Proposal is the required submission for any Eligible Entity to use to apply for BEAD funding. The Initial Proposal should explain the process by which the Eligible Entity will award subgrants to ensure that every resident has access to a reliable, affordable, high-speed broadband connection.

While these are two separate submissions, a well-crafted Five-Year Action Plan is critical to the full and complete development of the Initial Proposal.

5.3 What should an Eligible Entity include in its Five-Year Action Plan?

At a minimum, the Five-Year Action Plan should address an Eligible Entity's goals and approaches to broadband access, affordability, equity, and adoption as addressed below. Additional information about the content of Five-Year Action Plans can be found in Section IV.B.3.b. of the NOFO.

1. Provide details of the existing broadband program or office within the Eligible Entity, including any activities that the program or office currently conducts, any previous entity-wide plans or goals for availability of broadband, and any prior experience awarding broadband deployment grants.
2. Identify the funding that the Eligible Entity currently has available for broadband deployment and other broadband-related activities, including data collection and local planning, and the sources of that funding, including whether the funds are from the Eligible Entity or from the federal government.
3. Identify existing efforts funded by the federal government, including the Universal Service Fund, or an Eligible Entity to deploy broadband and close the digital divide.
4. Identify the current full-time and part-time employees of the Eligible Entity who will assist in implementing and administering the BEAD Program and the duties assigned to those employees, as well as any existing contracted support, and any planned expansion of employees or contractors.
5. Identify known or potential obstacles or barriers to the successful implementation of the BEAD Program and the Eligible Entity's corresponding plans to address them.

6. Include an asset inventory that catalogues broadband adoption, affordability, equity, access, and deployment activities occurring within the Eligible Entity and identifies and provides details regarding any relevant partners, such as community-based organizations and CAIs that may inform broadband deployment and adoption planning.
7. Include a description of the Eligible Entity's external engagement process, demonstrating collaboration with local, regional, and Tribal (as applicable) entities (governmental and non-governmental) and reflective of the local coordination requirements outlined herein, including outreach to underrepresented communities and unions and worker organizations. The engagement required must be undertaken both during the development of the Five-Year Action Plan itself and following submission of the plan, reflecting ongoing collaboration throughout the BEAD Program.
8. Incorporate available federal, Eligible Entity, or local broadband availability and adoption data, including but not limited to Affordable Connectivity Program enrollment data. Other federal broadband federal data sources include the NTIA Internet Use Survey, the NTIA Indicators of Broadband Need Map, and the American Community Survey.
9. Identify local and regional broadband service needs and gaps within the Eligible Entity's boundaries, including unserved or underserved locations and CAIs without gigabit service, and/or any plans to make these determinations where service availability is unclear.
10. Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including:
 - a. The estimated timeline and cost for universal service,
 - b. The planned utilization of federal, Eligible Entity, and local funding sources,
 - c. Prioritization of areas for federal support,
 - d. Any consideration afforded to the use of public-private partnerships or cooperatives in addressing the needs of the Eligible Entity's residents,
 - e. Strategies to address affordability issues, including but not limited to strategies to increase enrollment in the Affordable Connectivity Program by eligible households; and
 - f. Strategies to ensure an available and highly skilled workforce (including by subgrantees, contractors, and subcontractors) to minimize project disruptions, including any plans to ensure strong labor standards and protections, such as those listed in Section IV.C.1.e; and plans to attract, retain, or transition the skilled workforce needed to achieve the plan's goals, including describing the involvement and partnerships of sub-grantees, contractors, and sub-contractors with existing in-house skills training programs, unions and worker organizations; community colleges and public school districts; supportive services providers; Registered Apprenticeship programs and other labor-management training programs, or other quality workforce training providers.

g. Identify digital equity and inclusion needs, goals, and implementation strategies, including ways in which the Eligible Entity plans to utilize BEAD funding, Digital Equity Act funding and/or other funding streams in concert to remedy inequities and barriers to inclusion. Accordingly, the Five-Year Action Plan should set forth a vision for digital equity, include the results of a needs assessment for underrepresented communities and an asset inventory of ongoing digital equity activities, and detail holistic strategies around affordability, devices, digital skills, technical support, and digital navigation. This requirement may be satisfied by the completion of a State Digital Equity Plan under the Digital Equity Act. Please refer to the Digital Equity Act State Planning Grant Program NOFO for the requirements and deadlines applicable to that program.

h. Detail alignment of the Five-Year Action Plan with other existing and planned economic development, telehealth, workforce development, related connectivity efforts, and other Eligible Entity priorities.

i. Describe technical assistance and additional capacity needed for successful implementation of the BEAD Program.

5.4 If an Eligible Entity has an existing entity-wide broadband plan, may they use this plan as the Five-Year Action Plan?

If an Eligible Entity has an existing broadband plan that meets the requirements in the NOFO for the Five-Year Action Plan, and that plan has been completed within the 12 months prior to date of receipt of Initial Planning Funds, the Eligible Entity may submit that plan as their Five-Year Action Plan. If the existing plan does not meet all the NOFO requirements, the Eligible Entity may submit the existing plan along with supplemental materials sufficient to fulfill all requirements. If an Eligible Entity does not use the online template that will be published by NTIA, they must provide an index, cross-walk, or similar document to allow the reader to quickly and efficiently locate relevant content. If an Eligible Entity has an existing plan that was previously completed, Initial Planning Funds must be used for other allowable expenses.

5.5 Will NTIA release a template for the Five-Year Action Plan? When can we expect these materials to be released?

Yes, NTIA will release an online Five-Year Action Plan template. The online template will be published on the program website and shared directly with Eligible Entity POCs shortly after release of the NOFO.

5.6 What happens if an Eligible Entity is unable to complete its Five-Year Action Plan by the deadline? Will NTIA allow extensions for submission of Five-Year Action Plans? How will extensions be granted?

NTIA may allow extensions for submission of Five-Year Action Plans at the sole discretion of the Assistant Secretary as described in Section II.B.1. of the NOFO. If extenuating circumstances demonstrate that additional time will support the overall goals of the BEAD Program, an Eligible Entity may make a request for an extension in writing to NTIA and explain the need for the extension. The request will be evaluated by NTIA and approved by the Assistant Secretary, if appropriate.

5.7 What actions will be taken by NTIA if an Eligible Entity fails to submit a Five-Year Action Plan after receiving Initial Planning Funds?

If an Eligible Entity fails to submit a Five-Year Action Plan, NTIA may pursue all available grant compliance and enforcement mechanisms, as described in Section IX.G.4. of the NOFO, up to and including the clawback of Initial Planning Funds. An Eligible Entity that encounters challenges in the development of its Five-Year Action Plan is encouraged to contact its Federal Program Officer (FPO) or other dedicated program staff for additional assistance.

6. Digital Equity

Note: NTIA will publish separate FAQs in reference to the Digital Equity Act NOFOs. The questions below include those that are related to BEAD and digital equity generally.

6.1 Can the digital equity portion of the Five-Year Action Plan be the same as the plan for the Digital Equity Act?

Yes, the digital equity components required in the Five-Year Action Plan may be satisfied by completion of the State Digital Equity Plan under the Digital Equity Act. Eligible Entities can and should develop both plans concurrently.

6.2 What are examples of ways an Eligible Entity can support digital equity through the BEAD Program?

Examples of ways an Eligible Entity can use BEAD funds to support digital equity activities include but are not limited to:

1. User training with respect to cybersecurity, privacy, and other digital safety matters;
2. Remote learning or telehealth services/facilities;
3. Digital literacy/upskilling (from beginner-level to advanced);
4. Computer science, coding and cybersecurity education programs;
5. Broadband sign-up assistance and programs that provide technology support;
6. Multi-lingual outreach to support adoption and digital literacy;
7. Prisoner education to promote pre-release digital literacy, job skills, and online job-acquisition skills;
8. Digital navigators; and
9. Direct subsidies for use toward broadband subscription, where the Eligible Entity shows the subsidies will improve affordability for the end user population (and to supplement, but not to duplicate or supplant, the subsidies provided by the Affordable Connectivity Program).

An Eligible Entity can only use BEAD funds for these purposes after demonstrating that it will be able to ensure broadband service to all unserved and underserved locations as explained in Section IV.B.7.a.iii. of the NOFO.

6.3 Can the Administering Entity for the State Digital Equity Planning Grant Program be the administering agent for the BEAD Program?*

Yes, being the Administering Entity designated in the State Digital Equity Planning Grant Program does not preclude participation as the administering agent in the BEAD program.

7. Funding and Allocation Process

7.1 When will NTIA determine the allocation of BEAD funds to each Eligible Entity? How will NTIA notify the Eligible Entities as to how much funding they will receive?

On or after the date on which the Federal Communications Commission's Broadband DATA Maps are made public, the Assistant Secretary, in coordination with the Commission, shall issue a "Notice of Available Amounts" to each Eligible Entity that contains the amount of Program funds that will be available to the Eligible Entity as noted in Section I.B.2. of the NOFO.

7.2 How will NTIA determine the total funding allocation an Eligible Entity will receive?

Each Eligible Entity's allocation will reflect the share of the nation's unserved locations that exist within the boundaries of each Eligible Entity based on the FCC's Broadband DATA Maps. As described more specifically in Section IV.B.4.c. of the NOFO, each Eligible Entity's Total Allocation will be the sum of the Eligible Entity's (i) Minimum Initial Allocation; (ii) High-Cost Allocation; and (iii) Remaining Funds Allocation, calculated as follows:

1. **Minimum Initial Allocation:** The "Minimum Initial Allocation" for (i) each State of the United States, the District of Columbia, and Puerto Rico is \$100,000,000, and (ii) for American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands is \$25,000,000.
2. **High-Cost Allocation:** The "High-Cost Allocation" for each Eligible Entity will be calculated by (i) dividing the number of unserved locations in high-cost areas in the Eligible Entity by the total number of unserved locations in high-cost areas in the United States and (ii) multiplying the quotient obtained by \$4,245,000,000. NTIA will provide further information regarding its designation of high-cost areas.
3. **Remaining Funds Allocation:** The funds remaining after subtracting each of (i) the total Minimum Initial Allocations; and (ii) the total High-Cost Allocation from \$41,601,000,000 are the "Remaining Funds." Each Eligible Entity's Remaining Funds Allocation shall be computed by dividing the number of unserved locations in the Eligible Entity by the total number of unserved locations in the United States and multiplying the result by the Remaining Funds.

7.3 How will NTIA account for currently unserved locations that may be served in the future by projects funded through other government programs such as the Rural Digital Opportunity Fund (RDOF), Coronavirus Aid, Relief, and Economic Security Act (CARES Act), or American Rescue Plan Act (ARPA)?

Section IV.B.7.a.ii. of the NOFO states that an Eligible Entity may not fund a project covering a location or area already subject to an enforceable federal, state, or local commitment to deploy qualifying broadband unless the Assistant Secretary waives the exclusion of areas with prior enforceable commitments at the request of the Eligible Entity. The waiver may be applied in cases where the Eligible Entity can demonstrate to the satisfaction of the Assistant Secretary that including the area is necessary to achieve the goals of the program.

An enforceable commitment for the deployment of qualifying broadband exists when the commitment to deploy was made as a condition of:

1. Any grant, loan, or loan guarantee provided by an Eligible Entity to the provider of broadband service for the deployment of qualifying broadband service in the proposed service area;
2. Any grant, loan, or loan guarantee with respect to the proposed service area provided by the Secretary of Agriculture under:
 - a. Title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.), including: any program to provide grants, loans, or loan guarantees under Sections 601 through 603 of that Act (7 U.S.C. 950bb et seq.); and the Community Connect Grant Program established under Section 604 of that Act (7 U.S.C. 950bb–3); or
 - b. The broadband loan and grant pilot program known as the “Rural eConnectivity Pilot Program” or the “ReConnect Notice of Funding Opportunity Program” authorized under Section 779 of division A of the Consolidated Appropriations Act, 2018 (Public Law 115–141; 132 Stat. 348);
3. Any high-cost universal service support provided under Section 254 of the Communications Act of 1934 (47 U.S.C. 254), except that in the case of the Rural Digital Opportunity Fund, a location will be considered to have an enforceable commitment for qualifying broadband only (a) after the Federal Communications Commission has authorized RDOF support for the winning bid that includes that location in a Public Notice, and (b) the provider does not rely on satellite technologies to deliver service;
4. Any grant provided under Section 6001 of the American Recovery and Reinvestment Act of 2009 (47 U.S.C. 1305);
5. Amounts made available for the Education Stabilization Fund established under the heading “DEPARTMENT OF EDUCATION” in title VIII of division B of the CARES Act (Public Law 116–136; 134 Stat. 564), and funded under the CARES Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act), and the American Rescue Plan Act (ARP Act);
6. Amounts made available for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) established under the American Rescue Plan Act of 2021 (Public Law 117–2; 135 Stat. 4) (ARPA);
7. Amounts made available for the Capital Projects Fund established by Section 604 of the Social Security Act, as added by Section 9901 of ARPA; or
8. Any other grant, loan, or loan guarantee provided by, or funded in whole or in part by, the federal government or a state or local government for the provision of broadband service.

7.4 When will funds (other than Initial Planning Funds) be released?

The release of BEAD funds is tied to the Eligible Entity's successful submission of its Initial Proposal and its Final Proposal. Eligible Entities will be able to submit Initial Proposals after they are officially notified by NTIA of their total allocation of BEAD funds. The Initial Proposal will be submitted through NTIA's Grants Portal and application guidance specific to submission of the Initial Proposal will be available when allocations are announced. Once an Eligible Entity's Initial Proposal is approved, NTIA will make available to the Eligible Entity 20% of its Total Allocation (or a higher percentage at the discretion of the Assistant Secretary). Additional information about the 20% funding release can be found in Section IV.B.8. of the NOFO.

Once an Eligible Entity's Final Proposal is approved, NTIA will make available to the Eligible Entity the remaining Program funds identified in the Eligible Entity's Notice of Available Amounts to be used to implement the Final Proposal.

7.5 Are there restrictions on the use of the initial 20% funding release?

Yes. After approval of the Initial Proposal but before awarding subgrants, Eligible Entities must conduct a fair and transparent challenge process in which a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by the Eligible Entity in the Initial Proposal as to whether a particular location or CAI is eligible for grant funds, including whether the location is unserved or underserved. After completing the challenge process, Eligible Entities must select subgrantees using a fair, open, and competitive process. As described in Section IV.B.8. of the NOFO, after the selection of a subgrantee, the Eligible Entity may use the initial 20% of grant funds released for deployment projects that:

1. Are proposed for project areas consisting of at least 80% unserved locations; and
2. Are in a location in which the percentage of individuals with a household income at or below 150% of the poverty line applicable to a family of the size involved (as determined under Section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) that is higher than the national percentage of such individuals.

An Eligible Entity may use the funds for other eligible uses only if the Eligible Entity is able to demonstrate to the satisfaction of the Assistant Secretary that the Eligible Entity will have sufficient BEAD Program funds to meet the unserved and underserved broadband deployment commitments.

7.6 Does an Eligible Entity need to spend all the 20% funding before receiving the remaining funds?

No. An Eligible Entity is not required to spend the 20% of funding released after approval of the Initial Proposal before submitting a Final Proposal and receiving access to the remaining funds.

7.7 How long do Eligible Entities have to spend planning funds?*

The period of performance for the planning grants will be 5 years. Eligible entities can spend funds over the 5-year period. Within the 5 years, the following must be submitted per the time windows established in the NOFO: Five-Year Action Plans (due within 270 days of receipt of Initial Planning Funds), Initial Proposals (due within 180 days of receipt of a Notice of Available Amounts), and Final Proposals (due no later than 12 months after Assistant Secretary approval

of the Initial Proposal). Once implementation funds are made available to states and territories, Eligible Entities may utilize those funds towards completing these activities.

7.8 Is the 25% non-federal match required for BEAD Planning funds?*

A non-federal match is not required for Initial Planning Funds.

7.9 What is the 2% statutory cap for the BEAD program?*

The BEAD program has a **cap of 2% of project funds only for costs related to the administration of the Eligible Entity's grant**. Programmatic costs and administrative costs that are not for the administration of the Eligible Entity's grants do not count towards this 2% cap. The 2% statutory cap includes any subcontracts or subawards made to assist in the administration of the Eligible Entities grant. The 2% statutory cap on costs related to the administration of the Eligible Entity's grant administrative costs does not apply to funds allocated during the Initial Planning Funds phase of the BEAD Program (see BEAD NOFO section IV.B.2). Otherwise, the 2% statutory cap applies to all other BEAD Program funding.


7.10 What is the difference between a programmatic cost and an administrative cost?*

Administrative costs are those expenses incurred by the grant recipients or subrecipients in support of the **day-to-day operations**. These overhead costs are the expenses that are not directly tied to a specific programmatic purpose or activity.


Programmatic costs are costs that are directly tied to the **delivery of a particular project, service or activity** undertaken by a Grantee to achieve an outcome intended by the funding program.

Guidelines regarding both costs are below:


Administrative Cost Guidelines:

- 


Not Direct Provision
These expenses are **not related to the direct provision of program activities**.

- 

General Operating Expenses
The costs are usually for **general operating expenses** incurred by the organization.


- 

Different Forms
Administrative cost can be for **Personnel, Non-Personnel, Direct or Indirect**.


- 

Distinguish Costs
Budgets and financial reporting need to distinguish separately the **cost between administrative and programmatic costs**.


Programmatic Cost Guidelines:

- 


Program Activities
These expenses are **directly related to the provisions of program activities**.

- 


Approvals
All program type costs would be **approved during the budget certification process**.

- 


Allocation of Time
All **allocation of time would need to be kept through time reports** to show how much time was worked on each program and/or administrative duty.

- 

Acceptable Program Costs
Acceptable program costs are **determined by the grant program**.

- 

Multiple Cost Types
Personnel and related non-personnel who perform a portion of both administrative and programmatic services should have their **time allocated between the two different cost types**.

- 

Time Reports
Time reports need to be accurate and saved for review by monitoring staff or audit staff.

Examples of Administrative costs include, but are not limited to:

- Salaries for grant administrative personnel
- Office supplies
- General liability insurance
- General legal services
- Rent and utilities
- Indirect salaries
- Accounting fees

Examples of programmatic costs include, but are not limited to:

- Broadband deployment, including construction and acquisition of infrastructure, engineering, permitting, etc.
- Digital equity and adoption, such as providing low-cost devices and digital navigators
- Implementation of the Subgranting Process
- Mapping and data collection
- Updating the 5-Year Plan
- Installing Wi-Fi in multitenant buildings

7.11 Do all administrative costs count towards the 2% admin cap?*

No – Only those costs that are related to the administration of the Eligible Entity’s grant count towards the 2% cap. Additionally, the 2% statutory cap does not apply to funds allocated during the Initial Planning Funds phase of the BEAD Program (see BEAD NOFO section IV.B.2).

In making a determination of whether an expense falls within the 2% caps, consider the following:

- **The 2% cap may include expenses** that are both indirect and direct administrative costs so long as those expenses are related to the administration of the Eligible Entity’s grant.
- **Indirect costs** that are related to the administration of the Eligible Entity's grant count toward the 2% ceiling. By their nature, indirect costs are those recipient costs that are not directly associated with the recipient’s execution of its grant-funded project, but that are necessary to the operation of the organization and the performance of its programs. A grantee should describe the types of indirect costs that it will charge to the grant. A grantee can never double-charge a cost as both a direct and an indirect administrative cost. The budget provided by the Eligible Entity must explain how they will account for direct and indirect personnel costs charged to the grant with the 2% administrative cost ceiling.
- **Examples of personnel expenses** relating to administration of the grant may include costs attributable to: accounting, auditing, contracting, budgeting, and general legal services.
- **Examples of expenses** include costs attributable to: accounting, auditing, contracting, budgeting, and general legal services; facility occupancy costs, e.g., rent, utilities, insurance, taxes, and maintenance; general liability insurance that protects the organization (not directly related to a program); depreciation on buildings and

equipment; general office supplies; general and administrative salaries and wages; subgrants administration like staffing and/or contract support; and training for staff in relation to subgranting (e.g., federal grants compliance training)

- **Additional items that are NOT included in the 2% administrative expenses cap** include:
 - Eligible uses of funding listed in the NOFO for the Initial Planning funds
 - Updated data collection and mapping (both for access and adoption) – Because these are not stagnant measures, the maps must be regularly updated to remain accurate. This is expressly allowed in the NOFO under authority in f(4).
 - Apprenticeship programs for network technicians to ensure adequate workforce for deployment projects. This is expressly allowed in the NOFO under authority in f(6).
 - Updating the 5-Year Action Plan. This is expressly allowed in the NOFO under authority in f(4).

7.12 Does the 2% statutory cap on costs related to grant administration apply to all BEAD funds?*

No, the 2% statutory cap on costs only applies to the administration of an Eligible Entity’s grant (see BEAD NOFO section IV.B.4). The 2% statutory cap does not apply to funds allocated during the Initial Planning Funds phase of the BEAD Program (see BEAD NOFO section IV.B.2).

7.13 Are the costs associated with the challenge process considered administrative?*

No – The state challenge process is a key component of the overall program and therefore not a cost related to the administration of the Eligible Entity’s grant.

7.14 Are the costs associated with subgrantee subject to the 2% cap?*

No – Costs related to the subgrantee selection process are not subject to the 2% cap. Subgrantee selection process is a key programmatic component and therefore not an expense related to the administration of an Eligible Entity’s grant. Costs associated with the actual subgranting process (contracting, monitoring, disbursement of funds, etc.) are administrative costs but are not expenses related to the administration of the Eligible Entity’s grant.

7.15 How should applicants track their 2% administrative costs?*

Recipients are required to maintain financial management systems that include records documenting compliance with Federal statutes, regulations and terms and conditions of Federal award, that is sufficient to permit the preparation of reports; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

As such, recipients will be required to track and report the costs associated with this requirement. For example, if any position funded by grant funds will incur direct administrative charges, you must note which position will be doing these activities, what the activities are, and how much time will be spent on these activities.

Additional information about how to report these costs and the frequency of the reporting will be provided at a future date and incorporated into the specific award conditions for the award during the initial-phase of the award (not in the planning phase).

Below are some strategies that NTIA recommends to help applicants track costs related to the administration of the grant:

- Identify the 2% cap amount first to understand your budget for costs related to the administration of the Eligible Entity's grant;
- Track when direct administrative costs are incurred and retain documentation;
- Identify key personnel associated with administering the program. Record their salaries and fringe benefits;
- Report operating expenses of facilities required to administer the program;
- Check spent administrative costs against the 2% cap estimate on a monthly basis;
- Contact FPO if you have any questions about costs that may qualify as administrative costs;
- Create an internal fund code specific to administrative charges within your BEAD funding codes in your financial system and a more specific, separate code of administrative charges related to the administration of the Eligible Entity's grant, and;
 - This way, employees can charge their admin time directly to the administrative charge code and make it easier for you to track personnel administrative charges.
- Ensure your organization has a time and attendance policy that addresses tracking of administrative charges.

7.16 Are subgrantees subject to the 2% administrative cap? How does this affect the administrative cap for Eligible Entities?*

Yes- subgrantees are subject to the 2% administrative cap, however the administrative cap only applies to administrative expenses related to administration of the Eligible Entity's grant. The administration cap requirement in section 60102(d)(2)(B) applies to the Eligible Entities and all subcontractors and subgrantees. Under 2 CFR 200.101 and DOC ST&Cs F.03, the terms and conditions of Federal awards generally flow down to subcontracts and subawards. So, this requirement will flow down to subrecipients.

Regarding the scope of this requirement, Section 60102(d)(2)(B) states that "An eligible entity may use not more than 2 percent of the grant amounts made available to the eligible entity under subsection (e) for expenses relating (directly or indirectly) to administration of the grant" (emphasis added).

The cap applies only to the expenses relating to the administration of the Eligible Entity's BEAD grant. If an Eligible Entity enters a subcontract or subaward for a subcontractor or subgrantee to undertake administrative activities related to the administration of the Eligible Entity's BEAD grant, those expenses would be included within the 2% cap. However, the cap does not apply to a *subgrantee's* administrative expenses to administer its subaward.

While the statutory requirement will apply to all grants and subgrants, the scope of the statutory requirement (and the 2% cap) is somewhat narrow. The majority of subgrants for broadband deployment will not be associated with the administrative expenses related to the

administration of the Eligible Entity's grant, and therefore will not fall within the 2% administrative cap.

7.17 What is a Direct Administrative Cost and what is an Indirect Administrative Cost?*

Direct Administrative Costs are costs associated with specific work for the effective administration of the grant, and they must be specific to the program. Examples include salaries and fringe benefits for grant administration personnel, office supplies, postage, program coordination and project execution, and equipment required to administer the program.

Indirect Administrative Costs are costs incurred by the organization during the execution of the project, but not clearly identifiable to the project. Examples include depreciation of facilities, facility occupancy costs, general liability insurance, general legal services, taxes, rent and utilities, indirect salaries, and accounting fees.

If you would like additional context on this question, please refer to Q-111 in the 2 CFR Frequently Asked Question & Answers. The document can be accessed [here](https://www.cfo.gov/assets/files/2CFR-FrequentlyAskedQuestions_2021050321.pdf):
https://www.cfo.gov/assets/files/2CFR-FrequentlyAskedQuestions_2021050321.pdf.

8. Initial Proposal

8.1 What is the Initial Proposal?

The Initial Proposal will detail how an Eligible Entity intends to use BEAD funding, including how it will design both a challenge process and a competitive subgrantee selection process. The Initial Proposal should explain how the Eligible Entity intends to ensure that every resident has access to a reliable, affordable, high-speed broadband connection, utilizing all funding available to be brought to bear to accomplish this goal, including but not limited to BEAD Program funds. The Initial Proposal will also detail actions that the Eligible Entity will take on critical issues such as climate resiliency, fair labor practices, workforce development, minority and women-owned business contracting.

Additional information about the initial proposal can be found in Section IV.B.5. of the NOFO.

8.2 When is the Initial Proposal due and how and where must it be submitted?

The Initial Proposal may be submitted immediately upon issuance of the Notice of Available Amounts and will be due to NTIA no later than 180 days after the notice is issued. It must be submitted through the NTIA Grants Portal at grants.ntia.gov.

8.3 What must be included in the Initial Proposal?

The Initial Proposal must, at a minimum include the following information detailed in Section IV.B.5.b. of the NOFO:

1. Outline long-term objectives for deploying broadband, closing the digital divide, addressing access, affordability, equity, and adoption issues, and enhancing economic growth and job creation including information developed by the Eligible Entity as part of the Five-Year Action Plan and information from any comparable strategic plan otherwise developed by the Eligible Entity, if applicable.
2. Identify, and outline steps to support, local, Tribal, and regional broadband planning processes or ongoing efforts to deploy broadband or close the digital divide and describe coordination with local and Tribal Governments, along with local, Tribal, and regional broadband planning processes.
3. Identify existing efforts funded by the federal government or an Eligible Entity within the jurisdiction of the Eligible Entity to deploy broadband and close the digital divide, including in Tribal Lands.
4. Certify that the Eligible Entity has conducted coordination, including with Tribal Governments, local community organizations, unions and worker organizations, and other groups, consistent with the requirements set forth in Section IV.C.1.c of the NOFO, describe the coordination conducted, summarize the impact such coordination had on the content of the Initial Proposal, detail ongoing coordination efforts, and set forth the plan for how the Eligible Entity will fulfill the coordination requirements associated with its Final Proposal.

5. Identify each unserved location and underserved location under the jurisdiction of the Eligible Entity, including unserved and underserved locations in applicable Tribal Lands, using the most recently published Broadband DATA Maps as of the date of submission of the Initial Proposal, and identify the date of publication of the Broadband DATA Maps used for such identification.
6. Describe how the Eligible Entity applied the statutory definition of the term “community anchor institution,” identified all eligible CAIs in its jurisdiction, identified all eligible CAIs in applicable Tribal Lands, and assessed the needs of eligible CAIs, including what types of CAIs it intends to serve; which institutions, if any, it considered but declined to classify as CAIs; and, if the Eligible Entity proposes service to one or more CAIs in a category not explicitly cited as a type of CAI in Section 60102(a)(2)(E) of the Infrastructure Act, the basis on which the Eligible Entity determined that such category of CAI facilitates greater use of broadband service by vulnerable populations.
7. Include a detailed plan to conduct a challenge process as described in Section IV.B.6. of the NOFO.
8. Include a detailed plan to competitively award subgrants consistent with Section IV.B.7.a of the NOFO with regard to both last-mile broadband deployment projects and other eligible activities. With respect to last-mile broadband deployment projects, the plan must explain how the Eligible Entity will ensure timely deployment of broadband and minimize the BEAD subsidy required to serve consumers consistent with Section IV.B.7 and the other priorities set out in the NOFO. The Initial Proposal must include identification of, or a detailed process for identifying, an Extremely High Cost Per Location Threshold to be utilized during the subgrantee selection process described in Section IV.B.7 of the NOFO. Each Eligible Entity must establish its Extremely High Cost Per Location Threshold in a manner that maximizes use of the best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.7.b of the NOFO. NTIA expects Eligible Entities to set the Extremely High Cost Per Location Threshold as high as possible to help ensure that end-to-end fiber projects are deployed wherever feasible.
9. With respect to non-deployment eligible activities, explain any preferences the Eligible Entity will employ in selecting the type of initiatives it intends to support using BEAD Program funds, the means by which subgrantees for these eligible activities will be selected, how the Eligible Entity expects the initiatives it pursues to address the needs of the Eligible Entity’s residents, the ways in which engagement with localities and stakeholders will inform the selection of eligible activities, and any efforts the Eligible Entity will undertake to determine whether other uses of the funds might be more effective in achieving the BEAD Program’s equity, access, and deployment goals.
10. Describe any initiatives the Eligible Entity proposes to implement as the recipient without making a subgrant, and why it proposes that approach.
11. Detail how the Eligible Entity will ensure that subgrantees, contractors, and subcontractors use strong labor standards and protections, such as those listed in

Section IV.C.1.e, and how the Eligible Entity will implement and apply the labor-related subgrantee selection criteria described below in Section IV.C.1.e of the NOFO.

12. Detail how the Eligible Entity will ensure an available, diverse, and highly skilled workforce consistent with Section IV.C.1.e of the NOFO.
13. Describe the process, strategy, and data tracking method(s) that the Eligible Entity will implement to ensure that minority businesses, women-owned business enterprises, and labor surplus area firms are recruited, used, and retained when possible.
14. Identify steps that the Eligible Entity will take to reduce costs and barriers to deployment, promote the use of existing infrastructure, promote and adopt dig-once policies, streamlined permitting processes and cost-effective access to poles, conduits, easements, and rights of way, including the imposition of reasonable access requirements.
15. Provide an assessment of climate threats within the Eligible Entity and proposed mitigation methods consistent with the requirements of Section IV.C.1.h of the NOFO.
16. Describe the low-cost plan(s) that must be offered by subgrantees consistent with the requirements of Section IV.C.2.c.i of the NOFO.
17. Describe the intended use of the 20 percent of total funding allocation that is made available upon approval of the Initial Proposal consistent with Section IV.B.8 of the NOFO.
18. Disclose (1) whether the Eligible Entity will waive all laws of the Eligible Entity concerning broadband, utility services, or similar subjects, whether they predate or postdate enactment of the Infrastructure Act, that either (a) preclude certain public sector providers from participation in the subgrant competition or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer; and (2) if it will not waive all such laws for BEAD Program project selection purposes, identify those that it will not waive and describe how they will be applied in connection with the competition for subgrants.
19. Certify the intent of the Eligible Entity to comply with all applicable requirements of the Program, including the reporting requirements, and describe subgrantee accountability procedures.

Additional requirements for the Initial Proposal may be provided to Eligible Entities when the Notice of Available Amounts is released.

8.4 What are the requirements for the challenge process that an Eligible Entity must design?

Within the Initial Proposal, an Eligible Entity must include a detailed plan to conduct a challenge process before allocating BEAD funds. Under this process, a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by

the Eligible Entity in the Initial Proposal as to whether a particular location or community anchor institution within the jurisdiction of the Eligible Entity is eligible for the grant funds, including whether a particular location is unserved or underserved. Once the Initial Proposal is approved by NTIA, Eligible Entities must conduct the challenge process. An Eligible Entity must also notify NTIA of any modifications to the Initial Proposal that are necessitated by successful challenges to its initial determinations. After resolving each challenge and at least 60 days before allocating grant funds for network deployment, an Eligible Entity must provide public notice of the final classification of each unserved location, underserved location, or eligible community anchor institution within the jurisdiction of the Eligible Entity.

Information about the challenge process can be found in Section IV.B.6. of the NOFO.

8.5 What oversight will NTIA have in the challenge process?

The Assistant Secretary may modify determinations made in the challenge as to whether a location is served, unserved, or underserved, and may, pursuant to Section 60102(h)(2)(D)(ii) of the Infrastructure Act, reverse the determination of an Eligible Entity regarding a particular location or CAI for grant funds.

8.6 What technical assistance will NTIA provide Eligible Entities to help them prepare their Initial Proposals? Will NTIA provide a template for the Initial Proposal?

NTIA will provide iterative feedback on draft Initial Proposals and will support Eligible Entities throughout the development process. NTIA will provide Eligible Entities with a template and detailed application guidance for submission of the Initial Proposal.

8.7 Will an Eligible Entity be provided the opportunity to revise its Initial Proposal upon receiving feedback?

NTIA may request and accept corrections to the Initial Proposal after submission. If the Initial Proposal is incomplete, or the Assistant Secretary determines that the use of funds proposed in the Initial Proposal does not meet the standards set forth in the NOFO, the Assistant Secretary will notify the Eligible Entity of deficiencies in the proposal, provide the Eligible Entity with an opportunity to resubmit the Initial Proposal, and will establish a deadline for resubmission.

Additional information about the review process for the BEAD Program can be found in Section VI.A. of the NOFO.

8.8 What will the review process entail for the Initial Proposal, and how will Proposals be evaluated?

NTIA will acknowledge receipt of the Initial Proposals and begin the review process on a rolling basis. As noted in Section IV.B.5.c. of the NOFO, upon determination that the Initial Proposal is complete, NTIA will determine whether the use of funds proposed in the Initial Proposal:

1. Complies with Section 60102(f) of the Infrastructure Investment and Jobs Act;
2. Is in the public interest; and
3. Effectuates the purposes of the Act.

8.9 What percentage of funds will be released upon approval of the Initial Proposal? When will these funds be released?

Once an Initial Proposal is approved, NTIA will make available to the Eligible Entity not less than 20 percent of the total grant funds allocated to the Eligible Entity.

8.10 Do Wi-Fi access points installed outside of, not within, an eligible multi-family dwelling unit qualify under the BEAD Program?*

Internet or Wi-Fi infrastructure that provides qualifying broadband services within an eligible multi-family residential building is an eligible use of funding, subject to the priority framework for uses of BEAD funding, regardless of where the access point is located.

9. Cost Sharing and Matching Guidelines

9.1 What are the matching requirements for BEAD?

As described in Section III.B.1. of the NOFO, except in certain specific circumstances (i.e., projects in “high-cost areas” and other cases in which NTIA has waived the matching requirement), in the context of subgrants used to fund broadband network infrastructure deployment, each Eligible Entity shall require its subgrantee to provide, or provide in concert with its subgrantee, matching funds of not less than 25 percent of project costs. A matching contribution may be provided by the subgrantee, an Eligible Entity, a unit of local government, a utility company, a cooperative, a nonprofit or philanthropic organization, a for-profit company, regional planning or governmental organization, a federal regional commission or authority, or any combination thereof. While the match may be provided by multiple sources, Eligible Entities are encouraged to the maximum extent possible to require a match from the subgrantee before utilizing other sources of matching funds.⁶ Eligible Entities are also required to incentivize matches of greater than 25 percent from subgrantees wherever feasible (especially where expected operational costs and revenues are likely to justify greater investment by the subgrantee) to reduce the federal share of projects and extend the reach of BEAD Program funding.

9.2 What is a “high-cost area”?

Section I.C. of the NOFO defines the term “high-cost area” as an unserved area in which the cost of building out broadband service is higher, as compared with the average cost of building out broadband service in unserved areas in the United States (as determined by the Assistant Secretary, in consultation with the Federal Communications Commission), incorporating factors that include— (I) the remote location of the area; (II) the lack of population density of the area; (III) the unique topography of the area; (IV) a high rate of poverty in the area; or (V) any other factor identified by the Assistant Secretary, in consultation with the Commission, that contributes to the higher cost of deploying broadband service in the area. For purposes of defining “high-cost area,” the term “unserved area” means an area in which not less than 80 percent of broadband-serviceable locations are unserved locations. NTIA will release further information regarding the identification of high-cost areas for purposes of BEAD funding allocations at a later date.

9.3 Can federal funds be used as matching funds? (e.g., ARPA Capital Projects Fund)

Federal funds may not be used as matching funds, except as expressly provided by federal statute. The Infrastructure Act expressly provides that for the BEAD Program matching funds may come from a federal regional commission or authority and from funds that were provided

⁶ Rather than using state or local funds as a match to BEAD projects, Eligible Entities are encouraged to use these funding sources on broadband separately and leverage additional subgrantee match commitments. Eligible Entities also must use BEAD Program funds to supplement, and not supplant, the amounts that the Eligible Entity would otherwise make available for the purposes for which the grant funds may be used.

to an Eligible Entity or a subgrantee for the purpose of deploying broadband service under the following legislation, to the extent permitted by those laws:

- Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178);
- CARES Act (Public Law 116-136; 134 Stat. 281)
- Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or
- American Rescue Plan Act of 2021 (Public Law 117-2; 135 Stat. 4).

Eligible Entities are encouraged to consider terms and conditions that may be associated with potential sources of match funds and how those may impact the project overall. For example, if an Eligible Entity utilizes federal regional commission funding as a match, the project will need to comply with all BEAD programmatic requirements and any requirements imposed by the federal regional commission.

Additional information about matches from other federal programs can be found in Section III.B.3. of the NOFO.

9.4 What are circumstances under which NTIA may consider granting a match waiver?

As explained in Section III.B.5. of the NOFO, in evaluating requests for waiver of the BEAD Program's non-federal match requirement, NTIA will carefully balance the Program's various objectives. It is NTIA's policy to ensure that BEAD funds are used to bring affordable broadband to all Americans. Thus, the Assistant Secretary will generally seek to minimize the BEAD funding outlay on a particular project to extend the Program's reach, and expects to grant waivers only in special circumstances, when waiver is necessary to advance objectives that are critical to the Program's success. In order to be considered for a waiver, an Eligible Entity must submit a request that describes the special circumstances underlying the request and explain how a waiver would serve the public interest and effectuate the purposes of the BEAD Program. The Assistant Secretary retains the discretion to waive any amount of the match, including up to the full 25 percent requirement.

9.5 Can matching funds be provided in any form other than cash? What are allowable in-kind contributions?

Section III.B.4. of the NOFO states that matching funds may be provided in the form of either cash or in-kind contributions, so long as such contributions are made consistent with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards set forth at 2 C.F.R. Part 200. In-kind contributions, which may include third-party in-kind contributions, are non-cash donations of property, goods or services, which benefit a federally assisted project, and which may count toward satisfying the non-federal matching requirement of a project's total budgeted costs when such contributions meet certain criteria. In-kind contributions must be allowable and allocable project expenses.

The rules governing allowable in-kind contributions are detailed and encompass a wide range of properties and services. NTIA encourages applicants to thoroughly consider potential sources of

in-kind contributions that, depending on the particular property or service and the applicable federal cost principles, could include:

- Employee or volunteer services;
- Equipment;
- Supplies;
- Indirect costs;
- Computer hardware and software; and
- Use of facilities.

In the broadband context this could include, consistent with federal cost principles:

- Access to rights of way;
- Pole attachments;
- Conduits;
- Easements; or
- Access to other types of infrastructure.

9.6 Is the 25% non-federal match required for BEAD Planning Funds?*

A non-federal match is not required for Initial Planning Funds or non-deployment uses of BEAD fundings.

As described in the NOFO, except in certain specific circumstances in the context of subgrants used to fund broadband network infrastructure deployment (i.e., projects in “high-cost areas” and other cases in which NTIA has waived the matching requirement), each Eligible Entity shall provide, require its subgrantee to provide, or provide in concert with its subgrantee, matching funds of not less than 25 percent of project costs. A matching contribution may be provided by the subgrantee, an Eligible Entity, a unit of local government, a utility company, a cooperative, a nonprofit or philanthropic organization, a for-profit company, regional planning or governmental organization, a federal regional commission or authority, or any combination thereof. While the match may be provided by multiple sources, Eligible Entities are encouraged to the maximum extent possible to require a match from the subgrantee before utilizing other sources of matching funds. Eligible Entities are also required to incentivize matches of greater than 25 percent from subgrantees wherever feasible (especially where expected operational costs and revenues are likely to justify greater investment by the subgrantee) to reduce the federal share of projects and extend the reach of BEAD Program funding (NOFO Section III.B.1).

9.7 Can state highway right of ways (ROWS) be used as match for the BEAD Program?*

Yes, state highway ROWs can be used as a match subject to the requirements around in-kind contributions. In-kind contributions are non-cash donations of property, goods or services, such as waiver of fees associated with access to rights of way, pole attachments, conduits, easements, or access to other types of infrastructure (NOFO Section III.B.4).

9.8 Is it allowable for a grantee to contribute municipal revenue bond proceeds as matching funds for a BEAD?*

The Infrastructure Act and BEAD NOFO include a matching requirement of not less than 25 percent of project costs, subject to certain waivers (Act Section 60102(h)(3)(A), and NOFO Section III.B.1). A non-Federal entity may contribute municipal revenue bond proceeds to meet its BEAD matching funds requirement, so long as the contributions meet the criteria laid out in 2 CFR § 200.306(b) and such use is consistent with the terms of the bond. Such a bond would be considered governmental revenue, and not program income, under 2 CFR § 200.307(c).

9.9 If a BEAD grantee contributes municipal revenue bond proceeds as matching funds, can the grantee then use program income to repay a revenue bond?*

Under the Financial Assistance Standard Terms and Conditions (ST&Cs), unless otherwise indicated in a specific award term, program income may be used for any required cost sharing consistent with 2 CFR § 200.307 (see ST&Cs Section B.05). Any match contributions must meet the criteria of allowable costs (2 CFR § 200.306(b)(4)). Allowable costs for the BEAD Program are determined in accordance with the cost principles identified in 2 CFR Part 200, including Subpart E of such regulations, for States and non-profit organizations, and in 48 CFR Part 31 for commercial organizations (NOFO Section V.H). A recipient may request that the Grants Officer and NTIA consider the repayment of the principal of the bond as an allowable cost. However, the repayment of the interest portion of the municipal revenue bond would not be allowable for the proposed project purpose. The Grants Officer would have to approve any such a proposal to use program income to repay revenue bonds and may require special award conditions.

10. Competitive Subgrantee Grants

10.1 What are the requirements for the subgrantee selection process?

Each Eligible Entity must establish fair, open, and competitive processes for selecting subgrantees. The selection of subgrantees is a critically important process that will determine the providers that will bring service to unserved and underserved locations and CAIs. These processes must be made clear to potential subgrantees and must be described in the Eligible Entity's Initial Proposal and Final Proposal. NTIA recognizes that there may be a variety of competitive processes Eligible Entities might use to select subgrantees and does not mandate any specific approach. NTIA will provide further guidance and technical assistance on approaches to subgrantee selection.

Each Eligible Entity's process must abide by the following principles:

1. An "Unserved Service Project" or "Underserved Service Project" can be as small as a single unserved or underserved location, respectively. This principle will help ensure that isolated unserved and underserved locations that cannot be aggregated in groups that are 80 percent or more unserved or underserved are addressed by the BEAD Program.
2. An "Unserved Service Project" or "Underserved Service Project" may include Middle Mile Infrastructure in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of a project providing service to an unserved location, underserved location, or eligible CAI.
3. In identifying an Unserved Service Project or Underserved Service Project, an Eligible Entity may not treat as "unserved" or "underserved" any location that is already subject to an enforceable federal, state, or local commitment to deploy qualifying broadband as of the date that the challenge process described in Section IV.B.6 of this NOFO is concluded. The Assistant Secretary may waive such treatment of locations or areas with prior enforceable commitments at the request of the Eligible Entity in cases where the Eligible Entity can demonstrate to the satisfaction of the Assistant Secretary that such treatment of such locations or areas is necessary to achieve the goals of the program, including where purported commitments do not have the appropriate documentation with respect to Tribal lands consistent with requirements set out above. For the purposes of the subgrantee selection process, "qualifying broadband" to a location that is not a CAI is Reliable Broadband Service with (i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds; "qualifying broadband" to a CAI is Reliable Broadband Service with (i) a speed of not less than 1 Gbps for downloads and uploads alike and (ii) latency less than or equal to 100 milliseconds.
4. An Eligible Entity must establish a competitive process designed to maximize the public benefits achieved through the subgrant process by increasing subgrantee-provided match and reducing costs to consumers. The type of competitive process selected is at the discretion of the Eligible Entity, subject to the Assistant Secretary's approval in reviewing the Eligible Entity's Initial Proposal and to the criteria and other requirements set forth in the NOFO.

5. The Eligible Entity may seek proposals to serve unserved locations, underserved locations, and CAIs collectively or separately, so long as the Eligible Entity awards funding in a manner that prioritizes Unserved Service Projects and once it certifies that it will ensure coverage of all unserved locations within the Eligible Entity, prioritizes Underserved Service Projects.

6. The Eligible Entity may not exclude, as a class, cooperatives, nonprofit organizations, public-private partnerships, private companies, public or private utilities, public utility districts, or local governments from eligibility as a subgrantee.

7. The Eligible Entity may solicit proposals from prospective subgrantees at the geographic level of its choosing—for example, on a per-location basis, per-census block basis, per-town, per-county or another geographic unit. An Eligible Entity may alternatively solicit proposals for project areas it defines or ask prospective subgrantees to define their own proposed project areas. If the Eligible Entity allows prospective subgrantees to define proposed project areas, it must develop a mechanism for de-conflicting overlapping proposals (for example, by de-scoping some locations from a provider's proposed project area) to allow for like-to-like comparison of competing proposals. Whatever process is selected, the Eligible Entity must ensure it has a plan for serving all unserved and (where it has sufficient funding) underserved locations.

8. Each Eligible Entity must require that each proposal from a prospective subgrantee identify, for each location to be served in the proposal, the amount of BEAD funding the prospective subgrantee is seeking to serve that location.

9. If, after soliciting proposals, the Eligible Entity has received no proposals to serve a location or group of locations that are unserved, underserved, or a combination unserved and underserved, the Eligible Entity may engage with existing providers and/or other prospective subgrantees to find providers willing to expand their existing or proposed service areas. An Eligible Entity may consider inducements such as use of state funding toward the match requirement or benefits during the grant selection process (e.g., points or credits). The Eligible Entity shall, in this circumstance, work to ensure that its approach is as transparent as possible. For the avoidance of doubt, this provider-specific outreach is only appropriate after the Eligible Entity has solicited proposals and failed to obtain one or more proposals to serve the location or locations at issue.

10. As discussed further in Section IV.B.9.b, if an Eligible Entity's Final Proposal includes plans to deploy broadband to Unserved Service Projects or Underserved Service Projects that include any locations on Tribal Lands, the Eligible Entity must submit proof of the Tribal Government's consent to such deployment.

11. Notwithstanding any of the above:

- An Eligible Entity may decline to select a proposal that requires a BEAD subsidy that exceeds the Extremely High Cost Per Location Threshold for any location to be served in the proposal if use of an alternative Reliable Broadband Service technology meeting the BEAD Program's technical requirements would be less expensive. Subject to the overarching requirement to run a fair, open, and competitive process, the Eligible Entity has discretion to design a selection

process that allows it to engage with a prospective subgrantee to revise the proposal to ensure that no location requires a subsidy that exceeds the Extremely High Cost Per Location Threshold.

- If no Reliable Broadband Service technology meeting the BEAD Program’s technical requirements would be deployable for a subsidy of less than the Extremely High Cost Per Location Threshold at a given location, an Eligible Entity is authorized to select a proposal involving a less costly technology for that location, even if that technology does not meet the definition of Reliable Broadband Service but otherwise satisfies the Program’s technical requirements. In this instance, Eligible Entities are directed to seek out the most robust, affordable, and scalable technologies achievable under the circumstances particular to that location.

Additional information about requirements for the subgrantee selection process can be found in Section IV.B.7. of the NOFO.

10.2 Will “non-traditional” providers be able to apply as subgrantees?

Section IV.C.1.a. of the NOFO holds that Eligible Entities may not exclude cooperatives, nonprofit organizations, public-private partnerships, private companies, public or private utilities, public utility districts, or local governments (“potential providers”) from eligibility for grant funds. In determining whether to approve an Eligible Entity’s Initial or Final Proposal, NTIA will consider whether the Eligible Entity has, after the enactment of the Infrastructure Act, adopted new laws, regulations, policies, procedures or other any other form of rule or restriction that, in the determination of NTIA, seeks to exclude or has the effect of excluding any potential providers from eligibility for its subgrant competition. This could include new laws that have the effect of excluding providers from offering broadband service or rendering them incapable of effectively competing for subgrants.

Some laws of Eligible Entities concerning broadband, utility services, or similar subjects that predate the enactment of the Infrastructure Act may either preclude certain public sector providers from participation in the subgrant competition or may impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer. NTIA encourages Eligible Entities to waive all such laws for purposes of the Program. If an Eligible Entity does not do so, the Eligible Entity must identify all such laws in its Initial Proposal and describe how the laws will be applied in connection with the competition for subgrants. Such Eligible Entity must, in its Final Proposal, disclose each unsuccessful application affected by such laws and describe how those laws impacted the decision to deny the application.

10.3 Can subgrantees submit audited financial statements at the parent-company level?*

Yes, audited financial statements of a publicly traded parent company are sufficient to meet the BEAD Program requirements.

10.4 What are the requirements to demonstrate compliance with fair labor practices?*

To evaluate a prospective subgrantee's record of and plans to be in compliance with fair labor practices, Eligible Entities must:

1. Obtain and evaluate information on the prospective subgrantee's record of compliance with federal labor and employment laws, as well as the records of any other entities that will participate in the project, including contractors and subcontractors, and
2. Require the submission of, and evaluate, the prospective subgrantee's plans for ensuring compliance with federal labor and employment laws (NOFO Section IV.C.1.e).

Information on (1) the prospective subgrantee's record of compliance must include:

- Information on the entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years

Information on (1) the prospective subgrantee's record of compliance may include:

- Data on prospective subgrantee's historical use of contracting and subcontracting arrangements, including staffing plans
- Examples of the contractor and subcontractor's past performance in the context of a similar project

Information on (2) the prospective subgrantee's plan for ensuring compliance with fair labor practices may include:

- How the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors
- Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network
- How the subgrantee will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects

11. Final Proposal

11.1 When is the Final Proposal due and how and where must it be submitted?

The Final Proposal is due to NTIA no later than one year after approval of the Initial Proposal as explained in Section IV.B.9.a. of the NOFO. It must be submitted through the NTIA Grants Portal at grants.ntia.gov.

11.2 What must be included in the Final Proposal?

Section IV.B.9.b. of the NOFO notes that the Final Proposal must include, at a minimum:

1. A detailed plan that specifies the outcome of the Eligible Entity's subgrantee selection process and how the Eligible Entity will:
 - a. allocate grant funds to subgrantees for the deployment of broadband networks to unserved locations, underserved locations, and (if applicable) CAIs in accordance with the prioritization framework described in Section IV.B.7.b of the NOFO; and
 - b. align the grant funds allocated to the Eligible Entity under the BEAD Program, where practicable, with the use of other funds for broadband that the Eligible Entity receives from the federal government, an Eligible Entity, or any other source.
2. A timeline for implementation of the detailed plan and completion of each project and other eligible activity to be funded;
3. Processes for oversight and accountability to ensure the proper use of the grant funds allocated to the Eligible Entity under the BEAD Program consistent with Section IX.G of the NOFO;
4. Certification that the Eligible Entity has conducted coordination, including with Tribal Governments, local community organizations, and unions and worker organizations, consistent with the requirements set forth in Section IV.C.1.c of the NOFO, a description of the coordination conducted, and a summary of the impact such coordination had on the content of the Final Proposal;
5. Description of the results of the challenge process conducted by the Eligible Entity under Section IV.B.6;
6. Certification that the Eligible Entity will provide service to all unserved and underserved locations, if the Eligible Entity is seeking to use BEAD funding for deployment to CAIs or for other eligible activities;
7. A detailed description of all planned uses of BEAD funding that are not last-mile broadband deployment projects, including the nature of each funded initiative, how those uses are consistent with Section V.K of this NOFO, how the Eligible Entity expects the initiative to address the needs of the Eligible Entity's residents, the ways in which engagement with localities and stakeholders informed the selection of such

- eligible activities, and any efforts the Eligible Entity undertook to determine whether other uses of the funds might have been more effective in achieving the BEAD Program's equity, access, and deployment goals;
8. The means by which subgrantees for non-deployment eligible activities were selected, if the Eligible Entity pursued those initiatives via subgrant, or, alternatively, how the Eligible Entity determined that it should undertake the initiative itself;
 9. A description of efforts undertaken by the Eligible Entity to ensure the participation of non-traditional broadband providers (such as municipalities or political subdivisions, cooperatives, non-profits, Tribal Governments, and utilities), including an explanation for awards to traditional broadband providers when one or more non-traditional providers submitted competing proposals to serve an area consistent with the requirements of Section IV.C.1.a of the NOFO;
 10. Implementation status of plans described in the Initial Proposal related to:
 - a. Steps that the Eligible Entity has taken or intends to take to promote streamlined permitting processes and cost-effective access to poles, conduits, easements, and rights of way, including the imposition of reasonable access requirements;
 - b. Labor and workforce activities, including how the Eligible Entity implemented and applied the labor-related subgrantee selection criterion required herein;
 - c. Utilization of minority businesses, women-owned business enterprises, and labor surplus area firms;
 - d. Low-cost plan requirements; and
 - e. Climate change and resilience;
 11. Information regarding specific commitments made by provisionally selected subgrantees to warrant a project's treatment as a Priority Broadband Project;
 12. Information regarding specific commitments made by provisionally selected subgrantees to warrant benefits in the Eligible Entity's subgrantee selection process (e.g., the primary and secondary criteria);
 13. Environmental documentation associated with any construction and/or ground-disturbing activities and a description of how the Eligible Entity will comply with applicable environmental and national historical preservation requirements.
 14. To the extent an Eligible Entity's Final Proposal includes plans to deploy broadband to Unserved Service Projects or Underserved Service Projects on Tribal Lands, the Eligible Entity must submit a Resolution of Consent from each Tribal Government, from the Tribal Council or other governing body, upon whose Tribal Lands the infrastructure will be deployed.
 15. A description of (1) each unsuccessful application that was affected by laws of the Eligible Entity concerning broadband, utility services, or similar subjects, whether

they predate or postdate enactment of the Infrastructure Act, that the Eligible Entity did not waive for purposes of BEAD Program project selection and that either (a) preclude certain public sector providers from participation in the subgrant competition or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer; and (2) how those laws impacted the decision to deny each such application.

Additional requirements for the Final Proposal may be provided to Eligible Entities when the approval of the Initial Proposal is granted.

11.3 What technical assistance will NTIA provide Eligible Entities to help them prepare their Final Proposals? Will NTIA provide a template for the Final Proposal?

NTIA will provide iterative feedback on draft proposals and will support Eligible Entities throughout the development process to ensure that the Final Proposals meet all requirements and goals of the program. NTIA will provide an online template for submission.

11.4 Are there any formatting instructions for the Final Proposal submission?

The Final Proposal submission should follow the following formatting instructions:

- Paper, email, and facsimile submissions will not be accepted;
- Figures, graphs, images, and pictures should be of a size that is easily readable or viewable and may be presented in landscape orientation;
- Font should be easy to read (11-point minimum). Smaller type may be used in figures and tables but must be clearly legible;
- Applicants may use single or double spacing;
- Margins should be one inch on the top, bottom, left, and right;
- Page layout should be in portrait orientation except for figures, graphs, images, and pictures. Paragraphs should be clearly separated from each other by double spacing, paragraph formatting, or equivalent;
- Pages should be numbered sequentially;
- Pages must be 8 ½ by 11 inches; and
- The document must be typed.

12. Grant Award and Reporting Requirements

12.1 What kind of reporting will be required from Eligible Entities? When are the deadlines for reporting?

Eligible Entities must comply with the reporting requirements included in Section VII.E.1. of the NOFO. This includes the following:

Not later than 90 days after receiving any Program grant funds, for the sole purposes of providing transparency and providing information to inform future federal broadband planning, an Eligible Entity shall submit to the Assistant Secretary an **initial report** that:

1. describes the planned and actual use of funds;
2. describes the planned and actual subgrant process;
3. identifies the establishment of appropriate mechanisms by the Eligible Entity to ensure that all subgrantees of the Eligible Entity comply with the eligible uses prescribed under the BEAD Program; and
4. includes any other information required by the Assistant Secretary.

Not later than one (1) year after receiving grant funds under this Section, and semiannually thereafter until the funds have been expended, an Eligible Entity shall submit to the Assistant Secretary a **semiannual report**, with respect to the 6-month period immediately preceding the report date, that tracks the progress the Eligible Entity is making against its approved plans and:

1. describes how the Eligible Entity expended the grant funds;
2. describes each service provided with the grant funds;
3. describes the number of locations at which broadband service was made available using the grant funds, the number of those locations at which broadband service was utilized, and the comparative demographics of the those served; and
4. certifies that the Eligible Entity complied with the requirements of this Section and with any additional reporting requirements prescribed by the Assistant Secretary.

The semiannual report must also include an SF-425 and a Federal Financial Report, and must meet the requirements described in 2 C.F.R. §§ 200.328 and the [Department of Commerce Financial Assistance Standard Terms and Conditions](#).⁷ The semiannual report shall contain information as prescribed in 2 C.F.R. § 200.329.

Not later than one (1) year after an Eligible Entity has expended all grant funds received under this Section, the Eligible Entity shall submit to the Assistant Secretary a final report that:

1. describes how the Eligible Entity expended the funds;

⁷ Dated November 12, 2020, Section A.01 for Financial Reports.

2. describes each service provided with the grant funds;
3. describes the number of locations at which broadband service was made available using the grant funds, the number of those locations at which broadband service was utilized, and the comparative demographics of those served;
4. includes each report that the Eligible Entity received from a subgrantee under Section 60102(j) of the Act; and
5. certifies that the Eligible Entity complied with the requirements of this Section and with any additional reporting requirements prescribed by the Assistant Secretary.

12.2 What kind of reporting will be required from subgrantees? When are the deadlines for reporting?

Subgrantees must comply with the reporting requirements included in Section VII.E.2. of the NOFO. This includes the following:

The recipient of a subgrant from an Eligible Entity under this Section shall submit to the Eligible Entity a regular reporting, at least semiannually, for the duration of the subgrant to track the effectiveness of the use of funds provided. Each report shall describe each type of project carried out using the subgrant and the duration of the subgrant. Eligible Entities may add additional reporting requirements or increase the frequency of reporting. In the case of a broadband infrastructure project, the report must, at minimum:

1. **include** a list of addresses or locations that constitute the service locations that will be served by the broadband infrastructure to be constructed;
2. include an aggregate percentage of customers taking service at new locations served within each project area;
3. identify whether each address or location is residential, commercial, or a community anchor institution;
4. describe the types of facilities that have been constructed and installed;
5. describe the peak and off-peak actual speeds of the broadband service being offered;
6. describe the maximum advertised speed of the broadband service being offered;
7. describe the non-promotional prices, including any associated fees, charged for different tiers of broadband service being offered;
8. list all interconnection agreements that were requested, and their current status;
9. report the number and amount of contracts and subcontracts awarded by the subgrantee disaggregated by recipients of each such contract or subcontracts that are MBEs or WBEs;
10. include any other data that would be required to comply with the data and mapping collection standards of the Commission under Section 1.7004 of title 47, Code of Federal Regulations, or any successor regulation, for broadband infrastructure projects;
11. include an SF-425, Federal Financial Report and meet the requirements described in the [Department of Commerce Financial Assistance Standard Terms and Conditions](#) (dated November 12, 2020), Section A.01 for Financial Reports;
12. for projects over \$5,000,000 (based on expected total cost), provide certifications regarding the laborers and mechanics employed by contractors or subcontractors working on the project; if such certification is not provided, the subgrantee must

- provide a project employment and local impact report and a project workforce continuity plan; and
13. comply with any other reasonable reporting requirements determined by the Eligible Entity or the Assistant Secretary; and certify that the information in the report is accurate.

12.3 What happens if funds are not allocated to an Eligible Entity?

In this instance, funds that would have otherwise been available to the Eligible Entity may be reallocated to other Eligible Entities. Reallocation will be based on the percentage of unserved locations in each Eligible Entity.

Additional information about the treatment of unallocated funds can be found in Section II.D. of the NOFO.

12.4 What happens if an Eligible Entity does not use the full allocation?

If an Eligible Entity does not use the full allocation by the applicable deadline, the unused amounts may be reallocated by NTIA to other Eligible Entities with approved Final Proposals based on the percentage of unserved locations in each Eligible Entity.

Additional information about the treatment of unused funds can be found in Section II.D. of the NOFO.

12.5 Will NTIA grant period of performance extensions? How will these be granted?

Yes, under certain circumstances. NTIA may grant extensions for both the Eligible Entity and subgrantees under the following circumstances:

Section II.B.1. of the NOFO states that an Eligible Entity may extend the four-year network deployment deadline for subgrantees by not more than one year if:

1. the subgrantee has a specific plan for use of the grant funds, with project completion expected by a specific date not more than one year after the four-year deadline;
2. the construction project is underway; or
3. extenuating circumstances require an extension of time to allow the project to be completed.

Extensions for Eligible Entities for any part of the process may be granted at the sole discretion of the Assistant Secretary when extenuating circumstances demonstrate that additional time will support the overall goals of the BEAD Program.

Section II.B.2. of the NOFO states that each Eligible Entity must develop a process by which subgrantees may request extensions and provide documentation about the qualifying circumstances that warrant the extension.

If an Eligible Entity is seeking an extension for any part of the process with respect to which the Act does not authorize the Eligible Entity itself to grant such extension, it shall make a request in writing to NTIA and explain the need for such an extension. Such requests will then be

evaluated by the Assistant Secretary based on the text of the Infrastructure Act and the goals of the BEAD Program.

12.6 Are providers eligible for progress-based reimbursements, or must projects be completed before providers are reimbursed?*

Yes, Eligible Entities can reimburse subgrantees while projects are in progress. NTIA recommends that Eligible Entities distribute “funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow the Eligible Entity to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize)” (NOFO Section IV.C.1.b). Eligible entities can provide reimbursement throughout the course of a project as expenses are incurred by subgrantees.

12.7 What are tips for mitigating waste, fraud, and abuse?*

NTIA recommends the following tips for mitigating waste, fraud, and abuse:

- Develop and implement fair, transparent, and effective processes, including a system of accounting, procurement policies, internal controls, and records retention
- Examine existing processes and internal controls to identify areas vulnerable to fraud
- Host regular trainings to educate staff on risks
- Implement an internal compliance and ethics program that encourages the recognition and reporting of waste, fraud, abuse, and mismanagement
- Check that all financial and performance reports are supported with the required documentation
- Conduct monthly bank reconciliations to identify errors or irregularities

Allegations of waste, fraud, abuse, and mismanagement may be made anonymously through the OIG Hotline at 1-800-424-5197.

13. Cross-Program

13.1 Where can I get more information about each application process?*

BEAD:

- Information on the application process for BEAD can be found on the Internet For All website at <https://grants.ntia.gov/grantsPortal/s/funding-program/a0g3d00000018ObAAI/broadband-equity-access-and-deployment-bead-program>

Digital Equity:

- Information on the application process for DE can be found on the Internet For All website at <https://grants.ntia.gov/grantsPortal/s/funding-program/a0g3d00000018OIAAI/state-digital-equity-planning-grant-program>

13.2 How can I sign up to receive e-mails about BIL Grant Programs?*

Subscribe to e-mail communications about Internet for All programs, webinars, and announcements at <https://ntiagrants.force.com/broadbandusanewsletter/s/>.

News and media updates on the BIL grant programs can be found on the Internet for All site at <https://www.internetforall.gov/news-and-media>.

13.3 Where can I get more information about the application process?*

BEAD:

- Information on the application process for BEAD can be found on the Internet For All website at <https://grants.ntia.gov/grantsPortal/s/funding-program/a0g3d00000018ObAAI/broadband-equity-access-and-deployment-bead-program>

Digital Equity:

- Information on the application process for DE can be found on the Internet For All website at <https://grants.ntia.gov/grantsPortal/s/funding-program/a0g3d00000018OIAAI/state-digital-equity-planning-grant-program>

13.4 How can I find out if my state has submitted a Letter of Intent for BEAD or application for DE? How do I find who is administering the programs in my state?*

BEAD:

- Visit <https://www.internetforall.gov/has-your-state-signed-on> to see which states have submitted a Letter of Intent or go to www.internetforall.gov/ for the latest news and media updates.
- To find a state or territory point of contact for the BEAD program, send an e-mail request to BEAD@NTIA.gov.

Digital Equity:



- States had until July 12, 2022 to submit an application for the State Digital Equity Planning Grant Program. All states have submitted an application for the Digital Equity Planning Grant Program.
- U.S. territories and possessions (other than Puerto Rico) and Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, had until July 12, 2022 to submit a Letter of Intent. A list of entities that have submitted a Letter of Intent is currently being compiled by NTIA and will be published upon completion.
- NTIA is in the process of collecting a list of state Administering Entities for the Digital Equity Planning Grant Program. NTIA will publish the list once all the information is gathered.
- Use the following link <https://broadbandusa.ntia.doc.gov/resources/states> to locate a state level contact person for the State Broadband Programs.

13.5 How will Eligible Entities incorporate State Digital Equity Plans into BEAD 5-Year Action Plans given that BEAD Program 5-Year Action Plans will be due before the State Digital Equity Plans are due?*

Each state and territory should ensure that those tasked with developing the State Digital Equity Plan, the Five-Year Action Plan, and the Initial and Final Proposals for the BEAD Program are working closely to meet the programs' shared objectives. As part of that coordination, States and territories should consider overlap in personnel between State Digital Equity planning teams and BEAD Program planning teams. At a minimum, States and territories should establish formal and direct communications and collaboration pathways between the teams that remain in place throughout the entire planning process. This will be particularly important to reduce the burden and confusion on community stakeholders when fulfilling the local coordination, outreach, and stakeholder engagement requirements of both programs (NOFO Section I.B.2).

Appendix: *New Questions & Answers as of Version 2.0

Are public health institutions considered an Eligible Entity as a subgrant recipient?

Eligible Entities may not exclude cooperatives, nonprofit organizations, public-private partnerships, private companies, public or private utilities, public utility districts, or local governments (“potential providers”) from eligibility for grant funds (NOFO Section IV.C.1.a). To the extent that a “public health institution” falls into one of those categories, it is eligible to be a subgrant recipient.

Will BEAD cover both capital expenditures (CapEx) and operating expenditures (OpEx)?*

The BEAD Program does not restrict eligible uses of funds to capital expenses. However, the cost principals applied must be in accordance with 2 C.F.R. Part 200, Subpart E for States and non-profit organizations and in 48 C.F.R. Part 31 for commercial organizations.

Refer to section IV.B.2 of the NOFO for a listing of eligible uses of Initial Planning Funds, Section IV.B.5.b. for how funds can be allocated for the Initial Proposal, and sections IV.B.7.a.ii and IV.B.7.a.iii for eligible use of funds for last-mile broadband Deployment and non-Deployment activities.

An Eligible Entity may not use more than two percent of the grant amounts received under the BEAD Program for expenses relating (directly or indirectly) to administration of the grant under Section 60102(d)(2)(B) of the Infrastructure Act.

In addition, requests for approval of uses of funds not listed should be made in writing to the Assistant Secretary and submitted through the appropriate Federal Program Officer (FPO). Eligible Entities should make such requests on a timely basis to facilitate resolution prior to the point at which the Eligible Entity seeks to make the expenditure or expenditures at issue.

How long do Eligible Entities have to spend Initial Planning Funds?

The period of performance for the planning grants will be 5 years from the date of award. Eligible Entities can spend initial planning funds over the 5-year period.

Is an area that has no fiber but is served by fixed wireless at speeds of 100/20 considered served or unserved?

Under the BEAD Program, any location with speeds of 100/20 by technology that meets the definition of Reliable Broadband Service is considered served. Reliable Broadband Service is broadband service that the FCC Broadband DATA Maps show is accessible to a location via: (i) fiber-optic technology; (ii) Cable Modem/ Hybrid fiber-coaxial technology; (iii) digital subscriber line (DSL) technology; or (iv) terrestrial fixed wireless technology utilizing entirely licensed spectrum or using a hybrid of licensed and unlicensed spectrum (NOFO Section I.C.u).

Eligible Entities will establish an Extremely High Cost Per Location Threshold above which an Eligible Entity may decline to select a proposal if use of an alternative technology meeting the BEAD Program’s technical requirements would be less expensive. Eligible Entities must establish its Extremely High Cost Per Location Threshold in a manner that maximizes use of the

best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.7.b of the BEAD NOFO. NTIA expects Eligible Entities to set the Extremely High Cost Per Location Threshold as high as possible to help ensure that end-to-end fiber projects are deployed wherever feasible.

Are Eligible Entities or subgrantees subject to any union requirements?

Quality, high paying jobs, a skilled workforce, and safe workplaces are critically important to the overall goals of the BEAD Program. However, a union workforce is not required. If a subgrantee does not utilize union labor or pay at or above the prevailing wage, the wages paid to staff must be reported (NOFO Section VII.E.2).

Are subgrantees required to retain ownership of assets that they build, or can ownership be transferred in exchange for arrangements like right of way?

The costs related to the assets are only allowed to be charged to the grant if they are necessary and reasonable for the performance of the BEAD award. As these assets would not be used in the performance of the BEAD award, they are not necessary and reasonable for the purpose of this grant and are thus not allowed (*see* 2 CFR 200.403(a)). The costs related to a plan to build grant-funded assets for eventual exchange, for example exchanging asset ownership for right of way, are not allowable. If a subgrantee sought to obtain a right of way using NTIA grant funds, and the costs related to obtaining that right of way were determined to be necessary and reasonable for the purpose of the grant, those costs would be an allowable use of NTIA grant funds.

In the event that original or replacement grant-funded equipment is no longer needed for the original project or program, the Eligible Entity and subrecipients must dispose of property in accordance with 2 CFR 200.313.

Are Tribal Entities eligible to apply for BEAD Program funding?

Tribal Entities are not Eligible Entities under the BEAD Program. However, Tribal entities can apply to be a subgrantee through the Eligible Entity's (the state's or territory's) Grants Office. Additionally, states are required to have formal Tribal consultations with Tribal Entities as part of their BEAD planning. Contact information for state broadband offices can be found at broadbandusa.ntia.doc.gov/resources/states,

How do Tribal Entities pursue a subgrant?

Tribal Entities can apply to be a subgrantee through their respective Eligible Entity's (their state's or territory's) Grant Office. Tribal Entities are encouraged to engage with Eligible Entities, beginning with the planning process and extending through the implementation of the program.

If a provider has a demonstrated relationship with a subcontractor, is it permissible to pursue a subcontract without obtaining three (3) competitive quotes?

Eligible Entities should keep in mind that there is a distinction between a subcontract and a subgrantee/subrecipient. A subgrantee or subrecipient is an entity that receives grant funds from an Eligible Entity (state, territory or the District of Columbia) to carry out eligible activities. A contractor is an entity that receives a contract for the purpose of obtaining goods

and services for a non-Federal entity's own use (See 2 CFR § 200.331 for additional information on subrecipient and contractor determinations).

When Eligible Entities are entering into a subcontracting relationship, they must follow their own local procurement policies and procedures, including any competitive procurement process. When Eligible Entities (states, territories, or the District of Columbia) enter into a subgrant or subrecipient relationship to build broadband infrastructure, Eligible Entities must establish a fair, open, and competitive process for selecting subgrantees (NOFO Section IV.B.7).

Eligible Entities that receive grants from the BEAD Program must satisfy the standards established by the relevant NOFO, the Department's Standard Terms and Conditions for federal financial assistance awards, and 2 CFR Part 200. Under 2 CFR § 200.317, all subrecipients must follow the procurement standards set forth in 2 CFR §§ 200.318 – 200.327.

Will subgrantees be allowed to deploy other offerings over a Funded Network?

Yes, subgrantees may use BEAD-funded facilities to provide other offerings, such as telephone and video, over a Funded Network. It is important to note that income generated by a project over the period of performance is subject to project income regulations outlined in 2 CFR § 200.307.

Is it permissible for broadband providers to use BEAD funding to serve unserved locations within a different provider's service area?

Yes, if those areas are unserved or underserved locations.

Who holds the title to BEAD funded assets at the end of the period of performance?

Eligible Entities or subgrantees (when funding through a subgrant) will hold the title to BEAD funded assets. All assets, however, are subject to federal interest per 2 CFR § 200 Subpart D, the DOC Standard Terms and Conditions, and Specific Award Conditions.

How will NTIA monitor whether states are indeed engaging with key stakeholders as required?

For BEAD, each Eligible Entity must ensure that a diverse set of stakeholders is involved in development of its Five-Year Action Plan, Initial Proposal, and Final Proposal. The Final Proposal requires the Eligible Entity to provide a certification that it has conducted coordination, including with Tribal Governments, local community organizations, and unions and worker organizations, consistent with the requirements set forth in the BEAD NOFO and include a description of the coordination conducted, and a summary of the impact such coordination had on the content of the Final Proposal (NOFO Section IV.C.1.c). For Digital Equity, Eligible Entities must include stakeholder engagement in Digital Equity plan, implementation strategy, and their coordination and outreach strategy. States and Territories must establish coordinate and collaborate with ongoing engagement representatives of each category of covered populations within the State and with the full range of stakeholders within the State (NOFO Section IV.C.4.b.i).

When conducting local coordination and outreach activities, Eligible Entities must establish, document, and adhere to clear procedures to ensure transparency. This includes publicly posting the proposals prior to submission to NTIA as well as plans or comments submitted by

local political subdivisions or Tribal Governments and explanations of how local recommendations were addressed. Examples of ways to promote and document transparency include but are not limited to publicly available information and easily navigable websites with up-to-date information, periodic reporting/reports to local and community stakeholders, and involvement of diverse stakeholders in the planning, implementation and execution of coordination and outreach efforts and activities, and in-person meetings and mailings.

NTIA will also have FPO in place as state NTIA liaisons to provide support and technical assistance, and to ensure that the Final Proposal fully meets the requirements of the Infrastructure Act and the goals of the program.

Can planning funds be expended for consulting services to support stakeholder outreach and plan development?

Yes, Planning Funds may be used for planning and pre-deployment activities to include training for employees of the broadband program or office of the Eligible Entity or employees of political subdivisions of the Eligible Entity, and related staffing capacity or consulting or contracted support to effectuate the goals of the BEAD Program (NOFO Section IV.B.2).

This section of the NOFO also states that funds can be used for other uses approved in advance in writing by the Assistant Secretary (including in response to an Eligible Entity's request) that support the goals of the Program.

What are the differences between the local coordination requirements for BEAD and the Digital Equity Act? Should an eligible entity organize one local coordination effort that meets the requirements of both programs?

Yes. In fact, NTIA strongly encourages Eligible Entities to conduct BEAD and Digital Equity Program local coordination efforts in tandem as one cohesive effort, especially because BEAD and the State Digital Equity Planning Grant Program are very closely aligned. Specifically, NTIA expects that the Five-Year Action Plans and Initial Proposals developed for the BEAD Program will fully incorporate the Digital Equity Plans developed for the State Digital Equity Planning Grant Program.

See Section I.B. of the State Digital Equity Planning Grant Program NOFO and Section IV.C.1.c. of the BEAD NOFO for more information.

<p>BEAD Local Coordination Requirements</p>	<p>Local coordination efforts include the following as further explained in Section IV.C.1.c. of the BEAD NOFO:</p> <ol style="list-style-type: none"> 6. Full geographic coverage of the Eligible Entity 7. Meaningful engagement and outreach to diverse stakeholder groups and community organizations 8. Utilization of multiple awareness and participation mechanisms and different methods to convey information and outreach 9. Transparency of processes to include the documentation and publication of results and outcomes of coordination and outreach efforts, including related additions or changes to the Initial Proposal and/or Final Proposal (e.g., documentation of responses to comments received from local stakeholders) 10. Outreach to and direct engagement of unserved and underserved communities to include historically underrepresented and marginalized groups and/or communities.
<p>DE Local Coordination Requirements</p>	<p>Local coordination efforts included as further explained in Section IV.C1.b.ii.8. of the DE NOFO:</p> <ol style="list-style-type: none"> 5. Implementation strategy for engaging or partnering with Workforce agencies such as state workforce agencies and state/local workforce; boards and workforce organizations; labor organizations and community-based organizations; and Institutions of higher learning, including but not limited to four-year colleges and universities, community colleges, education and training providers, and educational service agencies 6. Incorporation of municipal, regional, and/or Tribal digital equity plans 7. A coordination and outreach strategy, including opportunities for public comment by, collaboration with, and ongoing engagement with representatives of each category of covered populations within the State and with the full range of stakeholders within the State 8. Collaboration with entities that serve covered populations or, through their ties to the community, are able to provide valuable insight into how best to advance digital equity, broadband adoption, device access, and digital literacy among all populations in the State.

What is the FCC Challenge Process?

The FCC is in the process of establishing a granular location-by-location map of broadband availability nationwide under the Broadband DATA Act. The FCC’s challenge processes will permit types of challenges:

3. Challenges to the “Fabric,” which is a common dataset of all locations (or structures) in the U.S. where fixed broadband internet access service can be installed, and

4. Challenges to the “coverage map,” which is the layer on the FCC map that will show what services providers report as offered at each location on the Fabric in the Broadband Data Collection (BDC).

The FCC has provided information regarding the Fabric and the BDC for providers at <https://help.bdc.fcc.gov/hc/en-us>. NTIA is coordinating with the FCC and will provide additional information when it is available.

What is the expected timeline for the FCC challenge processes?

The FCC has not yet made public the anticipated timeline and all aspects of its challenge processes.

After the inaugural BDC filing window closes on September 1st, the FCC will review data and published the fixed and mobile availability data maps in the Fall of 2022. A bulk Fabric challenge process will open on September 12, 2022, for providers and State, local, and Tribal governments.

Upon the release of maps in the Fall, challenges to the availability data and individual consumer challenges to Fabric location data will be accepted. Windows of time for submitting challenges will be made available on a rolling, on-going basis to allow for the maps to be continuously updated and improved.

What is the difference between the FCC BDC challenge processes and the NTIA BEAD Program Eligible Entity challenge process?

The FCC challenge process will give service providers, State/Territory/Tribal/local governments, and other entities opportunities to challenge the accuracy of the data collected in the BDC. A challenge will contest whether provider-reported services and speeds are in fact offered at a given location, and a speed test that demonstrates a difference between offered and actual speed will be accepted as crowdsourced data that the FCC may use to verify the accuracy of provider data. The BDC will be an ongoing, iterative process to continually improve and refine broadband availability data. Broadband coverage maps (Broadband DATA Maps) prepared by the FCC will be used to determine the allocation of BEAD funding based on the number of unserved locations in every state and territory.

Separately, the BEAD Program requires Eligible Entities to conduct a challenge process under which a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by the Eligible Entity in their BEAD Initial Proposal as to whether a particular location is unserved or underserved and thereby eligible for grant funds. When designing the challenge process, an Eligible Entity may decide to accept a broader range of information that may bear on broadband service in an area than is considered in an FCC BDC challenge. The BEAD Eligible Entity challenge process will be conducted after the submission of the Initial Proposal but before the distribution of funding for broadband deployment (see BEAD NOFO section IV.B.6).

In short, the FCC BDC challenge processes will provide an opportunity for the broadband availability data displayed on the FCC’s broadband DATA map to be challenged, which will eventually inform funding allocation to Eligible Entities (states, territories and the District of Columbia) under the BEAD Program. The NTIA BEAD Program challenge process will be designed and set forth by each Eligible Entity (states, territories and the District of Columbia)

and will allow for further refinement of service determinations as states prepare to select subgrants and fund specific locations.

What speeds will be reflected in the Broadband DATA Maps? How does that relate to the BEAD Program?

The Broadband DATA Maps will reflect advertised speeds offered to a given location. NTIA will use the Broadband DATA Maps to identify the number of unserved and underserved locations in an area and thereby determine funding allocations under the BEAD Program. Speed standards are outlined in the legislation and in the BEAD NOFO section I.C. – for unserved communities, this includes speeds less than 25/3, and for underserved communities, this includes speeds less than 100/20.

Which version of FCC maps will NTIA leverage for formula funding calculations?

Section 60102(c)(1)(A) states that the Assistant Secretary shall allocate BEAD Program funds to the Eligible Entities “[o]n or after the date on which the Broadband DATA Maps are made public.” The Assistant Secretary will decide when to calculate that allocation while balancing the need for accuracy with the desire to distribute funding as soon as possible.

The Assistant Secretary has stated that NTIA intends to calculate the allocation during the first half of 2023.

What is the Eligible Entity challenge process for the BEAD Program?

By statute, the FCC’s Broadband DATA Act maps are the beginning, but not the end, of the process for identifying the universe of unserved and underserved locations that each Eligible Entity will put out for bid during their subgrantee selection process. Section 60102(h)(2) requires Eligible Entities to “ensure a transparent, evidence-based, and expeditious challenge process under which a unit of local government, nonprofit organization, or other broadband service provider can challenge a determination made by the Eligible Entity in the initial proposal as to whether a particular location or community anchor institution within the jurisdiction of the Eligible Entity is eligible for the grant funds, including whether a particular location is unserved or underserved.” The BEAD NOFO section IV.B.6 directs Eligible Entities to “update the data provided in their Initial Proposal to reflect the most recently published version of the Broadband DATA Maps available as of the initiation of the challenge process.”

Eligible Entities are required to include a detailed plan for their challenge process as part of their Initial Proposal, which should include descriptions of the types of evidence that the Eligible Entity may consider as part of that challenge process. NTIA will review each of these proposals, and the Assistant Secretary may modify the challenge process proposed by the Eligible Entity as necessary and shall inform the Eligible Entity of any modifications required.

Upon conclusion of the challenge process, each Eligible Entity must notify NTIA of any modifications to the Initial Proposal that are necessitated by successful challenges to its initial determinations. Pursuant to the discretionary authority granted to the Assistant Secretary, NTIA may reverse the determination of an Eligible Entity with respect to the eligibility of a particular location or community anchor institution.

NTIA has and will continue to work closely with each Eligible Entity on ensuring that the challenge process required under Section 60102(h)(2) is transparent, evidence-based, and expeditious.

Will the FCC provide technical assistance and resources related to the BDC challenge process?

Technical assistance resources for the FCC's Fabric Challenge Process and Broadband Availability Data Collection are available at the [Broadband Data Collection Help Center](https://www.fcc.gov/broadbanddata/help) ([fcc.gov/broadbanddata/help](https://www.fcc.gov/broadbanddata/help)). This includes resources related to:

- [How to Prepare Availability Data for the BDC](#)
- [How to Prepare Subscription Data for the BDC](#)
- [What the Broadband Serviceable Location Fabric is and How to Access It](#)
- [How to use the BDC System](#)
- [BDC System Video Tutorials](#)

In addition to resources on the BDC Help site, the BDC system is built with robust error checking guidance and warning signals within the tool that will guide users throughout the process and intend to prevent the submission of any issue-ridden data. Those submitting data through the BDC system should also refer to the [BDC System User Guide](#) for additional information and guidance.

Where can I find additional information about the BDC and challenge processes?

The FCC has published FAQs related to the [Broadband Data Collection](#) and the [Broadband Serviceable Location Fabric](#).

Can Eligible Entities use BEAD funding to hire data validators?

Yes, hiring data validators qualifies as an eligible expense under BEAD subject to the general rules regarding uses of grant funding under 2 CFR § 200. (See BEAD NOFO Section V.H.1).

Can the Administering Entity for the State Digital Equity Planning Grant Program be the administering agent for the BEAD Program?

Yes, being the Administering Entity designated in the State Digital Equity Planning Grant Program does not preclude participation as the administering agent in the BEAD program.

How long do Eligible Entities have to spend planning funds?

The period of performance for the planning grants will be 5 years. Eligible entities can spend funds over the 5-year period. Within the 5 years, the following must be submitted per the time windows established in the NOFO: Five-Year Action Plans (due within 270 days of receipt of Initial Planning Funds), Initial Proposals (due within 180 days of receipt of a Notice of Available Amounts), and Final Proposals (due no later than 12 months after Assistant Secretary approval of the Initial Proposal). Once implementation funds are made available to states and territories, Eligible Entities may utilize those funds towards completing these activities.

Is the 25% non-federal match required for BEAD Planning funds?

A non-federal match is not required for Initial Planning Funds.

What is the 2% statutory cap for the BEAD program?

The BEAD program has a **cap of 2% of project funds only for costs related to the administration of the Eligible Entity's grant**. Programmatic costs and administrative costs that are not for the administration of the Eligible Entity's grants do not count towards this 2% cap. The 2% statutory cap includes any subcontracts or subawards made to assist in the administration of the Eligible Entities grant. The 2% statutory cap on costs related to the administration of the Eligible Entity's grant administrative costs does not apply to funds allocated during the Initial Planning Funds phase of the BEAD Program (see BEAD NOFO section IV.B.2). Otherwise, the 2% statutory cap applies to all other BEAD Program funding.

What is the difference between a programmatic cost and an administrative cost?

Administrative costs are those expenses incurred by the grant recipients or subrecipients in support of the **day-to-day operations**. These overhead costs are the expenses that are not directly tied to a specific programmatic purpose or activity.

Programmatic costs are costs that are directly tied to the **delivery of a particular project, service or activity** undertaken by a Grantee to achieve an outcome intended by the funding program.

Guidelines regarding both costs are below:

Administrative Cost Guidelines:



Not Direct Provision

These expenses are **not related to the direct provision of program activities**.



General Operating Expenses

The costs are usually for **general operating expenses** incurred by the organization.



Different Forms

Administrative cost can be for **Personnel, Non-Personnel, Direct or Indirect**.



Distinguish Costs

Budgets and financial reporting need to distinguish separately the **cost between administrative and programmatic costs**.

Programmatic Cost Guidelines:



Program Activities

These expenses are **directly related to the provisions of program activities**.



Approvals

All program type costs would be **approved during the budget certification process**.



Allocation of Time

All **allocation of time would need to be kept through time reports** to show how much time was worked on each program and/or administrative duty.



Acceptable Program Costs

Acceptable program costs are **determined by the grant program**.



Multiple Cost Types

Personnel and related non-personnel who perform a portion of both administrative and programmatic services should have their **time allocated between the two different cost types**.



Time Reports

Time reports need to be accurate and saved for review by monitoring staff or audit staff.

Examples of Administrative costs include, but are not limited to:

- Salaries for grant administrative personnel
- Office supplies
- General liability insurance
- General legal services

- Rent and utilities
- Indirect salaries
- Accounting fees

Examples of programmatic costs include, but are not limited to:

- Broadband deployment, including construction and acquisition of infrastructure, engineering, permitting, etc.
- Digital equity and adoption, such as providing low-cost devices and digital navigators
- Implementation of the Subgranting Process
- Mapping and data collection
- Updating the 5-Year Plan
- Installing Wi-Fi in multitenant buildings

Do all administrative costs count towards the 2% admin cap?

No – Only those costs that are related to the administration of the Eligible Entity’s grant count towards the 2% cap. Additionally, the 2% statutory cap does not apply to funds allocated during the Initial Planning Funds phase of the BEAD Program (see BEAD NOFO section IV.B.2).

In making a determination of whether an expense falls within the 2% caps, consider the following:

- **The 2% cap may include expenses** that are both indirect and direct administrative costs so long as those expenses are related to the administration of the Eligible Entity’s grant.
- **Indirect costs** that are related to the administration of the Eligible Entity’s grant count toward the 2% ceiling. By their nature, indirect costs are those recipient costs that are not directly associated with the recipient’s execution of its grant-funded project, but that are necessary to the operation of the organization and the performance of its programs. A grantee should describe the types of indirect costs that it will charge to the grant. A grantee can never double-charge a cost as both a direct and an indirect administrative cost. The budget provided by the Eligible Entity must explain how they will account for direct and indirect personnel costs charged to the grant with the 2% administrative cost ceiling.
- **Examples of personnel expenses** relating to administration of the grant may include costs attributable to: accounting, auditing, contracting, budgeting, and general legal services.
- **Examples of expenses** include costs attributable to: accounting, auditing, contracting, budgeting, and general legal services; facility occupancy costs, e.g., rent, utilities, insurance, taxes, and maintenance; general liability insurance that protects the organization (not directly related to a program); depreciation on buildings and equipment; general office supplies; general and administrative salaries and wages; subgrants administration like staffing and/or contract support; and training for staff in relation to subgranting (e.g., federal grants compliance training)
- **Additional items that are NOT included in the 2% administrative expenses cap** include:
 - Eligible uses of funding listed in the NOFO for the Initial Planning funds

- Updated data collection and mapping (both for access and adoption) – Because these are not stagnant measures, the maps must be regularly updated to remain accurate. This is expressly allowed in the NOFO under authority in f(4).
- Apprenticeship programs for network technicians to ensure adequate workforce for deployment projects. This is expressly allowed in the NOFO under authority in f(6).
- Updating the 5-Year Action Plan. This is expressly allowed in the NOFO under authority in f(4).

Does the 2% statutory cap on costs related to grant administration apply to all BEAD funds?

No, the 2% statutory cap on costs only applies to the administration of an Eligible Entity's grant (see BEAD NOFO section IV.B.4). The 2% statutory cap does not apply to funds allocated during the Initial Planning Funds phase of the BEAD Program (see BEAD NOFO section IV.B.2).

Are the costs associated with the challenge process considered administrative?

No – The state challenge process is a key component of the overall program and therefore not a cost related to the administration of the Eligible Entity's grant.

Are the costs associated with subgrantee subject to the 2% cap?

No – Costs related to the subgrantee selection process are not subject to the 2% cap. Subgrantee selection process is a key programmatic component and therefore not an expense related to the administration of an Eligible Entity's grant. Costs associated with the actual subgranting process (contracting, monitoring, disbursement of funds, etc.) are administrative costs but are not expenses related to the administration of the Eligible Entity's grant.

How should applicants track their 2% administrative costs?

Recipients are required to maintain financial management systems that include records documenting compliance with Federal statutes, regulations and terms and conditions of Federal award, that is sufficient to permit the preparation of reports; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

As such, recipients will be required to track and report the costs associated with this requirement. For example, if any position funded by grant funds will incur direct administrative charges, you must note which position will be doing these activities, what the activities are, and how much time will be spent on these activities.

Additional information about how to report these costs and the frequency of the reporting will be provided at a future date and incorporated into the specific award conditions for the award during the initial-phase of the award (not in the planning phase).

Below are some strategies that NTIA recommends to help applicants track costs related to the administration of the grant:

- Identify the 2% cap amount first to understand your budget for costs related to the administration of the Eligible Entity's grant;
- Track when direct administrative costs are incurred and retain documentation;
- Identify key personnel associated with administering the program. Record their salaries and fringe benefits;
- Report operating expenses of facilities required to administer the program;
- Check spent administrative costs against the 2% cap estimate on a monthly basis;
- Contact FPO if you have any questions about costs that may qualify as administrative costs;
- Create an internal fund code specific to administrative charges within your BEAD funding codes in your financial system and a more specific, separate code of administrative charges related to the administration of the Eligible Entity's grant, and;
 - This way, employees can charge their admin time directly to the administrative charge code and make it easier for you to track personnel administrative charges.
- Ensure your organization has a time and attendance policy that addresses tracking of administrative charges.

Are subgrantees subject to the 2% administrative cap? How does this affect the administrative cap for Eligible Entities?

Yes- subgrantees are subject to the 2% administrative cap, however the administrative cap only applies to administrative expenses related to administration of the Eligible Entity's grant. The administration cap requirement in section 60102(d)(2)(B) applies to the Eligible Entities and all subcontractors and subgrantees. Under 2 CFR 200.101 and DOC ST&Cs F.03, the terms and conditions of Federal awards generally flow down to subcontracts and subawards. So, this requirement will flow down to subrecipients.

Regarding the scope of this requirement, Section 60102(d)(2)(B) states that "An eligible entity may use not more than 2 percent of the grant amounts made available to the eligible entity under subsection (e) for expenses relating (directly or indirectly) to administration of the grant" (emphasis added).

The cap applies only to the expenses relating to the administration of the Eligible Entity's BEAD grant. If an Eligible Entity enters a subcontract or subaward for a subcontractor or subgrantee to undertake administrative activities related to the administration of the Eligible Entity's BEAD grant, those expenses would be included within the 2% cap. However, the cap does not apply to a *subgrantee's* administrative expenses to administer its subaward.

While the statutory requirement will apply to all grants and subgrants, the scope of the statutory requirement (and the 2% cap) is somewhat narrow. The majority of subgrants for broadband deployment will not be associated with the administrative expenses related to the administration of the Eligible Entity's grant, and therefore will not fall within the 2% administrative cap.

What is a Direct Administrative Cost and what is an Indirect Administrative Cost?

Direct Administrative Costs are costs associated with specific work for the effective administration of the grant, and they must be specific to the program. Examples include salaries

and fringe benefits for grant administration personnel, office supplies, postage, program coordination and project execution, and equipment required to administer the program.

Indirect Administrative Costs are costs incurred by the organization during the execution of the project, but not clearly identifiable to the project. Examples include depreciation of facilities, facility occupancy costs, general liability insurance, general legal services, taxes, rent and utilities, indirect salaries, and accounting fees.

If you would like additional context on this question, please refer to Q-111 in the 2 CFR Frequently Asked Question & Answers. The document can be accessed [here](https://www.cfo.gov/assets/files/2CFR-FrequentlyAskedQuestions_2021050321.pdf):
https://www.cfo.gov/assets/files/2CFR-FrequentlyAskedQuestions_2021050321.pdf.

Do Wi-Fi access points installed outside of, not within, an eligible multi-family dwelling unit qualify under the BEAD Program?

Internet or Wi-Fi infrastructure that provides qualifying broadband services within an eligible multi-family residential building is an eligible use of funding, subject to the priority framework for uses of BEAD funding, regardless of where the access point is located.

Is the 25% non-federal match required for BEAD Planning Funds?

A non-federal match is not required for Initial Planning Funds or non-deployment uses of BEAD fundings.

As described in the NOFO, except in certain specific circumstances in the context of subgrants used to fund broadband network infrastructure deployment (i.e., projects in “high-cost areas” and other cases in which NTIA has waived the matching requirement), each Eligible Entity shall provide, require its subgrantee to provide, or provide in concert with its subgrantee, matching funds of not less than 25 percent of project costs. A matching contribution may be provided by the subgrantee, an Eligible Entity, a unit of local government, a utility company, a cooperative, a nonprofit or philanthropic organization, a for-profit company, regional planning or governmental organization, a federal regional commission or authority, or any combination thereof. While the match may be provided by multiple sources, Eligible Entities are encouraged to the maximum extent possible to require a match from the subgrantee before utilizing other sources of matching funds. Eligible Entities are also required to incentivize matches of greater than 25 percent from subgrantees wherever feasible (especially where expected operational costs and revenues are likely to justify greater investment by the subgrantee) to reduce the federal share of projects and extend the reach of BEAD Program funding (NOFO Section III.B.1).

Can state highway right of ways (ROWs) be used as match for the BEAD Program?

Yes, state highway ROWs can be used as a match subject to the requirements around in-kind contributions. In-kind contributions are non-cash donations of property, goods or services, such as waiver of fees associated with access to rights of way, pole attachments, conduits, easements, or access to other types of infrastructure (NOFO Section III.B.4).

Is it allowable for a grantee to contribute municipal revenue bond proceeds as matching funds for a BEAD?

The Infrastructure Act and BEAD NOFO include a matching requirement of not less than 25 percent of project costs, subject to certain waivers (Act Section 60102(h)(3)(A), and NOFO

Section III.B.1). A non-Federal entity may contribute municipal revenue bond proceeds to meet its BEAD matching funds requirement, so long as the contributions meet the criteria laid out in 2 CFR § 200.306(b) and such use is consistent with the terms of the bond. Such a bond would be considered governmental revenue, and not program income, under 2 CFR § 200.307(c).

If a BEAD grantee contributes municipal revenue bond proceeds as matching funds, can the grantee then use program income to repay a revenue bond?

Under the Financial Assistance Standard Terms and Conditions (ST&Cs), unless otherwise indicated in a specific award term, program income may be used for any required cost sharing consistent with 2 CFR § 200.307 (see ST&Cs Section B.05). Any match contributions must meet the criteria of allowable costs (2 CFR § 200.306(b)(4)). Allowable costs for the BEAD Program are determined in accordance with the cost principles identified in 2 CFR Part 200, including Subpart E of such regulations, for States and non-profit organizations, and in 48 CFR Part 31 for commercial organizations (NOFO Section V.H). A recipient may request that the Grants Officer and NTIA consider the repayment of the principal of the bond as an allowable cost. However, the repayment of the interest portion of the municipal revenue bond would not be allowable for the proposed project purpose. The Grants Officer would have to approve any such a proposal to use program income to repay revenue bonds and may require special award conditions.

Can subgrantees submit audited financial statements at the parent-company level?

Yes, audited financial statements of a publicly traded parent company are sufficient to meet the BEAD Program requirements.

What are the requirements to demonstrate compliance with fair labor practices?

To evaluate a prospective subgrantee's record of and plans to be in compliance with fair labor practices, Eligible Entities must:

3. Obtain and evaluate information on the prospective subgrantee's record of compliance with federal labor and employment laws, as well as the records of any other entities that will participate in the project, including contractors and subcontractors, and
4. Require the submission of, and evaluate, the prospective subgrantee's plans for ensuring compliance with federal labor and employment laws (NOFO Section IV.C.1.e).

Information on (1) the prospective subgrantee's record of compliance must include:

- Information on the entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years

Information on (1) the prospective subgrantee's record of compliance may include:

- Data on prospective subgrantee's historical use of contracting and subcontracting arrangements, including staffing plans
- Examples of the contractor and subcontractor's past performance in the context of a similar project

Information on (2) the prospective subgrantee's plan for ensuring compliance with fair labor practices may include:

- How the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors

- Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network
- How the subgrantee will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects

Are providers eligible for progress-based reimbursements, or must projects be completed before providers are reimbursed?

Yes, Eligible Entities can reimburse subgrantees while projects are in progress. NTIA recommends that Eligible Entities distribute “funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow the Eligible Entity to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize)” (NOFO Section IV.C.1.b). Eligible entities can provide reimbursement throughout the course of a project as expenses are incurred by subgrantees.

What are tips for mitigating waste, fraud, and abuse?

NTIA recommends the following tips for mitigating waste, fraud, and abuse:

- Develop and implement fair, transparent, and effective processes, including a system of accounting, procurement policies, internal controls, and records retention
- Examine existing processes and internal controls to identify areas vulnerable to fraud
- Host regular trainings to educate staff on risks
- Implement an internal compliance and ethics program that encourages the recognition and reporting of waste, fraud, abuse, and mismanagement
- Check that all financial and performance reports are supported with the required documentation
- Conduct monthly bank reconciliations to identify errors or irregularities

Allegations of waste, fraud, abuse, and mismanagement may be made anonymously through the OIG Hotline at 1-800-424-5197.

Where can I get more information about each application process?

BEAD:

- Information on the application process for BEAD can be found on the Internet For All website at <https://grants.ntia.gov/grantsPortal/s/funding-program/a0g3d00000018ObAAI/broadband-equity-access-and-deployment-bead-program>

Digital Equity:

- Information on the application process for DE can be found on the Internet For All website at <https://grants.ntia.gov/grantsPortal/s/funding-program/a0g3d00000018OIAAI/state-digital-equity-planning-grant-program>

How can I sign up to receive e-mails about BIL Grant Programs?

Subscribe to e-mail communications about Internet for All programs, webinars, and announcements at <https://ntiagrants.force.com/broadbandusanewsletter/s/>.

News and media updates on the BIL grant programs can be found on the Internet for All site at <https://www.internetforall.gov/news-and-media>.

Where can I get more information about the application process?

BEAD:

- Information on the application process for BEAD can be found on the Internet For All website at <https://grants.ntia.gov/grantsPortal/s/funding-program/a0g3d00000018ObAAI/broadband-equity-access-and-deployment-bead-program>

Digital Equity:

- Information on the application process for DE can be found on the Internet For All website at <https://grants.ntia.gov/grantsPortal/s/funding-program/a0g3d00000018OIAAI/state-digital-equity-planning-grant-program>

How can I find out if my state has submitted a Letter of Intent for BEAD or application for DE? How do I find who is administering the programs in my state?

BEAD:

- Visit <https://www.internetforall.gov/has-your-state-signed-on> to see which states have submitted a Letter of Intent or go to www.internetforall.gov/ for the latest news and media updates.
- To find a state or territory point of contact for the BEAD program, send an e-mail request to BEAD@NTIA.gov.

Digital Equity:

- States had until July 12, 2022 to submit an application for the State Digital Equity Planning Grant Program. All states have submitted an application for the Digital Equity Planning Grant Program.
- U.S. territories and possessions (other than Puerto Rico) and Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, had until July 12, 2022 to submit a Letter of Intent. A list of entities that have submitted a Letter of Intent is currently being compiled by NTIA and will be published upon completion.
- NTIA is in the process of collecting a list of state Administering Entities for the Digital Equity Planning Grant Program. NTIA will publish the list once all the information is gathered.
- Use the following link <https://broadbandusa.ntia.doc.gov/resources/states> to locate a state level contact person for the State Broadband Programs.

How will Eligible Entities incorporate State Digital Equity Plans into BEAD 5-Year Action Plans given that BEAD Program 5-Year Action Plans will be due before the State Digital Equity Plans are due?

Each state and territory should ensure that those tasked with developing the State Digital Equity Plan, the Five-Year Action Plan, and the Initial and Final Proposals for the BEAD Program are working closely to meet the programs' shared objectives. As part of that coordination, States and territories should consider overlap in personnel between State Digital Equity planning teams and BEAD Program planning teams. At a minimum, States and territories should establish

formal and direct communications and collaboration pathways between the teams that remain in place throughout the entire planning process. This will be particularly important to reduce the burden and confusion on community stakeholders when fulfilling the local coordination, outreach, and stakeholder engagement requirements of both programs (NOFO Section I.B.2).

Program Description

[Notice of Funding Opportunity](#)[Program Description](#)[Federal Award Information](#)[Eligibility Information](#)[Program Structure, Sequencing and Requirements](#)[Application and Submission Information](#)[Application Review Information](#)[Federal Award Administration Information](#)[Federal Awarding Agency Contact\(s\)](#)[Other Information](#)

To view annotations, ask a question, or leave a comment, connect via LinkedIn.  [Sign in with LinkedIn](#)

Program Description

The National Telecommunications and Information Administration (NTIA) issues this Notice of Funding Opportunity (NOFO) to describe the requirements under which it will award grants in connection with the Broadband Equity, Access, and Deployment (BEAD) Program (Program), authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law. The BEAD Program provides federal funding for

grants to Eligible Entities for broadband planning, deployment, mapping, equity, and adoption activities.

A. NOFO Structure

This NOFO presents information relevant to entities eligible for direct receipt of BEAD funding (i.e., States and Territories, referred to in the Infrastructure Act as “Eligible Entities”), as well as entities that may seek subgrants from those Eligible Entities to conduct the numerous activities that are eligible uses for BEAD funding. It is generally organized as follows:

Section I (Program Description) provides an overview of the BEAD Program, including background material related to the Infrastructure Act broadly, as well as an overview of the Program’s procedural framework. It then defines key terms used throughout the NOFO.

Section II (Federal Award Information) provides basic information such as the amounts made available under the BEAD Program, key dates, the circumstances in which the Assistant Secretary may grant extensions, and the treatment of unallocated and unawarded funds.

Section III (Eligibility Information) describes entities eligible for BEAD Program grants (generally, States and Territories of the United States), requirements relating to the provision of matching funds by Eligible Entities and/or other actors, and circumstances that might warrant waiver of the match requirements.

Section IV (Program Sequencing, Structure, and Requirements) provides information regarding the BEAD Program’s structure, describing in detail the nine principal steps in the process:

- (1) the Letter of Intent,
- (2) the Request for Initial Planning Funds,
- (3) the Five-Year Action Plan,
- (4) Program Fund Allocation and the Notice of Available Amounts,
- (5) the Initial Proposal,
- (6) the Challenge Process,
- (7) the Subgrantee Selection Process,
- (8) the 20 Percent Funding Release, and
- (9) the Final Proposal and Release of Remaining Funds. NTIA urges entities seeking to participate in the BEAD Program as Eligible Entities or as subgrantees to review this section especially closely. NTIA plans to provide detailed technical assistance to Eligible Entities regarding all matters addressed in this section.

Section V (Application and Submission Information) sets out information regarding how Eligible Entities may apply for and use BEAD Program funding, including a link to the online application portal, formatting instructions, certification requirements, submission timelines, and eligible uses for funding. It also provides information regarding certifications that prospective subgrantees must make in order to be eligible for subgrants.

Section VI (Application Review Information) briefly describes the review process that NTIA will undertake in assessing submissions by Eligible Entities in connection with the BEAD Program.¹

Section VII (Federal Award Administration Information) explains the process NTIA will employ to approve applications, notify successful and unsuccessful applicants of the process’s results, and various legal obligations applicable to grant recipients (including, but not limited to, those relating to domestic procurement preferences (“Buy American” requirements) and contracting

with small and minority businesses, women's business enterprises, and labor surplus area firms).

Section VIII (Federal Awarding Agency Contacts) provides contact information for individuals to whom interested parties may direct inquiries regarding the BEAD Program.

Section IX (Other Information) details information regarding topics including audit and reporting requirements, mandatory transparency, accountability, and oversight measures, and consequences associated with the unauthorized use of BEAD Program funds.

B. Overview

1. Background

In recent decades, access to the internet has played a critical and growing role in the ways in which Americans work, learn, receive health care, and participate in democracy. The COVID-19 pandemic crystalized what many have known for a very long time: High-speed internet access is not a luxury, but a necessity, for all Americans, regardless of their age, race, or income, irrespective of where they live, what languages they speak, what resources they have at their disposal, and what specific challenges they may face in their daily lives.

Recognizing broadband's fundamental role in today's society and its centrality to our nation's continued health and prosperity, President Biden has pledged to make sure that every American has access to reliable, affordable, high-speed internet. Full participation in our twenty-first century economy requires no less. Digital equity is necessary for civic and cultural participation, employment, lifelong learning, and access to essential services. Yet affordable, reliable, high-speed internet access has remained elusive to many for too long, because they live in a location where no service is available, the speed or quality of the service available is unreliable, or the offering available is unaffordable or inadequate. Internet connectivity itself is a necessary, but not sufficient, condition for eradicating the digital divide. Many on the wrong side of that divide require equipment, digital skills, financial resources, and more to realize the internet's full potential. Those who lack these resources face substantial barriers to digital equity, even in places where fast broadband connections are physically available. This digital divide is particularly acute for communities of color, Tribal nations, and lower-income areas and spans both urban and rural areas of the country.

Passed on a bipartisan basis, the Infrastructure Act includes \$42.45 billion to create the BEAD Program. The law charges NTIA—the President's chief advisor on telecommunications and information policy matters, housed within the United States Department of Commerce (DOC)—with administering this program.

This NOFO describes how, in partnership with other federal actors, as well as States, Territories, Tribal nations, cities, towns, counties and other localities, the non-profit sector, academia, unions and worker organizations, and industry, NTIA intends to administer the BEAD Program. This program will lay critical groundwork for widespread access, affordability, equity, and adoption of broadband, create good-paying jobs; grow economic opportunities, including for local workers, provide increased access to healthcare services, enrich educational experiences of students, close long-standing equity gaps, and improve the overall quality of life across America.

The Program's principal focus will be on deploying broadband service to unserved locations (those without any broadband service at all or with broadband service offering speeds below 25 megabits per second (Mbps) downstream/3 Mbps upstream) and underserved locations (those without broadband service offering speeds of 100 Mbps downstream/20 Mbps

upstream). Eligible Entities that demonstrate they will be able to ensure service to all unserved and underserved locations will be free to propose plans that use remaining funds in a wide variety of ways, but NTIA underscores its strong preference that Eligible Entities also ensure deployment of gigabit connections to community anchor institutions such as libraries and community centers that lack such connectivity. Eligible Entities can apply any additional funding to pursue eligible access-, adoption-, and equity-related uses, as well as any other uses approved by the Assistant Secretary that support the Program’s goals.

With respect to the deployment of last-mile broadband infrastructure, the Program prioritizes projects designed to provide fiber connectivity directly to the end user. It also requires all projects to provide a low-cost option to eligible subscribers, requires all states to have plans to address middle-class affordability, and further prioritizes proposals that improve affordability to ensure that networks built using taxpayer dollars are accessible to all Americans. The framework set out below will provide Eligible Entities flexibility to pursue deployments in the manner best suited to their populations – including, for example, the deployment of Wi-Fi service within multi-family buildings.

NTIA envisions and welcomes extensive coordination and cooperation with all relevant stakeholders. States and Territories have an important statutory role in the BEAD process. Localities and groups representing historically excluded communities can and must make their voices heard to ensure that longstanding equity gaps are finally closed. Existing broadband providers and new entrants must communicate well with Federal, State, Territorial, local, and Tribal partners to ensure that deployments proceed as expected and that non-deployment activities are designed and implemented in ways that most benefit the communities they are designed to serve. And, of course, NTIA urges individual stakeholders to engage throughout the process—with NTIA, with State, Territorial, and Tribal Governments, with providers, and with civil society groups—to ensure that this historic investment effectuates the purposes of the Infrastructure Act.

2. Process Overview

Successful execution of the BEAD Program will require close collaboration between NTIA, as the Program administrator, and the Eligible Entities, which must ensure that affordable, reliable, high-speed internet is accessible at every location within their jurisdictions and that other BEAD Program objectives are achieved. Eligible Entities, in turn, can succeed only by committing to close and ongoing coordination with their political subdivisions, subgrantees, and outside stakeholders, including current and prospective broadband providers, citizens, civil rights- and equity-focused organizations, community-based organizations, civil society and consumer-focused groups, unions and worker organizations, workforce boards, economic development organizations, schools, community colleges, neighborhood and housing associations, and the communities that stand to benefit from these unprecedented investments.

The Assistant Secretary and the staff of NTIA look forward to close communication during all phases of the process described in this NOFO. Broadly speaking, the process contemplated by the Infrastructure Act and this NOFO is as follows:

State Description

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Letter of Intent	July 18, 2022 is the deadline for an Eligible Entity to submit a Letter of Intent to participate in the Program.
Request for Initial Planning Funds	<p>Either with its Letter of Intent or afterwards, an Eligible Entity that is a State (including the District of Columbia and Puerto Rico) may request up to \$5,000,000 in Initial Planning Funds. American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands each may request up to \$1,250,000. Each Eligible Entity's Initial Planning Funds will be drawn from that Eligible Entity's Minimum Initial Allocation. If the Eligible Entity requests Initial Planning Funds, it must submit an application for Initial Planning Funds by 11:59 p.m. Eastern Daylight Time (EDT) August 15, 2022, and a Five-Year Action Plan within 270 days of receipt of Initial Planning Funds.</p>

Notice of Available Amounts	<p>On or after the date on which the Broadband DATA Maps are made public, the Assistant Secretary will notify each Eligible Entity of the estimated amount of funding that NTIA will make available to the Eligible Entity under the Program (Notice of Available Amounts) and invite the submission of an initial grant proposal (Initial Proposal) and a final grant proposal (Final Proposal).</p>
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Technical Assistance

Leading up to submission of the Initial Proposal and throughout the remainder of the process, NTIA will provide support and technical assistance to help ensure that the Eligible Entity's proposals fully meet the requirements of the Infrastructure Act and the goals of the Program. This technical assistance will include iterative feedback on draft Initial and Final Proposals.

Initial Proposal

Eligible Entities will have 180 days from receipt of the Notice of Available Amounts to develop and submit an Initial Proposal, which will, among other things, describe the competitive process the Eligible Entity proposes to use to select subgrantees to construct broadband projects. Prior to submission to NTIA, the Initial Proposal must be made available for public comment, and the Initial Proposal must incorporate local coordination feedback for the Assistant Secretary's review.

Challenge Process

After submission of its Initial Proposal and before allocating BEAD funds received for the deployment of broadband networks to subgrantees, an Eligible Entity must conduct a challenge process. Under this process, a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by the Eligible Entity in the Initial Proposal as to whether a particular location or community anchor institution within the jurisdiction of the Eligible Entity is eligible for the grant funds, including whether a particular location is unserved or underserved, and Eligible Entities must submit any successful challenges to NTIA for review and approval.

Initial Funding Availability	NTIA will review Initial Proposals as expeditiously as possible. Once an Initial Proposal is approved, NTIA will make available to the Eligible Entity not less than 20 percent of the total grant funds allocated to the Eligible Entity.
Subgrantee Selection	An Eligible Entity may initiate its competitive subgrantee selection process upon approval of its Initial Proposal and will have up to one year to conduct additional local coordination, complete the selection process, and submit a Final Proposal to NTIA. NTIA will provide support and technical assistance to help ensure that the Final Proposal fully meets the requirements of the Infrastructure Act and the goals of

	the Program. The Eligible Entity may, at this point, utilize the funding provided (not less than 20 percent of the Eligible Entity's total grant funds) to initiate certain eligible activities (see Section IV.B.8) before submission and approval of their Final Proposals.
Final Proposal	After the Eligible Entity has selected subgrantees and otherwise executed its approved Initial Proposal, it will submit to NTIA a Final Proposal

	<p>describing how it complied with that Initial Proposal and the results of its processes. NTIA will award the remaining funds allocated to the Eligible Entity upon approval of the Eligible Entity's Final Proposal, and Eligible Entities will initiate their subgrants for the remaining 80 percent of funding and any portion of the original 20 percent that the Eligible Entity has not yet awarded as a subgrant. Prior to submission to NTIA the Final Proposal must be made available for public comment.</p>
<p>Ongoing Monitoring, Reporting, and Performance Management</p>	<p>Throughout the BEAD Program, NTIA will conduct ongoing monitoring of an Eligible Entity's progress against its plans and ensure that the requirements of the Infrastructure Act are met. Eligible Entities will be required to comply with reporting requirements and monitor subgrantee compliance.</p>

NTIA strongly encourages each Eligible Entity participating in the BEAD Program to concurrently participate in the programs established under the Digital Equity Act of 2021, which provides \$2.75 billion to further advance federal goals relating to digital equity and digital inclusion. Just as the BEAD Program begins with a Five-Year Action Plan, the Digital Equity Act begins with State Digital Equity Planning Grants, which is the subject of a separate NOFO. Eligible Entities should view this NOFO and the State Digital Equity Planning Grant NOFO holistically as complementary efforts aimed at a singular, unified objective of closing the digital divide.

The Five-Year Action Plan that an Eligible Entity develops for the BEAD Program should therefore incorporate the Eligible Entity's State Digital Equity Plan, as an Eligible Entity cannot have a Five-Year Action Plan that does not address digital equity. Moreover, Initial Proposals and Final Proposals developed for the BEAD Program should be informed by and be complementary to and closely integrated with the Eligible Entity's Five-Year Action Plans and State Digital Equity Plans to address the goal of universal broadband access and adoption. So too each Eligible Entity should ensure overlap—or at least substantial interaction—between those tasked with developing the Five-Year Action Plan, Initial Proposal, Final Proposal, and State Digital Equity Plan. For example, Eligible Entities should ensure coordination between BEAD planning teams and State Digital Equity planning teams and should establish a formal and direct communication and collaboration pathway between the teams that remain in place throughout the entire planning process. This will be particularly important to reduce the burden and confusion on community stakeholders when fulfilling the local coordination requirements in this NOFO.

NTIA is committed to working closely with, and providing support and technical assistance to, Eligible Entities to help ensure that the Initial Proposals and Final Proposals fully meet the requirements of the Infrastructure Act and the goals of the Program. NTIA will provide submission templates throughout the process to provide clarity on expectations and reduce the administrative burden on Eligible Entities. When the Final Proposals have been approved and Eligible Entities begin to initiate Program activities, NTIA will work closely with the Eligible Entities to monitor progress, troubleshoot, and provide technical assistance as necessary and appropriate.

C. Definitions

The following definitions are applicable to the BEAD Program:

- (a) **Aging Individual**—The term “aging individual” means an individual who is 60 years of age or older.²
- (b) **Assistant Secretary**—The term “Assistant Secretary” means the Assistant Secretary of Commerce for Communications and Information or the individual who holds any successor position.
- (c) **Broadband; Broadband Service**—The term “broadband” or “broadband service” has the meaning given the term “broadband internet access service” in Section 8.1(b) of title 47, Code of Federal Regulations, or any successor regulation, meaning it is a mass-market retail service by wire or radio that provides the capability to transmit data to and receive data from all or substantially all internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up internet access service. This term also encompasses any service that the Commission finds to be providing a functional equivalent of the service described in the previous sentence or that is used to evade the protections set forth in this part.
- (d) **Broadband DATA Maps**—The term “Broadband DATA Maps” means the maps created by the Federal Communications Commission under Section 802(c)(1) of the Communications Act of 1934 (47 U.S.C. § 642(c)(1)).
- (e) **Commission**—The term “Commission” means the Federal Communications Commission.
- (f) **Community Anchor Institution (CAI)**—The term “community anchor institution” means an entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization³, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals. An Eligible Entity may propose to NTIA that additional types of institutions should qualify as CAIs within the entity’s territory. If so, the Eligible Entity shall explain why it has determined that the institution or type of institution should be treated as such and affirm that the institution or class of institutions facilitates greater use of broadband service by vulnerable populations, including low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals.
- (g) **Digital Equity**—The term “digital equity” means the condition in which individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States.⁴
- (h) **Eligible Community Anchor Institution**—The term “eligible community anchor institution” means a community anchor institution that lacks access to Gigabit-level broadband service.
- (i) **Eligible Entity**—The term “Eligible Entity” means any State of the United States, the District of Columbia, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands or, in the case of an application failure, a

political subdivision or consortium of political subdivisions that is serving as a Substitute Entity.

- (j) Eligible Subscriber—The term “Eligible Subscriber” means any household seeking to subscribe to broadband internet access service that (1) qualifies for the Affordable Connectivity Program⁵ (ACP) or any successor program, or (2) is a member of a household that meets any of the following criteria:
 - A) Household income for the most recently completed calendar year was at or below 200 percent of the Federal Poverty Guidelines;
 - B) Any member of the household receives benefits under the Supplemental Nutrition Assistance Program, Medicaid, Federal Public Housing Assistance, Supplemental Security Income, Veterans and Survivors Pension benefit, or Special Supplemental Nutrition Program for Women, Infants, and Children;
 - C) Any member of the household participates in Tribal specific assistance programs, such as Bureau of Indian Affairs General Assistance, Tribal TANF, Tribal Head Start, or Food Distribution Program on Indian Reservations;
 - D) Any member of the household has applied for and been approved to receive benefits under the National School Lunch Program or the School Breakfast Program, or at least one member of the household is enrolled in a school or school district that participates in the USDA Community Eligibility Provision;
 - E) Any member of the household received a Federal Pell Grant during the current award year;
 - F) The household meets the eligibility criteria for a participating provider's existing low- income internet program; or
 - G) The household satisfies any other additional criteria proposed by the Eligible Entity in its Initial Proposal and Final Proposal and approved by the Assistant Secretary.
- (k) Extremely High Cost Per Location Threshold— an “Extremely High Cost Per Location Threshold” is a BEAD subsidy cost per location to be utilized during the subgrantee selection process described in Section IV.B.7 of this NOFO above which an Eligible Entity may decline to select a proposal if use of an alternative technology meeting the BEAD Program’s technical requirements would be less expensive.⁶
- (l) Funded Network—The term “Funded Network” means any broadband network deployed and/or upgraded with BEAD Program funds.
- (m) High-Cost Area—The term “high-cost area” means an unserved area in which the cost of building out broadband service is higher, as compared with the average cost of building out broadband service in unserved areas in the United States (as determined by the Assistant Secretary, in consultation with the Commission), incorporating factors that include— (I) the remote location of the area; (II) the lack of population density of the area; (III) the unique topography of the area; (IV) a high rate of poverty in the area; or (V) any other factor identified by the Assistant Secretary, in consultation with the Commission, that contributes to the higher cost of deploying broadband service in the area. For purposes of defining “high-cost area,” the term “unserved area” means an area in which not less than 80 percent of broadband-serviceable locations are unserved locations. NTIA will release further information regarding the identification of high-cost areas for purposes of BEAD funding allocations at a later date.
- (n) Location; Broadband-Serviceable Location — The terms “location” and “broadband serviceable location” mean “a business or residential location in the United States at which fixed broadband Internet access service is, or can be, installed.”⁷
- (o) Middle Mile Infrastructure — The term “middle mile infrastructure” (A) means any broadband infrastructure that does not connect directly to an end-user location community anchor institution; and (B) includes—(i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access

transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links.

- (p) Non-Traditional Broadband Provider—The term “non-traditional broadband provider” means an electric cooperative, nonprofit organization, public-private partnership, public or private utility, public utility district, Tribal entity, or local government (including any unit, subdivision, authority, or consortium of local governments) that provides or will provide broadband services.
- (q) Open Access— The term “open access” refers to an arrangement in which the subgrantee offers nondiscriminatory access to and use of its network on a wholesale basis to other providers seeking to provide broadband service to end-user locations, at just and reasonable wholesale rates for the useful life of the subsidized network assets. For this purpose, “just and reasonable wholesale rates” means rates that include a discount from the provider’s retail rates reflecting the costs that the subgrantee avoids by virtue of not providing retail service to the end user location (including, for example, marketing, billing, and collection-related costs).
- (r) Priority Broadband Project—The term “Priority Broadband Project” means a project that will provision service via end-to-end fiber-optic facilities to each end-user premises.⁹ An Eligible Entity may disqualify any project that might otherwise qualify as a Priority Broadband Project from Priority Broadband Project status, with the approval of the Assistant Secretary, on the basis that the location surpasses the Eligible Entity’s Extremely High Cost Per Location Threshold (as described in Section IV.B.7 below), or for other valid reasons subject to approval by the Assistant Secretary.
- (s) Program—The term “Program” means the Broadband Equity, Access, and Deployment Program.
- (t) Project—The term “project” means an undertaking by a subgrantee to construct and deploy infrastructure for the provision of broadband service. A “project” may constitute a single unserved or underserved broadband-serviceable location, or a grouping of broadband-serviceable locations in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations or underserved locations.
- (u) Reliable Broadband Service—The term “Reliable Broadband Service” means broadband service that the Broadband DATA Maps show is accessible to a location via:¹⁰ (i) fiber-optic technology;¹¹ (ii) Cable Modem/ Hybrid fiber-coaxial technology;¹² (iii) digital subscriber line (DSL) technology;¹³ or (iv) terrestrial fixed wireless technology utilizing entirely licensed spectrum or using a hybrid of licensed and unlicensed spectrum.¹⁴
- (v) State—The term “State” means, for the purposes of the BEAD Program, any State of the United States, the District of Columbia, and Puerto Rico.
- (w) Subgrantee/Subrecipient—The term “subgrantee” or “subrecipient” means an entity that receives grant funds from an Eligible Entity to carry out eligible activities.¹⁵
- (x) Territory— The term “Territory” means, for the purposes of the BEAD Program, American Samoa, Guam, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.
- (y) Tribal Lands— The term “Tribal Lands” means (A) any land located within the boundaries of— (i) an Indian reservation, pueblo, or rancharia; or (ii) a former reservation within Oklahoma; (B) any land not located within the boundaries of an Indian reservation, pueblo, or rancharia, the title to which is held— (i) in trust by the United States for the benefit of an Indian Tribe or an
- (z) Tribal Government—The term “Tribal Government” means the governing body of any Indian or Alaska Native Tribe, band, nation, pueblo, village, community, component band, or component reservation, individually recognized (including parenthetically) in the list

published most recently as of the date of enactment of this Act pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. § 5131).¹⁶

- (aa) Underrepresented Communities—The term “underrepresented communities” refers to groups that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, including: low-income households, aging individuals, incarcerated individuals, veterans, persons of color, Indigenous and Native American persons, members of ethnic and religious minorities, women, LGBTQI+ persons, persons with disabilities, persons with limited English proficiency, persons who live in rural areas, and persons otherwise adversely affected by persistent poverty or inequality.
- (bb) Underserved Location—The term “underserved location” means a broadband-serviceable location that is (a) not an unserved location, and (b) that the Broadband DATA Maps show as lacking access to Reliable Broadband Service offered with—(i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.¹⁷
- (cc) Underserved Service Project—The term “Underserved Service Project” means a project in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations or underserved locations. An “Underserved Service Project” may be as small as a single underserved broadband-serviceable location.
- (dd) Unserved Location—The term “unserved location” means a broadband-serviceable location that the Broadband DATA Maps show as (a) having no access to broadband service, or (b) lacking access to Reliable Broadband Service offered with—(i) a speed of not less than 25 Mbps for downloads; and (ii) a speed of not less than 3 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.¹⁸
- (ee) Unserved Service Project—The term “Unserved Service Project” means a project in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations. An “Unserved Service Project” may be as small as a single unserved broadband- serviceable location.

¹ NIST is the entity within the Department of Commerce that will administer BEAD Program grants.

² NTIA adopts the definition for “aging individual” set forth in Title III of the Infrastructure Act. See Section 60302(3) of the Infrastructure Act.

³ This term is used broadly and includes any public housing agency, HUD-assisted housing organization, or Tribal housing organization.

⁴ NTIA adopts the definition for “digital equity” set forth in Title III of the Infrastructure Act. See Section 60302(10) of the Infrastructure Act.

⁵ The Affordable Connectivity Program was established in the Infrastructure Act as the successor to a previous program that has since been discontinued. The Commission in 2022 issued *the Affordable Connectivity Program Report and Order*, which sets out details regarding the ACP’s operation. See Affordable Connectivity Program, Report and Order and Further Notice of Proposed Rulemaking, FCC 22-2, (rel. Jan. 21, 2022).

⁶ Each Eligible Entity must establish its Extremely High Cost Per Location Threshold in a manner that maximizes use of the best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.6.b of this NOFO. NTIA expects Eligible Entities to set the Extremely High Cost Per Location Threshold as high as possible to help ensure that end-to-end fiber projects are deployed wherever feasible. NTIA looks forward to working with each Eligible Entity to help develop an appropriate Extremely High Cost Per Location Threshold.

⁷ Section 60102(a)(2)(H) states that the terms “location” and “broadband-serviceable location” “have the meanings given those terms by the Commission under rules and guidance that are in effect, as of the date of enactment of this Act.” See § 60102(a)(2)(H) of the Infrastructure Act. In the Third Broadband Data Collection Report and Order, the Commission adopted “as the fundamental definition of a ‘location’ for purposes of the [Broadband Serviceable

Location] Fabric: a business or residential location in the United States at which fixed broadband Internet access service is, or can be, installed.” See Establishing the Digital Opportunity Data Collection; Modernizing the FCC Form 477 Data Program, WC Docket Nos. 19-195, 11-10, Third Report and Order, 36 FCC Rcd 1126, 1175 para. 126 (2021).

8 NTIA adopts the definition of “middle mile infrastructure” set forth in Title IV of the Infrastructure Act, modified slightly to reflect the term “community anchor institution” used in the BEAD Program. See Infrastructure Act § 60401(a)(9).

9 A project that will rely entirely on fiber-optic technology to each end-user premises will ensure that the network built by the project can easily scale speeds over time to meet the evolving connectivity needs of households and businesses and support the deployment of 5G, successor wireless technologies, and other advanced services. See Infrastructure Act § 60102(a)(2)(I). See also Section IV.B.7.b.i of this NOFO.

10 The Infrastructure Act defines “reliable broadband service” as “broadband service that meets performance criteria for service availability, adaptability to changing end-user requirements, length of serviceable life, or other criteria, other than upload and download speeds, as determined by the Assistant Secretary in coordination with the Commission.” Id. § 60102(a)(2)(L). For the purposes of this definition, the Assistant Secretary adopts the criteria that Reliable Broadband Service must be (1) a fixed broadband service that (2) is available with a high degree of certainty, (3) both at present and for the foreseeable future, and finds, after coordination with the Commission, that the definition of Reliable Broadband Service set forth in this NOFO best meets those criteria.

11 Broadband Data Collection Fixed Technology Code 50. See Federal Communications Commission, Broadband Data Collection Data Specifications for Biannual Submission of Subscription, Availability, and Supporting Data at 11, Table 4.1 (Apr. 5, 2022), *available at* <https://us-fcc.app.box.com/v/bdc-availability-spec> (BDC Specifications).

12 Broadband Data Collection Fixed Technology Code 40. Id.

13 Broadband Data Collection Fixed Technology Code 10. Id. NTIA acknowledges concerns that, in some cases, DSL arrangements fail to provide consistent access to advertised speeds. To the extent a particular location is identified on the Broadband DATA Maps as served by DSL at speeds that warrant treatment of that location as “served” or “underserved” but is not in fact reliably served at such speeds, this would be a proper basis for challenging the relevant location’s service status during the challenge process created by the Eligible Entity.

14 Broadband Data Collection Fixed Technology Code 71. Id.

15 This NOFO generally uses the terms “subgrantee” and “subgrant” because these are the terms used in the relevant Infrastructure Act provisions. We note, though, that applicable regulations governing federal financial assistance generally use the term “subrecipient” to refer to what the Infrastructure Act calls “subgrantees” and the term “subaward” to refer to what the Infrastructure Act calls “subgrants.” See generally 2 C.F.R. Part 200. As used herein, the terms “subgrantee” and “subgrant” herein are meant to have the same meaning, respectively, as the terms “subrecipient” and “subaward” in those regulations and other governing authorities.

individual Indian; (ii) by an Indian Tribe or an individual Indian, subject to restriction against alienation under laws of the United States; or (iii) by a dependent Indian community; (C) any land located within a region established pursuant to section 7(a) of the Alaska Native Claims Settlement Act (43 U.S.C. § 1606(a)); (D) Hawaiian Home Lands, as defined in section 801 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. § 4221); or (E) those areas or communities designated by the Assistant Secretary of Indian Affairs of the Department of the Interior that are near, adjacent, or contiguous to reservations where financial assistance and social service programs are provided to Indians because of their status as Indians; and the term.

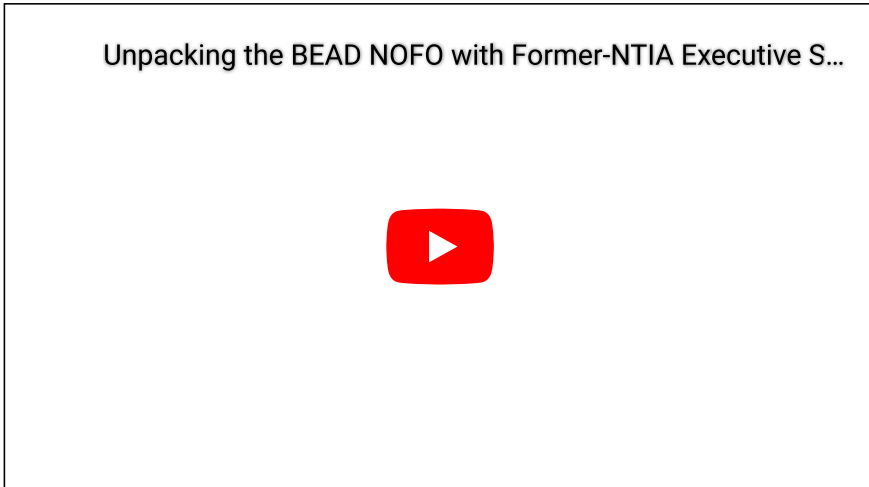
16 See Department of the Interior, Bureau of Indian Affairs, Indian Entities Recognized by and Eligible to Receive Services from the United States Bureau of Indian Affairs, 86 Fed. Reg. 7554 (Jan. 29, 2021), *available at* <https://www.govinfo.gov/content/pkg/FR-2021-01-29/pdf/2021-01606.pdf>.

17 The definitions of “unserved location” and “underserved location” set forth in Section 60102(a)(1) require that a location have Reliable Broadband Service with “a latency sufficient to support real-time, interactive applications.” See Infrastructure Act § 60102(a)(1)(A)(ii)(II), (C)(ii)(II). NTIA interprets this to mean a latency of less than or equal to 100ms for the reasons articulated by the FCC’s Wireline Communications Bureau in the 2013 Connect America Fund Phase II Service Obligations Order. See Connect America Fund, WC Docket No. 10-90, Report and Order, 28 FCC Rcd 15060, 15068-76 paras. 19-38 (Phase II Service Obligations Order).

BEAD NOFO Deep Dive

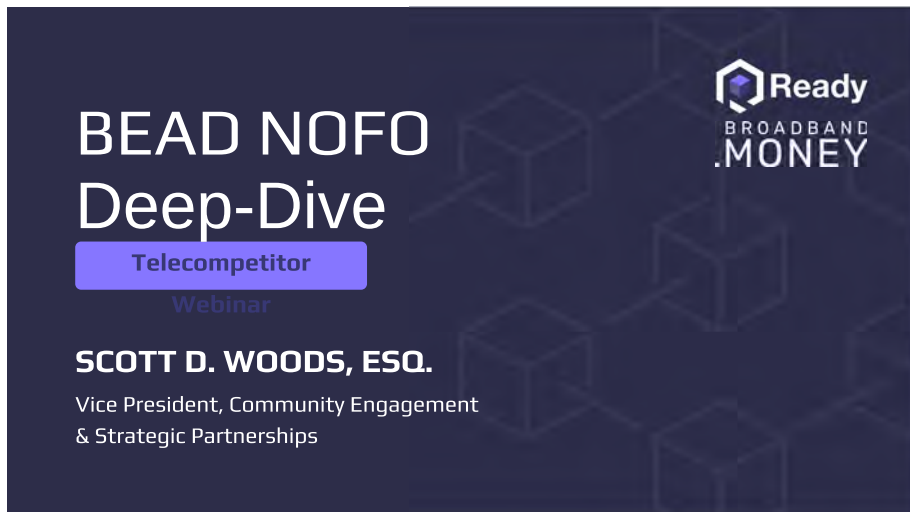
Scott Woods, former NTIA executive and Ready.net's new VP, gives insight into the historic BEAD NOFO.

Getting Started



Imagine a world where everyone in the U.S., regardless of geographic location or economic circumstance has access to the incredible equalizing power that broadband can bring. That's the promise of the historic Infrastructure Investment and Jobs Act (IIJA), also referred to as the Broadband Infrastructure Program.

In this special webinar by Telecompetitor and Broadband.Money, Scott Woods, former NTIA executive with firsthand knowledge of the BEAD program process, shares his perspective on the most important details of the BEAD NOFO.



Scott D. Woods

VP - Community Engagement & Strategic Partnerships
Ready.net



Have a suggestion?

We'd love any feedback. [Submit here](#)

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→ [Getting Ready](#)

Resources

- [Unpacking the Historic NTIA IIJA Notice of Funding Opportunity](#)
- [Timeline of Key Milestones for Grant Applications](#)

Transcript

BEAD & Digital Equity Coordination Requirement

Eligible Entities should view this [BEAD] NOFO and the State Digital Equity Planning Grant NOFO holistically as complementary efforts aimed at a singular, unified objective of closing the digital divide.

The Five-Year Action Plan that an Eligible Entity develops for the BEAD Program should therefore incorporate the Eligible Entity's State Digital Equity Plan, as an Eligible Entity cannot have a Five-Year Action Plan that does not address digital equity. Moreover, Initial Proposals and Final Proposals developed for the BEAD Program should be informed by and be complementary to and closely integrated with the Eligible Entity's Five-Year Action Plans and State Digital Equity Plans to address the goal of universal broadband access and adoption...For example, Eligible Entities should ensure coordination between BEAD planning teams and State Digital Equity planning teams and should establish a formal and direct communication and collaboration pathway between the teams that remain in place throughout the entire planning process.

Five-Year Action Plan should set forth a vision for digital equity, include the results of a needs assessment for underrepresented communities and an asset

inventory of ongoing digital equity activities, and detail holistic strategies around affordability, devices, digital skills, technical support, and digital navigation.

Key Observations:

- Capacity Building to ensure effective coordination – How many states have both Broadband Strategic Plans and State Digital Equity Plans?
- Planning activities should be based on actionable data/information – who has access to this data/information and how will it be utilized?

Key Definitions:

1. Non-Traditional Broadband Provider—means an electric cooperative, nonprofit organization, public-private partnership, public or private utility, public utility district, Tribal entity, or local government (including any unit, subdivision, authority, or consortium of local governments) that provides or will provide broadband services.
2. Community Anchor Institution (CAI)—means an entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals. An Eligible Entity may propose to NTIA that additional types of institutions should qualify as CAIs within the entity's territory.
3. Priority Broadband Project—means a project that will provision service via end-to-end fiber-optic facilities to each end-user premises. FN - A project that will rely entirely on fiber-optic technology to each end-user premises will ensure that the network built by the project can easily scale speeds over time to meet the evolving connectivity needs of households and businesses and support the deployment of 5G, successor wireless technologies, and other advanced services.
4. Digital Equity—means the condition in which individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States. This definition more expansive than "Digital

Inclusion & Adoption” and includes training for end-users, cybersecurity, telemedicine/telehealth, workforce and economic development activities.

Key Requirements of Five-Year Action Plan

Reliance on Data, Data, Data, Data – BEAD NOFO Section IV.B.3

Preparing a Five-Year Action Plan gives Eligible Entities the opportunity to identify their communities’ broadband access, affordability, equity and adoption needs and to adopt strategies, goals and initial measures for meeting those needs using BEAD and other funds. At a minimum, an Eligible Entity’s Five-Year Action Plan must address 13 core elements, including:

- Develop an asset inventory that catalogues broadband adoption, affordability, equity, access, and deployment activities Incorporate available federal, Eligible Entity, or local broadband availability and adoption data
- Identify local and regional broadband service needs and gaps, including unserved or underserved locations and CAls without gigabit service
- Local Coordination Requirement & Outreach Documentation – BEAD NOFO Section IV.C.1.c.

The Five-Year Action Plan that an Eligible Entity develops for the BEAD Program should therefore incorporate the Eligible Entity’s State Digital Equity Plan, as an Eligible Entity cannot have a Five-Year Action Plan that does not address digital equity. Moreover, Initial Proposals and Final Proposals developed for the BEAD Program should be informed by and be complementary to and closely integrated with the Eligible Entity’s Five-Year Action Plans and State Digital Equity Plans to address the goal of universal broadband access and adoption...

Key Observations:

- Utilization of community organizations, including and especially the Faith-based community.
- All Stakeholders must be at the “Table” for pre-planning and planning activities.

Challenge Process

After submission of its Initial Proposal and before allocating BEAD funds received for the deployment of broadband networks to subgrantees, an Eligible Entity must conduct a challenge process. Under this process, a unit of local government, nonprofit organization, or broadband service provider can challenge a determination made by the Eligible Entity in the Initial Proposal as to whether a particular location or community anchor institution within the jurisdiction of the Eligible Entity is eligible for the grant funds, including whether a particular location is unserved or underserved, and Eligible Entities must submit any successful challenges to NTIA for review and approval.

Key Observations:

- Only ISPs, Non-Profits & local governments can challenge findings.
- Reliance on Empirical Data – some states have granular mapping and data information; some states do not.
- States Must Adopt a Clear, Transparent & Evidence-based Challenge Process – no uniformity on approach; what are the parameters, timelines, requirements for

successful challenges?

- Utilization of most recently published version of the FCC's Broadband DATA Maps at time of challenge process.
- NTIA's Final Review & Approval Process – based on what? Timelines for approval? Appeal process? What data? NBAM?

“State’s” Failure to Participate

If an Eligible Entity fails to submit a covered application (i.e., a Letter of Intent, Initial Proposal, or Final Proposal) by the applicable deadline or any subsequent resubmission deadlines if revisions are needed, a political subdivision or consortium of political subdivisions of the Eligible Entity may submit the applicable type of covered application in place of the Eligible Entity.

Key Observations:

1. Coordination with State Broadband Office – all stakeholders: Service Providers, local government, philanthropic organizations and community organizations.
2. Capacity of local government(s) to “provide” comprehensive proposals? Planning funds facilitate local activities?
3. Highly unlikely “opt-out” given the stakes, but this is a failsafe against politics, bureaucracy, incompetence, etc.

Matching Funds – 25% IS THE FLOOR NOT CEILING

...each Eligible Entity shall provide, require its subgrantee to provide, or provide in concert with its subgrantee, matching funds of not less than 25 percent of project costs...the Infrastructure Act expressly provides that matching funds for the BEAD Program may come from a federal regional commission or authority and from funds that were provided to an Eligible Entity or a subgrantee for the purpose of deploying broadband service under the Families First Coronavirus Response Act; the CARES Act; the Consolidated Appropriations Act, 2021; or the American Rescue Plan Act of 2021, to the extent permitted by those laws.

Eligible Entities should rigorously explore ways to cover a project's cost with contributions outside of the BEAD program funding. Matching contributions, including in-kind contributions that lower project costs, demonstrate commitment to a particular project and minimize BEAD funding outlay, extend the reach of the BEAD program funding and help to ensure that every unserved location and underserved location in the United States has access to reliable, affordable, high-speed internet. In some cases, though, a match requirement could WILL deter participation in the BEAD Program by small and non-traditional providers, in marginalized or low-income communities, or could threaten affordability. In those cases, an Eligible Entity should consider ways to cover part or all of the provider's match through Eligible Entity or other funds or seek a match waiver...

A matching contribution may be provided by the subgrantee, an Eligible Entity, a unit of local government, a utility company, a cooperative, a nonprofit or philanthropic organization, a for-profit company, regional planning or governmental organization, a federal regional commission or authority, or any combination thereof – i.e., any project partner.

NTIA Stated Preference for Maximum Subgrantee Contribution and Minimal BEAD Subsidy

While the match may be provided by multiple sources, Eligible Entities are encouraged to require a match from the subgrantee rather than utilizing other sources where it deems the subgrantee capable of providing matching funds. This approach will maximize the impact of Eligible Entity funds and funds provided via other federal programs...Eligible Entities are also required to incentivize matches of greater than 25 percent from subgrantees wherever feasible (especially where expected operational costs and revenues are likely to justify greater investment by the subgrantee) by focusing on minimizing the BEAD funding outlay on a particular project, to the extent consistent with other programmatic goals described in this NOFO.

Key Observations:

1. Negative impact on small, non-traditional, disadvantaged/minority-owned service providers unless Match is waived; but not penalized for requesting a match waiver. High-cost areas may be an exception.
2. Projects/subgrantees that directly contribute greater than 25% match are encouraged to receive extra credit, consideration, scoring – see prioritization for last mile selection.

Letter of Credit Requirement

Each Eligible Entity shall establish a model letter of credit substantially similar to the model letter of credit established by the Commission in connection with the Rural Digital Opportunity Fund (RDOF).

During the application process, prospective subgrantees shall be required to submit a letter from a bank that meets eligibility requirements consistent with those set forth in 47 C.F.R. § 54.804(c)(2) committing to issue an irrevocable standby letter of credit, in the required form, to the prospective subgrantee. The letter shall at a minimum provide the dollar amount of the letter of credit and the issuing bank's agreement to follow the terms and conditions of the Eligible Entity's model letter of credit.

Prior to entering into any subgrantee agreement, each prospective subgrantee shall obtain an irrevocable standby letter of credit, which shall be acceptable in all respects to the Eligible Entity and in a value of no less than 25 percent of the subaward amount. Eligible Entities may adopt rules under which a subgrantee may obtain a new letter of credit or renew its existing letter of credit so that it is valued at a lesser amount than originally required by the Eligible Entity upon verification that the subgrantee has met optional or required service milestones. In no event, however, shall the letter of credit have a value of less than 25 percent of the subaward amount.

Key Observations:

- Negatively impact small providers, especially minority-owned service providers – historical/systemic “redlining” issues.
- Also defeats the purpose of the match-waiver provision; rendering such waiver provision useless.

Local Coordination Efforts Will Require NTIA Approval

NTIA will evaluate and approve plans that include:

1. Full geographic coverage;
2. Meaningful engagement and outreach to diverse stakeholder groups, labor organizations, and community organizations, including to promote the recruitment of women and other historically marginalized populations for workforce development opportunities and jobs related to BEAD-funded eligible activities;
3. Utilization of multiple awareness and participation mechanisms and different methods to convey information and outreach;
4. Transparency of processes, to include the documentation and publication of results and outcomes of such coordination and outreach efforts, including additions or changes to the Eligible Entity's Initial Proposal and/or Final Proposal; and
5. Outreach to and direct engagement of unserved and underserved communities to include historically underrepresented and marginalized groups and/or communities. In evaluating the sufficiency of local coordination efforts, [NTIA] will consider quantitative measures as well as the quality of the engagements.

The requirements of this section are critical to ensuring that Eligible Entities are coordinating with all communities, including their marginalized and underrepresented populations.

Subgrantee Reporting Requirements

The recipient of a subgrant from an Eligible Entity under this Section shall submit to the Eligible Entity a regular reporting, at least semiannually, for the duration of the subgrant to track the effectiveness of the use of funds provided. Each report shall describe each type of project and/or other eligible activities carried out using the subgrant and the duration of the subgrant. Eligible Entities may add additional reporting requirements or increase the frequency of reporting with the approval of the Assistant Secretary and must make all subgrantee reports available to NTIA upon request. In the case of a broadband infrastructure project, the report must, at minimum:

1. Include a list of addresses or location identifications (including the Broadband Serviceable Location Fabric established under 47 U.S.C. 642(b)(1)(B)) that constitute the service locations that will be served by the broadband infrastructure to be constructed and the status of each project;
2. Identify new locations served within each project area at the relevant reporting intervals, and service taken (if applicable);
3. Identify whether each address or location is residential, commercial, or a community anchor institution;
4. Describe the types of facilities that have been constructed and installed;
5. Describe the peak and off-peak actual speeds of the broadband service being offered;
6. Describe the maximum advertised speed of the broadband service being offered; Describe the non-promotional prices, including any associated fees, charged for different tiers of broadband service being offered; List all interconnection agreements that were requested, and their current status;
7. Report the number and amount of contracts and subcontracts awarded by the subgrantee disaggregated by recipients of each such contract or subcontracts that

are MBEs or WBEs; to be constructed and the status of each project;

8. Include any other data that would be required to comply with the data and mapping collection standards of the Commission under Section 1.7004 of title 47, Code of Federal Regulations, or any successor regulation, for broadband infrastructure projects;

1. Note there are additional requirements 11-14

Additional Themes - Data & Tracking Elements

Submission of Initial Proposal:

- Describe the process, strategy, and data tracking method(s) that the Eligible Entity will implement to ensure that minority businesses, women-owned business enterprises, and labor surplus area firms are recruited, used, and retained when possible.
- Identify steps that the Eligible Entity will take to reduce costs and barriers to deployment, promote the use of existing infrastructure, promote and adopt dig-once policies, streamlined permitting processes and cost-effective access to poles, conduits, easements, and rights of way, including the imposition of reasonable access requirements.

Subgrantee Selection Process: Fair, Open, Competitive & Transparent Process

- Each Eligible Entity must establish fair, open, and competitive processes for selecting subgrantees; provided the subgrantees meet minimal qualifications in Section IV.D.

Prioritization and Scoring Selection Among Competing Last-Mile Proposals:

- Primary Criteria: Minimal BEAD Outlay; Affordability (subgrantee's commitment not actual price); Fair Labor Practices
- Secondary Criterion: Speed to Deployment
- Additional Criteria: Equitable Workforce Development and Job Quality; Open Access; Local and Tribal Coordination

What States Need to Know About Federal BEAD Funding for High-Speed Internet Expansion

An overview of the Broadband Equity, Access, and Deployment Program's goals, requirements, and other considerations

ISSUE BRIEF

January 9, 2023

Updated: February 8, 2023

Read time: 8 min

Projects: [Broadband Access](#)



Editor's note: This brief was updated on Feb. 8, 2023, to correct the official name of the BEAD Program.

Overview

In November 2021, President Joe Biden (D) signed the Infrastructure Investment and Jobs Act into law. Among many other provisions, the law established the Broadband Equity, Access, and Deployment (BEAD) Program, the federal government's most ambitious investment in high-speed, affordable internet to date. BEAD dedicates more than \$42 billion to construct broadband networks, establish subsidies to offset the cost of internet service for lower-income households, and create programs to provide end users with the devices and training they need to use the new and upgraded networks. The BEAD Program also marks the first time the federal government is providing grants to states specifically for these purposes.

In addition, BEAD includes requirements—such as ongoing engagement with local stakeholders and marginalized communities, higher speed and reliability standards, and data collection to assess usage and impact of program funds—that are designed to correct some shortcomings of prior federal policy and establish consistency across states.

This brief breaks down the phases of the BEAD Program and outlines the requirements that states, territories, and federal agencies need to meet to access the funds.

What are the funds for?

Congress established the BEAD Program to address the persistent digital divide in the United States and outlined three associated priorities for use of the funds: building infrastructure, developing broadband action plans, and supporting programs to promote user adoption of new networks. The National Telecommunications and Information Administration (NTIA)—the

agency within the U.S. Department of Commerce that administers the program—clarified in its [June 2022 Notice of Funding Opportunity](#) that BEAD spending should prioritize:

- “[F]iber connectivity directly to the end user.”
- “Unserved” locations—those without access to 25-megabit-per-second (Mbps) download service and 3-Mbps uploads, commonly expressed as 25/3-Mbps service.
- “[P]roposals that improve affordability to ensure that networks built using taxpayer dollars are accessible to all Americans.

Although delivering affordable fiber connections to unserved areas takes precedence, states may thereafter also apply funds to connecting underserved areas, which are those without access to 100/20-Mbps service; providing 1-gigabit-per-second symmetrical—meaning for both upload and download—connections to [community anchor institutions](#) such as libraries, schools, and hospitals; supporting digital skills training, workforce development, and provision of telehealth services; and promoting other broadband-related uses.

The NTIA is responsible for overseeing the distribution of funding to “eligible entities,” which are the 50 U.S. states and all U.S. territories, and it has established five minimum requirements for all BEAD-funded projects. They must:

- Deliver internet service that is not subject to data caps and has reliable speeds of at least 100/20 Mbps and low enough latency—the time it takes for data to travel to its destination and back along the network and which consumers experience as a delay, such as choppiness and buffering—to support real-time applications such as videoconferencing.
- Build and operate networks with average combined outages that do not exceed 48 hours a year (with exceptions for natural disasters).

- Provide broadband service to end users within four years of receipt of funds, carry out public awareness campaigns, and make connections available to any customer within the service area covered by the funding award.
- Develop cybersecurity and supply chain risk management plans to ensure that critical infrastructure is protected from threats such as hacking.
- Participate in the Federal Communications Commission's (FCC's) [Affordable Connectivity Program](#), which provides a \$30-a-month discount to eligible households (\$75 a month for households on Tribal lands), and offer at least one low-cost broadband service option.

Congress and the NTIA also outlined requirements for states and territories, including use of competitive award processes to select funded projects and submission of a series of documents addressing how eligible entities' intended uses of BEAD funds would achieve the goals set forth in the Infrastructure Investment and Jobs Act.

How is funding allocated?

Congress split BEAD funding into three formula-based allocations: minimum, high-cost, and remaining funds. (See Figure 1.) The minimum allocation to states, Washington, D.C., and Puerto Rico will be \$100 million each; other U.S. territories will receive minimum allocations of \$25 million. The NTIA will allocate the remaining funds based on the ability of individual states and territories to provide broadband to unserved areas that meets the minimum project criteria outlined earlier.

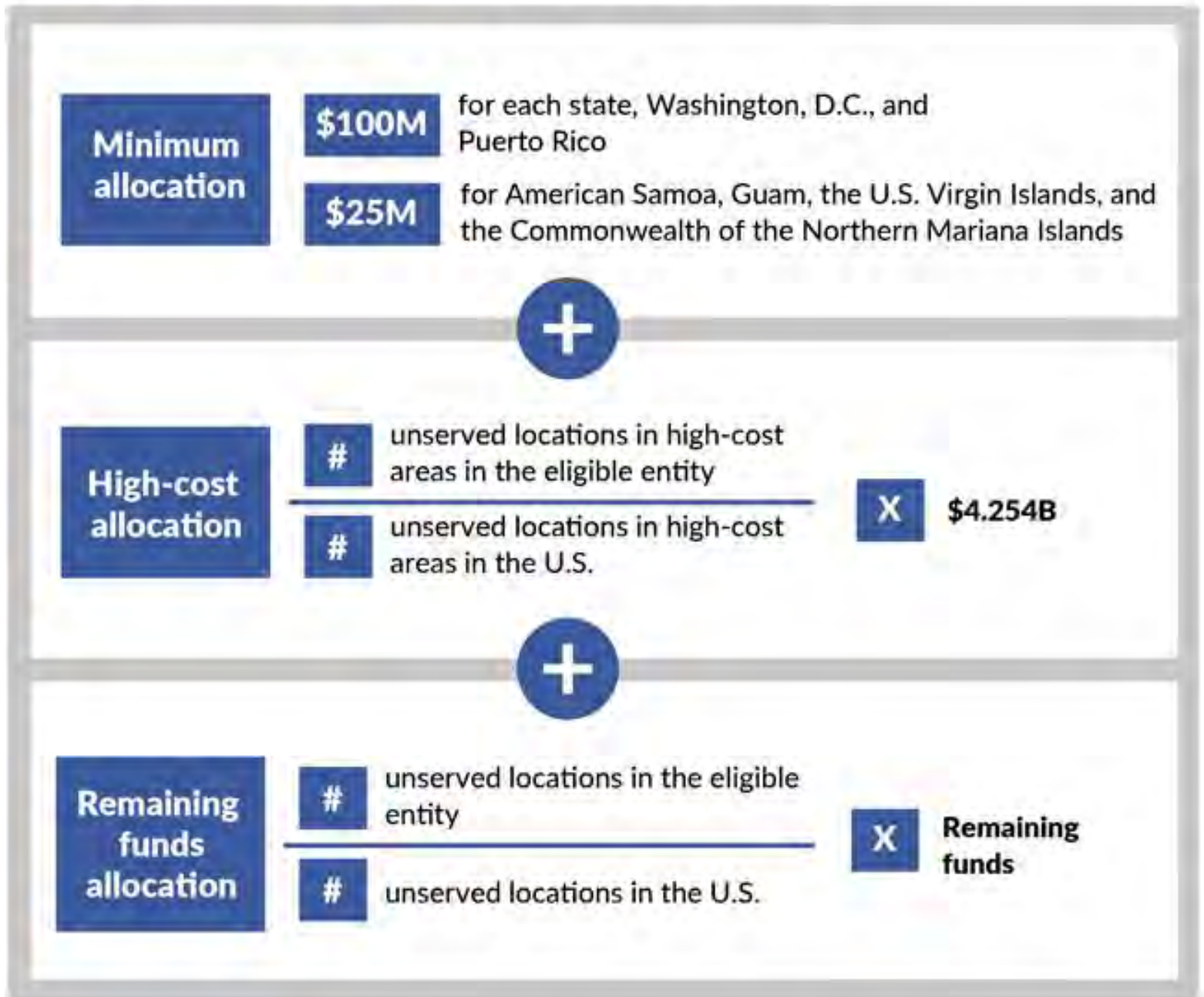
High-cost allocations will target specific unserved areas—those where the cost of building broadband infrastructure is higher than the average cost of comparable construction in other unserved areas of the country. The NTIA will make these determinations based on factors such as geographic

remoteness, low population density, challenging topography, and high poverty. Eligible entities' total high-cost allocations are likely to differ significantly, reflecting the wide variation in these factors across states and territories.

Figure 1

BEAD Will Provide Guaranteed Minimum Funding Plus Additional Targeted Amounts

Program allocations by recipient, formula, and purpose



Source: National Telecommunications and Information Administration, "The Broadband Equity, Access, and Deployment Program: Program Details for Applicants" (webinar, May 2022), <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-06/June-1-Webinar-Presentation.pdf>

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All funding allocations will be based on the FCC's new broadband maps. An [initial version](#) of the maps, designed in accordance with updated federal requirements, came out Nov. 18, 2022. Eligible entities and the public will have an opportunity to challenge the information presented in

the maps, a crucial accountability measure for ensuring appropriate distribution of funding.

NTIA Administrator Alan Davidson [announced](#) in September 2022 that the high-cost allocation formula would be set after eligible entities have had at least one opportunity to review and comment on the new FCC maps. Once the formula is announced, expected to be in early 2023, states and territories can submit their initial proposals for release of a portion of their allocated funds.

How will BEAD be implemented?

The BEAD Program has four phases: letter of intent and planning, funding allocation, initial proposal, and final proposal and implementation. Each phase is time-bound and includes requirements that states, territories, or the NTIA must complete or address before moving to the next phase. (See Figure 2.) This structure reflects research from [The Pew Charitable Trusts](#) and others which found that extensive coordination, planning, and data collection are needed to effectively use these funds—as well as [the many other significant state and federal investments](#) in broadband and digital equity during the pandemic—to achieve universal access goals.

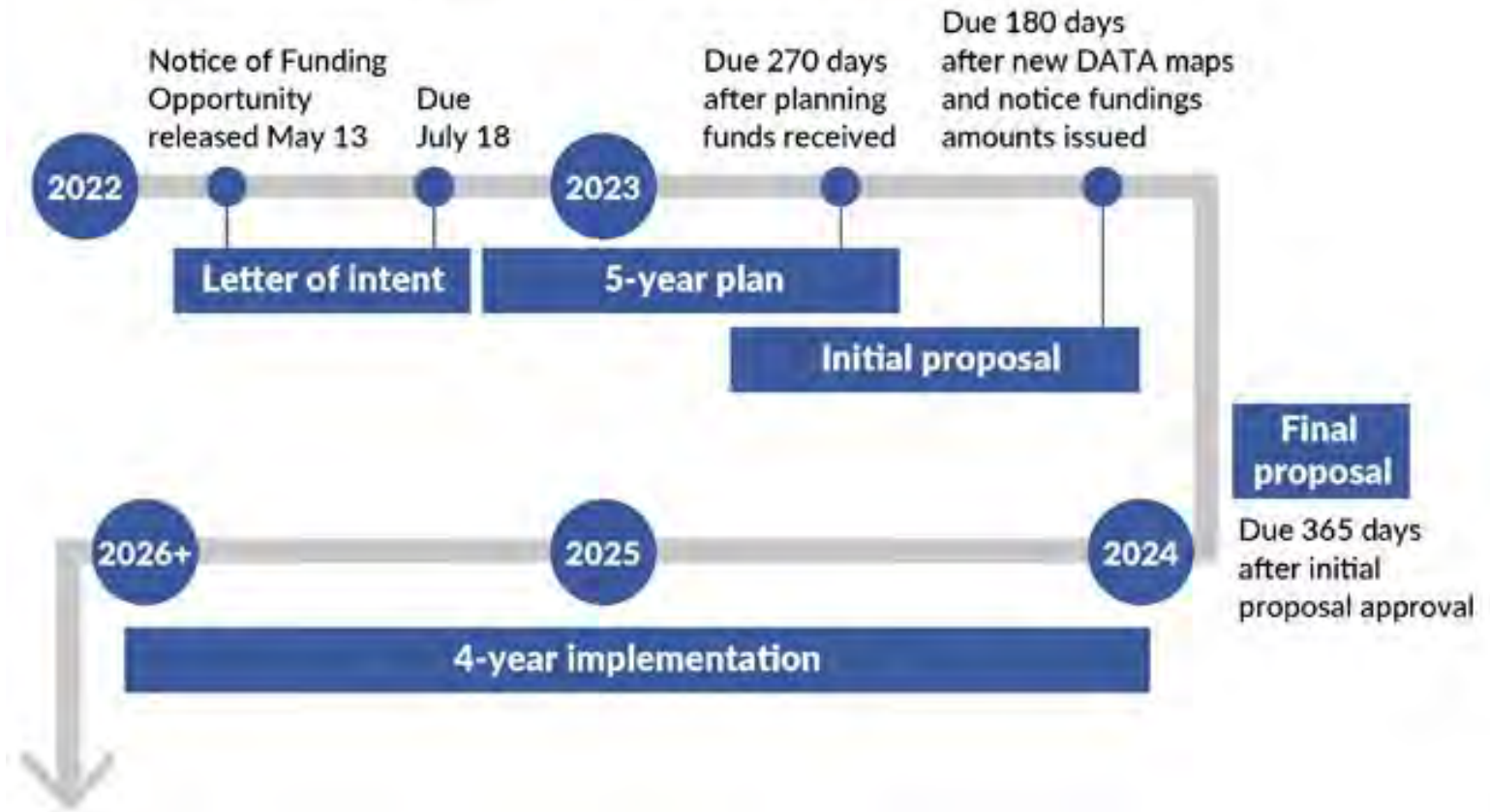
Figure 2

NTIA Expects BEAD Implementation to Take Roughly 4 Years

Estimated timeline for proposal development and funding allocations

ESTIMATED TIMELINE

Timeline approximate unless exact date specified



Source: National Telecommunications and Information Administration, "The Broadband Equity, Access, and Deployment Program: Program Details for Applicants" (webinar, May 2022), <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-06/June-1-Webinar-Presentation.pdf>

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Letter of intent and planning

The first step in the BEAD process was for each eligible entity to submit to the NTIA a letter of intent (LOI) outlining a plan to participate in the program and identifying the office or agency that would receive and deploy the funds.

Each state and territory also could include in their LOI a request for an advance on their minimum allocations—up to \$5 million for states, \$1.25 million for territories—to be used as initial planning funds. Eligible entities

that request planning funds must write a five-year action plan, due within 270 days of receipt of the funds, detailing their broadband goals and priorities. These plans also serve as comprehensive needs assessments that will inform later stages of implementation. States and territories may use planning funds for a range of pre-deployment activities, such as data collection, technical assistance to potential subgrantees, outreach support, and employee training, as well as project planning.

All eligible entities submitted their LOIs and planning fund requests by the July 18, 2022, deadline.

Initial proposal

Initial proposals explain how each state and territory intends to bring a reliable, affordable broadband connection to all their residents. These proposals draw closely from the five-year action plans to detail how the eligible entity will award funds to achieve its broadband priorities.

Proposals must specify:

- The total number of unserved and underserved locations in the eligible entity's jurisdiction.
- The number of qualified community anchor institutions.
- How the state or territory will solicit and collect stakeholder feedback on the FCC's new maps.
- How the eligible entity will support and coordinate local and regional planning processes.
- The competitive award process for selecting subgrantees.
- Other ongoing broadband deployment efforts within the state or territory that use federal and state funding, such as the Capital Projects Fund.

The NTIA's assistant secretary will review the initial proposals as they

are submitted and will approve those that comply with statute, are in the public interest, and advance the goals of the Infrastructure Investment and Jobs Act. Once its proposal is approved, the state or territory will receive at least 20% of its total allocations.

Final proposal and implementation

To receive their remaining funds, states and territories must—no later than 365 days after approval of their initial proposal—submit a final proposal that explains:

- The results of the eligible entity’s subgrantee selection process.
- A plan for the allocation of funds to subgrantees.
- A timeline for the implementation of the plan and each project that will be funded.
- A certification from subgrantees that they will provide broadband to all unserved and underserved locations.
- A description of the state’s or territory’s efforts to include nontraditional internet service providers (ISPs) in the selection process.
- The oversight and accountability process.

Once the NTIA approves their final proposals, states and territories can begin implementing their program plans.

Additional requirements and recommendations

BEAD requires that states and territories:

- Make their initial proposals available for public comment; incorporate feedback from the public comment process; and clarify how they conducted engagement with local stakeholders, such as ISPs, civil rights groups, labor unions, and workforce development groups.

- Develop a [challenge process](#) to allow governments, nonprofits, or broadband service providers to contest the eligible entity's determinations regarding whether a targeted location has broadband service.
- Require subgrantees to provide, on their own or in concert with the state or territory, matching funds of at least 25% of project costs.
- Provide an assessment of climate-related threats to broadband infrastructure within the eligible entity and proposed strategies to reduce those risks.
- Report on program activities at defined intervals: within 90 days of receiving any grant funds, no later than one year after receiving grant funds, and no later than one year after all funds are expended. These reports must cover the planned and actual use of funds, the planned and actual subgrantee process, the service provided with grant funds, and the locations served or that will be served using grant funds.

Additionally, BEAD encourages, but does not require, that eligible entities:

- Create quality, high-paying jobs.
- Encourage broad participation in the subgrantee application process, including by minority-owned or other socially or economically disadvantaged individual-owned businesses.
- Consult hazard mitigation plans approved by the Federal Emergency Management Agency to identify key risks and hazards and ensure the climate resilience of new infrastructure and other grant-funded projects.
- Maintain a dialogue with the NTIA throughout the development of their proposals to receive feedback and ensure alignment with federal priorities.

Considerations

States and territories will make a series of decisions over the next several years that will significantly affect their ability to achieve the funding requirements and goals outlined in BEAD. Early, active, and ongoing engagement with lawmakers, local communities, the private sector, researchers, and others will be critical to success, and eligible entities and their partners should consider that:

- Although the NTIA's requirements may appear to offer little flexibility, states and territories still have significant authority to build programs that reflect their priorities, such as through identifying areas that are eligible for funding, defining affordability, and designing stakeholder engagement strategies.
- As large as it is, the amount of money in the BEAD Program is not enough to support long-term network maintenance, affordability subsidies, and digital skills training. State and territorial lawmakers should begin planning for these long-term costs now and work with their broadband offices to help build a meaningful foundation that can support these needs after the federal funds are spent.
- Although the readiness of eligible entities will play a substantial role in their ability to effectively deploy BEAD funding and meet NTIA requirements, the success of the program also will depend on local and Tribal governments' capacity to participate in the implementation. To support local engagement, some state and territorial broadband offices are already working with [philanthropic organizations](#) and other partners to help educate local leaders on how to quantify their broadband needs and apply for funds.

Conclusion

Over the next four or more years, eligible entities will deploy roughly \$41 billion in funds to bring high-speed, affordable internet to millions of unserved households throughout the country. This investment will touch

nearly every aspect of the broadband space and will bring broadband access to more unserved and underserved communities than any previous effort, while also providing much-needed support for broadband adoption programs and community anchor institutions.

To meet the requirements of the BEAD Program, states and territories are already scaling up their broadband programs to ensure proper data collection, planning, stakeholder engagement, and funding decisions. And although this investment still will likely not be enough to achieve universal access, combined with other federal broadband funding, it will bring the nation closer to closing the digital divide than ever before.

ISSUE BRIEF

January 9, 2023

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May 20, 2022

The BEAD NOFO – Financial Issues

1 Comment

The NTIA has established basic rules for the \$42.5 billion BEAD grants in the recent Notice of Funding Opportunity (NOFO). One of most important aspects of the rules that potential applicants need to understand relates to funding and financing. Note that the NOFO instructs the States what it expects to be included in each state's broadband grant program for the BEAD funding.



The first set of rules concerns the amount of grant funding. Since the IIJA passed Congress, the industry has been talking about BEAD grants offering 75% grant funding. It's not that simple.

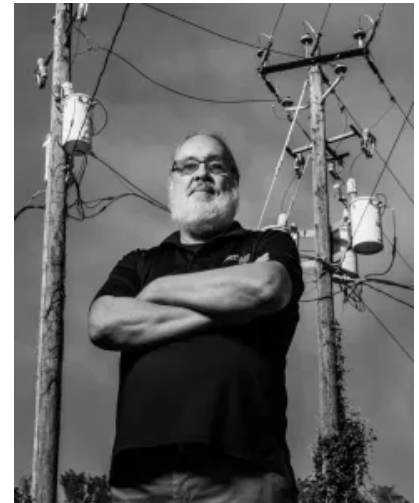
The NOFO says that states are *required to incentivize matches of greater than 25 percent from subgrantees*. That means states must make every effort to award less than a 75% grant. In fact, if two entities request building fiber to the same geographic area, the one asking for the smaller amount of money will automatically win, assuming they meet the basic grant requirement. This makes sense and will stretch the grant money further, but ISPs should be prepared for a sliding scale where the less the borrowing the greater the grant points.

The original Congressional language also held out a big promise for the layering of grants. The legislation specifically promised that an ISP could use ARPA or CARES funding from states and localities as matching for the BEAD grants. But the NTIA rules turn that promise on its head. *States are encouraged to require a match from the subgrantee rather than utilizing other sources where it deems the subgrantee capable of providing matching funds*. If a grant applicant has the ability to fund the grant matching, the NOFO rules suggest states should not allow the layering of local monies as grant matching. When that sinks in, it's going to put a lot of public-private partnership discussions on hold.

The more disturbing requirement in the grant is that applicants must provide an irrevocable letter of credit along with a grant application. During



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the application process, *prospective subgrantees shall be required to submit a letter from a bank . . . committing to issue an irrevocable standby letter of credit, in the required form, to the prospective subgrantee. The letter shall at a minimum provide the dollar amount of the letter of credit.*

I have to wonder if the folks at NTIA understand what an irrevocable standby letter of credit (SLOC) means. Consider a grant application for \$40 million, with a \$10 million grant match. A bank must treat an SLOC as if were a bank loan. When the bank issues the SLOC, it ties up the \$10 million on its balance sheet in the same way it would if it made a loan. The bank can't loan that money to anybody else – it is frozen. While the bank is still holding the cash, it is not treated as a bank's cash reserve since it is pledged. The bank will charge a minimal amount of interest on the letter of credit. In recent years that's been something like 2% – hard to know what that might be with rising interest rates. If the interest rate is 2%, and the grant process takes a year to process, the ISP will have spent \$200,000 in interest expense – even if it doesn't win the BEAD grant.

It gets worse. When an ISP wins a grant it must then produce an irrevocable letter of credit for the life of the grant. This is even worse than the first letter of credit. Bank loans for fiber projects typically use construction financing – the same kind of financing used if you build a house. For a project built over four years, the ISP would take a draw each month as it needs funds and would only start paying interest on money that has been drawn. If a letter of credit must be created on the first day of a grant award, then using my example, interest rates for the full \$10 million of matching would start when the letter of credit is issued. That completely negates the primary advantage of bank construction financing. My back-of-the-envelope math tells me that for a \$10 million matching, the two layers of letters of credits could add \$1 million to the cost of the project – all flowed to banks in the form of interest. None of this money is recoverable from the grant funding and comes out of the grant winner's pocket.

To make matters even worse, a lot of smaller ISPs will not be able to obtain the letter of credit needed to apply for the grant. It's a typical chicken and egg scenario. A bank won't give an ISP a SLOC unless their existing balance sheet supports that much of a loan. But the ISP's balance sheet won't justify the SLOC until it wins the grant. This rule will definitely discriminate against smaller ISP – and by smaller, I'm including some fairly large companies like regional telephone companies and cooperatives.

The NOFO says there will be additional language coming to describe how municipalities will deal with the letter of credit issue. The NTIA is probably struggling with this because bond financing is more complex than a bank loan. A bond doesn't exist until the day that bond buyers agree to buy the bond. It's always possible that a bond issue won't sell, so there can be no bank guarantees tied to future bond issues. I can't wait to see this solution.

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I don't want to be dramatic, but this seems like massive overkill. It would appear that the NTIA is so fearful of having a few grant winners who will default on projects that they are imposing a billion-dollar industry cost to solve a million-dollar problem.

Posted by [Doug Dawson, CCG Consulting](#) in [Regulation - What is it Good For?](#)

Tagged: [BEAD Grants](#), [Irrevocable letter of credit](#), [NTIA](#), [SLOC](#), [Standby letter of credit](#)

[← The Waning of the Bundle](#)

[Another BEAD Grant Complication →](#)

One thought on “The BEAD NOFO – Financial Issues”



F. X. Flinn

May 20, 2022 at 11:48 am

The LoC requirement for the RDOF monies created an enormous headache for our municipal communications district. We had to find private bankers in Boston to locate a bank on the west coast willing to provide one for any kind of reasonable cost. Local banks in rural Vermont didn't have the capacity and no national providers have a presence.

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Subgrantee Selection Primer

A Guide for Eligible Entities

Broadband Equity, Access, and Deployment Program



BEAD Subgrantee Selection Primer

The National Telecommunications and Information Administration (NTIA) offers this Subgrantee Selection Primer as an overview resource to support Broadband Equity, Access, and Deployment (BEAD) program Eligible Entities in creating and implementing a competitive subgrantee selection process. The primer walks through each phase of the subgrantee selection process, from developing applications in alignment with the Notice of Funding Opportunity (NOFO) requirements, to executing the selection process itself.

WHAT IS SUBGRANTEE SELECTION?

The BEAD program directs Eligible Entities to create and implement an open, fair, and competitive subgrantee selection process. Working in partnership with Eligible Entities, subgrantees will be responsible for completing eligible activities that promote the goals and objectives of the BEAD program. Figure 1 outlines five components of the process at a high level.



Figure 1: Subgrantee Selection Process

In all cases, statutory and regulatory mandates, and the requirements set forth in the terms and conditions of a BEAD award, including the NOFO, shall prevail over any inconsistencies contained in this guidance.

DEFINITION OF TERMS

As Eligible Entities begin to plan their subgrantee selection process, it is important to note that some departments and agencies use subgranting-related terms interchangeably. Table 1 contains some of the commonly used terms Eligible Entities may come across. **Note, terms “subgrantee” and “subcontractor”**

Table 1: Definition of Terms

Eligible Entities	=	Subgrantee Selector/Grantee
Project Selection	=	Subgrantee Selection
Subgrant	=	Subaward
Subgrantee	=	Subrecipient
Subgrantee	≠	Subcontractor

have different functions and cannot be used inter-changeably. The fundamental difference between these two particular terms is the contractual relationship. A subgrantee has responsibilities to carry out the award as part of the federal grant program that could be subject to clawback, the mandatory return of funds, whereas a subcontractor is contracted to provide goods and services. Program-approved activities vary, depending on subgrantee type, as depicted in Table 2.

Table 2: Example Deployment vs Non-Deployment Subgrantees

Deployment Subgrantees		Non-Deployment Subgrantees	
• Construction	• Long-term leases	• User training	• Multilingual Outreach
• Improvement	• Network updates	• Remote learning	• Digital Equity activities
• Facility acquisition	• Workforce development	• Telehealth	• Prisoner education
• Engineering design	• Cybersecurity training	• Digital Literacy	• Use of digital navigators



PROCUREMENT COMPONENTS

Before creating a competitive selection process, Eligible Entities should work to recognize existing procurement requirements, document relevant procedures, and develop new policies, where needed. The following section highlights the procurement requirements and policies with which Eligible Entities should be familiar.

1 Federal Procurement Requirements

Beyond the BEAD NOFO, Eligible Entities should consider documents and regulations in the broader federal procurement universe.

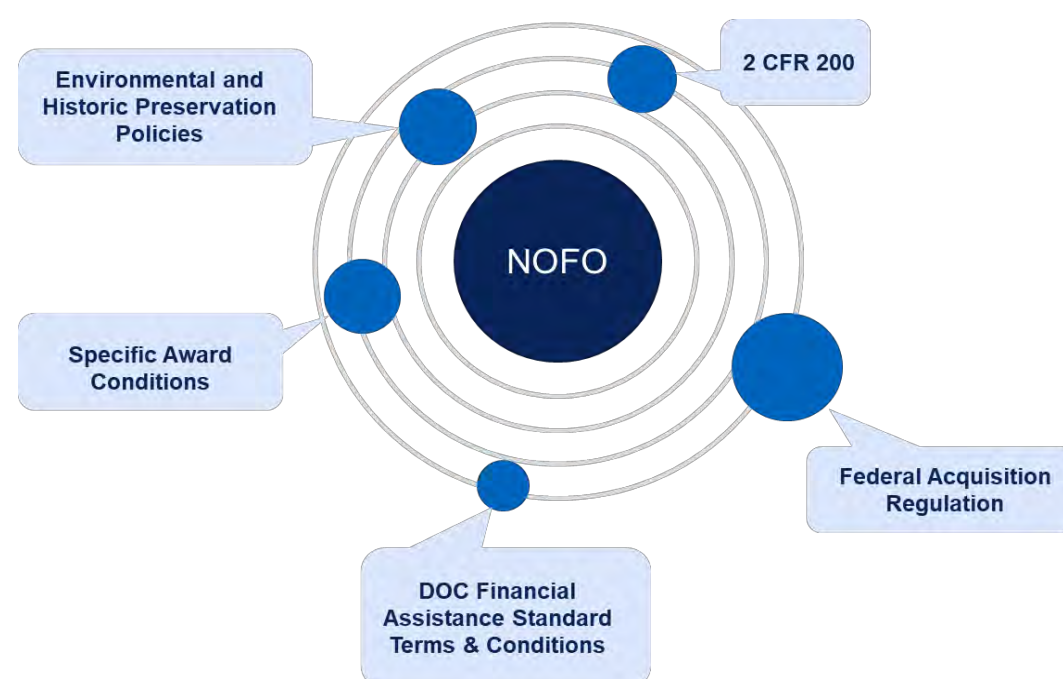


Figure 2: Universe of Federal Procurement Requirements

2 State Procurement Requirements

Eligible Entities should review existing state requirements and establish clear and consistent policies, where needed. These policies should cover both evaluation and procurement for both deployment and non-deployment activities.



Evaluation Policies

Includes defining who the *Evaluation Authority* is, who will provide *communications and notifications* to subgrantees, and a list of *prioritization criteria*.



Procurement Policies

Includes information on how to follow *core regulatory and procurement* guidance, including documentation and compliance

Figure 3: Evaluation and Procurement Policies

3 How Federal and State Regulations Work Together

In places where federal, state, and even local regulations overlap, states will go by the most stringent provision in place. Exceptions include where state laws directly contradict the federal guidance, or local laws contravene state laws. In those cases, federal law preempts state law, and state law preempts local law. Where procurement issues arise in carrying out federal grants, they must be resolved based on the **requirements set forth in the Uniform Guidance as well as in the state's written procurement policies.**



Example: New York State

In New York State, the Office of Business Diversity (OBD) sets a percentage-based goal related to contract participation by Minority and Women-owned Business Enterprises (M/WBE) and Service-Disabled Veteran-Owned Businesses (SDVOB). While federal regulations declare that affirmative steps must be taken to include these types of businesses in solicitation, the state goes a step further by requiring a higher level of monitoring and reporting related to M/WBEs. In this instance, Eligible Entities would adhere to the state's more stringent goals and compliance monitoring, adding an additional level of specificity to the federal regulation.



CREATING A COMPETITIVE APPLICATION

As Eligible Entities begin their search for qualified subgrantees to carry out proposed project activities, it is necessary that they establish a fair, open, and competitive process.

Understanding BEAD NOFO Requirements

Please note that the following section is not an exhaustive list of all requirements. Please refer to the [BEAD NOFO](#) for additional information. Also, please note that for BEAD deployment projects the application or bidding process must be open to all provider types.

Accountability Procedures

Per the BEAD NOFO Section IV.C.1.b, Eligible Entities must include the following when developing Subgranting Accountability Procedures:

- Disbursement of funding to subgrantees for all deployment projects, at a minimum, on a reimbursable basis
- The inclusion of clawback provisions
- Timely subgrantee reporting mandates
- Robust subgrantee monitoring practices

Matching Funds

Per the BEAD NOFO Section III.B, each Eligible Entity engaging in deployment activities shall provide, require its subgrantee to provide, or provide in concert with its subgrantee, matching funds of not less than 25 percent of project costs. Allowable match fund sources include: State, Local Government, Utility Company, Cooperative, Nonprofit Organization, For-Profit Company, Regional Planning, and/or Governmental Organization.

Figure 4: BEAD NOFO Requirements

Last-Mile Deployment Projects Principles

1. **An “Unserved or Underserved Service Project” may:**
 - Be as small as a single unserved or underserved location, respectively.
 - Include Middle Mile Infrastructure.
 - Not be treated as such if already subject to an enforceable federal, state, or local commitment to deploy broadband as of the date of the challenge process.
2. Eligible Entities must establish a competitive process designed to maximize public benefits by increasing subgrantee-provided match and reducing consumer costs.
3. Eligible Entities may seek proposals to serve unserved locations, underserved locations, and Community Anchor Institutions collectively or separately.
4. Eligible Entities may not exclude eligible parties, such as cooperatives and nonprofits, from eligibility as a subgrantee.
5. Eligible Entities may solicit proposals from prospective subgrantees at the geographic level of their choosing.
6. Each Eligible Entity must require that each proposal from a prospective subgrantee identify the amount of BEAD funding that is being sought.
7. Eligible Entities may engage with existing providers in the case that no proposals were received after solicitation.
8. Eligible Entities may select a proposal involving a less costly technology if no Reliable Broadband Service technology is possible given the Extremely High Cost Per Location Threshold.

Non-Deployment Uses

An Eligible Entity that can demonstrate it has a plan for bringing affordable, high-speed Internet service to all unserved and underserved locations within its jurisdiction may also allocate funding to non-deployment activities. NTIA does not prescribe any specific framework for selection of non-deployment projects and recognizes that the breadth of potential non-deployment eligible activities could necessitate a broad range of subgrantee selection processes. However, this process must still meet the competitiveness requirement.



CREATING A COMPETITIVE APPLICATION (cont.)

Creating a Subgrantee Application

When creating a subgrantee application, Eligible Entities should consider the following guidance related to application approach, evaluation criteria, milestones, and strategies to attract candidates. In line with the BEAD program, the goal of these applications should be to get an Eligible Entity to 100% broadband coverage. An Eligible Entity may need to use more than one of the methods in Table 3 to create a selection process that meets program requirements.

Determine Application Approach

Table 3: Example Procurement Methods

Procurement Methods	
Request for Information (RFI)	The Eligible Entity makes an announcement for a project/service need before defining the requirements for the procurement. Pros: This method allows the Eligible Entity to understand the market potential, price, and delivery to further develop the requirements needed for the procurement. Cons: This method serves more as a written request for ideas/information and does not serve to provide the core requirements needed to fulfill the grant.
Grantee Survey of Qualified Solicitation	The Eligible Entity identifies a pool of qualified organizations, formally or informally. From this pool, the grantee can then select the organization to carry out activities. Pros: The Eligible Entity is more proactive in choosing the best subgrantees. Cons: A less public method could be a disadvantage to spreading awareness.
Request for Proposal (RFP)	The Eligible Entity submits a business document announcing a need for a project or service, and potential subgrantees respond with bids. This method is used when Eligible Entities look for the best value subgrantee in terms of cost and technical experience. Pros: This method serves as a good means of communication for government requirements. Cons: This method has strict adherence to provisions and anticipated terms/conditions mentioned in the solicitation, which tends to be negotiated and applied to the final contract with the subgrantees.
Request for Application	Potential subgrantees submit a formal application. The Eligible Entity evaluates each application according to explicit criteria. Unlike a Request for Proposal (RFP), lowest price is not always a factor in selecting a subgrantee. Pros: This method places full responsibility on the potential subgrantee. Cons: This method tends to favor experienced subgrantees who are able to write strong applications.
Request for Quote (RFQ)	The Eligible Entity submits a business document requesting a quote for service or supplies needed. Pros: Like an RFP, this method serves as a good means of communication for government requirements. Cons: Similar to an RFP, this method has strict adherence to provisions and anticipated terms/conditions mentioned in the solicitation, which tends to be negotiated and applied to the final contract with the subgrantees.
Reverse Auction	The Eligible Entity puts out a request for a specific project and invites potential subgrantees to compete against each other on price. Pros: This method can reduce costs as the contract goes to the lowest bidder. Cons: A reverse auction may encourage lower quality of service, due to lower costs.

Determine Evaluation Criteria

Consider the relationship between the Gating and Scoring criteria when evaluating potential subgrantees.



Gating

- Evaluation criteria that is required of each applicant and/or project to be eligible for funding.



Scoring

- Evaluation criteria that assign values to projects to choose between competing projects.

Figure 5: Gating and Scoring Criteria



CREATING A COMPETITIVE APPLICATION (cont.)

Creating a Subgrantee Application (cont.)

Request Milestones

Requesting subgrantee milestones during the application process helps Eligible Entities understand feasibility during the selection process and reduce project risk. Note, Figure 6 is for illustrative purposes only and does not reflect an actual project timeline.

Subgrantee Project Timeline Template - EXAMPLE

State: Applicant (Prospective Subgrantee):
Project: Pole Attachment

Activity	Key Tasks and Milestones	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Project Scope	Determine project scope												
	Understand workforce needs												
	Determine technology needs												
	Develop internal project plan												
	Develop a plan for successful subgrant acquisition												
Workforce Establishment	Determine workforce needs												
	Determine subcontractor needs												
	Complete workforce recruitment												
	Complete subcontractor agreements												
Technical Planning	Understand BEAD program technical components												
	Determine technical needs to meet program standards												
Pole Attachment	Conduct Environmental Study												
	Determine Permitting Needs												
	Permit Applications Submitted												
	Permits Approved												
	Secure Needed Materials												
	Site Preparation												
	Existing Underground Utilities Mapped												
Site Survey													

Figure 6: Example Milestones Template

Attract Strong Candidates

HIGH-LEVEL STRATEGY EXAMPLES

- Outreach Plan**
 This will be inclusive of coordination with local Tribes where applicable. A successful outreach plan may encompass multi-lingual communication tools to maximize reach.
- Pre-Application Process**
 Conducting a pre-application process will allow Eligible Entities to know early on the anticipated amount of eligible prospective subgrantees and whether there is interest.
- Removing Barriers**
 Easing regulations will facilitate in expanding the candidate pool. For example, Eligible Entities may allow local governments to be providers where ISPs do not wish to provide coverage. This may also be in the form of streamlining permitting processes.
- Financial Incentives**
 Eligible Entities may consider waiving or lowering the match requirement amount, or offering tax breaks.
- Case-by-Case Approach**
 In the event that other approaches are not applicable, Eligible Entities may consider a tailored strategy for the targeted pool of subgrantees that will yield the desired outcomes
- Reassessment**
 States may consider carrying out activities themselves or may reassess the need for the activity altogether.

Figure 7: Example Strategies to Attract Candidates



DEVELOPING A SELECTION PROCESS

Eligible Entities should understand the overall BEAD timeline when developing their subgrantee selection process, especially regarding the Initial Proposal. The following section covers key steps in developing the subgrantee selection process including understanding award timelines, identifying resourcing needs, understanding selection requirements, and reviewing subgrantee eligibility.

Understand Award Timelines

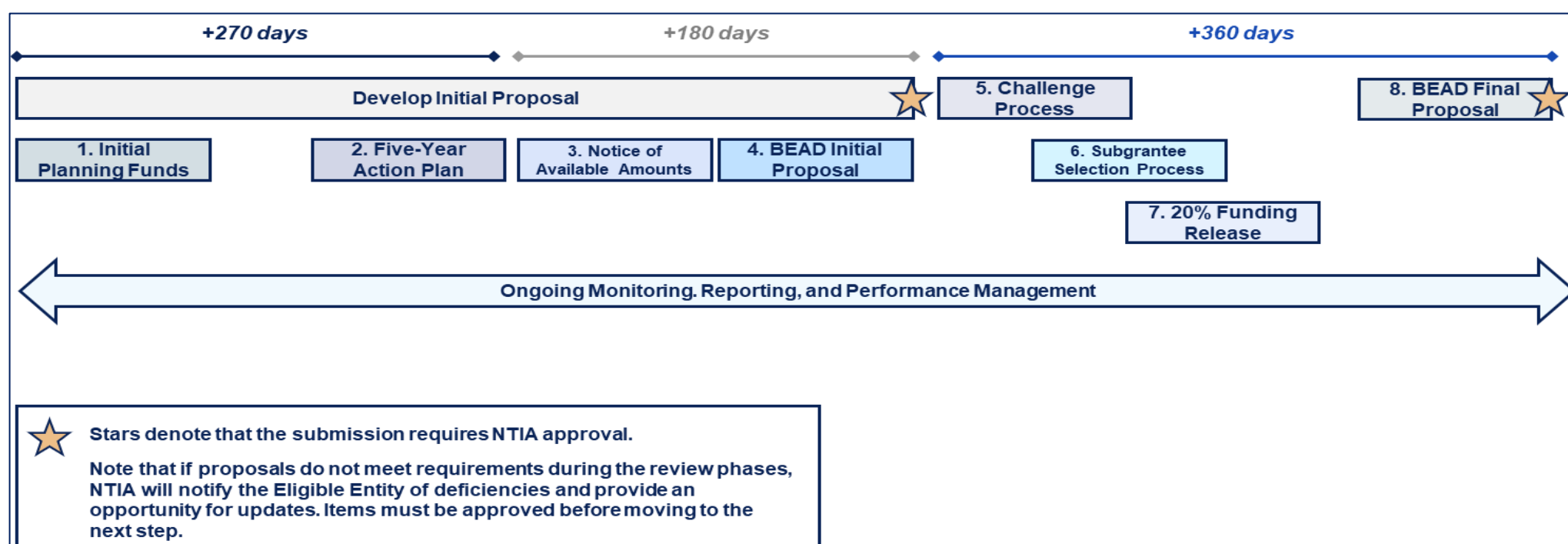


Figure 8: BEAD Program Timeline

Address Internal Resource Needs

Equipment & Training

- Determining if **specialized equipment or software** is required.
- Assessing if staff requires **training** on processes and procedures

Staffing

- Building **Division/Team** for Subgrantee Matters (e.g., EHP)
- Forming a **Subgrantee Selection Committee**

Figure 9: Example Resource Needs

Form Risk Analysis Matrix

RISK ANALYSIS CONSIDERATIONS

- ✓ Has the applicant ever undertaken the proposed activity before, and what was the result?
- ✓ Does the applicant have experience with the broadband service or other Federal programs?
- ✓ What is the applicant's past performance regarding compliance with federal and state requirements associated with federal grants?
- ✓ Does the applicant meet the criteria set forth in the BEAD NOFO and by the Eligible Entity?
If not, does the applicant have a plan for upgrading these aspects of their application?
- ✓ Does the organization have qualified staff for all the necessary functions associated with the proposed activity, and is there adequate staff time available?
If not, how does the organization plan to fill these gaps in personnel?

Figure 10: Example Risk Analysis Considerations



DEVELOPING A SELECTION PROCESS (continued)

Understand Subgrantee Selection Requirements

Subgrantee Qualifications	General Principles (IV.B.7.a)	Prioritization & Scoring Principles (IV.B.7.b)									
<ol style="list-style-type: none"> Prospective Subgrantees must meet General Qualifications (IV.D.1) Prospective Subgrantees must demonstrate Specific Qualifications (IV.D.2) 	<ol style="list-style-type: none"> Protecting Integrity of Selection Process Abiding by Last-Mile Broadband Deployment Projects Principles Adhering to the Infrastructure Act's requirement that subgrants be awarded "competitively" for Non-Deployment Uses 	<ol style="list-style-type: none"> Complete coverage of Unserved Locations and Underserved Locations, followed by prioritization of eligible CAIs Selection among competing proposals for the same location or locations 									
			<table border="1"> <thead> <tr> <th>Primary Criteria</th> <th>Secondary Criteria</th> <th>Additional Factors</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> Minimal BEAD Program Outlay Affordability Fair Labor Practices </td> <td> <ul style="list-style-type: none"> Speed to Deployment Speed of Network and Other Technical Capabilities </td> <td> <ul style="list-style-type: none"> Equitable Workforce Development Open Access Local & Tribal Coordination </td> </tr> </tbody> </table>	Primary Criteria	Secondary Criteria	Additional Factors	<ul style="list-style-type: none"> Minimal BEAD Program Outlay Affordability Fair Labor Practices 	<ul style="list-style-type: none"> Speed to Deployment Speed of Network and Other Technical Capabilities 	<ul style="list-style-type: none"> Equitable Workforce Development Open Access Local & Tribal Coordination 		
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Figure 11: Subgrantee Selection Requirements

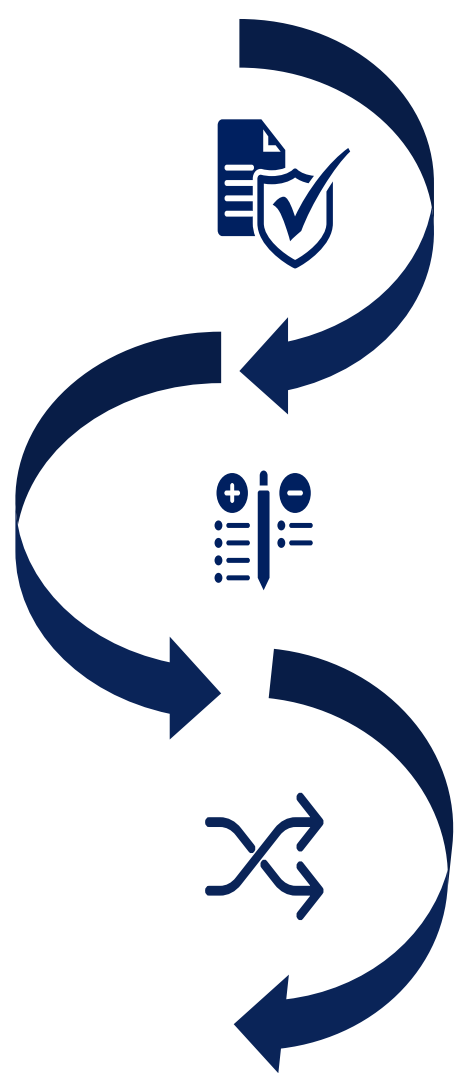
Form a Selection Criteria Scoring Rubric

When creating a scoring rubric, Eligible Entities should weigh each component per the prioritization framework developed for the proposed project. Refer to the Scoring Rubric Example for further detail.



IMPLEMENTING THE SELECTION PROCESS

After developing an approved selection process, Eligible Entities can start implementation. This section provides information on evaluation, addressing unmet needs, and strategies to de-conflict projects.



Evaluating Subgrantees for Selection

After NTIA approves the subgrantee selection process outlined in the Initial Proposal, Eligible Entities can begin evaluating and scoring potential recipients. Note, it is imperative that Eligible Entities do not deviate from their approved selection plan; doing so may risk the integrity of subgrantee selection.

Addressing Unmet Needs from Selection Process Implementation

If, after soliciting proposals, the Eligible Entity has received no proposals to serve a location or group of locations that are unserved, underserved, or a combination of unserved and underserved, the Eligible Entity may engage with existing providers and/or other prospective subgrantees to find providers willing to expand their existing or proposed service areas.

De-Conflicting Projects/Activities

To avoid duplicative efforts amongst subgrantees, Eligible Entities should establish measures to assess projected improvement activities and their proposed locations before awarding subgrantee funding. These measures can help determine the goal of **each subgrantee's proposed activities and should be compared to the subgrantee's proposed project timeline by linking activities and their projected goals.**



WHAT'S NEXT

A full-length version of the content covered in this primer will be available in spring 2023, along with further technical assistance and general guidance. Please contact your Federal Program Officer (FPO) with any additional questions.

INTERNET FOR ALL

Five-Year Action Plan Guidance



U.S. Department of Commerce
National Telecommunications and Information Administration

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Internet For All

Introduction

Overview of the Five-Year Action Plan Requirements

An Eligible Entity that receives Initial Planning Funds must submit to the Assistant Secretary a Five-Year Action Plan that establishes the State¹ or Territory's broadband goals and priorities and serves as a comprehensive needs assessment that will inform the State or Territory's Initial Proposal.



IMPORTANT:

At minimum, an Eligible Entity's Five-Year Action Plan must include 13 requirements, which are detailed in the **BEAD Notice of Funding Opportunity (NOFO), Section IV.B.3.b.**

The Five-Year Action Plan is intended to provide a foundation for alignment with future Initial and Final Proposals. The Initial and Final Proposals developed for the Broadband Equity, Access, and Deployment (BEAD) Program should be informed by, complementary to, and expand upon the Eligible Entity's Five-Year Action Plans.

The **BEAD Notice of Funding Opportunity (NOFO), Section IV.B.3.b** details 13 requirements that must be responded to in an Eligible Entity's Five-Year Action Plan.

The Five-Year Action Plan must be submitted to NTIA within 270 days of receipt of Initial Planning Funds. The Assistant Secretary reserves the right to extend this deadline; however, the Assistant Secretary will be reluctant to grant a waiver except in extraordinary circumstances.

The NOFO states that the Assistant Secretary will publish at www.grants.ntia.gov an online template for submission of the Five-Year Action Plan. The use of this template is optional.

To the extent an Eligible Entity has an existing plan that meets the requirements set forth above and was completed within the 12 months prior to the date of receipt of Initial Planning Funds, it may submit that plan as its Five-Year Action Plan. If an Eligible Entity has an existing plan that was completed more than 12 months prior to the date of receipt of Initial Planning Funds, the Eligible Entity is encouraged to leverage material produced during previous planning efforts and make updates to meet the requirements of the Five-Year Action Plan. Additionally, if an Eligible Entity has an existing plan that meets the requirements set forth above in part, it may submit that plan as part of the Five-Year Action Plan, along with supplemental materials sufficient to fulfill all the requirements.²

If an Eligible Entity does not utilize the online template published by NTIA, the Eligible Entity must also provide an index, crosswalk, or similar document to allow the reader to quickly and efficiently locate relevant content. A sample crosswalk is included as an attachment to this document.

¹ The term "State" means, for the purposes of the BEAD Program, any State of the United States, the District of Columbia, and Puerto Rico. See BEAD NOFO, Section I.C.v.

² Please note that an Eligible Entity may not use BEAD funds to pay for previously incurred costs (subject to limited exceptions described in Section IV.B.2 of this NOFO).

Five-Year Action Plan and State Digital Equity Plan Alignment

The State Digital Equity Planning Grant (SDEPG) Program was authorized by the Infrastructure Investment and Jobs Act of 2021 (November 15, 2021), also known as the Bipartisan Infrastructure Law. The SDEPG Program is the first of three Digital Equity programs that provide new federal funding for grants to Eligible Entities to further advance federal goals relating to digital equity and digital inclusion.

It is anticipated that each Eligible Entity participating in the BEAD Program will concurrently participate in the SDEPG Program, and in many of the 13 requirements of the Five-Year Action Plan, there are opportunities to infuse digital inclusion activities to both satisfy requirements of the State Digital Equity Plan and ensure that digital inclusion is a core component of broadband planning.

Requirement 11 of the Five-Year Action Plan may be satisfied by the completion of a State Digital Equity Plan under the SDEPG Program, and Eligible Entities should consider the 15 requirements of the State Digital Equity Plan listed in [the State Digital Equity Planning Grant Program NOFO](#) as the minimum content necessary for this requirement. Eligible Entities should also refer to the [NOFO](#) for the exact requirements and deadlines applicable to that program.

Eligible Entities are encouraged to incorporate the State Digital Equity Plan into the Five-Year Action Plan, but it is also allowable to submit the State Digital Equity Plan as a separate document. If an Eligible Entity intends to submit its State Digital Equity Plan separately to satisfy Requirement 11 of the Five-Year Action Plan, it should note this explicitly in the text of the Five-Year Action Plan.

State Digital Equity Planning Grant Program under the Digital Equity Act (see SDEPG NOFO Section IV.C.1.b)

The statutory requirements for the contents of State Digital Equity Plans are set forth in Section 60304(c)(1) of the Infrastructure Act, and are listed below:

1. Identification of barriers to digital equity faced by Covered Populations in the State.
2. Measurable objectives for documenting and promoting, among each Covered Population located in that State—
 - a. The availability of, and affordability of access to, fixed and wireless broadband technology;
 - b. The online accessibility and inclusivity of public resources and services;
 - c. Digital literacy;
 - d. Awareness of, and the use of, measures to secure the online privacy of, and cybersecurity with respect to, an individual; and
 - e. The availability and affordability of consumer devices and technical support for those devices.
3. An assessment of how the measurable objectives identified in item 2 of [the NOFO's] Section IV.C.1.b.i will impact and interact with the State's—
 - a. Economic and workforce development goals, plans, and outcomes;
 - b. Educational outcomes;
 - c. Health outcomes;
 - d. Civic and social engagement; and
 - e. Delivery of other essential services.

4. In order to achieve the measurable objectives identified in item 2 of [the NOFO's] Section IV.C.1.b.i, a description of how the State plans to collaborate with key stakeholders in the State, which may include—
 - a. Community anchor institutions;
 - b. County and municipal governments;
 - c. Local educational agencies;
 - d. Where applicable, Indian Tribes, Alaska Native entities, or Native Hawaiian organizations;
 - e. Nonprofit organizations;
 - f. Organizations that represent—
 - i. Individuals with disabilities, including organizations that represent children with disabilities;
 - ii. Aging Individuals;
 - iii. Individuals with language barriers, including—
 1. Individuals who are English learners; and
 2. Individuals who have low levels of literacy;
 - iv. Veterans; and
 - v. Individuals in that State who are incarcerated in facilities other than Federal correctional facilities;
 - g. Civil rights organizations;
 - h. Entities that carry out workforce development programs;
 - i. Agencies of the State that are responsible for administering or supervising adult education and literacy activities in the State;
 - j. Public housing authorities in the State; and
 - k. A partnership between any of the entities described in clauses (a) through (j).
5. A list of organizations with which the Administering Entity for the State collaborated in developing the Plan.

In addition to the above requirements, the State Digital Equity Plan developed with planning grant funds shall, at a minimum, include the following:

1. A stated vision for digital equity;
2. A digital equity needs assessment, including a comprehensive assessment of the baseline from which the State is working and the State's identification of the barriers to digital equity faced generally and by each of the covered populations in the State;
3. An asset inventory, including current resources, programs, and strategies that promote digital equity for each of the covered populations, whether publicly or privately funded, as well as existing digital equity plans and programs already in place among municipal, regional, and Tribal governments;
4. To the extent not addressed in connection with item 4 of Section IV.C.1.b.i, a coordination and outreach strategy, including opportunities for public comment by, collaboration with, and ongoing engagement with representatives of each category of covered populations within the State and with the full range of stakeholders within the State;
5. A description of how municipal, regional, and/or Tribal digital equity plans will be incorporated into the State Digital Equity Plan;
6. An implementation strategy that is holistic and addresses the barriers to participation in the digital world, including affordability, devices, digital skills, technical support, and digital navigation. The strategy should (a) establish measurable goals, objectives, and proposed core activities to address the needs

- of covered populations, (b) set out measures ensuring the plan’s sustainability and effectiveness across State communities, and (c) adopt mechanisms to ensure that the plan is regularly evaluated and updated;
7. An explanation of how the implementation strategy addresses gaps in existing state, local, and private efforts to address the barriers identified pursuant to Section IV.C.1.b.i, item 1, of [the State Digital Equity Planning Grant Program] NOFO;
 8. A description of how the State intends to accomplish the implementation strategy described above by engaging or partnering with:
 - a. Workforce agencies such as state workforce agencies and state/local workforce boards and workforce organizations;
 - b. Labor organizations and community-based organizations; and
 - c. Institutions of higher learning, including but not limited to four-year colleges and universities, community colleges, education and training providers, and educational service agencies;
 9. A timeline for implementation of the plan; and
 10. A description of how the State will coordinate its use of State Digital Equity Capacity Grant funding and its use of any funds it receives in connection with the Broadband Equity, Access, and Deployment Program, other federal or private digital equity funding.

How to use the Five-Year Action Plan Guidance and Template

The following pages outline a proposed template and associated guidance to meet the 13 requirements of the Five-Year Action Plan. The proposed structure for the Five-Year Action Plan includes six sections:

- [Executive Summary](#);
- [Overview of the Five-Year Action Plan](#);
- [Current State of Broadband and Digital Inclusion](#);
- [Obstacles or Barriers](#);
- [Implementation Plan](#); and
- [Conclusion](#).

The appendix includes a list of the Five-Year Action Plan’s [13 requirements](#), as written in the BEAD NOFO, Section IV.B.3.b.

The attachments include:

- A sample crosswalk to reflect alignment between an Eligible Entity’s existing Five-Year Action Plans and the NOFO requirements; and
- A template for the Five-Year Action Plan.

The guidance—and template—are structured to align with the NOFO’s 13 requirements. As such, the sections of the guidance with these requirements include call-out boxes with the NOFO language, for reference.

The guidance also includes an overview of the purpose of each proposed section, importance of the content for the success of the program, and other optional information and/or data that the Eligible Entity may consider when developing the Five-Year Action Plan.

Eligible Entities are not required to submit a Five-Year Action Plan in the structure or template proposed in this document. However, this document does include important guidance within each section as to how to interpret the NOFO's 13 requirements, which Eligible Entities must respond to in their Five-Year Action Plan.

1 Executive Summary

The Five-Year Action Plan should begin with a clear and concise executive summary. The Executive Summary should state the purpose and summarize the key points of the Five-Year Action Plan.



As outlined in the BEAD NOFO, **NTIA plans to provide detailed technical assistance to Eligible Entities throughout the BEAD Program.**

If you have any questions, or require technical assistance, in the development of the Five-Year Action Plan, **please reach out to your assigned Federal Program**

2 Overview of the Five-Year Action Plan

2.1 Vision

The purpose of this section is to provide a clear, specific picture of the Eligible Entity's vision for broadband deployment and digital equity.

The Eligible Entity may use this section to describe what success looks like for its State or Territory, inform strategies, serve as a guide for setting goals and objectives, and determine the activities the Eligible Entity will choose to prioritize in the Five-Year Action Plan.

Eligible Entities that are also utilizing funding from the SDEPG Program should ensure that the programs and plans are coordinated and that the visions for BEAD and SDEPG Programs are closely linked and aligned.

2.2 Goals and Objectives

In this section, the Eligible Entity will explicitly state its goals and objectives for broadband deployment and digital equity. The goals outlined in the Five-Year Action Plan will inform, and can meet later requirements, of the BEAD Initial Proposal as well as Final Proposal. As such applicants should consider long-term objectives for deploying broadband, closing the digital divide, addressing access, affordability, equity and adoption issues, and enhancing economic growth and job creation.

Goals are achievable outcomes that are generally broad and long-term. In the context of the Five-Year Action Plan, example goals of an Eligible Entity may include:

- Ensure all residents of the State or Territory have access to high-speed internet irrespective of their location within the State or Territory
- Empower local municipalities to develop and implement lasting broadband infrastructure across the State or Territory
- Close the remaining digital divide within the State or Territory and reduce digital inequalities among all citizens

Objectives are specific, measurable, attainable, relevant, and time-based. They support the attainment of the goals. Example objectives may include:

- Develop broadband investment and deployment strategies for unserved and underserved areas
- Leverage all federal sources of broadband funding to achieve the Eligible Entity's broadband deployment and digital inclusion goals
- Develop and strengthen partnerships with community stakeholders to identify opportunities for State or Territory support and coordinate initiatives

The Eligible Entity may choose to outline the long-term goals and objectives for deploying broadband and closing the digital divide, specifically addressing:



Broadband Deployment



Broadband Affordability



Broadband Access



Digital Equity



Broadband Adoption



Economic Growth and Job Creation

The Eligible Entity may include information from any existing strategic plan otherwise developed by the Eligible Entity, if applicable.

3 Current State of Broadband and Digital Inclusion

3.1 Existing Programs

Relevant Requirements from the NOFO Section IV.B.3.b:

- Provide details of the existing broadband program or office within the Eligible Entity, including:
 - any activities that the program or office currently conducts,
 - any previous entity-wide plans or goals for availability of broadband, and
 - any prior experience awarding broadband deployment grants. ^{Req.1}
- Identify the funding that the Eligible Entity currently has available for broadband deployment and other broadband-related activities, including:
 - data collection and local planning, and
 - the sources of that funding, including whether the funds are from the Eligible Entity or from the federal government. ^{Req. 2}
- Identify existing efforts funded by the federal government, including the Universal Service Fund, or an Eligible Entity to deploy broadband and close the digital divide. ^{Req. 3}
- Identify the current full-time and part-time employees of the Eligible Entity who will assist in implementing and administering the BEAD Program and the duties assigned to those employees, as well as any existing contracted support, and any planned expansion of employees or contractors. ^{Req. 4}

The purpose of this section is to document the resources—including structural, financial, programs, and personnel—available to the Eligible Entity. This section should also evaluate the state of the current broadband program or office within the Eligible Entity. Documenting the current state of broadband and digital inclusion is key to identifying the resources and relationships available to the Eligible Entity, understanding what gaps and barriers may exist, and informing and improving future planning and implementation of program or office activities to effectively carry out its goals and objectives.

The following tables are provided in the template to assist Eligible Entities in gathering and documenting information in a simple, structured manner, along with some illustrative examples.

Table 1: Current Activities that the Broadband Program/Office Conducts

Use this table to identify the current activities, which should include, but are not limited to:

- Any activities that the program or office currently conducts;
- Any previous entity-wide plans or goals for availability of broadband; and
- Any prior experience awarding broadband deployment grants.

Activity Name	Description	Intended Outcome(s)
<i>Name of activity</i>	<i>Brief description of activity</i>	<i>Brief list of intended outcome(s)</i>
<i>Ex: Roundtable Discussions</i>	<i>Eligible Entity hosted a series of roundtable discussions across the State or Territory to identify broadband needs and challenges and solicit input from local stakeholders</i>	<i>Observations and feedback from community outreach will inform the development of the Eligible Entity’s broadband plan, objectives, and implementation approach</i>

<i>Ex: State Broadband Council</i>	<i>Eligible Entity established an interagency council of state agencies to coordinate on ongoing and planned broadband initiatives</i>	<i>The council will enable a coordinated and streamlined approach to broadband projects proposed across Eligible Entity agencies</i>
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Table 2: Current and Planned Full-Time and Part-Time Employees

Use this table to identify the current and planned employees that will assist in implementing and administering the BEAD Program and the duties assigned to those employees.

Current/Planned	Full-time/Part-time	Position	Description of Role
<i>Current or Planned</i>	<i>FT or PT</i>	<i>Position</i>	<i>Brief description of role</i>
<i>Ex: Current</i>	<i>Full-time</i>	<i>Outreach Coordinator</i>	<i>Oversees and manages local coordination and stakeholder engagement activities</i>
<i>Ex: Planned</i>	<i>Part-time</i>	<i>Grant Coordinator</i>	<i>Oversees all grant management activities and ensures compliance with federal regulations</i>

Table 3: Current and Planned Contractor Support

Use this table to identify the current and planned contractors that will assist in implementing and administering the BEAD Program and the duties assigned to those employees.

Current/Planned	Time	Position	Description of Role
<i>Current or Planned</i>	<i>FT or PT</i>	<i>Contractor Position</i>	<i>Brief description of contractor's role</i>
<i>Ex: Planned</i>	<i>FT</i>	<i>Digital equity Subject Matter Expert</i>	<i>Provides targeted support related to efforts that promote digital literacy, equity, and inclusion</i>
<i>Ex. Planned</i>	<i>FT</i>	<i>GIS Data Analyst</i>	<i>Provides support to build Eligible Entity's broadband availability maps, and support FCC Mapping and Challenge Process</i>

Table 4: Broadband Funding

Use this table to identify the funding from various sources, including its own, that the Eligible Entity currently has available for broadband deployment and other broadband-related activities. Examples of funding include, but are not limited to, other NTIA competitive grant programs, USDA telecom and broadband programs, American Rescue Plan funding, Treasury funding, and other federal, state, and local government programs.

The Eligible Entity may consider resources, such as [USASpending.gov](https://www.usaspending.gov) to populate this table and identify funding sources being spent within a State or Territory. The funding could be stated as a sum total for each of the funding programs.

Source	Purpose	Total	Expended	Available
<i>Name of federal agency/ other source of funding</i>	<i>Brief description of broadband deployment and other broadband-related activities</i>	<i>\$X,000,000</i>	<i>\$X00,000</i>	<i>\$X00,000</i>
<i>Ex: American Rescue Plan Act</i>	<i>Development of statewide geospatial datasets to enhance capacity for broadband mapping; expansion and improvement of connectivity in public spaces</i>	<i>\$39,000,000</i>	<i>\$25,000,000</i>	<i>\$14,000,000</i>
<i>Ex: USDA ReConnect</i>	<i>Deployment of 92 miles of fiber to provide high-speed internet to remote, underserved counties</i>	<i>\$6,000,000</i>	<i>\$4,100,000</i>	<i>\$1,900,000</i>

In addition to the relevant requirements above, Eligible Entities may also choose to include information or resources related to broadband deployment and digital inclusion, including existing state policies, mapping, or other technological resources used to inform broadband-related activities, studies and best practices, or outreach endeavors.

3.2 Partnerships

Relevant Requirements from the [NOFO](#), Section IV.B.3.b

- ...[identify] and [provide] details regarding any relevant partners, such as community-based organizations and CAIs that may inform broadband deployment and adoption planning. ^{Req.6}

The purpose of this section is to identify and assess new or existing partners that the Eligible Entity may engage for the development and implementation of the Five-Year Action Plan. Such partners may include organizations that are already engaged in issues related to broadband deployment and digital inclusion, such as local governments, college and university systems, school systems, faith-based organizations, foundations, chambers of commerce, and local internet service providers, as well as potential new partners that are not yet engaged in this work or not yet an established partner of the Eligible Entity.

The template includes the table below:

Table 5: Partners

Use this table to identify the partners that may inform the development and implementation of the Five-Year Action Plan.

Partners	Description of Current or Planned Role in Broadband Deployment and Adoption
<i>Name of Partner</i>	<i>Brief description of the current or planned role of the partner for broadband deployment and adoption in the State or Territory.</i>
<i>Ex: Broadband Nonprofit</i>	<i>Eligible Entity has existing partnership with Broadband Nonprofit to support digital equity initiatives, which focuses on research, community planning and capacity building. Eligible Entity plans to continue partnership with Nonprofit to engage local communities and understand their broadband goals and needs</i>
<i>Ex: Internet Service Providers</i>	<i>Eligible Entity plans to partner with local internet service providers to track and report on the progress of broadband adoption within the State or Territory</i>
<i>Ex: Community-Based Organization</i>	<i>Eligible Entity will partner with community-based organization to increase local stakeholder participation and outreach. The organization will help coordinate and host local events and produce outreach materials to inform local community members about ongoing broadband efforts.</i>

In addition to the relevant requirements above, Eligible Entities may also consider examining the partners’ current and potential roles, skills, and expertise as it relates to achieving the goals of the BEAD program and those set forth by the Eligible Entity in its Five-Year Action Plan. Eligible Entities may also choose to identify potential partners that have the capacity or potential interest in engaging in issues related to broadband deployment and digital inclusion.

3.3 Asset Inventory

<p>Relevant Requirements from the NOFO, Section IV.B.3.b:</p> <ul style="list-style-type: none"> • Include an asset inventory that catalogues broadband adoption, affordability, equity, access, and deployment activities occurring within the Eligible Entity... ^{Req.6}

The purpose of this section is to catalogue the Eligible Entity’s unique assets related to:

-  **Broadband Deployment** [\(3.3.1\)](#)
-  **Broadband Affordability** [\(3.3.3\)](#)
-  **Broadband Access** [\(3.3.4\)](#)
-  **Digital Equity** [\(3.3.4\)](#)
-  **Broadband Adoption** [\(3.3.2\)](#)

This asset inventory is intended to capture both existing hard assets (e.g., towers, buildings, utility poles) and soft assets—or efforts (e.g., programs, activities, strategies, skills, technical assistance) that can be leveraged to close the digital divide. States should do their best to conduct a comprehensive assessment. However, states are not required to develop an exhaustive inventory and should focus on assets that can readily be leveraged, such as those that are publicly owned in the case of hard assets. Identifying and taking inventory of what resources are available to implement the Five-Year Action Plan is critical to ensuring that Eligible Entities are not only able to identify the needs and gaps as it pertains to broadband deployment and digital equity in the State or Territory, but also to identify what assets – such as organizations, physical spaces, people, and institutions – are available to achieve the goals and objectives of the Eligible Entity. This section will directly inform the development of the BEAD Initial Proposal.

Potential resources the Eligible Entity may consider as they design their asset inventory include the [NTIA Internet Use Survey](#), [NTIA Indicators of Broadband Need Map](#), and [American Community Survey](#).

As Eligible Entities conduct their inventory of assets, please note that while the NOFO outlines specific data sources the Eligible Entity may consider to meet Requirement 8 (see [Appendix I](#)), the Eligible Entity should not feel bound to these and should incorporate the best available data, including data collected as a part of the Bipartisan Infrastructure Law funding. **If data or other information is unclear or unavailable, please identify any plans to clarify and/or obtain this data.**



IMPORTANT:

If data or other information necessary for the asset inventory is unclear or unavailable, please identify any plans to clarify and/or obtain this data.

What is an Asset?

For the purposes of the BEAD 5-Year Action Plan, “assets” refers to both:



Hard Assets

Such as towers, buildings, utility poles

Soft Assets

Such as programs, activities, strategies, skills, technical assistance

3.3.1 Broadband Deployment

The following list includes example assets that the Eligible Entity may identify and detail:

- State or Territory owned structures and utility infrastructure that providers could utilize at low- or no-cost for broadband deployment (e.g., towers, water towers, silos, buildings, utility poles);
- State or Territory owned land that providers could utilize at low-or no-cost for broadband deployment;
- Existing rights of way;
- Conduits or dark fiber deployed by the State/Territory or other government entities;
- Current or forthcoming capital projects, which would allow providers to lay new fiber at lower costs (e.g., road construction, water, or sewer projects); and
- Highly skilled workforce available to deploy broadband.

3.3.2 Broadband Adoption

The following list includes example assets that the Eligible Entity may identify and detail:

- Percentage of residents within the State/Territory who have adopted broadband;
- Programs that provide digital literacy and digital skills training;
- Programs that provide subsidized or low-cost devices (e.g., computers, tablets);
- Digital Navigator programs;
- Programs that conduct awareness and outreach activities of digital inclusion programming and resources (e.g., marketing and awareness campaigns);

- Existing ISP programs that promote adoption (e.g., adoption campaigns, low-cost plans, digital inclusion initiatives);
- Incentives (e.g., subsidies, tax benefits) for incorporation of broadband across different sectors (e.g., education, agriculture, economic development, telemedicine);
- Public computing labs;
- Loaner computer/hotspot programs;
- Programs that offer discounted or low-cost devices with affordable maintenance costs;
- K-12 school system one-to-one computer programs;
- Computer refurbishing programs; and/or
- Digital equity/inclusion coalitions.

3.3.3 Broadband Affordability

The following list includes example assets that the Eligible Entity may identify and detail:

- The number of residents eligible for the Affordable Connectivity Program (ACP), the percent of eligible residents who have accessed the ACP, and the steps taken to increase enrollment in the ACP;
- Discount or subsidized broadband service and equipment programs;
- Utility assistance programs for consumers with limited incomes; and/or
- Provider agreements and contracts that are near expiration (i.e., provide the opportunity for new agreements and contracts that provide more affordable broadband services).

3.3.4 Broadband Access

The following list includes example assets that the Eligible Entity may identify and detail:

- Public Wi-Fi and networks;
- Public access points;
- Cellular connectivity (Mobile Broadband); and/or
- Open access middle mile networks.

3.3.5 Digital Equity

The following list includes example assets that the Eligible Entity may identify and detail:

- Workforce development training and employment services related to broadband adoption (e.g., computer/digital skills training, apprenticeships);
- Technical assistance to support digital inclusion (i.e., Digital Navigators who provide community members with support to access and utilize home internet connectivity, devices, digital skills, etc.);
- Civic and volunteer organizations that provide volunteer and advocacy assistance for digital equity programs; and/or
- Taskforces or place based coalitions that work towards digital equity and include a diverse group of stakeholders in the State or Territory (e.g., engagement with ISPs, state

agencies, local community champions, local governments, tribal leaders, community-based organizations, libraries, educational institutions, local businesses, federal landowners, residents, etc.

3.4 Needs and Gaps Assessment

Relevant Requirements from the [NOFO](#), Section IV.B.3.b :

- Identify local and regional broadband service needs and gaps within the Eligible Entity's boundaries, including unserved or underserved locations and CAIs without gigabit service, and/or any plans to make these determinations where service availability is unclear. ^{Req. 9}
- Identify digital equity and inclusion needs, goals, and implementation strategies, including ways in which the Eligible Entity plans to utilize BEAD funding, Digital Equity Act funding and/or other funding streams in concert to remedy inequities and barriers to inclusion. Accordingly, the Five-Year Action Plan should set forth a vision for digital equity, include the results of a needs assessment for underrepresented communities and an asset inventory of ongoing digital equity activities, and detail holistic strategies around affordability, devices, digital skills, technical support, and digital navigation. This requirement may be satisfied by the completion of a State Digital Equity Plan under the Digital Equity Act. ^{Req. 11}
- Incorporate available federal, Eligible Entity, or local broadband availability and adoption data, including but not limited to Affordable Connectivity Program enrollment data. Other federal broadband data sources include the NTIA Internet Use Survey, the NTIA Indicators of Broadband Need Map, and the American Community Survey. ^{Req. 8}

The purpose of this section is to identify the gaps between the current state and needs of broadband deployment and digital equity in the State or Territory. Conducting a needs and gap assessment will include needs identification, data collection, and analysis and evaluation.

Potential resources that the Eligible Entity may consider as they design their needs and perform gap assessment are outlined in the following sub-sections.

Please note that while the NOFO outlines specific data sources that the Eligible Entity may consider to meet Requirement 8 ([NTIA Internet Use Survey](#), the [NTIA Indicators of Broadband Need Map](#), and the [American Community Survey](#)), it should not feel bound to these and should incorporate the best available data, including data collected as a part of the Bipartisan Infrastructure Law funding. **If data or other information is unclear or unavailable, please identify any plans to clarify and/or obtain this data.**

3.4.1 Broadband Deployment

The Eligible Entity may identify and detail the needs and gaps in the State or Territory, which may include, but is not limited to the following need for:

- Service to unserved locations;
- Service to underserved locations;
- Service to Community Anchor Institutions (CAIs) without gigabit service;
- Development of a dedicated broadband office or governance structure to facilitate integration of broadband efforts in the State or Territory;
- Legislative and/or regulatory solutions to overcome barriers or to accelerate infrastructure deployment;
- Solutions to funding barriers in designated “high-cost areas,” as defined by the BEAD NOFO, Section I.C.m;
- Improved databases and/or systems that enhance use of information to inform broadband deployment; and/or
- Increased workforce available to deploy broadband.



FCC Broadband Data Maps

If available, the Eligible Entity should utilize the most recently published FCC Broadband Data Maps as of the date of submission of the Five-Year Action Plan and identify the date of publication used for such identification. The Eligible Entity may choose to include maps, location lists, etc. in Appendices or using embedded links.

3.4.2 Broadband Adoption

The Eligible Entity may identify and detail the needs and gaps in the State or Territory, which may include, but is not limited to the following need for:

- Improved digital literacy;
- Increased household broadband subscription;
- Increased households, businesses, and CAIs with access to internet-capable devices; and/or
- Increased emphasis on multi-sector strategies to broadband adoption (e.g., from educational, agricultural, economic development, and telemedicine perspectives).

3.4.3 Broadband Affordability

The Eligible Entity may identify and detail the needs and gaps in the State or Territory, which may include, but is not limited to the following need for:

- Increased support for enrollment in assistance programs (such as ACP) for low-income consumers; and/or
- Increased financial assistance for low-income consumers;
- Increased options for broadband services, including a wider range of low-cost services.

3.4.4 Broadband Access

The Eligible Entity may identify and detail the needs and gaps in the State or Territory, which may include, but is not limited to the following need for:

- Increase in public Wi-Fi and networks;
- Increase in public access points; and/or
- Increase in cellular connectivity (Mobile Broadband).

3.4.5 Digital Equity

The Eligible Entity may identify and detail the needs and gaps in the State or Territory, which may include, but is not limited to the following need for:

- Increased workforce development training and employment services related to broadband deployment and adoption;
- Increased participation in the digital economy by communities traditionally disengaged;
- Greater resources to support digital inclusion (i.e., organizations and/or funding for Digital Navigators); and/or
- Increased engagement with community-based organizations, CAIs, digital inclusion/equity coalitions, state agencies, local community champions, tribal leaders, and federal landowners

4 Obstacles or Barriers

Relevant Requirements from the [NOFO](#), Section IV.B.3.b:

- Identify known or potential obstacles or barriers to the successful implementation of the BEAD Program and the Eligible Entity's corresponding plans to address them. ^{Req. 5}

The purpose of this section is to proactively identify the obstacles or barriers that the State or Territory may encounter as it implements the BEAD program—and more generally, as it addresses issues related to broadband deployment and digital inclusion.

Eligible Entities may consider a variety of topics in their assessment, including, but not limited to:

-  Legislative or regulatory barriers;
-  Labor shortages;
-  Supply chain issues;
-  Materials availability;
-  Industry participation;
-  Lack of local digital inclusion programs/expertise;
-  Topography
-  Digital literacy; and/or
-  Procurement or contracting issues.

The Eligible Entity may also include other relevant information that provides overarching context for the Five-Year Action Plan, such as recent policy shifts, demographic trends, or key issues resulting from insufficient broadband access and resources.

5 Implementation Plan

5.1 Stakeholder Engagement Process

Relevant Requirements from the [NOFO](#), Section IV.B.3.b :

- Include a description of the Eligible Entity's external engagement process, demonstrating collaboration with local, regional, and Tribal (as applicable) entities (governmental and non-governmental) and reflective of the local coordination requirements outlined herein, including outreach to underrepresented communities and unions and worker organizations. The engagement required must be undertaken both during the development of the Five-Year Action Plan itself and following submission of the plan, reflecting ongoing collaboration throughout the BEAD Program. ^{Req. 7}

The purpose of this section is to identify how the Eligible Entity will go about identifying key external stakeholders and stakeholder groups, develop an inclusive engagement model and associated mechanisms (e.g., feedback mechanism), and facilitate the stakeholder engagement process. Additionally, Eligible Entities must include what engagement processes

were undertaken *while developing the Five-Year Action Plan itself*. This will enable the Eligible Entity to solicit a wide range of input into, and identify and reconcile concerns with, the Five-Year Action Plan. Eligible Entities that are also utilizing funding from the State Digital Equity Planning Grant Program (SDEPG) should ensure that the stakeholder engagement that is conducted for the purposes of that plan is coordinated and aligned with the stakeholder engagement conducted for the development of the Five-Year Action Plan. For example, for both efforts, Eligible Entities should assemble comprehensive lists of stakeholders, identify overlaps, and coordinate or combine outreach to those stakeholders through combined listening sessions, surveys, and site visits. This will be particularly important to avoid confusion and reduce the burden on community stakeholders.

Each Eligible Entity should also include a description of how it will engage with other interested stakeholders, including those that have historically been left out of public planning processes. Additionally, the Five-Year Action Plan must be informed by collaboration with Tribal Entities as applicable. It is the responsibility of the Eligible Entity under the BEAD Program and a state's Administering Entity for the State Digital Equity Planning Grant Program to understand the landscape of Tribal and Native Entities and to coordinate with and initiate stakeholder communication. State Digital Equity Planning Grant funding may also be used by Tribal entities to create their own digital equity plans and/or to support Tribal participation in the creation of relevant State Digital Equity Plans. BEAD Five-Year Action Plans should aim to encapsulate not only State Digital Equity Plans but also any relevant tribal digital equity plans in order to present a holistic view of efforts to close the digital divide.

Eligible Entities need to specifically address the five local coordination criteria mentioned in the [NOFO](#) Section IV.C.1.c, which includes:



IMPORTANT:

Eligible Entities may also choose to include a description of how they will engage with other interested stakeholders, including those that have historically been left out of public planning processes

Local Coordination Evaluation Criteria



Outreach and engagement of unserved, underserved, and underrepresented communities should include covered populations, which are core stakeholder groups for the State Digital Equity Plan. Covered populations include (see SDEPG NOFO Section I.C.g):

1. Individuals who live in covered households;
2. Aging individuals;
3. Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility;
4. Veterans;
5. Individuals with disabilities;
6. Individuals with a language barrier, including individuals who—
 - a. Are English learners; and
 - b. Have low levels of literacy;
7. Individuals who are members of a racial or ethnic minority group; and
8. Individuals who primarily reside in a rural area.

As described, outreach to these groups should be conducted in tandem with any team members or entities charged with developing the State Digital Equity Plan.

5.2 Priorities

Relevant Requirements from the NOFO, Section IV.B.3.b :

- Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including:
 - Prioritization of areas for federal support. Req. 10.c

The purpose of this section is to outline the principles that the State or Territory will consider as it develops and implements the Five-Year Action Plan. These priorities should be aligned with the vision for broadband deployment and digital inclusion in the State or Territory.

The template includes the table below:

Table 6: Priorities for Broadband Deployment and Digital Equity

Use this table to outline the key priorities for the State or Territory. These priorities should be reflected in the planned activities for the Five-Year Action Plan.

Priority	Description
<i>Name of Priority</i>	<i>Brief description of the priority</i>

<i>Ex: Leverage Existing Assets and Construction</i>	<i>Identify property within the State or Territory for possible use for broadband infrastructure to accelerate broadband deployment</i>
<i>Extremely High-Cost Location Deployment</i>	<i>Eligible Entities to set the Extremely High Cost Per Location Threshold as high as possible to help ensure that end-to-end fiber projects are deployed wherever feasible</i>

In addition to the statutory requirements of the BEAD program to deploy broadband service to unserved and underserved locations, Eligible Entities may consider potential priorities including, but not limited to:

- Reducing costs and barriers to deployment;
- Promoting the use of existing infrastructure;
- Promotion and adoption of dig-once policies;
- Reducing the cost of broadband service for consumers;
- Promoting streamlined permitting processes and cost-effective access to poles, conduits, easements, and rights of way, including the imposition of reasonable access requirements;
- Engagement with relevant stakeholders to inform selection of activities to receive federal funding;
- Use of public-private partnerships or cooperatives in addressing the needs of the Eligible Entity’s residents;
- Increasing opportunities for community-based organizations and other stakeholders to support broadband adoption and digital inclusion;
- Enhancing the subgrantee selection process; and/or
- Recruiting minority businesses, women-owned business enterprises, and labor surplus area firms.

NOTE:

Consideration of whether to use public-private partnerships or cooperatives may help the Eligible Entity determine how best to serve unserved locations and is not intended to favor any potential provider. Also note that cooperative could refer to a number of entities, such as a telecommunications cooperative or an electric cooperative.

5.3 Planned Activities

Relevant Requirements from the [NOFO](#), Section IV.B.3.b :

- Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including:
 - The planned utilization of federal, Eligible Entity, and local funding sources.

Req. 10.b

The purpose of this section is to identify activities that the Eligible Entity intends to implement to meet its goals and objectives, including the source of their funding.

Eligible Entities may choose to outline the following:

- Activities that support universal service;
- Key player(s) to implement the activities;



Funding sources for the activities; and/or



Expected outcome(s) for the activities.

The Eligible Entity should articulate anticipated funding gaps for completing deployment to all unserved and underserved locations.

5.4 Key Strategies

Relevant Requirements from the **NOFO**, Section IV.B.3.b :

- Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including:
 - Any consideration afforded to the use of public-private partnerships or cooperatives in addressing the needs of the Eligible Entity's residents. Req. 10.d
 - Strategies to address affordability issues, including but not limited to strategies to increase enrollment in the Affordable Connectivity Program by eligible households. Req. 10.e
 - Strategies to ensure an available and highly skilled workforce (including by subgrantees, contractors, and subcontractors) to minimize project disruptions, including any plans to ensure strong labor standards and protections, such as those listed in Section IV.C.1.e; and plans to attract, retain, or transition the skilled workforce needed to achieve the plan's goals, including describing the involvement and partnerships of sub-grantees, contractors, and sub-contractors with existing in-house skills training programs, unions and worker organizations; community colleges and public school districts; supportive services providers; Registered Apprenticeship programs and other labor-management training programs, or other quality workforce training providers. Req. 10.f

The purpose of this section is to outline the key strategies that the Eligible Entity will undertake to meet its goals and objectives, and to align with and maintain compliance with the statutory requirements of the BEAD program. The development of these strategies will directly feed into the development of the processes required as part of the BEAD Initial and Final proposals.

The Eligible Entity may provide additional information related to key execution strategies, including, but not limited to the subgrantee process. For example, the Eligible Entity may choose to outline their methodology to develop this process.

Developing a Subgrantee Process

The 5-Year Action Plan is intended to feed into the BEAD Initial and Final Proposals. One aspect of the proposals is to outline a subgrantee process.

Topics to consider when outlining the methodology to develop a subgrantee process may include processes to:

Competitively award subgrants consistent with Section IV.B.7.a of the BEAD NOFO regarding both **last-mile broadband deployment projects and other eligible activities**

Ensure that subgrantees, contractors, and subcontractors use **strong labor standards** and protections, such as those listed in Section IV.C.1.e, and how the Eligible Entity will **implement and apply the labor-related subgrantee selection criteria** described in Section IV.C.1.e of the BEAD NOFO

Monitor and oversee subgrantees to ensure that they **comply with the eligible uses prescribed** under the BEAD Program, in accordance with 2 C.F.R. §§ 200.101(b)(2); 200.331; 47 U.S.C. § 1608, and any sections therein; and all subgrantees **comply with reporting requirements** in accordance with BEAD NOFO Section VII.E.2

5.5 Estimated Timeline for Universal Service

Relevant Requirements from the NOFO, Section IV.B.3.b :

- Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including:
 - The estimated timeline... for universal service. ^{Req. 10.a}

The purpose of this section is to provide an estimate of when reliable, affordable, high-speed internet will be made available throughout the Eligible Entity.

Eligible Entities may consider including the conditions that may impact the estimated timeline—including those that would extend or escalate the timeline, such as supply chain issues or labor shortages. ³

What is Universal Service?

- Universal service is the principle that all Americans should have access to both telecommunications and high-speed internet at just, reasonable, and affordable rates.
- Universal service is codified in the Telecommunications Act of 1996, which established principles for universal service that specifically focus on increasing access to evolving services for consumers living in rural and insular areas, and for consumers with low-incomes. Additional principles call for increased access to high-speed Internet in the nation’s schools, libraries and rural health care facilities.

³ See *Universal Service*, FEDERAL COMMUNICATIONS COMMISSION (available at <https://www.fcc.gov/general/universal-service>.)

5.6 Estimated Cost for Universal Service

Relevant Requirements from the [NOFO](#), Section IV.B.3.b:

- Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including:
 - The estimated... cost for universal service. Req. 10.a

The purpose of this section is to provide an estimate of how much it will cost to provide access to reliable, affordable, high-speed internet throughout the Eligible Entity.

Eligible Entities may consider broadband network support from NTIA competitive grant programs, USDA telecom and broadband programs, FCC funds such as the Connect America Fund (also known as Universal Service Fund (USF) High-Cost Support), Treasury funds, and other federal, state, and local government programs.



NOTE:

Eligible Entities should include all sources of program funding here, detailing from which programs they are receiving funds (i.e., USDA).

5.7 Alignment

Relevant Requirements from the [NOFO](#), Section IV.B.3.b:

- Detail alignment of the Five-Year Action Plan with other existing and planned economic development, telehealth, workforce development, and related connectivity efforts, and other Eligible Entity priorities. Req. 12

The purpose of this section is to explain how the Five-Year Action Plan is aligned to the Eligible Entity's priorities and other existing or planned efforts. Eligible Entities should assess the landscape of ongoing or planned efforts in the State or Territory that are complementary to, may be enabled by, or may overlap with proposed BEAD projects and priorities. This may include, but is not limited to, efforts driven by the State or Territory's policy and legislation or efforts funded by other grant programs. Eligible Entities should detail how the priorities and planned activities outlined in the Five-Year Action plan will build upon or complement, not duplicate, these efforts in order to maximize available funding. Per Requirement 11, this should also include the State Digital Equity Plan under the Digital Equity Act, if applicable.

Eligible Entities may choose to identify plans to support, local, Tribal, and regional broadband planning processes or ongoing efforts to deploy broadband or close the digital divide and describe coordination with local and Tribal Governments, along with local, Tribal, and regional broadband planning processes. This will directly inform the BEAD Initial and Final Proposals.

5.8 Technical Assistance

Relevant Requirements from the [NOFO](#), Section IV.B.3.b :

- Describe technical assistance and additional capacity needed for successful implementation of the BEAD Program. ^{Req. 13}

The purpose of this section is to outline the support and technical assistance that the Eligible Entity will need to ensure that the Initial and Final Proposals fully meet the requirements of the statute and the goals of the BEAD Program. Each Eligible Entity is not expected to have every question related to its broadband program or planned activities answered at the time of submission of its Five-Year Action Plan. This section provides an opportunity for the Eligible Entity to articulate the support that it may need from NTIA in order to successfully implement the BEAD Program.

Eligible Entities should also articulate data or information that is needed to further inform the execution of the Five-Year Action Plan (e.g., more granular data or further outreach), in addition to any plans to obtain this data in the future.



IMPORTANT:

As outlined in the BEAD NOFO, **NTIA plans to provide detailed technical assistance to Eligible Entities throughout the BEAD Program.**

If you have any questions, or require technical assistance, in the development of the Five-Year Action Plan, **please reach out to your assigned Federal Program Officer.**

6 Conclusion

The purpose of this section is to provide a conclusion that reiterates the purpose and key points of the Five-Year Action Plan, as well as the high-level plan that the Eligible Entity intends to follow to achieve its goals.

The Eligible Entity may also choose to provide insight into the expected impact of its execution of the Five-Year Action Plan on broadband deployment and digital inclusion for the State or Territory and close with an argument for the endeavor.

7 Appendices

7.1 *The 13 Requirements that must be in a Five-Year Action Plan*

At a minimum, the BEAD NOFO requires that an Eligible Entity's Five-Year Action Plan must:

1. Provide details of the existing broadband program or office within the Eligible Entity, including any activities that the program or office currently conducts, any previous entity-wide plans or goals for availability of broadband, and any prior experience awarding broadband deployment grants.
2. Identify the funding that the Eligible Entity currently has available for broadband deployment and other broadband-related activities, including data collection and local planning, and the sources of that funding, including whether the funds are from the Eligible Entity or from the federal government.
3. Identify existing efforts funded by the federal government, including the Universal Service Fund, or an Eligible Entity to deploy broadband and close the digital divide.
4. Identify the current full-time and part-time employees of the Eligible Entity who will assist in implementing and administering the BEAD Program and the duties assigned to those employees, as well as any existing contracted support, and any planned expansion of employees or contractors.
5. Identify known or potential obstacles or barriers to the successful implementation of the BEAD Program and the Eligible Entity's corresponding plans to address them.
6. Include an asset inventory that catalogues broadband adoption, affordability, equity, access, and deployment activities occurring within the Eligible Entity and identifies and provides details regarding any relevant partners, such as community-based organizations and CAIs that may inform broadband deployment and adoption planning.
7. Include a description of the Eligible Entity's external engagement process, demonstrating collaboration with local, regional, and Tribal (as applicable) Entities (governmental and non-governmental) and reflective of the local coordination requirements outlined herein, including outreach to underrepresented communities and unions and worker organizations. The engagement required must be undertaken both during the development of the Five-Year Action Plan itself and following submission of the plan, reflecting ongoing collaboration throughout the BEAD Program.
8. Incorporate available federal, Eligible Entity, or local broadband availability and adoption data, including but not limited to Affordable Connectivity Program enrollment data. Other federal broadband federal data sources include the NTIA Internet Use Survey⁴, the NTIA Indicators of Broadband Need Map⁵, and the American Community Survey.⁶

⁴ See NTIA Data Central, <https://www.ntia.gov/data>.

⁵ See Indicators of Broadband Need Map, <https://broadbandusa.ntia.gov/indicatorsmap>.

⁶ See American Community Survey (ACS), <https://www.census.gov/acs>.

9. Identify local and regional broadband service needs and gaps within the Eligible Entity's boundaries, including unserved or underserved locations and CAIs without gigabit service, and/or any plans to make these determinations where service availability is unclear.
10. Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including:
 - a. The estimated timeline and cost for universal service,
 - b. The planned utilization of federal, Eligible Entity, and local funding sources,
 - c. Prioritization of areas for federal support,
 - d. Any consideration afforded to the use of public-private partnerships or cooperatives in addressing the needs of the Eligible Entity's residents,
 - e. Strategies to address affordability issues, including but not limited to strategies to increase enrollment in the Affordable Connectivity Program by eligible households; and
 - f. Strategies to ensure an available and highly skilled workforce (including by subgrantees, contractors, and subcontractors) to minimize project disruptions, including any plans to ensure strong labor standards and protections, such as those listed in Section IV.C.1.e; and plans to attract, retain, or transition the skilled workforce needed to achieve the plan's goals, including describing the involvement and partnerships of sub-grantees, contractors, and sub-contractors with existing in-house skills training programs, unions and worker organizations; community colleges and public school districts; supportive services providers; Registered Apprenticeship programs and other labor-management training programs, or other quality workforce training providers.
11. Identify digital equity and inclusion needs, goals, and implementation strategies, including ways in which the Eligible Entity plans to utilize BEAD funding, Digital Equity Act funding and/or other funding streams in concert to remedy inequities and barriers to inclusion. Accordingly, the Five-Year Action Plan should set forth a vision for digital equity, include the results of a needs assessment for underrepresented communities and an asset inventory of ongoing digital equity activities, and detail holistic strategies around affordability, devices, digital skills, technical support, and digital navigation. This requirement may be satisfied by the completion of a State Digital Equity Plan under the Digital Equity Act.⁷ Please refer to the Digital Equity Act State Planning Grant Program NOFO for the requirements and deadlines applicable to that program.

⁷ It is anticipated that each Eligible Entity participating in the BEAD Program will concurrently participate in the Digital Equity Program, which is the subject of a separate Notice of Funding Opportunity. Eligible Entities should consider the minimum content requirements of the State Digital Equity Plan listed in the State Digital Equity Planning Grants NOFO as the minimum content required here. Eligible Entities that do not participate in the Digital Equity Program should refer to the State Digital Equity Planning Grants NOFO for additional information.

12. Detail alignment of the Five-Year Action Plan with other existing and planned economic development, telehealth, workforce development, related connectivity efforts, and other Eligible Entity priorities.
13. Describe technical assistance and additional capacity needed for successful implementation of the BEAD Program.

NOTICE OF FUNDING OPPORTUNITY
STATE DIGITAL EQUITY PLANNING GRANT PROGRAM

EXECUTIVE SUMMARY

A. Federal Agency Name

National Telecommunications and Information Administration (NTIA), U.S. Department of Commerce

B. Funding Opportunity Title

State Digital Equity Planning Grant Program

C. Announcement Type

Initial

D. Funding Opportunity Number

NTIA-DE-PLAN-2022

E. Assistance Listing (CFDA Number)

11.032

F. Key Dates

Complete applications from States (including the 50 states, the District of Columbia, and Puerto Rico) must be received through the NTIA application portal (<https://grants.ntia.gov>) no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 12, 2022**. U.S. territories (other than Puerto Rico), Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that are interested in participating in this program need not submit applications at this time, but must submit Letters of Intent. The Letters of Intent may be submitted (1) through the NTIA application portal or email (digitalequity@ntia.gov) no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 12, 2022** or (2) by mail or courier, postmarked (for postal mail) or showing clear evidence of having been mailed (for courier submissions) no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 12, 2022**. Further application submission requirements and timelines for any U.S. territory or possession (other than Puerto Rico), or from an Indian Tribe, Alaska Native entity, or Native Hawaiian organization that timely submits a Letter of Intent will be provided to such entities in a separate written communication.

NTIA expects to complete its review, selection of successful applicants, and award processing by **September 15, 2022**. The earliest start date for awards under this Notice of Funding Opportunity

(NOFO) is **September 29, 2022**. NTIA may issue awards made under the State Digital Equity Planning Grant Program on a rolling basis.

G. Application Submission Address

Applications or portions thereof submitted by a State through postal mail, courier, email, facsimile, or other means will not be accepted.

For U.S. territories (other than Puerto Rico) and for Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, Letters of Intent must be submitted (1) electronically through the NTIA application portal <https://grants.ntia.gov/>, (2) by email (digitalequity@ntia.gov), or (3) by mail or courier. *See* Section IV of this NOFO for detailed information concerning application submission requirements.

H. Funding Opportunity Description

Under the State Digital Equity Planning Grant Program, the Assistant Secretary of Commerce for Communications and Information (Assistant Secretary) will award grants to the 50 states, the District of Columbia, and Puerto Rico (the States) for the purpose of developing State Digital Equity Plans. Through these Plans, each State will, among other things, identify barriers to digital equity in the State and strategies for overcoming those barriers. Further, U.S. territories and possessions (other than Puerto Rico), Indian Tribes, Alaska Native entities, and Native Hawaiian organizations may also seek grants, cooperative agreements, or contracts to develop their own digital equity plans and, in the case of Tribal entities, to provide input into the digital equity plans of the States in which they are located.

The State Digital Equity Planning Grant Program is part of the larger State Digital Equity Capacity Grant Program, the purpose of which is to promote the achievement of digital equity, support digital inclusion activities, and build capacity for efforts by States relating to the adoption of broadband by residents of those States. States interested in participating in the State Digital Equity Capacity Grant Program must first complete State Digital Equity Plans as contemplated in Section 60304(c) of the Infrastructure Investment and Jobs Act of 2021, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act), also commonly known as the Bipartisan Infrastructure Law. State Digital Equity Planning Grant Program participants that are also eligible grantees under the separate Broadband Equity, Access, and Deployment Program (which is the subject of a separate Notice of Funding Opportunity) should plan holistically for these interrelated programs and should ensure close coordination between the personnel and offices preparing to implement them. *See* Section I of this NOFO for the full Program Description.

I. Funding Instrument

Grant (States); Grant, Cooperative Agreement, or Contract (territories or possessions of the United States other than Puerto Rico, as well as Indian Tribes, Alaska Native entities, and Native Hawaiian organizations).

J. Eligibility

Each State is eligible to apply for grants under this program. *See* Section III of this NOFO for additional information concerning the State Digital Equity Planning Grant Program’s eligibility requirements. The governor or equivalent official of an applicant State shall select an Administering Entity to receive and administer the State’s grant funding.

Separately, territories or possessions of the United States that are not defined as States for purposes of this program, as well as Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, are eligible to enter into grants, cooperative agreements, or contracts with NTIA to carry out the activities contemplated in this program. The procedure through which these entities may express interest in entering into such an agreement with NTIA is described in Sections IV.B.2 and IV.B.3 of this NOFO.

K. Anticipated Amounts

Grant awards to States are formula-based and will depend on the number and characteristics of States that apply. Amounts available to the non-State entities described above will be based on the criteria outlined in this NOFO and, in the case of Indian Tribes, Alaska Native entities and Native Hawaiian organizations, will depend on the total number of applicants. The total amount appropriated by Congress for the State Digital Equity Planning Grant Program (including administrative costs) is \$60 million, and the total amount appropriated for State Digital Equity Capacity Grants in fiscal year 2022 is \$240 million.

L. Cost Sharing/Matching

The Infrastructure Act authorizing the establishment of this program does not contain a statutory non-federal cost sharing or matching funds requirement. Accordingly, NTIA will not require an entity applying for a grant under this program to provide a non-federal cost contribution.

FULL ANNOUNCEMENT TEXT

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I. Program Description

NTIA issues this Notice of Funding Opportunity (NOFO) to describe the requirements under which it will issue financial assistance awards for the State Digital Equity Planning Grant Program, authorized by Section 60304(c) of the Infrastructure Investment and Jobs Act of 2021, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act), also commonly known as the Bipartisan Infrastructure Law.

A. Overview of the State Digital Equity Planning Grant Program

In recent decades, access to the internet has played a critical and growing role in the ways in which Americans work, learn, receive health care, and participate in democracy. The COVID-19 pandemic crystalized what many have known for a very long time: High-speed internet access is not a luxury, but a necessity, for all Americans, regardless of their age, race, or income, irrespective of where they live, what languages they speak, what resources they have at their disposal, and what specific challenges they may face in their daily lives.

Recognizing broadband's fundamental role in today's society and its centrality to our nation's continued health and prosperity, President Biden has pledged to make sure that every American has access to a reliable, affordable, high-speed internet connection. Full participation in our twenty-first century economy requires no less. Digital equity is necessary for civic and cultural participation, employment, lifelong learning, and access to essential services. Yet affordable, reliable, high-speed internet access has remained elusive to many for too long, because they live in a location where no service is available, the speed or quality of the service available is unreliable, or the offering available is unaffordable. Internet connectivity itself is a necessary, but not sufficient, condition for eradicating the digital divide. Many on the wrong side of that divide require equipment, digital skills, financial resources, and more to realize the Internet's full potential. Those who lack these resources face substantial barriers to digital equity, even in places where fast broadband connections are physically available. This digital divide is particularly acute for communities of color, Tribal nations, and lower-income areas, and spans both urban and rural areas of the country.

Passed on a bipartisan basis in both Chambers of Congress, the Infrastructure Act includes \$42.45 billion to create the BEAD Program, as well as the Digital Equity Act of 2021, which provides \$2.75 billion to further advance federal goals relating to digital equity and digital inclusion.¹ The law charges NTIA – the President's chief advisor on telecommunications and information policy matters, housed within the United States Department of Commerce (DOC) – with administering these programs.

The subject of this NOFO—the \$60 million State Digital Equity Planning Grant Program—is part of the Digital Equity Act's larger State Digital Equity Capacity Grant Program, the purpose of which is to promote the achievement of digital equity, support digital inclusion activities, and build capacity for efforts by States relating to the adoption of broadband by residents of those

¹ For the purposes of this NOFO, the term “digital equity” means the condition in which individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States. The term “digital inclusion” means “the activities that are necessary to ensure that all individuals in the United States have access to, and the use of, affordable information and communication technologies, such as—reliable fixed and wireless broadband internet service; internet-enabled devices that meet the needs of the user; and applications and online content designed to enable and encourage self-sufficiency, participation, and collaboration; and includes—obtaining access to digital literacy training; the provision of quality technical support; and obtaining basic awareness of measures to ensure online privacy and cybersecurity.” The term “digital literacy” means “the skills associated with using technology to enable users to find, evaluate, organize, create, and communicate information.” Infrastructure Act § 60302(10)-(12).

States. By creating their own State Digital Equity Plans, States can, among other things, identify barriers to digital equity and outline specific measures aimed at addressing those barriers. States that develop State Digital Equity Plans will then be able to apply for funds from the State Digital Equity Capacity Grant Program to implement those plans. Within one year of the date on which a State is awarded State Digital Equity Planning Grant Program funds, that State must develop a State Digital Equity Plan that includes elements outlined in the statute and herein, solicit and respond to public comments on the draft plan, and finalize that plan. Each State's State Digital Equity Plan will be a key component of any application the State may later submit seeking a State Digital Equity Capacity Grant.²

The State Digital Equity Capacity Grant Program, including the portion known as the State Digital Equity Planning Grant Program, also provides that the Assistant Secretary will set aside funds for U.S. territories and possessions that are not considered States under this program, as well as for Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, to enter into grants, cooperative agreements, or contracts with NTIA to carry out the activities contemplated in this program. The procedure through which these entities can submit Letters of Intent to request NTIA funding is outlined in this NOFO.

NTIA looks forward to working with States, U.S. territories and possessions, Indian Tribes, Alaska Native entities, Native Hawaiian organizations, and designated administering entities to bridge persistent equity gaps and bring equal opportunity to all Americans.

B. Broadband Equity, Access, and Deployment (BEAD) Program

NTIA strongly encourages States and territories to concurrently participate in the State Digital Equity Planning Grant program and the BEAD program. The BEAD program is a historic \$42.5 billion investment in grants to States and territories for broadband planning, deployment, mapping, equity, and adoption projects.

Just as the Digital Equity Act begins with funding for the creation of Digital Equity Plans, the BEAD Program, which is the subject of a separate Notice of Funding Opportunity, begins with a Five-Year Action Plan and an Initial Proposal, each of which must include descriptions of a participant's plans to advance digital equity and inclusion. States and territories should take a holistic approach to developing their BEAD Five-Year Action Plans and their State Digital Equity Plans, recognizing that they have a unified objective of closing the digital divide.

Specifically, NTIA expects that the Five-Year Action Plans and Initial Proposals developed for the BEAD Program will fully incorporate the State or territory's Digital Equity Plan. Moreover, Final Proposals developed for the BEAD Program should be informed by and be complementary, sequenced, integrated, and intentionally linked with BEAD Five-Year Action Plans, BEAD

² This NOFO does not address the State Digital Equity Capacity Grant Program, under which the Assistant Secretary must begin making grants “[n]ot later than 2 years after the date on which the Assistant Secretary begins awarding [state digital equity] planning grants....” Infrastructure Act § 60304(d)(1). NTIA will issue a separate NOFO for the State Digital Equity Capacity Grant Program at a later date.

Initial Proposals, and State Digital Equity Plans to address the goal of universal broadband access and adoption.

Each state and territory should, therefore, ensure that those tasked with developing the State Digital Equity Plan, the Five-Year Action Plan, and the Initial and Final Proposals for the BEAD Program are working closely to meet the programs' shared objectives. As part of that coordination, States and territories should consider overlap in personnel between State Digital Equity planning teams and BEAD Program planning teams. At a minimum, States and territories should establish formal and direct communications and collaboration pathways between the teams that remain in place throughout the entire planning process. This will be particularly important to reduce the burden and confusion on community stakeholders when fulfilling the local coordination, outreach, and stakeholder engagement requirements of both programs.

C. Definitions

(a) Assistant Secretary—The term “Assistant Secretary” means the Assistant Secretary of Commerce for Communications and Information or the individual who holds any successor position.

(b) Administering Entity—The term “administering entity” refers to the entity selected by the governor or equivalent official of each State to administer the Digital Equity Act Planning Grant and Capacity Grant programs. The administering entity shall—

1. Serve as the recipient of, and administering agent for, any grant awarded to the State under this program;
2. Develop, implement, and oversee the State Digital Equity Plan for the State;
3. Make subgrants³ to any entity described in Section 60304(c)(1)(D) of the Infrastructure Act that is located in the State in support of—
 - a. The State Digital Equity Plan for the State; and
 - b. Digital inclusion activities in the State generally; and
4. Serve as—
 - a. An advocate for digital equity policy and digital inclusion activities; and
 - b. A repository of best practice materials regarding the policies and activities described in clause (a).

An Administering Entity must have demonstrated a capacity to administer the program on a statewide level, and be any of the following:

1. The State, a political subdivision, agency, or instrumentality of the State, an Indian Tribe located in the State, an Alaska Native entity located in the State, or a Native Hawaiian organization located in the State.
2. A foundation, corporation, institution, association, or coalition that is—

³ This NOFO generally uses the terms “subgrantee” and “subgrant” because these are the terms used in the relevant Infrastructure Act provisions. We note, though, that applicable regulations governing federal financial assistance generally use the term “subrecipient” to refer to what the Infrastructure Act calls “subgrantees” and the term “subaward” to refer to what the Infrastructure Act calls “subgrants.” *See generally* 2 C.F.R. Part 200. As used herein, the terms “subgrantee” and “subgrant” herein are meant to have the same meaning, respectively, as the terms “subrecipient” and “subaward” in those regulations and other governing authorities.

- a. A not-for-profit entity;
 - b. Providing services in the State; and
 - c. Not a school.
3. A community anchor institution, other than a school, that is located in the State.
 4. A local educational agency that is located in the State.
 5. An entity located in the State that carries out a workforce development program.
 6. An agency of the State that is responsible for administering or supervising adult education and literacy activities in the State.
 7. A public or multi-family housing authority that is located in the State.
 8. A partnership between any of the previously listed entities.

(c) Aging Individual—The term “aging individual” means an individual who is 60 years of age or older.

(d) Commission—The term “Commission” refers to the Federal Communications Commission.

(e) Community Anchor Institution—The term “community anchor institution” means a public school, a public or multi-family housing authority, a library, a medical or healthcare provider, a community college or other institution of higher education, a State library agency, and any other nonprofit or governmental community support organization.

(f) Covered Household—The term “covered household” means a household, the income of which for the most recently completed year is not more than 150 percent of an amount equal to the poverty level, as determined by using criteria of poverty established by the Bureau of the Census.

(g) Covered Populations—The term “covered populations” means:

1. Individuals who live in covered households;
2. Aging individuals;
3. Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility;
4. Veterans;
5. Individuals with disabilities;
6. Individuals with a language barrier, including individuals who—
 - a. Are English learners; and
 - b. Have low levels of literacy;
7. Individuals who are members of a racial or ethnic minority group; and
8. Individuals who primarily reside in a rural area.

(h) Digital Equity— The term “digital equity” means the condition in which individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States.

(i) Digital Inclusion— The term “digital inclusion”—

1. Means the activities that are necessary to ensure that all individuals in the United States have access to, and the use of, affordable information and communication technologies, such as—
 - a. Reliable fixed and wireless broadband internet service;
 - b. Internet-enabled devices that meet the needs of the user; and
 - c. Applications and online content designed to enable and encourage self-sufficiency, participation, and collaboration; and
2. Includes—
 - a. Obtaining access to digital literacy training;
 - b. The provision of quality technical support; and
 - c. Obtaining basic awareness of measures to ensure online privacy and cybersecurity.

(j) Digital Literacy— The term “digital literacy” means the skills associated with using technology to enable users to find, evaluate, organize, create, and communicate information.

- (k) Disability—The term “disability” means, with respect to an individual—
1. A physical or mental impairment that substantially limits one or more major life activities of such individual;
 2. A record of such an impairment; or
 3. Being regarded as having such an impairment.

(l) Eligible State—The term “eligible state” means a State with respect to which the Assistant Secretary has approved an application submitted to the Assistant Secretary under this NOFO.

(m) Indian Tribe—The term “Indian Tribe” means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, 43 U.S.C. § 1601 *et seq.*, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

- (n) Rural Area—The term “rural area” means any area *other than* –
1. A city or town that has a population of greater than 50,000 inhabitants;
 2. Any urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants; and
 3. In the case of a grant or direct loan, a city, town, or incorporated area that has a population of greater than 20,000 inhabitants.

- (o) State—The term “State” means:
1. any State of the United States;
 2. the District of Columbia; and
 3. the Commonwealth of Puerto Rico.

(p) Veteran—The term “veteran” means a person who served in the active military, naval, air, or space service, and who was discharged or released therefrom under conditions other than dishonorable.

II. Federal Award Information

A. Funding Availability

NTIA will make up to \$53,400,000 available under the State Digital Equity Planning Grant Program for States. Additionally, pursuant to Section 60304(i)(2) of the Infrastructure Act, NTIA is required to set aside not less than five (5) percent of the amounts made available in a fiscal year for the State Digital Equity Planning and Capacity Grant Programs “to award grants to, or enter into contracts or cooperative agreements with, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations.” Section 60304(i)(3) further directs NTIA to set aside not less than one (1) percent of the total made available “to award grants to, or enter into contracts or cooperative agreements with, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States that is not a State.” Accordingly, at this time NTIA has reserved one (1) percent of the \$300 million total amount made available by Congress for fiscal year 2022 for the State Digital Equity Planning and Capacity Grant Programs (\$60 million and \$240 million, respectively),⁴ or \$3 million in total, for grants, cooperative agreements and contracts with U.S. territories and possessions (other than Puerto Rico). NTIA has further reserved five (5) percent of the total fiscal year 2022 funds available for the State Digital Equity Planning and Capacity Grant Programs, or \$15 million, for grants, cooperative agreements and contracts with Indian Tribes, Alaska Native entities, and Native Hawaiian organizations. The funding for U.S. territories and possessions, as well as for Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, has been reserved proportionally from the State Digital Equity Planning Grant Program and the State Digital Equity Capacity Grant Program.

NTIA strongly urges all States, U.S. territories and possessions, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations to complete applications or Letters of Intent (as appropriate) and begin developing their State Digital Equity Plans. A State considering whether to participate in the State Digital Equity Planning Grant Program should bear in mind that, should it seek State Digital Equity Capacity Grant Program funds in the future, it will be required by Section 60304(d)(2)(B) of the Infrastructure Act to include in its application the State Digital Equity Plan described in Section 60304(c), the development of which is being funded exclusively through this NOFO. NTIA has also determined that it will only provide U.S. territories and possessions with funds to create territorial digital equity plans through this NOFO, and that subsequent funding opportunities for U.S. territories and possessions will be focused on activities to implement those plans. However, due to the large number of Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, and the likely resource constraints among many of these entities, NTIA will continue to offer funds in future NOFOs to tribal entities that have yet to receive Digital Equity Planning Grants and to develop digital equity plans.

B. Project/Award Period

As established in Section 60304(c)(3)(D)(ii) of the Infrastructure Act, the award period for the State Digital Equity Planning Grant Program is one year, beginning on the date on which the grantee is awarded the grant funds; provided, however, that the award period may be extended by NTIA, in consultation with the National Institute of Science and Technology (NIST) Grants

⁴ See Infrastructure Act § 60304(k).

Officer, for up to 180 days based on a written request from a recipient. An applicant may submit a request for an extension of the one-year award period not later than ninety (90) calendar days before the end of the award period.

C. Allocation of Award Amounts

Funding amounts for States will be determined pursuant to a statutory formula. U.S. territories and possessions (other than Puerto Rico), Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that submit Letters of Intent under Sections IV.B.2 and IV.B.3 will each be eligible to receive a portion of the relevant set-aside funds as detailed below.

1. Statutory Formula and Mandates

Pursuant to Section 60304(c)(3)(D)(i) of the Infrastructure Act, which incorporates by reference the formula in Section 60304(d)(3)(A)(i) of the Infrastructure Act, the amount awarded to each eligible State will be calculated by applying a formula in which (a) fifty (50) percent of the total grant amount shall be based on the population of each State in proportion of the total population of all eligible States; (b) twenty-five (25) percent of the total grant shall be based on the number of individuals in each State who are members of the “covered populations” listed in Section 60302(8) of the Infrastructure Act, in proportion to the total number of individuals in all eligible States who are members of covered populations; and (c) twenty-five (25) percent shall be based on the comparative lack of availability and adoption of broadband in each State relative to all eligible States, as determined by data collected from the annual inquiry of the Federal Communications Commission pursuant to Section 706(b) of the Telecommunications Act of 1996,⁵ the American Community Survey, NTIA Internet Use Survey, and any other source that the Assistant Secretary, after appropriate notice and opportunity for public comment, determines to be appropriate. In the event that certain data on broadband availability or adoption are unavailable for Puerto Rico during a given fiscal year, the Assistant Secretary shall use the median value among all eligible States for each affected factor in the formula for Puerto Rico.

The planning grant amount awarded to any individual State must not be less than one-half (0.5) percent of the total amount made available to award planning grants to eligible States during a given fiscal year.⁶ Additionally, if there are amounts remaining available to NTIA after awarding Digital Equity Planning Grants or Digital Equity Capacity Grants to States in a given fiscal year, NTIA shall distribute those amounts to eligible States to which NTIA has awarded Digital Equity Planning Grants or Digital Equity Capacity Grants for that fiscal year in accordance with the formula described Section 60304(d)(3)(A)(i) of the Infrastructure Act. In the event that additional Digital Equity Planning Grant funds remain unclaimed following this distribution (for example, if one or more States decline the extra funds), the Assistant Secretary will add the remaining balance to the funds set aside for U.S. territories (other than Puerto Rico) and possessions and for Indian Tribes, Alaska Native Entities, and Native Hawaiian organizations.⁷

⁵ 47 U.S.C. § 1302.

⁶ See Infrastructure Act §§ 60304(c)(3)(D)(i) and 60304(d)(3)(A)(i), (ii).

⁷ In future years, the Assistant Secretary may similarly add unclaimed Digital Equity Capacity Grant funds to the set-asides for U.S. territories and for tribal entities.

In addition to awarding grants to eligible States, Section 60304(i)(3) of the Infrastructure Act requires the Assistant Secretary to set aside at least one (1) percent of available funds during each fiscal year for entering into grants, cooperative agreements, or contracts with U.S. territories and possessions other than Puerto Rico (which is included in the definition of “State” for Digital Equity Act purposes) to carry out the activities described in Section 60304 of the Infrastructure Act. Further, in accordance with Section 60304(i)(2) of the Infrastructure Act, the Assistant Secretary will set aside at least five (5) percent of available funds for entering into grants, cooperative agreements and contracts with Indian Tribes, Alaska Native entities, and Native Hawaiian organizations. Award amounts for participating U.S. territories and possessions, and for Indian Tribes, Alaska Native entities, and Native Hawaiian organizations will be determined for each agreement and are not subject to the funding formula applicable to the States.

After reviewing applications and determining which States are eligible to receive planning grants, NTIA will apply the funding formula as detailed in Appendix A. NTIA and the U.S. Census Bureau have collaborated to create the “Digital Equity Act Population Viewer,” which shows covered population totals calculated by the Census Bureau for each state, alongside the other factors used as inputs into the funding formula. The Digital Equity Act Population Viewer can be accessed at <https://www.census.gov/programs-surveys/community-resilience-estimates/partnerships/ntia.html>.

2. Tentative Award Allocation Amounts

Tentative award allocation amounts per State, assuming that each State seeks and receives Digital Equity Planning Grant funds, are as follows:

State	Amount	State	Amount
Alabama	\$981,081.12	Montana	\$601,336.88
Alaska	\$567,884.90	Nebraska	\$598,745.97
Arizona	\$1,116,110.78	Nevada	\$754,458.89
Arkansas	\$843,673.10	New Hampshire	\$525,033.51
California	\$4,001,525.45	New Jersey	\$1,176,741.04
Colorado	\$897,119.04	New Mexico	\$740,534.91
Connecticut	\$736,568.10	New York	\$2,180,034.65
Delaware	\$516,096.05	North Carolina	\$1,415,614.32
District of Columbia	\$463,126.49	North Dakota	\$516,392.82
Florida	\$2,407,223.57	Ohio	\$1,470,550.76
Georgia	\$1,429,212.96	Oklahoma	\$882,087.78
Hawaii	\$570,883.08	Oregon	\$782,193.40
Idaho	\$564,706.40	Pennsylvania	\$1,604,131.73
Illinois	\$1,515,352.64	Puerto Rico	\$781,987.43
Indiana	\$1,039,734.16	Rhode Island	\$506,100.07
Iowa	\$708,924.38	South Carolina	\$953,478.05
Kansas	\$692,664.38	South Dakota	\$527,051.65
Kentucky	\$874,236.13	Tennessee	\$1,092,244.06
Louisiana	\$941,542.28	Texas	\$3,110,148.10
Maine	\$542,222.32	Utah	\$676,684.53
Maryland	\$966,659.11	Vermont	\$518,154.22
Massachusetts	\$1,003,763.61	Virginia	\$1,222,391.75
Michigan	\$1,332,440.72	Washington	\$1,076,248.79
Minnesota	\$881,905.10	West Virginia	\$728,065.62
Mississippi	\$875,585.61	Wisconsin	\$952,197.63
Missouri	\$1,007,143.59	Wyoming	\$530,006.38

NTIA emphasizes that these allocations are tentative, and that a State’s final allocation could be higher or lower than the amount listed here, depending on factors including the number of States that elect to participate in the program and the results of any challenges to this allocation.

U.S. Territories and Possessions. The Assistant Secretary shall, from the total funds made available during each fiscal year, reserve not less than one (1) percent to award grants to, or enter into contracts or cooperative agreements with, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States that is not a State to enable those entities to carry out the activities described in the statute.⁸ As explained in Section II.A above, NTIA has reserved one

⁸ See Infrastructure Act § 60304(i)(3).

(1) percent of the funds made available during the current fiscal year (\$3,000,000) for this purpose. Further, the Assistant Secretary tentatively allocates \$150,000 to each of: (a) the United States Virgin Islands, (b) Guam, (c) American Samoa, and (d) the Commonwealth of the Northern Mariana Islands for the purpose of creating territorial digital equity plans. The balance of the reserved funds will remain available for territories to use for implementation of digital equity plans once those plans are completed, similar to the uses contemplated for State Digital Equity Capacity Grants.

Indian Tribes, Alaska Native Entities, and Native Hawaiian Organizations. The Assistant Secretary shall, from the total funds made available during each fiscal year, reserve not less than five (5) percent to award grants to, or enter into contracts or cooperative agreements with, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations to allow those Tribes, entities, and organizations to carry out the activities described in the statute.⁹ As explained in Section II.A above, NTIA has reserved five (5) percent of the funds made available during the current fiscal year (\$15,000,000) for this purpose. Because the number of interested Indian Tribes, Alaska Native entities, and Native Hawaiian organizations is difficult to predict, the Assistant Secretary will announce tentative allocations after receiving Letters of Intent. Depending on demand, the Assistant Secretary expects to allocate between \$50,000 and \$150,000 to each participating Indian Tribe, Alaska Native entity, and Native Hawaiian organization and will distribute funds evenly within that range. The initial allocation of funds shall be used for the purpose of creating Tribal digital equity plans and may also be used to support Tribal participation in the creation of relevant State digital equity plans. The balance of the reserved funds will remain available for Tribal organizations to implement digital equity plans once those plans are completed, similar to the uses contemplated for State Digital Equity Capacity Grants.

3. Challenge Process

A State may challenge the amount allocated to it as determined by the funding formula. Any State that wishes to challenge the tentative award amount listed above shall submit a letter to the Assistant Secretary, through the NTIA programmatic contact listed in Section VII.A of this NOFO, signed by the governor or equivalent official, **within fourteen (14) calendar days of publication of this NOFO**. The letter shall describe, in as much detail as practicable, the error or other defect that the State believes to have occurred in NTIA's application of the formula or statutory requirements. The Assistant Secretary will make a determination and respond to the State in writing within twenty-one (21) calendar days of receipt of the letter. In the event that the Assistant Secretary determines that a recalculation of formula amounts is appropriate, the Assistant Secretary will promptly notify the other States of this occurrence and of the results of any amendment to award amounts for all States. Additionally, pursuant to Section 60304(c)(3)(D)(iii) of the Infrastructure Act, a State receiving a State Equity Planning Grant award from NTIA (*i.e.*, an "Eligible State" as defined in this NOFO) may challenge the amount allocated to it as determined by the funding formula after receiving its award, although NTIA strongly encourages States that wish to challenge funding allocations to do so within fourteen (14) calendar days of publication of this NOFO.

⁹ See Infrastructure Act § 60304(i)(2).

D. Type of Funding Instrument

The funding instrument for awards made to States pursuant to the NOFO will be a grant.

NTIA also expects to award grants to U.S. territories (other than Puerto Rico), Indian Tribes, Alaska Native entities, and Native Hawaiian organizations pursuant to this NOFO, although NTIA and the NIST Grants Officer reserve the right to issue cooperative agreements or contracts to such entities in accordance with Sections 60304(i)(2) and 60304(i)(3) of the Infrastructure Act.

III. Eligibility Information

A. Eligible Applicants and Designation of an Administering Entity

Each state of the United States, the District of Columbia, and Puerto Rico is eligible to apply for grants under this program. The governor or equivalent official of each State that wishes to be awarded a grant must designate an Administering Entity for that State to receive and administer the grant.¹⁰ See Section I.C of this NOFO for the definition of “Administering Entity,” including the list of entities eligible to serve as Administering Entities and the roles and responsibilities of an Administering Entity.

Separately, territories or possessions of the United States that are not defined as States for purposes of this program, as well as Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, are eligible to enter into grants, cooperative agreements, or contracts with NTIA to carry out the activities contemplated in this program. The procedure through which these entities may express interest in entering into such an agreement with NTIA is described in Sections IV.B.2 and IV.B.3 of this NOFO.

B. Cost Sharing or Matching

The Infrastructure Act authorizing the establishment of this program does not contain a statutory non-federal cost sharing or matching funds requirement. Accordingly, NTIA will not require an eligible applicant applying for a financial assistance award under this program to provide a non-federal cost contribution and will not give additional consideration during the evaluation process for applications proposing non-federal cost share.

IV. Application and Submission Information

This Section sets out requirements relating to applications (from States), Letters of Intent (from U.S. territories and possessions (other than Puerto Rico) and Indian Tribes, Alaska Native entities, and Native Hawaiian organizations), and other materials submitted in connection with the State Digital Equity Planning Grant Program.

A. Application Portal and Submission

For States (including Puerto Rico), application forms and instructions are available on the NTIA application portal at <https://grants.ntia.gov/>. Any U.S. territory or possession (other than Puerto Rico), Indian Tribe, Alaska Native entity, or Native Hawaiian organization interested in funding

¹⁰ See Infrastructure Act § 60304(b).

must submit a Letter of Intent to the Assistant Secretary in accordance with the instructions set forth below in Sections IV.B.2 or IV.B.3.

NTIA recommends that applicants participate in application technical assistance webinars and review program and application guidance that will be posted on NTIA's BroadbandUSA website <https://broadbandusa.ntia.gov/>. Failure to properly apply for funds under the State Digital Equity Planning Grant Program by the deadline established in this NOFO may result in a State or other applicant losing this grant opportunity. Applications or Letters of Intent will be accepted until the deadline and processed as received. For States (including Puerto Rico and the District of Columbia), application packages, or portions thereof, submitted by email, paper, or facsimile will not be accepted.

With respect to electronic methods for providing information about funding opportunities or accepting applicants' submissions of information, NTIA is responsible for compliance with Section 508 of the Rehabilitation Act of 1973, as amended by the Workforce Act of 1998.

B. Content and Form of Applications or Letters of Intent

Applications for the State Digital Equity Planning Grant Program must be complete and must adhere to the instructions provided in this NOFO and be submitted in the format requested in the NTIA Application Portal (<https://grants.ntia.gov/>). U.S. territories and possessions (other than Puerto Rico), Indian Tribes, Alaska Native entities, and Native Hawaiian organization must submit the Letter of Intent through the NTIA application portal or through alternative means as specified below.

For States, complete applications must be received through the NTIA application portal no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 12, 2022**.

For U.S. territories and possessions (other than Puerto Rico) and from Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, Letters of Intent must be received through the NTIA application portal or email (digitalequity@ntia.gov) no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 12, 2022**, or, if submitted by mail or courier, postmarked (for postal mail) or show clear evidence of mailing (for courier submissions) no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 12, 2022**. Further application submission requirements and timelines for U.S. territories and possessions (other than Puerto Rico) and from Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that timely submit a Letter of Intent will be provided to such applicants in a separate written communication.

1. States: Application Requirements

Any State (including Puerto Rico and the District of Columbia) applying for a State Digital Equity Planning Grant must submit an application that includes the following information:

- a. A description of the entity selected to serve as the Administering Entity for the State (*see* definitions set forth in Section I.C of this NOFO).
- b. A certification from the State that, not later than one (1) year after the date on which the Assistant Secretary awards the planning grant to the State, the Administering Entity for that

State shall develop a State Digital Equity Plan. Such Digital Equity Plan shall comply with the requirements of Section 60304(c) of the Infrastructure Act. The Administering Entity shall submit the Digital Equity Plan to the Assistant Secretary within the one-year statutory deadline.

c. The assurances required under Section 60304(e) of the Infrastructure Act with respect to the State's Administering Entity.¹¹

d. A narrative describing the grant project and activities to be funded by the State Digital Equity Planning Grant Program and how these activities will support the development of a State Digital Equity Plan, as specified in Section IV.C of this NOFO.

e. Detailed Budget and Budget Narrative: All budget information must support the dollar amounts identified in the SF-424 and SF-424A and demonstrate that the project or activity meets the eligible use requirements in the Infrastructure Act and this NOFO. The Budget Narrative must explain the necessity and basis for all costs, clearly correspond to the information included in a Detailed Budget, in the form of a spreadsheet, and reflect only allowable costs that are consistent with the project scope. The Detailed Budget spreadsheet must reflect the cost categories that appear on the SF-424 and SF-424A and include itemized calculations for each cost placed under those categories. The spreadsheet must be formatted to fit letter-sized paper (8.5" x 11").

f. The following standard grant forms and documentation:

- a. Standard Form 424: Application for Federal Assistance
- b. Standard Form 424A: Budget Information for Non-Construction Programs
- c. CD-511 Certification Regarding Lobbying
- d. Standard Form LLL, Disclosure of Lobbying Activities (if applicable); and
- e. Negotiated Indirect Cost Rate Agreement (as applicable)

States that comply with the application requirements and that are deemed eligible to receive planning grant funds will be informed of their final award allocation amounts once NTIA reviews applications and makes determinations with respect to any challenges. If a final award amount differs from the tentative amount listed in this NOFO, NTIA may amend the award amount for the affected State. Applicants should bear in mind that the funding allocations listed in Section II.C.2 of this NOFO could change based on the number of applicants that apply for funding and that changes to the funding allocations could occur prior to or after an award has been made, depending upon when the initial application is submitted, reviewed, and when the revised formula allocations are determined by NTIA. If the allocation amount for an award changes from the tentative amounts listed in Section II.C.2 of this NOFO, NTIA will provide instructions to the applicant regarding the revised application materials that must be submitted for review and the associated award process for their application.

¹¹ See Appendix B, which reproduces Section 60304(e).

2. U.S. Territories and Possessions: Letters of Intent

Territories and possessions of the United States other than Puerto Rico that wish to develop their own digital equity plans shall each submit a Letter of Intent to the Assistant Secretary signed by the territory or possession's governor or equivalent official. The letter should describe the entity that would administer digital equity activities under this program, as well as specific activities the territory or possession intends to pursue in support of digital equity plan development.

Any U.S. territory or possession that submits a Letter of Intent with the required information will be deemed eligible to receive planning grant funds from the set-aside for territories and possessions as set forth in Section 60304(i)(3) of the Infrastructure Act. Application submission requirements and timelines for U.S. territories and possessions (other than Puerto Rico) that timely submit Letters of Intent will be provided to such applicants in a separate written communication. IV.B.2 U.S. territories and possessions will be informed of their final allocations once NTIA processes Letters of Intent. Any interested U.S. territory or possession (other than Puerto Rico) must submit a Letter of Intent through either through (1) the NTIA application portal, (2) email, or (3) mail or courier by **July 12, 2022**.

3. Indian Tribes, Alaska Native Entities, and Native Hawaiian Organizations: Letters of Intent

Any Indian Tribe, Alaska Native entity, or Native Hawaiian organization that wishes to develop its own digital equity plan and/or participate in the development of relevant State Digital Equity Plans shall submit a Letter of Intent to the Assistant Secretary signed by its governing body. The letter should describe the entity that would administer digital equity activities under this program, as well as specific activities the Tribal organization intends to pursue in support of digital equity plan development (including development of the entity's own plan and, optionally, development of relevant State plans). Interested Indian Tribes, Alaska Native entities, and Native Hawaiian organizations must submit a Letter of Intent through either through (1) the NTIA application portal, (2) email, or (3) mail or courier by **July 12, 2022**.

An Indian Tribe, Alaska Native entity, or Native Hawaiian organization that submits a Letter of Intent with the required information will be deemed eligible to receive planning grant funds from the set-aside for Tribal organizations described in Section 60304(i)(2) of the Infrastructure Act. Application submission requirements and timelines for Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that timely submit a Letter of Intent will be provided to such applicants in a separate written communication. NTIA will divide the available funds from the set-aside evenly among each eligible Tribal organization up to a maximum of \$150,000 each. IV.B.3 Tribal organizations will be informed of allocated award amounts once NTIA processes Letters of Intent.

C. Allowable and Unallowable Uses of State Digital Equity Planning Grant Funds

1. Allowable Uses of State Digital Equity Planning Grant Funds

a. Generally

As set forth in Section 60304(c)(3)(E) of the Infrastructure Act, an eligible State to which a State Digital Equity Planning Grant is awarded must, through its designated Administering Entity, use the grant funds **only** for the following purposes:

1. To develop the State Digital Equity Plan of the State; and
2. To make subgrants to any of the following entities to assist in the development of the State Digital Equity Plan of the State:
 - a. Community anchor institutions;
 - b. County and municipal governments;
 - c. Local educational agencies;
 - d. Indian Tribes, Alaska Native entities, or Native Hawaiian organizations;
 - e. Nonprofit organizations;
 - f. Organizations that represent—
 - i. Individuals with disabilities, including organizations that represent children with disabilities;
 - ii. Aging Individuals;
 - iii. Individuals with language barriers, including—
 1. Individuals who are English learners; and
 2. Individuals who have low levels of literacy;
 - iv. Veterans; and
 - v. Individuals in the State who are incarcerated in facilities other than Federal correctional facilities;
 - g. Civil rights organizations;
 - h. Entities that carry out workforce development programs;
 - i. Agencies of the State that are responsible for administering or supervising adult education and literacy activities in the State;
 - j. Public housing authorities in the State; and
 - k. A partnership between any of the entities described above.¹²

If the Administering Entity for a State makes a subgrant described above, the Administering Entity shall, with respect to the subgrant, provide to the State the assurances required under Section 60304(e) of the Infrastructure Act.

¹² Infrastructure Act § 60304(c)(1)(D).

b. State Digital Equity Plan Requirements

Digital equity is fundamentally concerned with promoting full participation in the digital economy and society by all. Achievement of digital equity requires strategic investments in human and community capacity. Each State Digital Equity Plan prepared using State Digital Equity Planning Grant funding should include a clear description of the State’s vision for digital equity in the context of its overarching strategy and goals.

i. Statutory Requirements

The statutory requirements for the contents of State Digital Equity Plans are set forth in Section 60304(c)(1) of the Infrastructure Act, and are listed below:

1. Identification of barriers to digital equity faced by Covered Populations in the State.
2. Measurable objectives for documenting and promoting, among each Covered Population located in that State—
 - a. The availability of, and affordability of access to, fixed and wireless broadband technology;
 - b. The online accessibility and inclusivity of public resources and services;
 - c. Digital literacy;
 - d. Awareness of, and the use of, measures to secure the online privacy of, and cybersecurity with respect to, an individual; and
 - e. The availability and affordability of consumer devices and technical support for those devices.
3. An assessment of how the measurable objectives identified in item 2 of this Section IV.C.1.b.i will impact and interact with the State’s—
 - a. Economic and workforce development goals, plans, and outcomes;
 - b. Educational outcomes;
 - c. Health outcomes;
 - d. Civic and social engagement; and
 - e. Delivery of other essential services.
4. In order to achieve the measurable objectives identified in item 2 of this Section IV.C.1.b.i, a description of how the State plans to collaborate with key stakeholders in the State, which may include—¹³

¹³ States must utilize a variety of communications media (*e.g.*, online, print, radio) and provide information in languages other than English when warranted based on the demographics of the stakeholder communities. NTIA also encourages States to collaborate with other groups not named in the statute, including members of Covered Populations who have direct lived experience with being disconnected, state agencies, labor unions and other organizations that represent workers, digital inclusion coalitions located in the State, chambers of commerce and industry associations, public housing resident associations, healthcare systems and networks, homeless continuum of care providers, multi-family housing developers and owners, faith-based institutions, business owners, state and local foundations and funders, early childhood and early intervention coordinators, re-entry organizations, and internet service providers.

- a. Community anchor institutions;
 - b. County and municipal governments;
 - c. Local educational agencies;
 - d. Where applicable, Indian Tribes, Alaska Native entities, or Native Hawaiian organizations;
 - e. Nonprofit organizations;
 - f. Organizations that represent—
 - i. Individuals with disabilities, including organizations that represent children with disabilities;
 - ii. Aging Individuals;
 - iii. Individuals with language barriers, including—
 - 1. Individuals who are English learners; and
 - 2. Individuals who have low levels of literacy;
 - iv. Veterans; and
 - v. Individuals in that State who are incarcerated in facilities other than Federal correctional facilities;
 - g. Civil rights organizations;
 - h. Entities that carry out workforce development programs;
 - i. Agencies of the State that are responsible for administering or supervising adult education and literacy activities in the State;
 - k. Public housing authorities in the State; and
 - l. A partnership between any of the entities described in clauses (a) through (k).
5. A list of organizations with which the Administering Entity for the State collaborated in developing the Plan.

ii. Additional Requirements

In addition to the above requirements, the State Digital Equity Plan developed with planning grant funds shall, at a minimum, include the following:

- 1. A stated vision for digital equity;
- 2. A digital equity needs assessment, including a comprehensive assessment of the baseline from which the State is working and the State’s identification of the barriers to digital equity faced generally and by each of the covered populations in the State;
- 3. An asset inventory, including current resources, programs, and strategies that promote digital equity for each of the covered populations, whether publicly or privately funded, as well as existing digital equity plans and programs already in place among municipal, regional, and Tribal governments;
- 4. To the extent not addressed in connection with item 4 of Section IV.C.1.b.i, a coordination and outreach strategy, including opportunities for public comment by, collaboration with, and ongoing engagement with representatives of each category of covered populations within the State and with the full range of stakeholders within the State;

5. A description of how municipal, regional, and/or Tribal digital equity plans will be incorporated into the State Digital Equity Plan;
6. An implementation strategy that is holistic and addresses the barriers to participation in the digital world, including affordability, devices, digital skills, technical support, and digital navigation. The strategy should (a) establish measurable goals, objectives, and proposed core activities to address the needs of covered populations, (b) set out measures ensuring the plan’s sustainability and effectiveness across State communities, and (c) adopt mechanisms to ensure that the plan is regularly evaluated and updated;
7. An explanation of how the implementation strategy addresses gaps in existing state, local, and private efforts to address the barriers identified pursuant to Section IV.C.1.b.i, item 1, of this NOFO;
8. A description of how the State intends to accomplish the implementation strategy described above by engaging or partnering with:
 - a. Workforce agencies such as state workforce agencies and state/local workforce boards and workforce organizations;
 - b. labor organizations and community-based organizations; and
 - c. Institutions of higher learning, including but not limited to four-year colleges and universities, community colleges, education and training providers, and educational service agencies;
9. A timeline for implementation of the plan; and
10. A description of how the State will coordinate its use of State Digital Equity Capacity Grant funding and its use of any funds it receives in connection with the Broadband Equity, Access, and Deployment Program, other federal or private digital equity funding.

NTIA will provide further guidance through technical assistance and tools to support planning efforts. If a State has previously conducted a statewide digital equity planning effort, it must demonstrate to NTIA that the resulting plan includes all minimum required elements as listed in this Section IV.C.1.b of the NOFO and that the plan fully complies with the Section 60304(c) of the Infrastructure Act and with this NOFO.

c. Territories and Possessions, and Indian Tribes, Alaska Native Entities, and Native Hawaiian Organizations

U.S. territories and possessions, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that receive awards from the appropriate funding set-aside may use funds for digital equity plan development and related activities consistent with Section 60304(c) of the Infrastructure Act, this NOFO, and as described in the entity’s approved project budget.¹⁴ Additionally, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations may use award funds to further their participation and equity interests in the development of relevant State digital equity plans under this program. Some of the digital equity plan requirements that

¹⁴ NTIA considers “digital equity plan development and related activities” to include the updating or adapting of any similar plans the entity may already have developed and/or conforming such pre-existing plans to this NOFO’s requirements.

apply to States may not be applicable or appropriate for territories or Tribal organizations, whereas some information not pertinent to States may be relevant to other entities.¹⁵ NTIA looks forward to working with these entities to agree on project deliverables, project budgets, and overall project goals and objectives that are reasonable and effective for individual territories and Tribal organizations.

2. Prohibited Uses of State Digital Equity Planning Grant Funds

a. Prohibition on Supplanting

Pursuant to Section 60304(h) of the Infrastructure Act, a grant or subgrant awarded pursuant to the State Digital Equity Planning Grant Program shall supplement, not supplant, other federal or State funds that have been made available to carry out activities described in Section 60304 and in this NOFO.

b. Prohibition on Profit or Fees

A profit, fee, or other incremental charge above actual cost is not an allowable cost under this program.

c. Prohibition on the Use of Grant Funds to Support or Oppose Collective Bargaining

Grant funds awarded pursuant to this program may not be used, whether directly or indirectly as an offset for other funds, to support or oppose collective bargaining.

D. Certifications Regarding Debarment and Suspension

By signing and submitting an application for funding pursuant to the State Digital Equity Planning Grant Program, the applicant is making the following certifications (*see* Line 21 on the SF-424, Application for Federal Assistance):

1. Instructions for Primary Tier Participant Certification

a. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of 2 C.F.R. Parts 180, 1200, and 1326.¹⁶

b. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the

¹⁵ For example, a Tribal government must include in its plan a description of any Tribal Broadband Connectivity Program awards it has received for broadband use and adoption projects and how it plans to coordinate its use of State Digital Equity Capacity Grant funding with those funds.

¹⁶ In the context of the State Digital Equity Planning Grant Program, the primary tier participant would be the State, territory, possession, or Tribal or Native entity receiving funding from NTIA.

prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.

d. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms *covered transaction*, *civil judgment*, *debarment*, *suspension*, *ineligible*, *participant*, *person*, *principal*, and *voluntarily excluded*, as used in this clause, are defined in 2 C.F.R. Parts 180, 1200, and 1326. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

f. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 C.F.R. Parts 180, 1200, and 1326.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management (SAM) Exclusions website (<https://www.sam.gov/>).

i. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency may terminate the transaction for cause or default.

2. Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Tier Covered Transactions

a. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:

i. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any federal department or agency;

ii. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

iii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph a.ii of this certification; and

iv. Have not within a three-year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

b. Where the prospective primary tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

3. Instructions for Lower Tier Participant Certification (applies to subrecipients)

a. By submitting this proposal and accepting federal funding, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 C.F.R. Parts 180, 1200, and 1326.¹⁷

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns

¹⁷ In the context of the State Digital Equity Planning Grant Program, lower-tier participants would be the entities that receive subgrants from, enter into contracts with, or otherwise receive program funding from the State, territory, possession, or Tribal or Native entity that has received funding from NTIA.

that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

d. The terms *covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded*, as used in this clause, are defined in 2 C.F.R. Parts 180, 1200, and 1326. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled “Instructions for Lower Tier Participant Certification,” including the “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction,” without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 C.F.R. Parts 180 and 1200.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov>).

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. Part 9, Subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

4. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

a. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any federal department or agency.

b. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

E. System for Award Management (SAM)

Pursuant to 2 C.F.R. Part 25, an applicant or recipient (as the case may be) is required to: (i) be registered in SAM before submitting its complete application packet; (ii) provide a valid unique entity identifier (UEI) in its application; and (iii) continue to maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency, unless otherwise excepted from these requirements pursuant to 2 C.F.R. § 25.110. NTIA will not make a federal award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements and, if an applicant has not fully complied with the requirements by the time that NTIA is ready to make a federal award pursuant to this NOFO, NTIA may determine that the applicant is not qualified to receive a federal award.

1. DUNS System Retirement and Transition to System for Award Management

As of April 4, 2022, the U.S. government no longer utilizes the Dun and Bradstreet (D&B) Data Universal Numbering System (D-U-N-S) nine-digit number as the unique identifier for entities throughout the federal awarding cycle, in SAM.gov, Integrated Award Environment (IAE) systems, required forms, or in downstream government systems.

Rather, the U.S. government will use the unique entity identifier (UEI), found in an entity's SAM.gov registration, for federal awards management, including, but not limited to, contracts, grants, and cooperative agreements. The UEI is the primary key to identify an entity throughout the federal awarding lifecycle and in SAM.gov.

The SAM-generated UEI (SAM) will become the official identifier as of April 4, 2022.

For more information on the retirement of the DUNS, as well as the establishment of an entity's UEI, please visit <http://www.sam.gov>.

2. System for Award Management Registration

All applicants must register in the SAM before submitting an application or a Letter of Intent pursuant to this program. Additionally, the applicant must maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency. Applicants can register for the SAM at <https://www.sam.gov/>.

F. Submission Dates and Times

Applications for the State Digital Equity Planning Grant Program must be complete and must adhere to the instructions provided in this NOFO and be submitted in the format requested in the NTIA application portal (www.grants.ntia.gov). For States, complete applications must be received by the NTIA application portal **no later than 11:59 p.m. Eastern Daylight Time (EDT) on July 12, 2022.**

Letters of Intent from U.S. territories other than Puerto Rico and from Indian Tribes, Alaska Native entities, and Native Hawaiian organizations must be received through the NTIA application portal or email no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 12, 2022**, or, if submitted by mail or courier, postmarked (for postal mail) or show clear evidence of mailing (for courier submissions) no later than 11:59 p.m. Eastern Daylight Time (EDT) on **July 12, 2022**. Application submission requirements and timelines for U.S. territories and possessions (other than Puerto Rico) and from Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that timely submit a Letter of Intent will be provided to such applicants in a separate written communication. When developing the submission timeline, each applicant should keep in mind that: (a) all applicants are required to have current registrations in the electronic System for Award Management (SAM.gov) and (b) the free annual registration process in SAM.gov generally takes between three (3) and five (5) business days but can take more than three weeks.

NTIA expects to complete its review, selection of successful applicants, and award processing by **September 15, 2022**. NTIA expects the earliest start date for awards under this NOFO to be **September 29, 2022**. NTIA may, subject to NIST Grants Office Approval, announce awards made under the State Digital Equity Planning Grant Program on a rolling basis.

G. Intergovernmental Review

Applications from a State or a political subdivision of the State under this program are subject to Executive Order 12372, “Intergovernmental Review of Federal Programs,” which requires intergovernmental consultation with state and local officials. All applicants are required to submit a copy of their applications to their designated state Single Point of Contact (SPOC) offices.¹⁸

H. Material Representations and Public Disclosure of Applications

All forms and supporting documents submitted as part of the application packet will be treated as a material representation of fact upon which NTIA and NIST’s Grant Management Division will rely in awarding grants. Applicants should be aware that NTIA, in coordination with the NIST Grant Officer, may make all or portions of their applications for grants under the State Digital Equity Planning Grant Program publicly available as required under applicable federal laws. *See* Section VIII.A of this NOFO for additional information concerning the confidentiality of information contained in an application.

I. Other Submission Requirements

For States (including the 50 states, the District of Columbia, and Puerto Rico), complete application packets must be submitted electronically through the NTIA application portal (www.grants.ntia.gov). Complete applications or portions thereof submitted by a State by postal mail, courier, email, facsimile, or other means will not be accepted.

¹⁸ The current Intergovernmental Review Listing (SPOC List) is accessible at: <https://www.whitehouse.gov/wp-content/uploads/2020/04/SPOC-4-13-20.pdf>.

For U.S. territories (other than Puerto Rico) and for Indian Tribes, Alaska Native entities, and Native Hawaiian organizations, Letters of Intent must be submitted (1) electronically through the NTIA application portal, (2) by email (digitalequity@ntia.gov), or (3) by mail or courier.

1. Timely Receipt Requirements and Proof of Timely Submission

Online Submission. Proof of timely submission is automatically recorded by the NTIA application portal. An electronic date/time stamp is generated within the system when the application is successfully submitted in the NTIA application portal. The applicant with the Authorized Organizational Representative (AOR) role who submitted the application will receive an email acknowledgement of receipt from the NTIA application portal with the successful transmission of their application. Applications received in the NTIA application portal after the established due date for the program will be considered late and will not be considered for funding by NTIA.

2. Amendments

Any amendments to this NOFO or additional program guidance will be announced on NTIA.gov and BroadbandUSA.NTIA.gov.

V. Application Review Information

A. In General

NTIA is seeking planning grant applications that conform with the requirements set forth in Section 60304(c) of the Infrastructure Act and in this NOFO, including but not limited to the application requirements set forth in Section IV.B of this NOFO. All States, Indian Tribes, Alaska Native entities, Native Hawaiian organizations, and U.S. territories and possessions that meet the requirements set forth in Section 60304(c) of the Infrastructure Act and in this NOFO will be eligible to receive an award in the amount calculated pursuant to Section II.C of this NOFO. NTIA reserves the right at any time during the application review processes to negotiate with the applicant relative to specific modifications to the application.

B. Initial Eligibility and Administrative Review

NTIA's Program Office staff will conduct an initial eligibility and administrative screening of submitted applications to ensure that the applicant is eligible to receive funding under the program and has submitted a complete application. Applications not submitted by an eligible applicant will be eliminated from further review. NTIA may continue the review process for an application that is timely submitted by an eligible applicant but that is missing certain information or documentation required by this NOFO. In such cases, NTIA may ask the applicant to provide any missing or incomplete materials during this initial review.

C. Merit Review

Once an application is deemed eligible and complete, NTIA's program office will initiate a merit review, to be conducted by at least one merit reviewer who is technically and professionally qualified to conduct the review. Merit reviewers may be federal employees or non-federal persons. As applicable, merit reviewers will be required to sign and submit a nondisclosure and

confidentiality form pertaining to the dissemination of confidential information and to potential financial and other conflicts of interest. The merit reviewer(s) will review the application to ensure conformity with the program objectives, eligible activities, and related costs/budget as provided in Section 60304(c) of the Infrastructure Act and in this NOFO. The purpose of this review is to provide advice to the Selecting Official as to the technical soundness and merits of the application. During the merit review, NTIA may ask applicants to submit additional information to clarify or to further substantiate the representations made in their applications. In addition, if deficiencies are identified during the merit review, the applicant may be contacted by NTIA and asked to revise the application accordingly.

D. Selection Process

The Assistant Secretary or his designee will serve as the Selecting Official and recommend approval of applications selected for funding based on the results of the review process in Section V of this NOFO. The final approval of selected applications and the issuance of awards pursuant to this NOFO will be made by the NIST Grants Officer, who serves as the Grants Officer for the State Digital Equity Planning Grant Program. The award decisions of the NIST Grants Officer are final.

E. Federal Awarding Agency Review of Risk Posed by Applicants

After applications are proposed for funding by the Selecting Official, the NIST Grants Management Division (GMD) will perform pre-award risk assessments in accordance with 2 C.F.R. § 200.206, which may include a review of the financial stability of an applicant, the quality of the applicant's management systems, the history of performance, reports and findings from audits, and/or the applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-federal entities. In addition, prior to making an award where the total federal share is expected to exceed the simplified acquisition threshold (currently \$250,000), NIST GMD will review and consider the non-publicly available information about that applicant in the Federal Awardee Performance and Integrity Information System (FAPIS). Upon completion of the pre-award risk assessment, NIST GMD will determine whether the applicant is qualified to receive the award and, if so, whether appropriate specific award conditions that correspond to the degree of risk posed by the applicant should be applied to the award.

F. Anticipated Announcement and Award Dates

NTIA expects to complete its review, selection of successful applicants, and award processing by **September 15, 2022**. NTIA expects the earliest start date for awards under this NOFO to be **September 29, 2022**. NTIA may issue awards made under the State Digital Equity Planning Grant Program on a rolling basis.

VI. Federal Award Administration Information

A. Federal Award Notices

Applicants will be notified in writing by the NIST Grants Officer if their application is selected for an award. If the application is selected for funding, the NIST Grants Officer will issue the grant award (Form CD-450), which is the authorizing financial assistance award document. By

signing the Form CD-450, the recipient agrees to comply with all award provisions, terms, and conditions.

If an applicant is awarded funding, neither NTIA nor NIST is under any obligation to provide any additional future funding in connection with that award or to make any future award(s). Amendment of an award to extend the period of performance is at the discretion of NTIA and the NIST Grants Officer and is subject to the limitations contained in Section 60304(c)(3)(D)(ii)(II) of the Infrastructure Act, the terms and conditions of an award, and this NOFO.

B. Notification to Unsuccessful Applicants

Unsuccessful applicants will be notified by email (or, in the case of entities that permissibly submitted material via mail or courier, in similar fashion) and will have the opportunity to receive a debriefing. Applicants must make a request within 10 business days of the email notification to receive a debrief from NTIA. NTIA will then work with the unsuccessful applicant to arrange a date and time for the debrief.

C. Retention of Unsuccessful Applications

Unsuccessful applications will be retained in accordance with NTIA recordkeeping requirements.

D. Administrative and National Policy Requirements

Recipients of funding pursuant to this program must comply with applicable statutes and regulations, including but not limited to:

1. Uniform Administrative Requirements, Cost Principles and Audit Requirements

Through 2 C.F.R. § 1327.101, the Department of Commerce adopted Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. Part 200, which apply to awards in this program. Refer to <http://go.usa.gov/SBYh> and <http://go.usa.gov/SBg4>.

2. Department of Commerce Financial Assistance Standard Terms and Conditions

The Department of Commerce will apply to each award in this program, the Financial Assistance Standard Terms and Conditions in effect on the date of award. The current version, dated November 12, 2020, is accessible at [Department of Commerce Financial Assistance Standard Terms and Conditions](#). Refer to Section VII.B of this NOFO, Federal Awarding Agency Contacts, Grant management inquiries, if you need more information.

3. Pre-Award Notification Requirements

The Department of Commerce will apply the Pre-Award Notification Requirements for Grants and Cooperative Agreements dated December 30, 2014 (79 FR 78390), accessible at <http://go.usa.gov/hKkR>. Refer to Section VII.B of this NOFO, Federal Awarding Agency Contacts, Grant management inquiries, for more information.

4. Domestic Preference for Procurements (Buy American)

Pursuant to 2 C.F.R. § 200.322, as appropriate and to the extent consistent with law, a non-federal entity should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products). The requirements of this Section must be included in all subawards, including all contracts and purchase orders for work or products pursuant to this program.

5. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms

Pursuant to 2 C.F.R. § 200.321, a non-federal entity must take all necessary affirmative steps (as described in 2 C.F.R. § 200.321) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

E. Reporting

Grantees will be required to comply with reporting requirements. In addition to the reporting requirements found in 2 C.F.R. Part 200, NTIA will provide additional reporting instructions in connection with the requirements set forth in this Section, including details on the manner and format in which recipients will be required to report information in support of federal agency obligations under the ACCESS BROADBAND Act, 47 U.S.C. § 1307, and Section 60105 of the Infrastructure Act.

1. Infrastructure Act Reporting Requirements

As set forth in Section 60304(g)(1) of the Infrastructure Act, any entity to which a grant, including a subgrant, is awarded under this program shall be required to publicly report, for each year during the period of performance of a program grant, in a format to be specified by the Assistant Secretary, on:

1. The use of that grant by the entity;
2. The progress of the entity toward fulfilling the objectives for which the grant was awarded; and
3. The implementation of the State Digital Equity Plan of the State.

The Assistant Secretary may establish additional reporting and information requirements for any recipient of a grant as necessary to fulfil the requirements of the Infrastructure Act.

2. Other Reporting Requirements

The following reporting requirements described in Section A.01, Reporting Requirements, of the [Department of Commerce Financial Assistance Standard Terms and Conditions](#) (dated November 12, 2020), apply to awards in this program:

a. Financial Reports

Each award recipient will be required to submit an SF-425, Federal Financial Report on a semi-annual basis for the periods ending March 31 and September 30 of each year. Reports will be due

within thirty (30) days after the end of the reporting period to the NTIA Federal Program Officer, Grants Officer, and Grants Specialist named in the award documents. If awarded, further instructions on where and how to submit reports will be provided via a specific award condition. A final financial report is due within 120 days after the end of the project period.

b. Performance (Technical) Reports

Each award recipient will be required to submit a technical progress report to the NTIA Federal Program Officer, Grants Officer, and Grants Specialist named in the award documents on a semi-annual basis for the periods ending March 31 and September 30 of each year. If awarded, further instructions on where and how to submit reports will be provided via a specific award condition. Reports will be due within thirty (30) days after the end of the reporting period. Technical progress reports shall contain information as prescribed in 2 C.F.R. § 200.329 (<http://go.usa.gov/xkVgP>) and [Department of Commerce Financial Assistance Standard Terms and Conditions](#) (dated November 12, 2020), Section A.01.

F. Recipient Integrity and Performance Matters

In accordance with Section 872 of Public Law 110-417 (as amended; see 41 U.S.C. § 2313), if the total value of a recipient's currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of an award made under this NOFO, then the recipient shall be subject to the requirements specified in Appendix XII to 2 C.F.R. Part 200,¹⁹ for maintaining the currency of information reported to SAM that is made available in the Federal Awardee Performance and Integrity Information System (FAPIIS) about certain civil, criminal, or administrative proceedings involving the recipient.

G. Audit Requirements

The grant regulations in 2 C.F.R. Part 200, Subpart F, adopted by the Department of Commerce in 2 C.F.R. § 1327.101, require any non-federal entity that expends federal awards of \$750,000 or more in the recipient's fiscal year to conduct a single or program-specific audit in accordance with the requirements set out in the Subpart. Additionally, unless otherwise specified in the terms and conditions of the award, entities that are not subject to Subpart F of 2 C.F.R. Part 200 (*e.g.*, for-profit subrecipients) that expend \$750,000 or more in grant funds during their fiscal year must submit to the Grants Officer either: (i) a financial related audit of each DOC award or subaward in accordance with Generally Accepted Government Auditing Standards; or (ii) a project specific audit for each award or subaward in accordance with the requirements contained in 2 C.F.R. § 200.507. Applicants are reminded that NTIA, the NIST Grants Office, the Department of Commerce Office of Inspector General, or another authorized federal agency may conduct an audit of an award at any time.

H. Federal Funding Accountability and Transparency Act of 2006

In accordance with 2 C.F.R. Part 170, all recipients of a federal award made on or after October 1, 2010, are required to comply with reporting requirements under the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. No. 109-282). In general, all recipients

¹⁹ See 2 C.F.R. Part 200, Appendix XII, available at <http://go.usa.gov/cTBwC>.

are responsible for reporting sub-awards of \$30,000 or more. In addition, recipients that meet certain criteria are responsible for reporting executive compensation. Applicants must ensure they have the necessary processes and systems in place to comply with the reporting requirements should they receive funding.²⁰

I. Public Database

Pursuant to Section 60304(g)(1)(C) of the Infrastructure Act, NTIA will create and maintain a fully searchable database, which shall be accessible on the internet at no cost to the public, that contains, at a minimum: (i) the application of each State that has applied for a grant under this program; (ii) the status of each application described in clause (i); (iii) each report submitted by an entity pursuant to Section 60304(g)(1)(A) of the Infrastructure Act; (iv) a record of public comments made regarding the State Digital Equity Plan of a State, as well as any written responses to or actions taken as a result of those comments; and (v) any other information that is sufficient to allow the public to understand and monitor grants awarded under this program.

VII. Federal Awarding Agency Contact(s)

A. Please direct programmatic inquiries to:

Angela Thi Bennett
Director of Digital Equity
Office of Internet Connectivity and Growth
National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230
Phone: (202) 482-2048
Email: digitalequity@ntia.gov

B. Please direct grant management inquiries to:

Scott McNichol
NIST Grants Officer
Grants Management Division
National Institute of Standards and Technology
325 Broadway
Boulder, CO 80305
Phone: (303) 497-3444
Email: scott.mcnichol@nist.gov

C. Please direct media inquiries to:

Stephen F. Yusko
Public Affairs Specialist

²⁰ See OMB, Requirements for Federal Funding Accountability and Transparency Act Implementation, Interim final guidance to agencies with opportunity to comment, 75 FR 55663 (Sept. 14, 2010), available at <http://go.usa.gov/hKnQ>.

Office of Public Affairs
National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue NW, Room 4897
Washington, DC 20230
Phone: (202) 482-7002
Email: press@ntia.doc.gov

VIII. Other Information

A. Transparency

The Infrastructure Act contains robust reporting requirements for grant recipients, and requires NTIA, the Commission, and other agencies to coordinate to make information regarding federal broadband funding, low-cost plans, and other aspects of the State Digital Equity Planning Grant Program readily available to and understandable by the public. NTIA will fulfill its obligations to the fullest extent possible. Recipients of U.S. Department of Commerce and NTIA grants also should be cognizant of the access to records requirements set forth at 2 C.F.R. § 200.337.

B. Protected and Proprietary Information

Recipients of State Digital Equity Planning Grants acknowledge and understand that information and data contained in applications for financial assistance, as well as information and data contained in financial, performance, and other reports submitted by either entity, may be used by the Department of Commerce in conducting reviews and evaluations of its financial assistance programs and for statistical purposes. For this purpose, information and data may be accessed, reviewed, and evaluated by Department of Commerce employees, other federal employees, federal agents and contractors, and/or by non-federal personnel, all of whom enter into appropriate confidentiality and nondisclosure agreements covering the use of such information. As may be provided in the terms and conditions of a specific financial assistance award, recipients are expected to support Program reviews and evaluations by submitting required financial and performance information and data in an accurate and timely manner, and by cooperation with the Department of Commerce and external program evaluators. In accordance with 2 C.F.R. § 200.303(e), program participants are reminded that they must take reasonable measures to safeguard protected personally identifiable information and other confidential or sensitive personal or business information created or obtained in connection with a Department of Commerce financial assistance award.

NTIA will protect confidential and proprietary information from public disclosure consistent with applicable law, including the Trade Secrets Act, as amended (18 U.S.C. § 1905) and the Economic Espionage Act of 1996 (18 U.S.C. §§1831 *et seq.*). In the event that a submission contains information or data deemed to be confidential commercial information or that otherwise should not be publicly disclosed, that information should be identified, bracketed, and marked as Privileged, Confidential, Commercial or Financial Information. Based on these markings, the confidentiality of the contents of those pages will be reviewed for protection consistent with applicable law.

Additionally, some of the information submitted in the course of applying for funding under this Program, or provided in the course of its grant management activities, may be considered law enforcement sensitive or otherwise important to national security interests. This may include threat, risk, and needs assessment information, and discussions of demographics, transportation, public works, and industrial and public health infrastructures. In the event that a submission contains such information or data, that information should be identified, bracketed, and marked appropriately. Based on these markings, the confidentiality of the contents of those pages will be reviewed for protection consistent with applicable law. States, U.S. territories (other than Puerto Rico), Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that are interested in participating in this program should be familiar with the regulations governing Protected Critical Infrastructure Information (6 C.F.R. Part 29) and Sensitive Security Information (49 C.F.R. Part 1520), as these designations may provide additional protection to certain classes of homeland security information.

In addition to the public disclosure requirements of this program, each State, U.S. territory (other than Puerto Rico), Indian Tribe, Alaska Native entity, or Native Hawaiian organization interested in participating in this program is encouraged to consult its own laws and regulations regarding the release of information, which should be considered when reporting sensitive matters in the grant application. The applicant may consult with NTIA regarding concerns or questions about the release of information or how omitting sensitive information could impact NTIA's assessment of the application.

C. Funding Availability and Limitation of Liability

Funding for the State Digital Equity Planning Grant Program described in this NOFO is contingent upon the continued availability of appropriations. In no event will NTIA, NIST, or the Department of Commerce be responsible for application preparation costs, including, but not limited to, if the program fails to receive funding or is cancelled because of agency priorities. Publication of this NOFO does not obligate NTIA, NIST or the Department of Commerce to award any specific project or to obligate any available funds. NTIA will recommend for funding only projects that are deemed likely to achieve the State Digital Equity Planning Grant Program's goals and for which funds are available.

D. Third Party Beneficiaries

The State Digital Equity Planning Grant Program is not intended to and does not create any rights enforceable by third party beneficiaries.

E. Waiver Authority

It is the general intent of NTIA not to waive any of the provisions set forth in this NOFO. However, at the discretion of the Assistant Secretary, NTIA, upon its own initiative or when requested, may waive the provisions in this NOFO. Waivers may only be granted for requirements that are discretionary and not mandated by statute or other applicable law. Any request for a waiver must set forth the extraordinary circumstances for the request.

F. Paperwork Reduction Act

This NOFO contains an information collection requirement subject to the Paperwork Reduction Act (PRA) (44 U.S.C. § 3501 *et seq.*). The PRA requires each federal agency to seek and obtain OMB approval before collecting information from the public. Federal agencies may not collect information unless it displays a currently valid OMB control number. For purposes of the State Digital Equity Planning Grant Program, NTIA will use the State Digital Equity Planning Grant Program forms in the Application for Broadband Grant Programs information collection (0660-0046) and Standard Forms 424 (Application for Federal Assistance), 424A (Budget Information for Non-Construction Programs), 425 (Federal Financial Report), and SF-LLL (Disclosure for Lobbying Activities) under the respective control numbers 4040-0004, 4040-0006, 4040-0014, and 4040-0013.

G. Transparency, Accountability, And Oversight Required

1. Generally

NTIA, States, and entities receiving funding through the set-asides established in Section 60304(i) of the Infrastructure Act each have a critical role to play in ensuring that the State Digital Equity Planning Grant Program is implemented in a manner that ensures transparency, accountability, and oversight sufficient to, among other things:

1. Minimize the opportunity for waste, fraud, and abuse;
2. Ensure that recipients of grants under the Program use grant funds to further the overall purpose of the Program in compliance with the requirements of Section 60304(c) of the Infrastructure Act, this NOFO, 2 C.F.R. Part 200, the terms and conditions of an award, and other applicable law; and
3. Allow the public to understand and monitor grants awarded under the Program.

To that end, NTIA, States, United States territories and possessions, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations and/or an Administering Entity shall, as appropriate:

1. Conduct such audits of grantees (States), territories, possessions, Indian Tribes, Alaska Native entities, Native Hawaiian organizations, and administering entities as are necessary and appropriate. States shall report the full results of any audits they conduct to the appropriate Federal Program Officer and NIST Grants Officer;
2. Develop monitoring plans, subject to the approval of the Assistant Secretary, which may include site visits or desk reviews, technical assistance, and random sampling of compliance requirements; and
3. Impose special conditions on grant awards designed to mitigate the risk of nonperformance where appropriate.

Each State, U.S. territory or possession, Indian Tribe, Alaska Native entity, Native Hawaiian organization, and/or Administering Entity shall, as appropriate:

1. Comply with the reporting requirements set forth in Section VI.E of this NOFO;
2. Comply with the obligations set forth in Section 60304(c) of the Infrastructure Act, this NOFO, 2 C.F.R. Part 200, the terms and conditions of an award, and other applicable laws; and

3. Establish and widely publicize telephone numbers and email addresses for the State, U.S. territory or possession, Indian Tribe, Alaska Native entity, Native Hawaiian organization, and/or Administering Entity's Office of Inspector General (or comparable entity) for the purpose of reporting waste, fraud or abuse, in the Program. States, U.S. possessions and territories, Indian Tribes, Alaska Native entities, Native Hawaiian organizations, and their administering entities shall produce copies of materials used for such purpose upon request of the Federal Program Officer or the Grants Officer.

2. U.S. Department of Commerce Office of Inspector General

The U.S. Department of Commerce Office of Inspector General (OIG) seeks to improve the efficiency and effectiveness of the Department's programs, including deterring and detecting fraud, waste, abuse, and mismanagement. The OIG accomplishes this mission primarily through investigations, audits, and inspections of Department activities, including grants, cooperative agreements, loans, and contracts.

a. Disclosures

Recipients of financial assistance originating from the U.S. Department of Commerce, including NTIA, shall timely disclose, in writing, to the OIG and awarding agency, whenever, in connection with the award, performance, or closeout of this grant or sub-award thereunder, the recipient has credible evidence that a principal, employee, agent, or sub-recipient has committed:

1. A violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or
2. A violation of the civil False Claims Act (31 U.S.C. §§ 3729-3733).

b. Reporting

The OIG maintains a hotline to receive allegations of fraud, waste, or abuse. To report such allegations, please visit <https://www.oig.doc.gov/Pages/Hotline.aspx>. Upon request, the OIG will take appropriate measures to protect the identity of any individual who reports misconduct, as authorized by the Inspector General Act of 1978, as amended. Reports to the OIG may also be made anonymously.

3. Whistleblower Protection

Recipients, sub-recipients, and employees working on this grant award will be subject to the whistleblower rights and remedies established under 41 U.S.C. § 4712.

An employee of a recipient or sub-recipient may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of: gross mismanagement of a federal contract or award; a gross waste of federal funds; an abuse of authority (*i.e.*, an arbitrary and capricious exercise of authority that is inconsistent with the mission of NTIA or the U.S. Department of Commerce or the successful performance of a contract or grant awarded by NTIA or the Department) relating to a federal contract or award; a substantial and specific danger to public health or safety; or a violation of a

law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

The recipient or sub-recipient shall inform its employees and contractors, in writing, in the predominant language of the workforce or organization, of employee whistleblower rights and protections under 41 U.S.C. § 4712, as described above and at <https://www.oig.doc.gov/Pages/Whistleblower-Protection-Program.aspx>.

H. Unauthorized Use of Funds.

In the event of non-compliance with Section 60304(c) of the Infrastructure Act, this NOFO, 2 C.F.R. Part 200, the terms and conditions of an award, or other applicable law, NTIA and the NIST Grants Officer shall take appropriate enforcement action against a State, U.S. territory or possession, Indian Tribe, Alaska Native entity, or Native Hawaiian organization and, as necessary, against an Administering Entity, as authorized in 2 C.F.R. §§ 200.339 - 200.343.

Appendix A: State Funding Formula

NTIA and the U.S. Census Bureau have collaborated to create the Digital Equity Act Population Viewer, which contains the inputs used in the funding formula for each State, as well as links to the original data sources where applicable. The Census Bureau has also documented the methodology it has used to calculate the total number of persons in each State who are members of covered populations. The Digital Equity Act Population Viewer can be accessed at <https://www.census.gov/programs-surveys/community-resilience-estimates/partnerships/ntia.html>.

1. NTIA will calculate the total amount available for awards to eligible States by subtracting set-asides for administrative costs, U.S. territories and possessions, and Tribal organizations from the total appropriation. Of the \$60 million appropriated for planning grants, \$53,400,000 is available to eligible States after subtracting set-asides. For fiscal year 2022, in which funds have been made available for both the State Digital Equity Planning Grant and State Digital Equity Capacity Grant programs, set-aside funding will be subtracted in equal proportion from each.
2. Using the amount calculated in step 1, NTIA will allocate to each eligible State one-half (0.5) percent of the total available to eligible States, ensuring compliance with the statutory minimum award irrespective of the formula.
3. NTIA will calculate the total amount to be further allocated via the funding formula by subtracting the sum of all funds allocated in step 2 from the total available to eligible States calculated in step 1. The result of this step is the “Formula-Based Funding.”
4. NTIA will allocate fifty (50) percent of the Formula-Based Funding (calculated in step 3) based on each eligible State’s population in proportion to the total population of all eligible States. For example, if “State X” contains one (1) percent of the total population of all eligible States, it would receive one (1) percent of the amount allocated during this step.²¹ To determine the population of each eligible State, NTIA will use the most recent American Community Survey (ACS) single-year estimates released by the Census Bureau at the time of NOFO publication (excluding any estimates designated as experimental). For planning grants made available through this NOFO, NTIA will use estimates from the 2019 ACS.²²
5. NTIA then will allocate twenty-five (25) percent of the Formula-Based Funding derived in step 3 based on each eligible State’s proportion of the total number of individuals who fall within “covered populations” in all eligible States (as defined in Section I.C of this NOFO). Using ACS data from the same year used in step 4, as well as any auxiliary data sources it may deem necessary, the Census Bureau will create and publish estimates of the number of people in each State who are members of one or more of the groups constituting covered populations. The Census Bureau will employ its internal data to estimate membership of all covered populations without double-counting individuals who are members of multiple

²¹ If the total Formula-Based Funding equaled \$56,000,000, then \$28,000,000 (half of \$56,000,000) would be allocated under this step, leaving State X with \$280,000 (one (1) percent of \$28,000,000) under this step.

²² Population estimates calculated by the U.S. Census Bureau using ACS data can be found in Table B01003 and can be broken out by state using the Census Bureau’s data tool, available at <https://data.census.gov>.

covered population categories. NTIA will use the totals for each eligible State in determining the appropriate allocation.²³ Thus, for example, if the Census Bureau determines that there are 100 million individuals throughout all eligible States that fall within one or more covered population groups, and that State X is home to five million of those persons, State X would, in this step, be allocated five (5) percent of twenty-five (25).²⁴

6. NTIA will allocate the final twenty-five (25) percent of the Formula-Based Funding by using four different indicators of the relative lack of broadband availability and adoption in each eligible State. These indicators are all collected from the three data sources required by statute, including the Commission’s Section 706(b) report, the ACS, and the NTIA Internet Use Survey. At this time, the Assistant Secretary has not designated any additional data sources for use in this portion of the funding formula. This portion of the funds will be allocated as follows:

- a. Five (5) percent of the total Formula-Based Funding will be allocated based on the proportion of individuals in each eligible State, relative to all other eligible States, who reside in a location where fixed broadband service that meets the Commission’s standard for advanced telecommunications capability is unavailable. For example, an eligible State in which ten (10) percent of the population lacks availability of fixed broadband meeting the Commission standard will receive an allocation that is twice as large as that for an eligible State where five (5) percent of the population lacks broadband availability. Both the definition of “advanced telecommunications capability” and the estimate to be used for each eligible State will be based on the most recent report the Commission has published pursuant to Section 706(b) of the Telecommunications Act of 1996 as of the date of NOFO publication. For planning grants made available through this NOFO, NTIA will use the Broadband Deployment Report released on January 19, 2021.²⁵
- b. Another five (5) percent of the total Formula-Based Funding will be allocated based on the proportion of individuals in each eligible State, relative to all other eligible States, who live in households that lack any type of computing device and/or a subscription to an internet access service other than dial-up service. NTIA will implement this factor using the most recent ACS single-year estimates released by the Census Bureau at the time of NOFO publication (excluding any estimates designated as experimental). For planning grants made available through this NOFO, NTIA will use estimates from the 2019 ACS.²⁶

²³ The estimates of covered populations created by the Census Bureau are available at <https://www.census.gov/programs-surveys/community-resilience-estimates/partnerships/ntia.html>.

²⁴ If the total Formula-Based Funding equaled \$56,000,000, then \$14,000,000 (twenty-five (25) percent of \$56,000,000) would be allocated under this step, leaving State X with \$700,000 (five (5) percent of \$14,000,000) under this step.

²⁵ See <https://www.fcc.gov/document/fcc-annual-broadband-report-shows-digital-divide-rapidly-closing>. The Commission lists the percentage of persons in each state who live where fixed broadband is available that meets the advanced telecommunications capability standard in Appendix A of its Report. To derive the percentage of persons in each state who *lack* fixed broadband availability, NTIA subtracts the Commission’s estimate from 100.

²⁶ The estimates used here are published in Table S2802 and may be broken out by state using the Census Bureau’s data tool, available at <https://data.census.gov>. Specifically, NTIA will use the estimates under

c. Seven and one-half (7.5) percent of the total Formula-Based Funding will be allocated based on the proportion of individuals in each eligible State, relative to all other eligible States, who do not use the internet from any location. For this factor, NTIA will use data from the most recent edition of the NTIA Internet Use Survey to have publicly released results at the time of NOFO publication. As a supplement to the Census Bureau’s Current Population Survey, the NTIA Internet Use Survey does not include Puerto Rico residents in its sample. Therefore, NTIA is required to use the median value for this factor among all other eligible States for Puerto Rico if it is an eligible State. For planning grants made available through this NOFO, NTIA will use results from the 2021 NTIA Internet Use Survey.²⁷

d. The final seven and one-half (7.5) percent of the total Formula-Based Funding will be allocated based on the proportion of individuals in each eligible State, relative to all other eligible States, who do not use at least one of the following types of devices: (1) a desktop computer; (2) a laptop computer; or (3) a tablet computer. NTIA will use data from the same edition of the NTIA Internet Use Survey as factor (c) as the data source for this factor and will similarly substitute the median value among all other eligible States for Puerto Rico.²⁸

the subheading “Percent Broadband Internet Subscription,” within the heading “With a Computer,” and will subtract the estimate from 100 to get the percent of people in households in each state that lack either a computer or a broadband internet subscription in the household. Note that the Census Bureau defines “broadband” for the purposes of this table as including any type of internet access service other than dial-up.

²⁷ In the NTIA Internet Use Survey, interviewers ask whether each member of the household age three or older uses the internet from a variety of locations (including a final question about any other location not previously covered). Individuals not reported as using the internet from any location are considered not to be internet users. NTIA reports the proportion of individuals who use the internet from any location in its Data Explorer tool, which includes the ability to break out data by state, at <https://www.ntia.gov/data/explorer>. NTIA will subtract the estimate for each state from 100 to derive the percent of people that do not use the internet.

²⁸ The NTIA Internet Use Survey includes a series of questions about the use of different types of computing devices by individual members of each household, including desktops, laptops, tablets, and several other device types. NTIA reports the proportion of individuals who use at least one of the three types of devices listed above in its Data Explorer tool, at <https://www.ntia.gov/data/explorer>. NTIA will subtract the estimate for each state from 100 to derive the percent of people that do not use any of the three device types.

Appendix B: Infrastructure Act § 60304(e) (Assurances)

Section 60304(e) of the Infrastructure Act provides as follows:

(e) Assurances.--When applying for a grant under this section, a State shall include in the application for that grant assurances that--

(1) if an entity described in section 60305(b) is awarded grant funds under this section (referred to in this subsection as a “covered recipient”), provide that--

(A) the covered recipient shall use the grant funds in accordance with any applicable statute, regulation, and application procedure;

(B) the administering entity for that State shall adopt and use proper methods of administering any grant that the covered recipient is awarded, including by--

(i) enforcing any obligation imposed under law on any agency, institution, organization, or other entity that is responsible for carrying out the program to which the grant relates;

(ii) correcting any deficiency in the operation of a program to which the grant relates, as identified through an audit or another monitoring or evaluation procedure; and

(iii) adopting written procedures for the receipt and resolution of complaints alleging a violation of law with respect to a program to which the grant relates; and

(C) the administering entity for that State shall cooperate in carrying out any evaluation--

(i) of any program that relates to a grant awarded to the covered recipient; and

(ii) that is carried out by or for the Assistant Secretary or another Federal official;

(2) the administering entity for that State shall--

(A) use fiscal control and fund accounting procedures that ensure the proper disbursement of, and accounting for, any Federal funds that the State is awarded under this section;

(B) submit to the Assistant Secretary any reports that may be necessary to enable the Assistant Secretary to perform the duties of the Assistant Secretary under this section;

(C) maintain any records and provide any information to the Assistant

Secretary, including those records, that the Assistant Secretary determines is necessary to enable the Assistant Secretary to perform the duties of the Assistant Secretary under this section; and

(D) with respect to any significant proposed change or amendment to the State Digital Equity Plan for the State, make the change or amendment available for public comment in accordance with subsection (c)(2); and

(3) the State, before submitting to the Assistant Secretary the State Digital Equity Plan of the State, has complied with the requirements of subsection (c)(2).

Digital Equity Act: State Capacity Grant Program, Planning Grants, and Competitive Grant

Frequently Asked Questions (FAQs)

The State Digital Equity Planning Grant Program (DE), authorized by Section 60304(c) of the Infrastructure Investment and Jobs Act, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act), also commonly known as the Bipartisan Infrastructure Law, provides federal funding to ensure that individuals and communities have the skills and tools needed for full participation in society and the economy. The following is the first in a series of FAQ documents intended to provide guidance on information set forth in NTIA’s Notice of Funding Opportunity (NOFO) issued on May 13, 2022. Following the release of this document, further questions may be submitted to digitalequity@ntia.gov for consideration to include in future FAQ documents.

The below FAQs are for informational purposes only and are intended solely to assist potential applicants in better understanding the State Digital Equity Planning Grant Program and the application requirements set forth in the Notice of Funding Opportunity (NOFO) for this program. The FAQs do not and are not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, or the specific application requirements set forth in the NOFO. In all cases, statutory and regulatory mandates, and the requirements set forth in the NOFO, shall prevail over any inconsistent information contained in the below FAQs.

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1 Overview

1.1 What is the Digital Equity Act?

The Digital Equity Act (DEA), passed as part of the Infrastructure Investment and Jobs Act, aims to promote the achievement of digital equity and support digital inclusion activities. The DEA allocates \$2.75 billion to establish three main grant programs: the (1) State Digital Equity Planning Grant, which awards \$60 million to States (including the District of Columbia and Puerto Rico) to develop State Digital Equity plans or similar plans; (2) the State Digital Equity Capacity Grant Program, which will award \$1.44 billion over 5 fiscal years to States, possessions/territories, and Tribal entities for the purpose of implementing their State Digital Equity Plans (or similar plan); and (3) the Digital Equity Competitive Grant Program, which makes available \$1.25 billion in grant awards over 5 fiscal years for private sector, public sector, and not-for-profit entities to advance digital equity and engage in digital inclusion activities.

1.2 What is the State Digital Equity Planning Grant Program?

The State Digital Equity Planning Grant Program makes \$60 million in planning grants available to States, possessions/territories, and Tribal / Native entities for the purpose of developing a State Digital Equity Plan or similar plan.

1.3 Why does my state have to develop a digital equity plan to be eligible for these funds?

Under the Act, States interested in participating in the State Digital Equity Capacity Grant Program must first apply for State Digital Equity Planning Grants and complete State Digital Equity Plans. A State Digital Equity Plan is a critical predicate for achievement of digital equity goals as the drafting of such a plan provides states the opportunity to cast a vision for, and think critically about, how they will support the achievement of digital equity in their state. Planning should bring a diverse set of stakeholders to the table, assess data, and more to ensure that capacity funding is used most effectively to close the digital divide in each state.

1.4 When will my state receive funds to implement digital inclusion projects or programs?

The State Digital Equity Capacity Grant Program must begin no later than two years after the date NTIA begins awarding the State Digital Equity Planning Grants. Upon receipt of the planning funds, States have one year to complete their Digital Equity Plans. Once completed, states will be eligible to apply for funds to implement the plans through the State Digital Equity Capacity Grant Program.

1.5 When will the Digital Equity Competitive Grant Program begin?

The Bipartisan Infrastructure Law provides \$1.25 billion to NTIA to establish the Digital Equity Competitive Grant Program. The law requires NTIA to establish the program “not later than 30 days after the date on which the Assistant Secretary begins awarding State Digital Equity Capacity Grants, and not before that date.”

1.6 Does NTIA provide Technical Assistance to program applicants?

NTIA will host Technical Assistance webinars for program applicants and/or administering entities. Program and application guidance will be posted on www.InternetForAll.gov.

1.7 What is considered a “State” under the DEA? Are any other entities eligible for funding? If so, do States and those other entities follow the same process to acquire planning funds?

As defined in the NOFO in Section I.C., the term “State” includes the 50 states, the District of Columbia, and Puerto Rico.

Separately, territories and possessions of the United States, other than Puerto Rico, and Indian Tribes, Alaska Native entities, and Native Hawaiian organizations are eligible to enter into grants, cooperative agreements, or contracts with NTIA to carry out activities under the DEA (see Section III.A. of the NOFO).

Each State must submit an application and develop a State Digital Equity Plan in accordance with Section IV of the NOFO.

A U.S. territory or possession other than Puerto Rico, an Indian Tribe, an Alaska Native entity, or a Native Hawaiian organization have a different process than States. These entities must first submit a Letter of Intent to the NTIA in accordance with Section IV.B. of the NOFO —after which it will receive more information about application submission requirements and timelines via a separate written communication.

While States and many U.S. territories, possessions, Indian tribes, Alaska Native entities, and Native Hawaiian organizations will develop digital equity plans, some of the digital equity plan requirements that apply to States may not be applicable or appropriate for other entities. NTIA will work with these entities to agree on budgets and expectations that are reasonable and effective.

2 Deadlines

2.1 When are applications for the State Digital Equity Planning Grant Program due?

States must submit applications by July 12, 2022, 11:59pm EDT through the NTIA application portal pursuant to Section IV.A. of the NOFO. States cannot submit their application packages (or any portions thereof) by email, paper, or facsimile.

U.S. territories and possessions other than Puerto Rico, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations must submit their Letters of Intent by July 12, 2022, 11:59pm EDT. As described further in Section IV.B. of the NOFO, these entities must submit their letters of intent (1) electronically through the NTIA application portal, (2) by email, or (3) by mail or courier. Applications submitted by mail or courier must be postmarked by July 12, 2022. Application submission requirements and timelines for any entity that submits a timely Letter of Intent will be provided to such applicant in a separate written communication.

3 Eligibility

3.1 What entities are eligible to apply for planning grants under the State Digital Equity Planning Grant Program?

Each of the 50 states, the District of Columbia, and Puerto Rico (collectively referred to as “States” under this program) are eligible to apply for planning grants under the State Digital

Equity Planning Grant program. The governor or equivalent of each State must designate an Administering Entity for that State to receive and administer a grant.

Territories or possessions of the United States, other than Puerto Rico, that are not defined as “States” for the purposes of this program, as well as Indian Tribes, Alaska Native entities, and Native Hawaiian organizations are eligible to enter into grants, cooperative agreements, or contracts with NTIA to develop and implement their own digital equity plans.

3.2 What is an Administering Entity?

As defined in Section I.C. of the NOFO, an “Administering Entity” is the entity selected by the governor or equivalent official of each state to administer the Digital Equity Act Planning Grant and Capacity Grant Programs. This means that the Administering Entity will lead the state’s digital equity initiatives under the State Planning and Capacity Grant Programs. The Administering Entity will be responsible for:

- Receiving and administering the State Digital Equity Planning and Capacity grants.
- Developing, implementing, and overseeing the State Digital Equity Plan for the State.
- Making subgrants to any entity in support of the State Digital Equity Plan and any digital inclusion activities in the State.
- Serving as an advocate for digital equity policy and digital inclusion activities and as a repository of best materials.

3.3 Can nonprofit and community-based organizations apply for planning grants under the State Digital Equity Planning Grant Program?

Nonprofit organizations and community-based organizations are not eligible to apply directly for planning grants under this program. However, nonprofit organizations and community-based organizations may serve as an Administering Entity (if selected by the governor) pursuant to the definition provided in Section I.C. of the NOFO and are eligible to receive subgrants to assist in the development of their State’s Digital Equity Plan as described in Section IV.C.1.a. of the NOFO. These organizations are also eligible to receive subgrants for the implementation of State Digital Equity Plans under the Capacity Grant Program and may apply directly for Digital Equity Competitive Grant Program funding.

3.4 What type of organization can be an Administering Entity?

As defined in Section I.C. of the NOFO, an Administering Entity must have demonstrated a capacity to administer the Program on a statewide level, and be any of the following:

- The State, a political subdivision, agency, or instrumentality of the State, an Indian Tribe located in the State, an Alaska Native entity located in the State, or a Native Hawaiian organization located in the State.
- A foundation, corporation, institution, association, or coalition that is a not-for-profit entity; providing services in the State; and not a school.
- A community anchor institution, other than a school, that is 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.
- A partnership between any of the previously listed entities.

4 Grant Application and Award Information

4.1 How will funds be distributed, and how much money will my state receive under the State Digital Equity Planning Grant Program?

The amount of funding States, the District of Columbia and Puerto Rico will receive through the State Digital Equity Planning Grant Program will be calculated by applying a formula. The formula is as follows and can also be found in Section II.C.1 of the NOFO:

- 50% of the total grant amount shall be based on the population of each State in proportion of the total population of all eligible States
- 25% of the total grant amount shall be based on the number of individuals in each State who are members of “covered populations” in proportion to the total number of individuals in all eligible States who are members of covered populations
- 25% of the total grant amount shall be based on the comparative lack of availability and adoption of broadband in each State relative to all eligible states (as determined by a combination of federal data).

As set forth in Section II.C.2. of the NOFO, up to \$53,400,000 in planning grants will be available for entities defined as States and will be tentatively distributed (subject to challenges to the allocation formula and participation levels) as follows:

State	Amount	State	Amount
Alabama	\$981,081.12	Montana	\$601,336.88
Alaska	\$567,884.90	Nebraska	\$598,745.97
Arizona	\$1,116,110.78	Nevada	\$754,458.89
Arkansas	\$843,673.10	New Hampshire	\$525,033.51
California	\$4,001,525.45	New Jersey	\$1,176,741.04
Colorado	\$897,119.04	New Mexico	\$740,534.91
Connecticut	\$736,568.10	New York	\$2,180,034.65
Delaware	\$516,096.05	North Carolina	\$1,415,614.32
District of Columbia	\$463,126.49	North Dakota	\$516,392.82
Florida	\$2,407,223.57	Ohio	\$1,470,550.76
Georgia	\$1,429,212.96	Oklahoma	\$882,087.78
Hawaii	\$570,883.08	Oregon	\$782,193.40

Idaho	\$564,706.40	Pennsylvania	\$1,604,131.73
Illinois	\$1,515,352.64	Puerto Rico	\$781,987.43
Indiana	\$1,039,734.16	Rhode Island	\$506,100.07
Iowa	\$708,924.38	South Carolina	\$953,478.05
Kansas	\$692,664.38	South Dakota	\$527,051.65
Kentucky	\$874,236.13	Tennessee	\$1,092,244.06
Louisiana	\$941,542.28	Texas	\$3,110,148.10
Maine	\$542,222.32	Utah	\$676,684.53
Maryland	\$966,659.11	Vermont	\$518,154.22
Massachusetts	\$1,003,763.61	Virginia	\$1,222,391.75
Michigan	\$1,332,440.72	Washington	\$1,076,248.79
Minnesota	\$881,905.10	West Virginia	\$728,065.62
Mississippi	\$875,585.61	Wisconsin	\$952,197.63
Missouri	\$1,007,143.59	Wyoming	\$530,006.38

NTIA tentatively reserves \$3 million to award grants to, or enter into contracts or cooperative agreements with, territories and possessions other than Puerto Rico for the purpose of developing digital equity plans. NTIA tentatively allocates (subject to participation levels) \$150,000 to each of the following:

- the United States Virgin Islands
- Guam
- American Samoa
- the Commonwealth of the Northern Mariana Islands

The award amounts for U.S. territories and possessions will depend on the number of other U.S. territories and possessions applying. The remainder of the \$3 million will be available for U.S. territories and possessions to use to implement their digital equity plans, similar to the uses contemplated for the State Digital Equity Capacity Grants.

NTIA tentatively reserves \$15 million to award grants to, or enter into contracts or cooperative agreements with, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations for the purpose of creating Tribal / Native digital equity plans and to support Tribal / Native participation in the creation of relevant State Digital Equity Plans. NTIA will announce specific tentative allocation amounts for these entities after receiving letters of intent. Depending on demand, NTIA expects to allocate between \$50,000 and \$150,000 to each participating Indian Tribe, Alaska Native entity, and Native Hawaiian organization and will distribute funds evenly within that range for planning purposes. The remainder of the \$15 million will remain available for these entities to use to implement their digital equity plans,

with permissible uses similar to those contemplated in connection with the State Digital Equity Capacity Grants.

Note: The award amounts of each U.S. territory and possession (other than Puerto Rico), Indian Tribes, Alaska Native entities, and Native Hawaiian organizations are not subject to the funding formula applicable to the States. Instead, award amounts for these entities will be determined for each agreement and will depend on the total number of applicants.

4.2 Can my State receive funding if we are receiving other sources of Federal or State funding for broadband?

Yes. However, duplication of federal funding must be avoided. Additionally, as explained in the DEA and Section IV.C.2.a. of the NOFO, grants or subgrants awarded under the State Digital Equity Planning Grant Program must supplement, not supplant (i.e., supersede, replace, or take the place of), funds available to the State to carry out digital equity and inclusion activities.

4.3 Will applicants be required to provide a match in order to receive a planning grant under the State Digital Equity Planning Grant Program?

No. A match is not required.

5 Definitions

5.1 Who are considered “Covered Populations”?

As defined in Section I.C. of the NOFO, Covered Populations are:

- Individuals who live in covered households (see below).
- Aging individuals (60 and above).
- Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility.
- Veterans.
- Individuals with disabilities.
- Individuals with a language barrier, including individuals who are English learners; and have low levels of literacy.
- Individuals who are members of a racial or ethnic minority group.
- Individuals who primarily reside in a rural area.

5.2 What is a Covered Household?

The term “covered household” is defined in Section I.C. of the NOFO and means a household, the income of which for the most recently completed year is not more than 150 percent of an amount equal to the poverty level, as determined by using criteria of poverty established by the Bureau of the Census.

5.3 How should a state define “rural” when developing a state digital equity plan?

For the purposes of the DEA, Section I.C. of the NOFO defines a “rural area” as an area other than--

- A city or town that has a population of greater than 50,000 inhabitants
- Any urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants; and
- In the case of a grant or direct loan, a city, town, or incorporated area that has a population of greater than 20,000 inhabitants.

6 Application Requirements

6.1 What must be included in a State’s application for a State Digital Equity Planning Grant?

Any State applying for planning grants must submit an application that includes the following information, which is described in more detail in Section IV.B.1. of the NOFO:

- Description of the Administering Entity.
- Certification that the plan will be completed in one year.
- The assurances required under Section 60304(e) of the Infrastructure Act with respect to the State’s Administering Entity.
- Grant application narrative.
- Detailed budget justification and budget narrative.
- Standard federal grant forms and documents.

6.2 What should be included in the grant application narrative?

As noted in Section IV.B.1. of the NOFO, the grant application narrative should describe the grant project and activities to be funded by the State Digital Equity Planning Grant Program and how these activities will support the development of a State Digital Equity Plan that includes the required elements outlined in the NOFO.

6.3 What should U.S. territories and possessions submit to obtain planning grants?

Section IV.B.2. of the NOFO explains that U.S. territories and possessions (other than Puerto Rico) that wish to develop their own digital equity plans shall each submit a Letter of Intent to the Assistant Secretary signed by the territory or possession’s governor or equivalent official. The letter should describe the entity that would administer digital equity activities under this program, as well as specific activities the territory or possession intends to pursue in support of digital equity plan development.

Any U.S. territory or possession of the United States (other than Puerto Rico) that submits a Letter of Intent with the required information will be deemed eligible to receive planning grant funds from the set-aside funds for territories and possessions.

6.4 What should Indian Tribes, Alaska Native entities, and Native Hawaiian organizations submit to obtain planning grants?

Section IV.B.3. of the NOFO describes the process for Indian Tribes, Alaska Native entities, and Native Hawaiian organizations. Any Indian Tribe, Alaska Native entity, or Native Hawaiian organization that wishes to develop its own digital equity plan and/or participate in the development of relevant State Digital Equity Plans shall submit a Letter of Intent to the Assistant Secretary signed by its governing body. The letter should describe the entity that would administer digital equity activities under this program, as well as specific activities the Tribal organization intends to pursue in support of digital equity plan development (including development of the entity's own plan and, optionally, development of relevant State Digital Equity Plans).

An Indian Tribe, Alaska Native entity, or Native Hawaiian organization that submits a Letter of Intent with the required information will be deemed eligible to receive planning grant funds from the set-aside funds for Tribal organizations.

7 Application Portal and Submission

7.1 Where are application forms available?

For States, the District of Columbia and Puerto Rico, application forms and instructions are available on the NTIA application portal at <https://grants.ntia.gov/>.

8 Allowable and Unallowable Uses of Planning Grants

8.1 What costs can planning grants be used for?

As described in Section IV.C.1. of the NOFO, States, the District of Columbia, and Puerto Rico, must use the planning grant funds ONLY for the following purposes:

- To develop the State Digital Equity Plan.
- To make subgrants to any of the following entities to assist in the development of the State Digital Equity Plan:
 - Community anchor institutions.
 - County and municipal governments.
 - Local educational agencies.
 - Indian Tribes, Alaska Native entities, or Native Hawaiian organizations.
 - Nonprofit organizations.
 - Organizations that represent (i) individuals with disabilities; (ii) aging individuals; (iii) individuals with language barriers, including English language learners and those with low levels of literacy; (iv) veterans; and (v) individuals who are incarcerated in the State in non-federal facilities.
 - Civil rights organizations.
 - Entities that carry out workforce development programs.

- State agencies responsible for administering or supervising adult education and literacy activities.
- Public housing authorities in the State.
- Partnerships of any of the entities listed above.

U.S. territories and possessions, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations may use funds for digital equity plan development and related activities authorized by the DEA and described in the entity's approved project budget.

Indian Tribes, Alaska Native entities, and Native Hawaiian organizations may use award funds to further their participation and equity interests in the development of relevant State Digital Equity Plans under this program.

8.2 What costs can planning grants NOT be used for?

Section IV.C.2. of the NOFO explains that planning grants may NOT be used to:

- Supplant or replace other federal or state funds that have been made available to develop a State Digital Equity Plan.
- Pay for a profit, fee, or other incremental charge above the actual cost is not an allowable cost under this program.
- Oppose or support collective bargaining.

8.3 Can the planning grants be used to implement digital inclusion programs that are led by a State (or any of its political subdivisions), community-based organizations, community anchor institutions, or local governments?

No. The implementation of digital inclusion programs can be funded generally through State Digital Equity Capacity Grants, for which the State Digital Equity Plan is a prerequisite, or through the Digital Equity Competitive Grant Program. States may, however, conduct digital inclusion activities (e.g., assess digital equity needs of the State, collaborate with key stakeholders, and compile an asset inventory of current resources and programs) in service of development of the State Digital Equity Plan. States also remain free to expend separate state funds to pursue digital inclusion and digital equity activities while drafting the State Digital Equity Plans and awaiting State Digital Equity Capacity Grant funds.

9 State Digital Equity Plans

9.1 How long do States have to create a State Digital Equity Plan?

One year, beginning on the date on which the State is awarded planning grant funds. Extensions of up to 180 days are possible (see Section II.B. of the NOFO).

9.2 How are the planning processes for the State Digital Equity Capacity Grant Program and the Broadband Equity, Access, and Deployment Program (BEAD) linked?

NTIA strongly encourages States and territories to concurrently participate in the BEAD Program and Digital Equity Act Programs.

States and territories should view the State Digital Equity Planning Grant NOFO and the BEAD NOFO holistically under a singular, unified objective of closing the digital divide. Section I.B. of the NOFO specifically notes that NTIA expects that a State or territory's 5-Year Action Plan developed for the BEAD Program will fully incorporate the State or territory's Digital Equity Plan. Moreover, Initial Proposals and Final Proposals developed for the BEAD Program should be informed by and be complementary, sequenced, integrated, and intentionally linked with both BEAD 5-Year Action Plans and State Digital Equity Plans to address the goal of universal broadband access and adoption.

9.3 How can my state link our BEAD 5-Year Plan and the DEA Plan?

States should:

- Ensure continuity between staff tasked with developing both plans.
- Create overlap between State DEA and BEAD planning teams.
- Establish formal and direct communication and collaboration pathways between DEA and BEAD planning teams.
- Note that funding awarded pursuant to the State Digital Equity Planning Grant Program and BEAD awards cannot overlap.

9.4 What must be included in State Digital Equity Plans?

Section IV.C.2.b. of the NOFO lays out requirements for State Digital Equity Plans.

Statutory Requirements

Under the DEA, any State Digital Equity Plan developed with planning grant funds must include the following:

- Identification of barriers to digital equity faced by Covered Populations in the State.
- Measurable objectives for documenting and promoting, among each Covered Population located in that State, the availability and affordability of broadband technology; online accessibility and inclusivity of public resources; digital literacy; awareness of, and the use of, cybersecurity measures; and availability and affordability of consumer devices and technical support.
- An assessment of how the measurable objectives will impact and interact with the State's economic and workforce development goals, plans, and outcomes; educational outcomes; health outcomes; civic and social engagement; and delivery of essential services.
- Description of how the State plans to collaborate with key stakeholders in the State.
- A list of organizations with which the Administering Entity for the State collaborated in developing and implementing the Plan.

Additional Requirements

In addition to the above statutory requirements, the State Digital Equity Plan developed with planning grant funds shall, at a minimum, include the following:

- A stated vision for digital equity.

- A digital equity needs assessment, including a comprehensive assessment of the baseline from which the State is working and the State's identification of the barriers to digital equity faced generally and by each of the covered populations in the State.
- An asset inventory, including current resources, programs, and strategies that promote digital equity for each of the covered populations, as well as existing digital equity plans and programs already in place among municipal, regional, and Tribal governments.
- A coordination and outreach strategy, including opportunities for public comment by, collaboration with, and ongoing engagement representatives of each category of covered populations within the State and with the full range of stakeholders within the State.
- A description of how municipal, regional, and/or Tribal digital equity plans will be incorporated into the State Digital Equity Plan.
- An implementation strategy that is holistic and addresses the barriers to participation in the digital world, including affordability, devices, digital skills, technical support, and digital navigation. The strategy should (a) establish measurable goals, objectives, and proposed core activities to address the needs of covered populations, (b) set out measures ensuring the plan's sustainability and effectiveness across State communities, and (c) adopt mechanisms to ensure that the plan is regularly evaluated and updated.
- An explanation of how the implementation strategy addresses gaps in existing state, local, and private efforts to address the barriers identified pursuant to Section IV.C.1.b.i of the NOFO.
- A description of how the State intends to accomplish the implementation strategy described above by engaging or partnership with relevant agencies, organizations, and institutions of higher learning.
- A timeline for implementation of the plan.
- A description of how the State will coordinate its use of the State Digital Equity Capacity Grant funding and its use of any funds it receives in connection with the Broadband Equity, Access, and Deployment Program.

Some of the digital equity plan requirements that apply to States may not be applicable or appropriate for territories or Tribal organizations. NTIA will work with these entities to agree on budgets and expectations that are reasonable and effective for individual territories and Tribal organizations.

9.5 Who should States, U.S. territories and possessions, and Tribal organizations collaborate and consult with when developing their digital equity plans?

States should collaborate with entities that serve covered populations or, through their ties to the community, are able to provide valuable insight into how best to advance digital equity, broadband adoption, device access, and digital literacy among all populations in the State. This may include, as identified in the Infrastructure Act and Section IV.C.1.b. of the NOFO:

- Community anchor institutions.

- County and municipal governments.
- Local educational agencies.
- Where applicable, Indian Tribes, Alaska Native entities, or Native Hawaiian organizations.
- Nonprofit organizations.
- Organizations that represent individuals with disabilities, including organizations that represent children with disabilities; aging individuals; Individuals with language barriers; Veterans; and Individuals in that State who are incarcerated in facilities other than federal correctional facilities.
- Civil rights organizations.
- Entities that carry out workforce development programs.
- Agencies of the State that are responsible for administering or supervising adult education and literacy activities in the State.
- Public housing authorities in the State.
- A partnership between any of the entities described above.

In addition, NTIA and NDIA encourage States to collaborate with entities not named in the statute, including:

- Members of Covered Populations who have direct lived experience with being disconnected.
- State agencies.
- Labor unions and other organizations that represent workers.
- Digital inclusion coalitions located in the State.
- Chambers of commerce and industry associations.
- Public housing resident associations.
- Healthcare systems and networks.
- Homeless continuum of care providers.
- Multi-family housing developers and owners.
- Faith-based institutions.
- Business owners, state and local foundations and funders.
- Early childhood and early intervention coordinators.
- Re-entry organizations.

- Internet service providers.

Note: During stakeholder engagement, States must utilize a variety of communications media (e.g., online, print, radio) and provide information in languages other than English when warranted based on the demographics of the stakeholder communities.

9.6 What if a State already has a digital equity plan? Can that State use its previously developed digital equity plan to fulfill the State Digital Equity Plan requirement of the State Digital Equity Capacity Grant Program?

If a State has previously conducted a statewide digital equity planning effort, it must demonstrate to NTIA that the plan includes all minimum required elements as listed above (both statutory and additional requirements) and that the plan fully complies with the program's authorizing statute and with the NOFO.

9.7 How can local organizations get involved in the planning and development of their State's Digital Equity Plan?

Contact your state's Administering Entity and request to be involved in the stakeholder engagement process. NTIA is collecting and will publish a list of Administering Entities on its website once all information is collected. Provide your state's Administering Entity with data, research, and resources from your community that could help inform the plan. Question 3.3 above contains additional information about other ways to get involved, including by receiving subgrants for planning and implementation and applying directly for Competitive Grant Program funding.

10 Reporting Requirements

10.1 What are the reporting requirements for grantees under the State Digital Equity Planning Grant Program that align with the requirements established in the Infrastructure Act?

Grantees will be required to comply with federal reporting requirements. In addition to the reporting requirements found in 2 C.F.R. Part 200, NTIA will provide additional reporting instructions.

In particular, the Infrastructure Act sets out reporting requirements, which require entities receiving grants or subgrants under the Act to public report, for each year during the period of performance, on: (i) the entity's use of the grant; (ii) the entity's progress toward fulfilling the objectives for which the grant was awarded; and (iii) the implementation of the State Digital Equity Plan of the State.

Additional information about reporting can be found in Section VI.E. of the NOFO.

Note: The Assistant Secretary may establish additional reporting and information requirements for any recipient of a grant as necessary to fulfill the requirements of the Infrastructure Act.

11 Application Review Process

11.1 How does the application review process work?

Initial Eligibility and Administrative Review: NTIA will conduct an initial review to ensure that the applicant is eligible to receive planning funds and has submitted a complete and timely application.

Merit Review: NTIA will evaluate how well an application aligns with the objectives, eligible activities, and related costs/budget of the Digital Equity Planning Grant Program.

Selection Process: NTIA will recommend approval of applications selected for funding based on the results of the Initial Eligibility and Administrative Review and the Merit Review.

Federal Awarding Agency Review of Risk Posed by Applicants: After applications are proposed for funding by NTIA, the NIST Grants Management Division (GMD) will perform pre-award risk assessments.

Anticipated Announcement and Award Dates: NTIA expects to begin awarding planning grants September 29, 2022, at the earliest. Grants will be awarded and announced on a rolling basis.

More information about the review process can be found in Section V of the NOFO.

11.2 How will applicants know whether they will receive a planning grant?

As noted in Section VI of the NOFO, applicants will be notified in writing by the NIST Grants Officer if their application is selected for an award.

Unsuccessful applicants will be notified by email (or, in the case of entities that permissibly submitted material via mail or courier, in a similar fashion) and will have the opportunity to receive a debriefing. Applicants must make a request within 10 business days of the email notification to receive a debrief from NTIA. NTIA will then work with the unsuccessful applicant to arrange a date and time for the debrief.

12 Support and Resources

12.1 Who can I contact for more information?

Please send program questions to digitalequity@ntia.gov. For any questions or technical support related to the NTIA Grants Portal (application portal), email ngphelpdesk@ntia.gov.

INTERNET FOR ALL

BEAD Five-Year Action Plan-Digital Equity Plan Alignment Guide



U.S. Department of Commerce

National Telecommunications and Information Administration

Introduction

This guide was created to support entities receiving Initial Planning Funds for the Broadband Equity, Access, and Deployment (BEAD) Program and recipients of the State Digital Equity Planning Grant (DE Planning) Program, which is one of the Digital Equity Act Programs. As eligible participants in both programs, it is critical that states and territories (“Participants”) align their efforts because the programs have shared objectives. The BEAD Program begins with Initial Planning Funds for planning and pre-deployment activities, including for the creation of a *Five-Year Action Plan*, and the Digital Equity Act Programs begin with State Digital Equity Planning Grants to create a *State Digital Equity Plan*.

Participants should view their projects funded by the BEAD and the DE Planning Programs as complementary efforts aimed at the unified objective of closing the digital divide.

This guide is structured as follows:

- I. Overview of BEAD and DE Planning Programs
- II. Key Principles of Alignment
 - General Guidance
 - Requirements of Five-Year Action Plan and State Digital Equity Plan
 - Funding Uses for the BEAD and DE Planning Programs

Equity in Broadband Infrastructure Deployment

Digital equity is a core component of the BEAD Program and must be woven throughout participants’ plans and proposals. An Eligible Entity is required in its BEAD Five-Year Action Plan to identify digital equity and inclusion needs, goals, and implementation strategy. This is not a “check-the-box” exercise; it is an opportunity for participants to holistically embed equity into projects. **Successful infrastructure deployment requires that all communities can meaningfully adopt and use high-speed internet services, particularly those that have historically been excluded from access**, such as communities of color, Tribal nations, and lower-income areas. NTIA expects that all communities – not just those in high-income or otherwise privileged areas – receive the same quality and speed from infrastructure funded by the BEAD Program; deprioritizing historically marginalized communities due to lack of political will or logistical complications will not be tolerated. This prioritization underscores the BEAD Program’s primary focus on providing service to unserved and underserved areas, which is critical to advancing digital equity.

Overview of the BEAD & DE Planning Programs

BEAD Program

The BEAD Program provides \$42.45 billion to expand high-speed Internet access by funding planning, infrastructure deployment, mapping, and adoption programs in all 50 states, Washington, D.C., Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. Priority areas for expanding access are unserved and underserved locations.

After submitting their Letter of Intent and Request for Initial Planning Funds, BEAD participants will create and submit to NTIA:

- **Five-Year Action Plan**, which establishes the participant’s goals and priorities and serves as a comprehensive needs assessment that will inform its Initial Proposal
- **Initial Proposal**, which is the “first draft” of the participant’s Final Proposal for grant funding and should explain how the participants intends to ensure every resident has access to a reliable, affordable, high-speed broadband connection
- **Final Proposal**, which describes how the participant complied with the Initial Proposal and the results of its processes

See Section I.B.2. of the BEAD Notice of Funding Opportunity (NOFO) for the full process of the BEAD Program.

This guide will focus on aligning the development of the BEAD Five-Year Action Plan with the Digital Equity Plan developed under the DE Planning Program.

State Digital Equity Planning Grant Program

The DE Planning Program is a \$60 million grant program for all 50 states, Washington, D.C., and Puerto Rico to develop Digital Equity Plans. Other U.S. territories, as well as Native American Tribes, Alaska Native entities, and Native Hawaiian organizations are also eligible for DE Planning Program funding via a separate statutory set-aside and separate program requirements. Digital Equity Plans should be developed in partnership with BEAD program planning.

Both Programs	DE Planning Program Only
<ul style="list-style-type: none"> ❖ All 50 U.S. states ❖ D.C. ❖ Puerto Rico ❖ U.S. Virgin Islands ❖ Guam ❖ American Samoa ❖ Commonwealth of the Northern Mariana Islands 	<ul style="list-style-type: none"> ❖ Indian Tribes, Alaska Native entities, Native Hawaiian organizations

The DE Planning Program is the first of three programs launched by the Digital Equity Act (DEA). Two other programs are forthcoming: the State Digital Equity Capacity Grant Program and the Digital Equity Competitive Grant Program. The DEA programs provide funding to promote digital inclusion and advance equity for all. They aim to ensure that all communities can access and use affordable, reliable, high-speed Internet to meet their needs and improve their lives.

State Planning	State Capacity	Competitive
\$60M formula funding program to develop Digital Equity Plans	\$1.44B formula funding program to implement plans & promote digital inclusion	\$1.25B to implement digital equity and inclusion activities

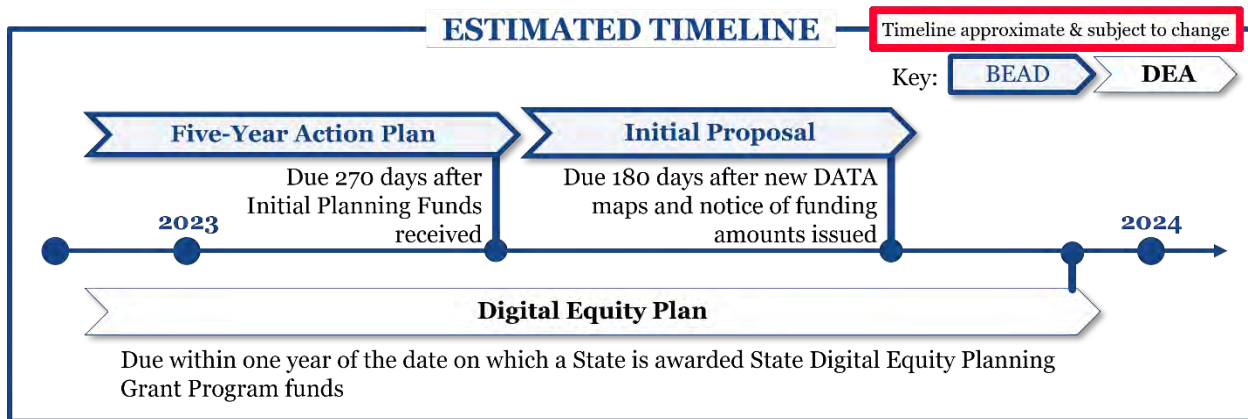
After submitting their DE Planning applications (States, including the District of Columbia and Puerto Rico) or Letters of Intent (U.S. territories and possessions other than Puerto Rico), DE Planning participants will receive planning grant funds allocated according to the State Digital Equity Planning Grant Program NOFO to fund the development of their Digital Equity Plan.

Following the development and approval of their Plan, entities participate in the State Digital Equity Capacity Grant Program to implement the Plan.

State Digital Equity Planning Grant and BEAD Timing

An approximate timeline for the DE Planning Program, the State Digital Equity Capacity Grants, and the BEAD Program is below. It is important that states develop their Digital Equity Plans concurrently with their Five-Year Action Plans and Initial Proposals for BEAD. Close coordination between both tasks will limit duplicative efforts for the planners, limit the burden on stakeholders, and help drive better outcomes.

Bear in mind that the BEAD Five-Year Action Plan is due before the Digital Equity Plan. Because some requirements of the Five-Year Action Plan can be met with the State Digital Equity Plan, states should pace the development of their Digital Equity Plan so that a version can be included within the Five-Year Action Plan. States can continue to develop the Digital Equity Plan to fulfill the DE Planning Program requirements until it is due.



Key Principles of Alignment

General Guidance

While the planning processes and end products for the BEAD Five-Year Action Plan and the State Digital Equity Plan may necessarily be separate, they should be intentionally linked, complementary, and mutually supportive of obtaining the same goals. To establish a strong synergy and joint accountability between the two plans, states should consider adopting the following principles:

Integrated Teaming

There should be overlap—or at least substantial interaction—between the team(s) tasked with developing the Five-Year Action Plan, Initial Proposal, and Final Proposal for BEAD and those tasked with developing the State Digital Equity Plan. At a minimum, this should include formal and direct communication and collaboration pathways between the teams that remain in place throughout the entire planning process. As a best practice, Eligible Entities (BEAD) and Administering Entities (DE Planning) should establish one unified team that is developing the BEAD Five-Year Action Plan and the State Digital Equity Plan. However, in the case that two separate teams are involved, there are other ways to ensure continuous collaboration.

For Example:

- *Include at least one member of the BEAD planning team on the State Digital Equity planning team*
- *Include at least one member of the DE planning team on the BEAD planning team*
- *Establish a clear process to share information gathered from stakeholders across the team(s), given the interconnected nature of availability and adoption*
- *Ensure that DE planning progress is shared on recurring BEAD meetings and vice versa, to ensure frequent opportunities for knowledge sharing and streamlining of efforts*

Equity Throughout

Participants should integrate digital inclusion throughout the BEAD Program. BEAD funds can be used for high-speed internet adoption projects, subject to the prioritization scheme laid out in the NOFO, if eligible entities have a plan to address deployment to unserved and underserved communities. As participants develop the BEAD Five-Year Action Plan, where appropriate, they should consider where BEAD funds can support broadband adoption projects.

In addition, states should prioritize unserved and underserved areas to infuse both the Five-Year Action Plan and the Digital Equity Plan with digital equity at their cores. States can accomplish this by ensuring stakeholder engagement plans are comprehensive enough to provide a clear landscape of covered populations' access to high-speed internet. Then, states should prioritize the outputs from sessions with covered populations and those in unserved and underserved communities in formulating their plans.

For Example:

- *Ensure all employees and team members have a baseline understanding of equity as it relates to the digital divide; NTIA has resources that can be leveraged to increase understanding, including a Digital Equity Guide for States and dedicated Federal Program Officers*
- *Partner with trusted community-based organizations to assist eligible households with enrolling in the Affordable Connectivity Program (ACP) or other programs targeted to low-income consumers within BEAD-funded networks*
- *Integrate local digital inclusion programming into their outreach initiatives*
- *Prioritize outreach in low-income neighborhoods, particularly historically disconnected communities*

Cohesive Stakeholder Engagement

All local coordination, stakeholder engagement, and outreach—including with tribal and native entities— should be coordinated early on and done in tandem for both the BEAD Program and the DE Planning Program to fulfill the requirements of both programs. Conducting outreach as a cohesive effort for the two programs will reduce the burden and confusion on community stakeholders.

For Example:

- *Assemble comprehensive lists of stakeholders, identify overlaps, and coordinate or combine outreach to those stakeholders*
- *Plan & host combined listening sessions, surveys, and site visits*

Coordinated Data Collection and Asset Mapping

Data collection to understand the current maturity of state broadband programs, office staff, and digital inclusion efforts is a key aspect of both the Five-Year Action Plan and Digital Equity Plan. Coordinating or sharing outcomes from data collection will be key to reaching a consensus on where and why gaps in adoption exist.

For Example:

- *Develop surveys and conduct asset mapping in tandem; the inventory should include current resources, programs, and strategies that promote digital inclusion for each of the covered populations, whether publicly or privately funded, as well as existing digital equity plans and programs already in place among municipal, regional, and Tribal governments*
- *Ensure that BEAD teams are collecting data from stakeholders with a strong understanding of how equity concerns impact the digital divide; this can be accomplished by including a member of the team engaged in developing the Digital Equity Plan*
- *Create a matrix (or another tool) to assess the eligible uses of all available funding and to identify and coordinate the funding that can be utilized to support digital inclusion strategies*
- *Note any specific digital inclusion efforts; existing funds may come from agencies like Institute of Museum and Library Services (IMLS), Appalachian Regional Commission (ARC), or the USDA. Other sources could include the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the American Rescue Plan Act (ARPA), or the Universal Service Fund (USF).*

Aligned Plan Development

Aligning the goals and strategies of the BEAD Five-Year Action Plan and the State Digital Equity Plan will increase the impact of both. Both plans aim to close the digital divide, and must address digital equity. Ensure their methods are well integrated.

For Example:

- *Build on BEAD's required low-cost service programs in the State Digital Equity Plan*
- *Convene leaders who will develop the Five-Year Action Plan and Digital Equity Plan at the start of the grant period to coordinate activities and strategies for plan development (1-2 months in)*
- *Connect regularly (e.g., bi-weekly or monthly) to track progress on overlapping activities (stakeholder engagement, asset mapping, data collection)*
- *Schedule time/space to review the Five-Year Action Plan and Digital Equity Plan draft 1-2 months prior to Five-Year Action Plan due date to ensure alignment and integration*

Requirements of Five-Year Action Plan and State Digital Equity Plan

The Five-Year Action Plan and the State Digital Equity Plan—the first outputs of the BEAD and DEA Programs, respectively—must adhere to specific requirements in each NOFO.¹ In many of the 13 requirements for the Five-Year Action Plan, there are opportunities to infuse digital inclusion activities to both satisfy requirements for the State Digital Equity Plan and ensure that digital inclusion is a core component of high-speed internet planning.

The tables below detail Five-Year Action Plan requirements and corresponding digital inclusion activities that are complementary. These activities are recommended to be undertaken simultaneously and/or through a singular effort by the same team.

The clearest connection between the Five-Year Action Plan and the State Digital Equity Plan is Requirement #11 for the Five-Year Action Plan (see below). This requirement may be satisfied by completing the State Digital Equity Plan. Thus, participants can and should develop both plans concurrently. Participants should submit a draft Digital Equity Plan within the Five-Year Action Plan and then submit the expanded, final State Digital Equity Plan as a standalone document under the DE Planning Program. Additionally, the Five-Year Action Plan should encapsulate any relevant tribal digital equity plans in order to present a holistic view of efforts to close the digital divide.

Five-Year Action Plan Requirement	Digital Equity Plan Requirement
<p>#7 External Engagement² Detail external engagement process, demonstrating collaboration with local, regional, and Tribal (as applicable) entities (governmental and non-governmental).</p>	<ul style="list-style-type: none"> • A description of how the State plans to collaborate with key stakeholders in the State³ • A list of organizations with which the Administering Entity for the State collaborated in developing the Plan⁴ • A coordination and outreach strategy, including ongoing engagement with representatives of each category of covered populations within the State and with the full range of stakeholders within the State⁵
<p>Recommended Actions:</p> <ul style="list-style-type: none"> ❑ Create comprehensive stakeholder engagement plans and timelines that account for both BEAD and DE Planning Program outreach, ensuring balance in the stakeholder outreach and coordination of program-specific outreach activities. ❑ The Five-Year Action Plan developed using Initial Planning Funds from the BEAD program must be informed by collaboration with Tribal entities as applicable. It is the responsibility of the Eligible Entity under the BEAD program and a state’s Administering Entity for the State Planning Grant to understand the landscape of tribal and native entities to coordinate with & initiate stakeholder communication. Tribal 	

¹ BEAD Program NOFO Section IV.B.3.b; *see also* SDEG Program NOFO Section IV.C.1.b.

² BEAD Program NOFO Section IV.B.3.b.7.

³ SDEG Program NOFO Section IV.C.1.b.i.4.

⁴ SDEG Program NOFO Section IV.C.1.b.i.5.

⁵ SDEG Program NOFO Section IV.C.1.b.ii.4.

entities are also eligible to create their own digital equity plans through the State Digital Equity Planning Grant; State Digital Equity Planning Grant funding may be used to create Tribal digital equity plans and/or to support Tribal participation in the creation of relevant State Digital Equity Plans. BEAD Five-Year Action Plans should aim to encapsulate not only State Digital Equity Plans but also any relevant tribal digital equity plans in order to present a holistic view of efforts to close the digital divide.

Five-Year Action Plan Requirement	Digital Equity Plan Requirement
<p>#11 Digital Equity & Inclusion Needs⁶ Provide digital equity and inclusion needs, goals, and implementation strategies, including ways in which the Eligible Entity plans to utilize BEAD funding, Digital Equity Act funding, and/or other funding streams in concert to remedy inequities and barriers to inclusion. Be sure to include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Results of a needs assessment for underrepresented communities <input type="checkbox"/> Asset inventory of ongoing digital equity activities, <p>Detailed explanation of holistic strategies around affordability, devices, digital skills, technical support, and digital navigation.</p>	<ul style="list-style-type: none"> • A stated vision for digital equity⁷ • A digital equity needs assessment, including each State’s identification of the barriers to digital equity faced generally and by each of the covered populations in the State⁸ • An asset inventory, including current resources, programs, and strategies that promote digital equity for each of the covered populations, whether publicly or privately funded, as well as existing digital equity plans and programs already in place among municipal, regional, and Tribal governments⁹ • A description of how municipal, regional, and/or Tribal digital equity plans will be incorporated into the State Digital Equity Plan¹⁰ • A holistic implementation strategy that addresses affordability, devices, digital skills, technical support, and digital navigation, with core activities that address the needs of covered populations¹¹ • An explanation of how the implementation strategy addresses gaps in existing state, local, and private efforts to address the barriers identified¹² • A timeline for implementation of the plan¹³

⁶ BEAD Program NOFO Section IV.B.3.b.11
⁷ SDEG Program NOFO Section IV.C.1.b.ii.1
⁸ SDEG Program NOFO Section IV.C.1.b.ii.2
⁹ SDEG Program NOFO Section IV.C.1.b.ii.3
¹⁰ SDEG Program NOFO Section IV.C.1.b.ii.5
¹¹ SDEG Program NOFO Section IV.C.1.b.ii.6
¹² SDEG Program NOFO Section IV.C.1.b.ii.7
¹³ SDEG Program NOFO Section IV.C.1.b.ii.9

	<ul style="list-style-type: none"> • A description of how the State will coordinate its use of State Digital Equity Capacity Grant funding and its use of any funds it receives in connection with the BEAD Program, other federal, or private digital equity funding¹⁴
<p>Recommended Actions:</p> <ul style="list-style-type: none"> ❑ Develop a comprehensive stakeholder engagement plan that will provide a full view of ongoing high-speed internet infrastructure and adoption programs within the State, ensuring that they are collecting data from stakeholders with a strong understanding of how equity concerns impact the digital divide; compare and combine any overlapping outreach efforts ❑ Combine outreach to state and local agencies in economic development, health, education, etc. to drive alignment across BEAD and DE programs ❑ Identify common objectives and metrics to measure progress on outcomes, including linking program success metrics through assessing how digital education and adoption programs funded through the Digital Equity Capacity Grant Program impact adoption funded by the BEAD Program 	

Five-Year Action Plan Requirement	Digital Equity Plan Requirement
<p>#12 Plan Alignment¹⁵ Detail alignment of the Five-Year Action Plan with other existing and planned economic development, telehealth, workforce development, related connectivity efforts, and other Eligible Entity priorities.</p>	<ul style="list-style-type: none"> • An assessment of how the measurable objectives will impact and interact with the State's: <ol style="list-style-type: none"> Economic and workforce development goals, plans, and outcomes; Educational outcomes; Health outcomes; Civic and social engagement; and Delivery of other essential services¹⁶ • A description of how the State intends to accomplish the implementation strategy described above by engaging or partnering with: <ol style="list-style-type: none"> Workforce agencies such as state workforce agencies and state/local workforce boards and workforce organizations; Labor organizations and community-based organizations; and Institutions of higher learning, including but not limited to four-year colleges and universities,

¹⁴ SDEG Program NOFO Section IV.C.1.b.ii.10

¹⁵ BEAD Program NOFO Section IV.B.3.b.12

¹⁶ SDEG Program NOFO Section IV.C.1.b.i.3

	community colleges, education and training providers, and educational service agencies ¹⁷
<p>Recommended Actions:</p> <ul style="list-style-type: none"> ❑ Develop an outreach plan to state and local agencies in economic development, health, education, etc. with alignment from BEAD and DE team(s) on points of discussion and coordination between existing and planned efforts ❑ Identify common objectives and metrics to measure progress on outcomes ❑ Given that a skilled workforce is critical to meeting infrastructure buildout timelines under the Infrastructure Act, BEAD funding recipients are allowed to allocate grants for training and workforce development. States should consider within their Five-Year Action Plans and Digital Equity Plans how they will advance equitable workforce development. In addition, states should look to understand how entities that carry out workforce development programs could be engaged to inform the Five-Year Action Plan and Digital Equity Plan, and streamline that engagement. 	

Funding Uses for the BEAD and DE Planning Programs

Similar to the requirements for the Five-Year Action Plan and the State Digital Equity Plan, the eligible uses of funds across the two programs overlap. States should establish practices that ensure proper accounting, as states cannot duplicate expenses for the same line item. Understanding where eligible uses for funds overlap is critical to maximizing how funds are spent.

The table below lists activities the Initial Planning Funds can be used for (see Section IV.B.2 of the BEAD NOFO) and indicates which activities complement digital equity plan development.

Eligible Uses for BEAD Initial Planning Funds	Complementary Activity for DE Plan Development
Research and data collection, including initial identification of unserved locations and underserved locations consistent with the rules, regulations, and processes the Federal Communications Commission has established for making these determinations in the Broadband DATA Maps	✓
The development of a preliminary budget for pre-planning activities	
Publications, outreach, and communications support related to planning, deployment, mapping, equity and adoption	✓
Providing technical assistance to potential subgrantees, including through workshops and events	✓
Training for employees of the broadband program or office of the Eligible Entity or employees of political subdivisions of the Eligible Entity, and related staffing capacity or consulting or contracted support to effectuate the goals of the BEAD Program	✓

¹⁷ SDEG Program NOFO Section IV.C.1.b.ii.8

Eligible Uses for BEAD Initial Planning Funds	Complementary Activity for DE Plan Development
Establishing, operating, or increasing capacity of a state broadband office that oversees programs and deployment in an Eligible Entity	✓
Asset mapping across the Eligible Entity to catalogue broadband adoption, affordability, equity, access and deployment activities occurring within the Eligible Entity	✓
Conducting surveys of unserved, underserved, and underrepresented communities to better understand barriers to adoption	✓
Costs associated with meeting the local coordination requirements, including capacity building at the local and regional levels or contracted support	✓
Reasonable post-NOFO, pre-Initial Planning Funds expenses in an amount not to exceed \$100,000 relating to the preparation of program submissions to NTIA (such as the Letter of Intent) or adding additional capacity to State or Territorial broadband offices in preparation for the BEAD Program may be reimbursed if they are incurred after the publication date of this NOFO and prior to the date of issuance of the grant award from NTIA	
Other uses approved in advance writing by the Assistant Secretary (including in response to an Eligible Entity’s request) that support the goals of the Program	

Meanwhile, Section IV.C.1.a of the DE Planning Program NOFO details the two allowable uses of State Digital Equity Planning Grant Funds, which are:

- To develop the State Digital Equity Plan for the State, and
- To make subgrants to eligible entities to assist in the development of the State Digital Equity Plan of the State

**INTERNET
FOR ALL**

Digital Equity Guide for the States

How to Prepare for
Success in Your State



**National Telecommunications and
Information Administration**

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Introduction

To achieve digital equity, deploying broadband to every household in the United States — even with scalable, future-proof technologies — will not be enough, nor will a federal subsidy designed to make the Internet more affordable for low-income households. Instead, robust, comprehensive programs that address the human side of the issue, and the technology must be designed and implemented across the country to create systems that work for everyone, where everyone has access to the technologies, skills, and opportunities necessary to thrive.

Achieving **digital equity** in the United States would mean that all the nation's individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy. Digital equity is necessary for civic and cultural participation, employment, lifelong learning, and access to essential services.

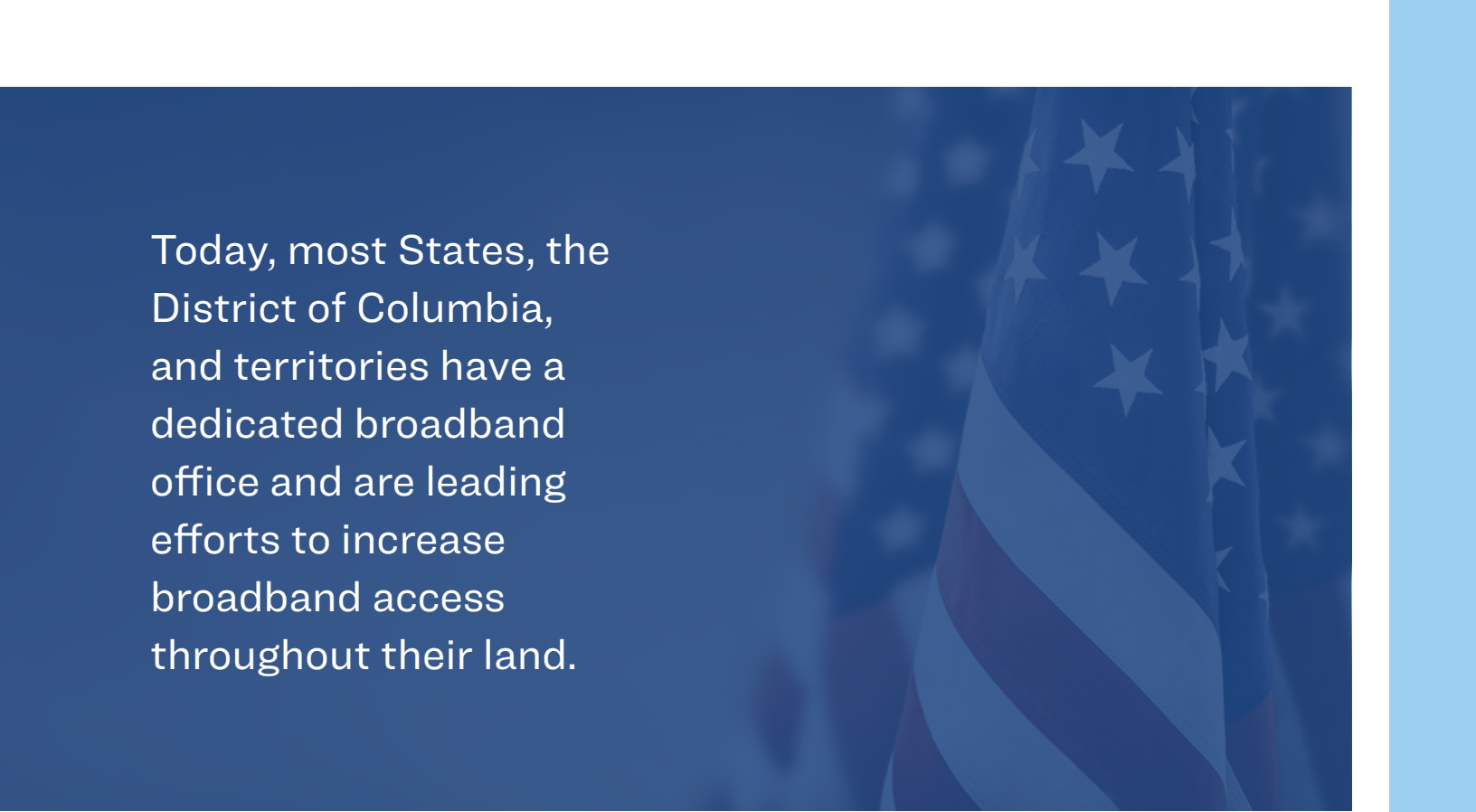
Congress allocated the most significant investment in digital equity and broadband in US history — \$65 billion — through the Infrastructure Investment and Jobs Act, also known as Bipartisan Infrastructure Law (BIL). This investment should develop and implement systemic solutions if implemented with the understanding that digital equity is a long-term challenge. The bulk of the BIL broadband funds — including those allocated through the **Digital Equity Act** (DEA) — identify States and territories as key actors in closing the digital divide.¹ As such, States will manage much of the funding allocated through the BIL and the

various COVID recovery acts. States are uniquely positioned to lead cross-sector, cross-departmental, multifaceted digital inclusion activities that drive impact. A State's knowledge, coordination, and convening abilities and expertise, combined with its relationships with local governments and residents, make it a logical leader in promoting and expanding digital equity.

This guide includes the basics of digital equity, an overview of the DEA — recommendations for preparing for the planning requirements, recommendations for weaving digital equity throughout all State-led broadband activities, and ideas and best practices from other States with digital inclusion activities underway or in process. Where possible, templates and tools are included to simplify the pre-planning process for States.

States can now undertake simple, tactical steps to prepare for future planning and eventual implementation of digital equity strategies. This guide provides practical support to States as they begin that process, and over the coming months and years, NTIA will continue to provide more support and resources for States as they implement the DEA programs.

¹ For brevity, this document uses States to refer to both States and territories

A large, semi-transparent graphic of the American flag is positioned in the upper right background of the page. The stars and stripes are visible but faded, serving as a decorative element.

Today, most States, the District of Columbia, and territories have a dedicated broadband office and are leading efforts to increase broadband access throughout their land.

However, few have had the resources, capacity, or political support to develop a robust digital equity strategy. Nevertheless, broadband access and digital inclusion are inextricably linked and mutually reinforcing. Thus, State broadband offices are natural homes for State-led digital inclusion work. BIL provides States the opportunity to step back and thoughtfully design a Statewide digital equity strategy to meet the unique needs of each State's residents holistically, leverage the State's assets, and identify innovative and creative solutions to achieve digital equity within the State.

States are also currently managing and disbursing their State-allocated funds and federal funds from several different grant programs like the

Capital Project Funds (CPF), State and Local Fiscal Recovery Funds (SLFRF), and the Broadband Equity, Access, and Deployment (BEAD).

The **State Digital Equity Planning Grant** (SDEPG) NOFO was released on May 13th, 2022, and all fifty States, the District of Columbia and Puerto Rico submitted their applications by the deadline. In addition, the four eligible territories and hundreds of Tribal Nations have also submitted Letters of Intent to participate in the State Digital Equity Planning Grant program. Tribal entities can also apply for subgrants through their State or territory's digital equity program. This guide is a tool to help States prepare for the forthcoming planning opportunity the DEA provides.

Digital Equity 101

Since its inception, the Internet has had the potential to be the great equalizer of our time. Thanks to the Internet, at no other time in history, has it been easier to start a business from home, communicate with loved ones across oceans and time zones, work and learn remotely, receive healthcare services even if you live hours from a medical provider, and engage in any other of the thousands of opportunities the Internet brings into a person's home. Yet, unfortunately, too many U.S. residents continue to be disconnected from the Internet and the opportunities it provides access to and arguably has accentuated disparities where they exist.

The COVID-19 pandemic crystallized the consequences of how disconnection negatively impacts individuals' lives. Everyone deserves a right to reliable, affordable, high-speed Internet. However, persistent disparities exist in the United States regarding who has reliable and affordable broadband access, how they access it, and their abilities to

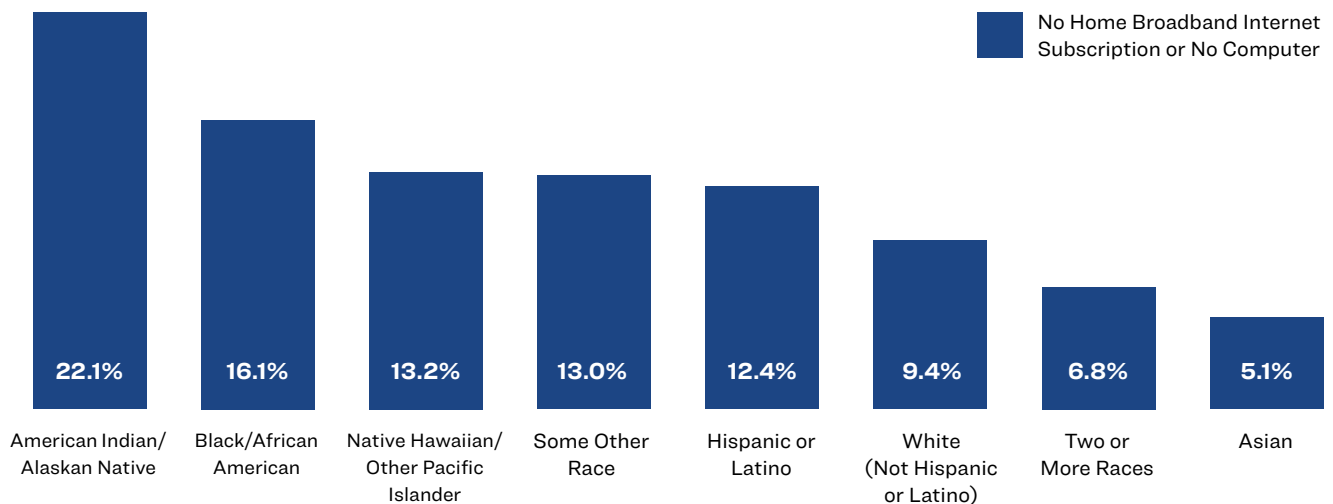
benefit from it. When thinking about broadband access, there are two distinct elements to consider:

- **Broadband availability** - Broadband availability refers to the ability of a household to subscribe to broadband service at a speed, quality, and capacity needed to accomplish everyday online tasks.
- **Broadband adoption** - Broadband adoption refers to a household's
 - active subscription to broadband service at a speed, quality, and capacity needed to accomplish every day and critical online tasks,
 - possession of the digital skills necessary to accomplish such tasks and,
 - ability to do so on a personal device and secure convenient network.²

² Rhinesmith, Colin, Digital Inclusion and Meaningful Broadband Adoption Initiatives, Benton Foundation, January 2016, at 8, [link](#).

Figure 1

Broadband & Computer Access by Race and Ethnicity % of Households³



³ 1-Year American Community Survey, U.S. Census Bureau, Presence of a Computer and Type of Internet Subscription in House-hold by race and ethnicity [Tables B28009A-H] (2019), [link](#).

The groups most affected by the digital divide are many of the same that were most severely impacted by the pandemic and have consistently experienced social inequities over time.

According to the American Community Survey (ACS), 14.5 million households — 12 percent of all households in the country — had Internet access only through a cellular data plan, and 16.7 million households (14 percent of all households) had no home broadband subscriptions of any kind in 2019, including a cellular data plan.⁴ However, low-income households, older adults, and certain racial and ethnic groups lack broadband and computer access at higher rates than the general population.

Among low-income households (making less than \$35,000 per year), 30 percent lack a home Internet subscription.¹

4 1-Year American Community Survey, U.S. Census Bureau, Household Income in the Last 12 Months (In 2020 Inflation-Adjusted Dollars) by Presence and Type of Internet Subscription in Household [Table B28004] (2019), [link](#).

Among persons 65 years of age and older, 22 percent lack broadband or a computer in their household.⁵

Efforts to bridge the digital divide and work toward digital equity began in the early- to mid-1990s, primarily as grassroots efforts focused on improving digital skills through class training and public computer labs. In the 2000s community-based organizations and anchor institutions began investing in and creating what is now called digital equity programs, focused on addressing one or more of the five elements of digital inclusion:

1. Affordable, robust broadband Internet service
2. Internet-enabled devices that meet the needs of the user
3. Access to digital literacy training
4. Quality technical support
5. Applications and online content are designed to enable and encourage self-sufficiency, participation, and collaboration

5 1-Year American Community Survey, U.S. Census Bureau, Age by Presence and Type of Internet Subscription in Household [Table B28005] (2019), [link](#).

Figure 2

Data from the ACS Survey



12% of all households had a cellular data plan only



16.7 million households (14%) had no home broadband subscription

Definition

Digital Inclusion

Refers to the activities necessary to ensure that all individuals and communities, including the most disadvantaged, have access to and use of information and Communication Technologies.

- Affordable, robust broadband
- Internet service
- Internet-enabled devices that meet the needs of the user
- Access to digital literacy training
- Quality technical support
- Applications and online content are designed to enable and encourage self-sufficiency, participation, and collaboration

Digital Inclusion must evolve as technology advances. Digital Inclusion requires intentional strategies and investments to reduce and eliminate historical, institutional, and structural barriers to access and use technology.

At its core, digital equity work requires trust to succeed. The community members who would benefit most from support services often experience disenfranchisement and have seen their communities and neighbors overlooked by institutions. An inherent distrust of technology, borne from a lack of confidence or past negative experiences, can make people hesitant to engage with online resources. Moreover, logistically, those lacking broadband access are inherently harder to reach as outreach tools are increasingly digital.

For these reasons, trusted community-based organizations are fundamental to developing impactful digital inclusion programs. They have known entities with existing relationships and a history of providing services to the community, and digital inclusion programs are often a logical extension of their work. The types of organizations that develop digital inclusion programs can vary greatly depending on the character and needs of the community. However, some of the most common include small community-based organizations, libraries, public housing authorities, local governments, senior centers, schools and academic institutions, faith-based organizations, and social service organizations.

As the U.S. continues on the path toward digital equity, individuals will experience real, tangible outcomes. They'll enjoy improved and remote education for lifelong learning, more options to receive care to stay healthy, and expanded job opportunities. More job opportunities, which leads to meaningful employment, is the key that will continue to unlock other opportunities for this generation and the next.

The availability of broadband, along with the digital skills to take advantage of it, opens the door for all individuals to be active, productive members of the workforce. With access to high-speed Internet, they can search for open job postings and do online research to help them get the job. With digital literacy, they can thrive in those jobs and help advance themselves and their families economically, as well as the country as whole. By investing in digital equity efforts, the U.S. is investing in a 21st century workforce – one that leads to real outcomes of families enjoying richer, fuller and healthier lives.

As the importance of digital inclusion work has gained awareness (and funding), and as more organizations establish digital inclusion programs and services, the need for collaboration at the local and State levels has become apparent. The first community-wide digital inclusion coalitions formed about ten years ago in Philadelphia, Kansas City, and Portland, followed by a few others shortly after that. In these communities, and in many more since, anchor institutions, direct service providers, local governments, and other key partners recognized a growing but disconnected network of organizations and programs working to meet the digital inclusion needs of underserved residents. Intending to coordinate efforts and form a complete **digital equity ecosystem**, they began convening and eventually formalized as digital inclusion coalitions.

The coalition model has proven to be a particularly effective way to organize digital inclusion efforts across communities. Based on a recent survey the National Digital Inclusion Alliance (NDIA) conducted in the field, there are now more than 50 digital inclusion coalitions across the country. For more information on the strengths, organizing principles, and effective strategies for establishing and sustaining digital inclusion coalitions, refer to [NDIA's Digital Inclusion Coalition Guidebook](#).⁶

The last and only major federal funds dedicated to broadband adoption and digital inclusion efforts were through the **Broadband Technology and Opportunities Program (BTOP)**⁷, established under the **American Recovery and Reinvestment Act (ARRA)**⁸, which invested approximately \$4 billion in broadband adoption projects across the country. However, many of these projects funded by this program sunset with the program in 2015.

In **2019**⁹, many States began broadband deployment programs to extend service in rural and unserved areas, but digital inclusion activities remained largely unfunded. Local governments, like the city of Seattle in 1996, began investing personnel and funds towards what were then called community technology programs.¹⁰ In the past decade, more cities began dedicating personnel to the issue to lead initiatives, coalitions, and interdepartmental work.

6 NDIA, Digital Inclusion Coalition Guidebook, Version 2022 (2022), [link](#).

7 NTIA, Broadband Technology Opportunities Program, [link](#).

8 American Recovery and Reinvestment Act of 2009, 111 P.L. 5, 123 Stat. 115, [link](#).

9 The Pew Charitable Trusts, How States Are Expanding Broadband Access: New research identifies tactics for connecting unserved communities(2020), [link](#).

10 Seattle Information Technology, Digital Equity (2022), [link](#).

However, digital inclusion programs have generally relied on bootstrapped means of obtaining funding for their work. Despite these and other impactful efforts in recent years, a 2021 study by the Pew Research Center found that, while some gains have been made, gaps in digital equity remain stubbornly persistent according to factors of income¹¹, race¹², age¹³, and disability status.¹⁴ As such, the infusion of funds to the field through the various COVID relief acts and the BIL, including the DEA, are meaningful steps towards creating the systems necessary to achieve digital equity.

11 Vogels, Emily A., Digital divide persists even as Americans with lower incomes make gains in tech adoption, Pew Research Center (2022), [link](#).

12 Atske, Sara. and Andrew Perrin. Home broadband adoption, computer ownership vary by race, ethnicity in the U.S., Pew Research Center (2021), [link](#).

13 Faverio, Michelle, Share of those 65 and older who are tech users has grown in the past decade, Pew Research Center (2022), [link](#).

14 Perrin, Andrew and Sara Atske, Americans with disabilities less likely than those without to own some digital devices, Pew Research Center (2021), [link](#).

Definition

Digital Equity Ecosystem

A digital equity ecosystem is a combination of programs and policies that meet a geographic community's unique and diverse needs. Coordinating entities work together in an ecosystem to address all aspects of digital divide, including affordable broadband, devices, and skills. Indicators of a strong digital equity ecosystem:

- Existence of programs and policies addressing all aspects of the digital divide
- Affordable and subsidized broadband service options programs that meet the community's needs
- Affordable and subsidized device ownership programs that meet the community's needs
- Multilingual digital literacy and digital skill trainings that meet the community's needs
- Hardware and software technical support
- Digital navigation services to guide residents to the above services
- Collaboration: Entities providing local digital inclusion services, policymakers, advocates, social service providers, and community leaders co-create solutions in partnership with the community services

The Digital Equity Act (DEA)

Background & Overview

The DEA provides a powerful opportunity for States to step back and thoughtfully design a Statewide digital equity strategy to meet the unique needs of State residents holistically, leverage State assets, and identify innovative and creative solutions to achieve digital equity.

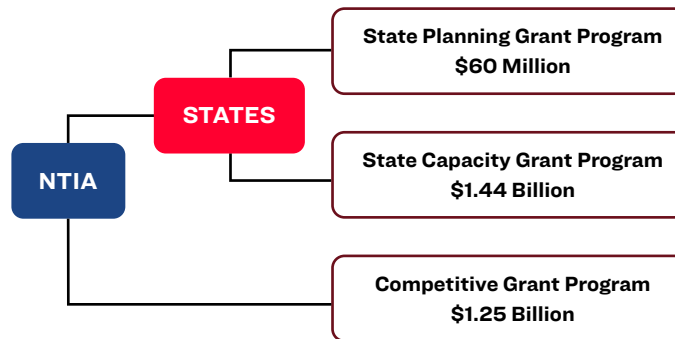
First introduced by U.S. Senator Patty Murray of the State of Washington in 2019, the DEA was reintroduced in 2021 with bipartisan support from Senators Rob Portman of Ohio and Angus King of Maine. It was then included in the broadband section of the BIL, allocated \$2.75 billion, and signed into law by President Joe Biden on November 15, 2021.

The DEA creates two programs (broken into three grants) housed at NTIA — the **State Digital Equity Capacity Grant Program** and the **Digital Equity Competitive Grant Program**.

- **State Digital Equity Planning Grant Program:** \$60 million formula grant program for States and territories to develop digital equity plans
- **State Digital Equity Capacity Grant Program:** \$1.44 billion formula grant program for States and territories distributed via annual grant programs over five years to implement digital equity projects and support the implementation of digital equity plans
- **Digital Equity Competitive Grant Program:** \$1.25 billion discretionary grant program distributed annually over five years to implement digital equity projects. Eligible applicants generally include a political subdivision, agency, or instrumentality of a State; tribal governments; nonprofit entities; community anchor institutions; local educational agencies; and entities that carry out workforce development programs.

Figure 3

Federal and State Led Funding Allocations



As outlined above, the State Digital Equity Capacity Grant Program contains two types of grants: (1) planning and (2) capacity. The State Digital Equity Planning Grant Program provides funding for States to develop digital equity plans, which are required to be eligible for the capacity grants. Capacity grants are what they sound like — designed to provide States with the necessary support and capacity to fund the States’ digital inclusion priorities, strategies, and initiatives. The NOFO published on May 13, 2022, provides guidance for the State Digital Equity Planning Program grants, and the NOFOs for the Capacity Grant program and the Competitive Grant Program are forthcoming.

Building a Statewide digital equity plan is like building a State broadband plan or economic development plan. The primary difference is that a digital equity plan specifically and holistically addresses the digital divide and identifies strategies to close it. However, to date, no State has developed a Statewide plan with a singular focus on achieving digital equity, except for California, whose “Broadband for All” plan interweaves broadband access and digital equity goals.¹⁵ North Carolina has hired a Digital Equity Director in 2021.¹⁶ While lessons and best practices can be drawn from communities across the country that have created local digital inclusion plans, local plans cannot fully inform States, given that States’ roles and responsibilities differ from that of local governments or community-based organizations.

¹⁵ California Broadband Council, Broadband Action Plan 2020: California Broadband for All, 2020, [link](#).

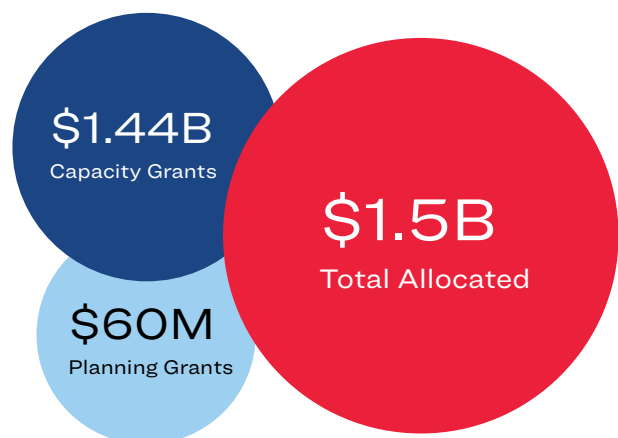
¹⁶ North Carolina Department of Information Technology, Governor Cooper Establishes Nation’s First Office of Digital Equity and Literacy (2021), [link](#).

The United States is diverse and so too is the diversity of its States, which lends itself to each functioning as its laboratory of democracy. Each State’s character and attributes differ, and how the digital divide manifests will reflect that diversity. In turn, each State’s goals, and strategies for achieving digital equity will necessarily differ. Missouri’s path to digital equity will be much different from Pennsylvania’s or its neighbor, Kansas. As such, each State’s plan may be slightly or drastically different.

State Digital Equity Planning & Capacity Grant Program Basic

Figure 4

Funding Allocations



Total Allocated: \$1.5 billion
(\$60 million planning grants + \$1.44 billion capacity grants)

Program Administrator: National Telecommunications and Information Administration (NTIA)

Figure 5

Federal Timeline & Important Dates



November 15, 2021

BIL passed with DEA included



February 4, 2022

Request for Comment (RFC) Period Closed



May 13, 2022

State Digital Equity Planning Grant Program Notice of Funding Opportunity (NOFO) Released



July 12, 2022

Applications for the State Digital Equity Planning Grant Program due to NTIA



Fall 2023

Digital equity plans due to NTIA



TBD

Request for Comments for State Digital Equity Capacity Grant Program and Digital Equity Competitive Grant Program



TBD

State Digital Equity Capacity Grant Program NOFO



TBD

Digital Equity Competitive Grant Program NOFO



Federal Action



State Action

Eligible Administering Entities¹⁷

- The State, or a political subdivision, agency, or instrumentality of the State;
- An Indian Tribe, an Alaska Native entity, or a Native Hawaiian organization located in the State;
- A foundation, corporation, institution, association, or coalition that is — (1) a not-for-profit entity, (2) providing services in the State; and (3), not a school
- A community anchor institution, other than a school, that is 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
- A partnership between any of the previously listed entities

Eligible Subgrantees¹⁸

- A community anchor institution
- County and municipal governments
- Local education agencies
- Indian Tribes, Alaska Native entities, or Native Hawaiian organizations
- Nonprofit organizations
- Organizations that represent:
 - Individuals with disabilities, including organizations that represent children with disabilities;
 - Aging Individuals;
 - Individuals with language barriers, including:
 - Individuals who are English learners; and
 - Individuals who have low levels of literacy;
 - Veterans; and
 - Individuals in the State who are incarcerated in facilities other than Federal correctional facilities

¹⁷ Infrastructure Investment and Jobs Act, 47 U.S.C. § 1723(b)(2) (2021). [link](#).

¹⁸ *Id.* at. § 1723(c)(1)(D) (2021).

- Civil rights organizations
- Entities that carry out workforce development programs
- Agencies of the State that are responsible for administering or supervising adult education and literacy activities in the State
- Public housing authorities in the State; and
- A partnership between any of the entities described above.

Covered Populations¹⁹

The DEA instructs States to understand the current State of the digital divide among key unserved or underserved populations and then to outline how the State will address those gaps with digital equity programming. The term “covered household” means a household whose income for the most recently completed year is not more than 150 percent of an amount equal to the poverty level, as determined by using criteria of poverty established by the Bureau of the Census. The NOFO and the BIL define the following as covered populations:

- Individuals who live in covered households;
- Aging individuals;
- Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility;
- Veterans;
- Individuals with disabilities;
- Individuals with a language barrier, including individuals who:
 - Are English learners; and
 - Have low levels of literacy;
- Individuals who are members of a racial or ethnic minority group; and
- Individuals who primarily reside in a rural area.

¹⁹ Id. at § 1721(8) (2021).

Plan Requirements as Required by the BIL and NOFO²⁰

- Identification of barriers to digital equity for covered populations in the State
- Measurable objectives for documenting and promoting among each Covered Population located in that State:
 - The availability of, and affordability of access to, fixed and wireless broadband technology;
 - The online accessibility and inclusivity of public resources and services;
 - Digital literacy;
 - Awareness of, and the use of, measures to secure the online privacy of, and cybersecurity with respect to, an individual; and
 - The availability and affordability of consumer devices and technical support for those devices.
- An assessment of how the measurable objectives will impact and interact with the State’s:
 - Economic and workforce development goals, plans, and outcomes;
 - Educational outcomes;
 - Health outcomes;
 - Civic and social engagement; and
 - Delivery of other essential services.
- Description of State’s plan to collaborate with key stakeholders
- List of organizations the State collaborated with on developing the plan

²⁰ Id. at § 1723(c)(1) (2021).

Best Practices for Preparing a State Digital Equity Plan

Identify a Lead & Staff the Effort

The DEA requires governors (or an equivalent official) to select an “administering entity for the State” to be the primary planning grant recipient and administrator.²¹ That entity will be responsible for developing, implementing, and overseeing the digital equity plan for the State.²²

Functionally, the administering entity will become the de-facto home and lead all State-led digital inclusion activities for the next five (or more) years. As such, governors must select the administering agency best suited to both create the digital equity plan and implement it. While States have differing models for where to house digital inclusion efforts, centralizing digital inclusion efforts within or adjacent to existing broadband efforts will provide easier alignment with **Broadband Equity, Access, and Deployment (BEAD)** program implementation. Such an approach makes it more likely that a State can develop and implement a streamlined, holistic, and efficient digital equity and inclusion strategy that bridges the gap between infrastructure, deployment, and adoption. Finally, the governor should duly empower the entity with the necessary planning, policymaking, procurement, and community engagement powers to deliver its digital inclusion goals effectively.

Should the governor appoint an entity other than the broadband office as the administering entity, a Digital Equity Office (DEO) or team could still be created, with a relationship to the broadband office to aid in coordination and lead the affordability work the broadband office will undertake to implement the BEAD program. The DEA NOFO requires the DEA administering entity to coordinate with the broadband office formally and actively throughout the life of the BIL programs.

²¹ Id. at § 1723(b)(1) (2021).

²² Id. at § 1723(b)(1)(B) (2021).

Once identified, the administering entity should focus on ensuring a State has the internal capabilities and expertise to lead digital inclusion efforts. Many States and territories now have established broadband offices. However, only a few of these offices have dedicated staff to lead digital inclusion initiatives. To apply for DEA funds, States will be required to develop goals, objectives, and strategies for achieving digital equity. Most do not currently have the in-house expertise to do so. Thus, it will be necessary to hire new staff or dedicate a current staff member’s time to digital inclusion.

Staffing the digital inclusion effort could create a set of positions, a new team, or an entirely new office. If a State has the opportunity to fill positions and create jobs, it should do so by hiring locally, providing equitable opportunities among historically underrepresented communities, and offering training where applicable. See more details about developing a workforce equitably on [page 22](#).

Staff Well - Digital Equity Office (DEO) Structure

The State Digital Equity Planning funds can be used to fund positions to lead the planning work in a State. Exact staffing will inevitably vary across DEOs, especially because different States have established digital equity functions at different paces and have had access to unique internal resources and partnerships. **Louisiana**, for example, is focusing its DEO hiring on digital inclusion specialists with research, data analysis, and program development skills.

Whereas the State of New York’s Director of Digital Equity **job posting** explicitly lists leading the DEA planning process as one of the role’s key functions. Regardless of the skills and functions identified as necessary and the staffing path, dedicating a minimum of one FTE to digital inclusion work will provide needed support and leadership for the program and its implementation. This allows the State to develop digital equity subject matter expertise and provides a clear digital equity point of contact for stakeholders, among other benefits.

In general, DEO organizational structure will be informed by the generally accepted approaches to hiring and organization within the State, available funding and hiring capacity, and time spent building broadband and digital equity functions to date, which is not a judgment on the State’s effectiveness but a function of time, political will, and other factors. Below are three different approaches to DEO organization, with examples in [Appendix A](#).

**ORGANIZATION STRUCTURE 1:
The Beginner (1-3 FTEs)**

For many States, the process of designing, building, and staffing a broadband and DEO organization is in its infancy (0-3 years old). The organizational structure is lean and focused.

**ORGANIZATION STRUCTURE 2:
The Tried and Tested (3-6 FTEs)**

Some States, such as **North Carolina** and **Washington** have spent a more extended period of time (3-5 years) building out mature broadband and DEO organizations (either unified or co-existing). These States have typically received buy-in from their governor and legislature, already developed a five-year broadband plan with clear digital equity priorities, and have launched and managed digital equity programs over several years.

Figure 6
**ORGANIZATION STRUCTURE 1:
The Beginner
(1-3 FTEs)**

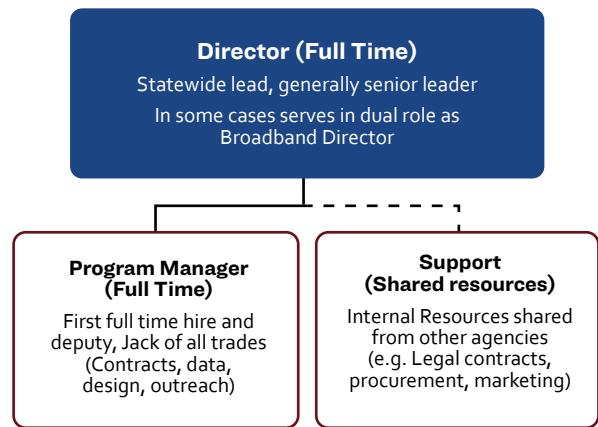
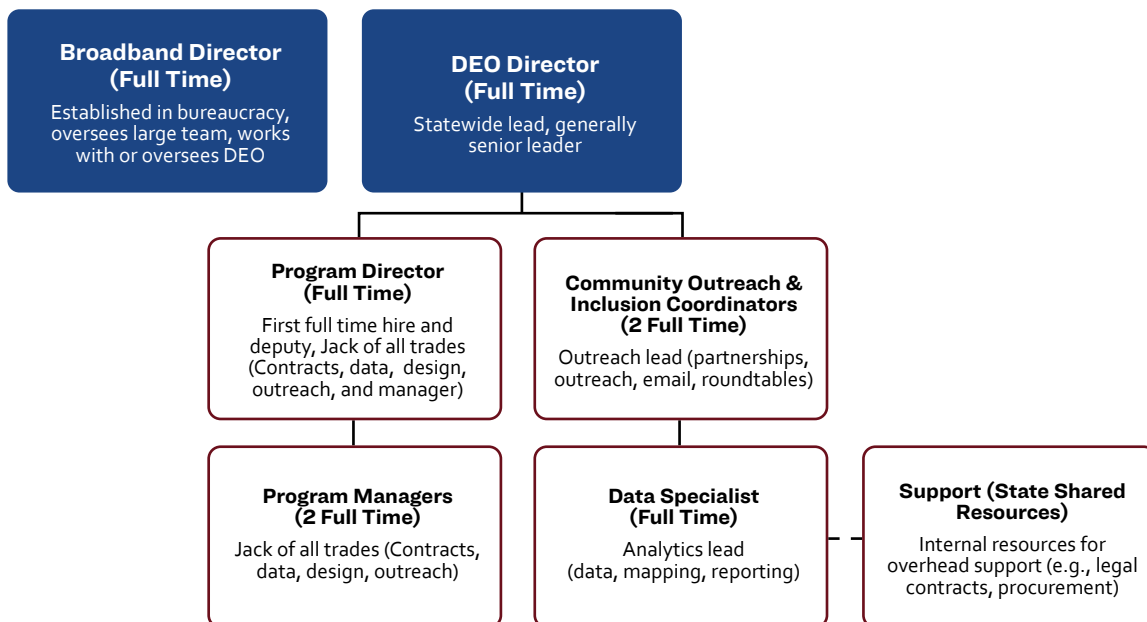


Figure 7
**ORGANIZATION STRUCTURE 2:
The Tried & Tested (3-6 FTEs)**



**ORGANIZATION STRUCTURE 3:
The Veteran (7+ FTEs)**

Eventually, States with sophisticated DEO offices, such as Wisconsin’s Public Utilities Commission, will have strong alignment with information technology, broadband, and other sister agencies.

These offices will then be at a stage where they manage different digital equity programming, serve key populations (e.g., affordable housing residents, schools, veterans), and invest in internal capacity for specialized functions (e.g., communications, contracts, legal, analytics).



Figure 8

**ORGANIZATION STRUCTURE 3:
The Veteran (7+ FTEs)**



Define DEO Role and Goals

Once staffed, the DEO's role, goals, and responsibilities can be defined.

In addition to leading the digital equity planning process, the State DEO (or lead's) roles and responsibilities could include:

- Leading the coordination of digital inclusion activities on behalf of the State
- Assisting in the development of digital equity policy
- Coordinating and distributing funding
- Strengthening local digital equity ecosystems
- Educating policymakers, local governments, and stakeholders on digital equity and inclusion
- Guiding digital equity-focused data collection, research, and analysis
- Creating, piloting, and scaling digital inclusion programs

Create a Plan for the Plan

Once the grant funds are received, the DEA administering entity will have twelve months to create the State digital equity plan. Creating a project plan can help launch the formal planning process. A project plan identifies who will be responsible for each portion of the process along a timeline. Strong project plans prioritize tasks that inform the development of the digital equity plan and could potentially be reused in the digital equity plan itself (e.g., data collection and analysis).

The Sample Timeline below provides a rough sketch of a project plan. Additional details, target dates, and assignments will support the plan's development.

Figure 9

Sample Timeline





Sample Timeline

2022 Spring

Build State capabilities and engage local communities

- Build State capabilities, including identifying State digital equity lead and associated staff needs
- Complete initial data analysis of State digital equity gaps, possibly defining a need for a survey
- Preview digital equity gaps with executive leadership and legislature
- Develop sample job descriptions for necessary DEO positions and ideal staging for hiring (e.g., priority A, B, and C)
- Meet with and listen to priorities from stakeholders
- Solicit informal comments, local digital inclusion plans, information about ongoing State broadband deployment projects and digital inclusion programs, suggestions, and other input from stakeholders

2022 Summer

Submit DEA State Planning application and identify data gaps

- Launch and empower State DEO (if resources are available)
- Solicit input from stakeholders on the project plan
- Identify data collection gaps and develop a strategy for filling them over time
- Assemble core planning team and convene to establish expectations
- Finalize and submit DEA State Planning application to NTIA
- Develop a communications plan

2022 Fall — Winter

Begin Planning

- Prepare follow-up application materials and responses to NTIA, if requested
- Continue launch and empowerment of State DEO (if resources available)

- Begin regular convening of the core planning team
- Develop stakeholder coordination, outreach, and engagement plan, including intended communication and education opportunities
- Develop rigorous, but not onerous, data collection and reporting, including regular (e.g., quarterly) updates to stakeholders, the community, and local government
- Prepare internal agencies, contracting and procurement officers, and grant administrators for efficient acquisition of external planning support, if necessary
- Obtain external support, if needed
- Identify and purchase any software necessary for the plan's development (i.e., survey tools, project management tools, etc.)
- Launch the planning process once funds are received

2023 Spring — Summer

Execute outreach and engagement plan for community-based organizations (CBOs) and partners

- Regularly convene core planning team to provide updates and drive the planning process
- Implement communication, education, and outreach models for interested stakeholders
- Implement a data collection strategy

2023 Fall

Finalize full DEA plan and prepare for implementation

- Finalize data collection
- Write plan
- Publicly post plan for a minimum of 30 days for public comment (required by statute)
- Incorporate “worthwhile” comments into the plan
- Submit the plan to NTIA, send to stakeholders, and publish for the public
- Prepare for the plan's implementation

How to Execute: State Best Practices

This section provides best practices gathered from peers, including Louisiana, Rhode Island, Washington, Nebraska, Wisconsin, North Carolina, and Hawaii — to better understand different digital equity strategies that States have already engaged in and help States leverage their DEA planning funds.

Lead with and Operationalize Equity

Digital equity will not be achieved in any State if equity is an afterthought or a “lens” that is put on for the digital equity planning and implementation process alone. Instead, leading with equity, operationalizing it in an office’s daily work, and weaving it throughout all broadband programs — including the deployment programs — is essential. While there are many ways to lead with and operationalize equity, the following are some practical recommendations.



We intentionally avoid the language ‘equity lens’ because a lens can be taken off.

Equity should be a forever understanding.

— Ernie Rasmussen, Digital Equity Manager
Washington State Broadband Office
Washington Department of Commerce



Be Intentional with Language and the Details

The language you use to communicate with stakeholders throughout the DEA planning process matters. If the office is “leading with equity” but uses phrases like, “now, let us put on our equity lens,” those you interact with may believe that equity is optional and only thought of intermittently.

Similarly, being thoughtful and intentional about the details of the planning process matters in terms of signaling the value that DEO places on equity. For instance, if hosting a listening session for both the DEA plan and the BEAD plan but your agency leadership only attend the BEAD session, it signals to stakeholders that BEAD is a priority for leadership whereas DEA is not.

Additionally, intentionally planning stakeholder outreach to provide opportunities for as many disconnected households as possible by selecting dates and times where a diversity of households can engage, and ensuring invitations to the stakeholder outreach events reach the disconnected, will lead to more equitable engagement and a more holistic plan. Things to consider for in-person meetings would be providing childcare, ensuring meeting locations are easily accessible from public transit or have ample parking, and providing travel vouchers or mass transit tickets for participants.

Center the Voices of Covered Populations and Historically Disconnected Communities

Throughout the planning, development, and implementation of the plan, intentionally identifying, amplifying, and centering the voices of those most affected by the digital divide, the covered populations, and the disconnected communities will provide for a more prosperous and more equitable planning process and plan.

One strategy several digital inclusion coalitions and organizations have begun incorporating into their community-based coalition work, and digital inclusion work is to financially compensate the residents for their participation. Lived experts are members of covered populations, particularly individuals from

historically disconnected communities with direct, lived experience of being disconnected. For example, the [Franklin County Digital Equity Coalition](#) has compensated lived experts for their participation as research team members to better understand the ramifications of different aspects of the digital divide in their communities.

Another digital inclusion coalition plans to provide lived experts with \$5,000 for a 10-month commitment to participate in the coalition work as a subcommittee co-chair. The co-chair would commit to attending 80 percent of the subcommittee meetings, lead subcommittee meetings, and actively engage with the subcommittee’s work during that time. The entity could invite lived experts to join the core planning team and other stakeholder touch points throughout the planning process.

Including lived experts in the planning process provides a viewpoint and expertise to the team that cannot otherwise be obtained. In addition, the practice is radically humanizing and would enable the State to demonstrate respect for the residents.

Content Simplicity and Translation

Another simple but important way to operationalize equity is to ensure all content the DEO publishes is comprehensible and translated into the State’s predominant languages. Translating all materials developed throughout the planning process, including but not limited to public notices, surveys, flyers, and informational pamphlets, into simple, easy-to-understand wording and the State’s predominant languages will engage a wider pool of residents throughout the State. Additionally, we recommend translating and publishing materials into formats easily accessible for people with limited vision and those who are deaf or hard of hearing.

Use a Holistic Data Collection Approach

Beginning the data collection process before or during the planning process, utilizing a holistic approach to data collection to quantify the gaps in connectivity and digital equity, is another way to operationalize equity. **Research by NDIA** and other organizations has revealed that sizable gaps in connectivity are driven by and highly correlated with race and socioeconomic status, not just geography.

North Carolina's Broadband Indices are an example of both a robust, holistic data collection and visualization approach by breaking down the specific challenges individual counties and census tracts face to better identify investment and programmatic opportunities. The Broadband Infrastructure Office partnered with Dr. Roberto Gallardo of Purdue University to create two indices comprising 19 variables that holistically break down the State's digital divide. The Broadband Infrastructure Office notes that the indices are helpful because they help demonstrate need at the county and census tract level, identify the most beneficial types of investment, and determine where resources should be deployed.

Similarly, data that only account for the availability of broadband infrastructure will result in an inaccurate assessment of the digital divide. Consider the factors driving limited adoption, including digital skills, device access, complicated signup processes for discounted Internet service, expensive pricing, and poor speeds. This approach may require both quantitative and qualitative data collection methods. Qualitative methodologies, such as surveys, interviews, and focus groups, are time-consuming but can provide a richer understanding of lived experiences and unique barriers to accessing the digital world different demographics may encounter. CBOs and Community Anchor Institutions (CAIs) can also support qualitative data collection, but it is important to remember their resource and time constraints and avoid overly burdening them in this process.

Finally, even though data can be limited, use all available tools to quantify and contextualize the existing gaps, including canvassing surveys in high-traffic public places and social service offices, and gathering rich experiential, anecdotal data via one-on-one conversations, focus groups, and existing community meetings.

Weave Digital Equity through Existing and Forthcoming Deployment Efforts

While the Digital Equity Act is a landmark piece of legislation, and \$2.75 billion will provide much-needed support for the launch and operation of numerous digital inclusion programs and activities, the funding is a one-time investment over five years. Achieving digital equity will require more comprehensive and sustainable funding sources. However, intentionally weaving digital equity throughout all broadband programs and efforts instead of operating digital inclusion programs in silos apart from broadband deployment programs will not only contribute to enhancing the sustainability of digital inclusion programs, but will also leverage existing investments and increase their potential impact.

BEAD

The Broadband Equity, Access, and Deployment (BEAD) program is a \$42.45 billion program authorized through the BIL that will provide grants to States and territories to bridge the digital divide.²³ NTIA is tasked with administering the program and will distribute a minimum of \$100 million to each U.S. State, territory, and the District of Columbia.²⁴ The remaining funds will be apportioned based on the number of unserved locations in that State as well as the number of unserved locations in high-cost areas in that State, relative to national totals.²⁵ BEAD funds can be used to competitively award subgrants for, among other things, broadband deployment projects in unserved and underserved areas and broadband adoption projects (including programs to provide affordable internet-capable devices).²⁶

After a State receives planning funds under the BEAD program, it must develop a 5-year action plan.²⁷ The action plan must be informed by collaboration with local and regional entities as well as detailed investment priorities, associated costs, and alignment of planned spending with economic development, telehealth, and related connectivity efforts.²⁸ NTIA established the

²³ Infrastructure Investment and Jobs Act, 47 U.S.C. § 1702(b)(1-2) (2021). [link](#).

²⁴ *Id.* at § 1702(c)(2) (2021).

²⁵ *Id.* at § 1702(c)(1) & (3) (2021).

²⁶ *Id.* at § 1702(f) (2021).

²⁷ *Id.* at § 1702(e)(1)(D) (2021).

²⁸ *Id.* at § 1702(e)(1)(D)(i) (2021).

requirements for the action plan in the BEAD NOFO, released on May 13, 2022, which include requirements to address local and regional needs in the State concerning broadband service and propose solutions for the deployment of affordable broadband service in the State, among other things.²⁹

Aligning BEAD & DEA Planning

While the planning processes and end products may be separate, the BEAD and DEA plans should be intentionally linked, complementary, and mutually supportive of obtaining the same goals. Workforce development can be intentional in ensuring that local citizens are economically participating in the jobs that will be created. It's not just affordability, it is economic advancement. The NOFOs recommend the following to establish a strong synergy and joint accountability between the two plans.

A direct communication pathway would benefit BEAD and DEA planning and reduce the burden and confusion on community stakeholders, especially should the States interface directly with residents through surveys, focus groups, or town halls during the planning processes.

For example, information gathered during the BEAD stakeholder engagement that may impact the DEA plan should be shared with the DEA planning team and vice versa. Given the interconnected nature of broadband availability and broadband adoption, a resident's experience with broadband and being disconnected is typically a mix of factors. When asked about broadband, information about a lack of access to their household or neighborhood is as likely to be discussed as a household's inability to adopt the service if it is available to them because of adoption barriers.

The burden of repeating their lived experiences should not be placed on the residents engaging in the planning process.

1. Integrate the portions of the BEAD and DEA plans where DEA covered populations are the focus of goals. Covered populations, as defined by DEA, are statistically likely to have lower broadband adoption rates. Considering their barriers to adoption within the BEAD plan will increase the adoption of the funded deployment projects. Addressing broadband adoption barriers while deploying availability solutions will enhance all efforts for both plans.

²⁹ BEAD NOFO at Section IV.B.3. See also Act at § 1702(e)(1)(D)(ii) (2021).

2. Align plan goals and strategies, ensuring they complement and build on each other. Aligning plan goals and strategies for DEA and BEAD plans will increase both impacts. For example, both plans will need to address affordability. The strategies to address affordability in the DEA plan should build on the required low-cost service programs in the BEAD plan. Another example is the common goal of supporting the development of a highly skilled workforce. Strategies for training and workforce development for broadband-related occupations through the BEAD program should be coordinated with broader digital literacy and inclusion efforts through the Digital Equity Planning program.

Figure 10

Aligning BEAD and DEA Planning



Broadband Workforce Development

States participating in BEAD have a unique opportunity to be intentional and strategic in developing their community's workforce to implement their broadband deployment projects. Through the BEAD program, States are not just building broadband infrastructure or deploying networks; States are also directly enabling economic advancement for those in their community. The States' infrastructure projects will create jobs and economic opportunities – all while increasing broadband availability and adoption, which will spur more opportunities for future generations. The benefits will continue to ripple through the community and over the years.

How can States develop a workforce that is inclusive and highly skilled?

Foster local workforce opportunities

Create opportunities for local residents to participate in the infrastructure development that is occurring in their own communities. Workers from the community will be familiar with its needs and nuances. Tap into your local talent to support job growth and economic opportunity close to home.

Consider matching prevailing wages

BEAD projects will create many job opportunities in the State. States can maximize this economic benefit by compensating the local workforce appropriately and providing benefits that are competitive with marketplace standards.

Set strong labor standards

States can commit to strong labor standards and protections for their employees and contractors, following all applicable labor and employment laws. A safe and healthy work environment is critical to create a reliable pipeline of skilled workers and minimize costly and disruptive delays.

Promote equitable opportunities

Make job opportunities available to a diverse pool of workers, particularly to populations that have been traditionally underrepresented in broadband and information technology jobs, such as women, people of color, and other historically marginalized groups.

States can foster equitable opportunity by partnering with nonprofits, advocacy groups, minority- and women-owned businesses, and community-based organizations to reach a diverse pool of workers.

Provide training

Attract and retain workers by collaborating with industry, unions, education-providers institutions of higher education, career technical schools, and other organizations to offer training programs. With these skills and credentials, workers will be well-equipped for future job opportunities as well. States can also support workers in accessing and completing trainings by providing services such as childcare and transportation.

By focusing on an inclusive workforce for their broadband projects, States can make strides toward digital equity, as well as economic equity. Historically, many residents in underrepresented communities have not enjoyed the economic benefits of development in their neighborhoods. States can break that cycle by fostering opportunities to attract, train, retain, or transition workers to directly support broadband projects. In turn, these efforts can decrease poverty rates, increase overall educational and health outcomes, and improve quality of life overall.

Beyond Planning

In addition to the planning, BEAD recipients may interweave digital equity throughout their performance of a BEAD award in other ways. For example, BEAD funds can be used for broadband adoption projects and addressing deployment to unserved and underserved communities. As the State develops the BEAD five-year action plan, consider where BEAD funds can support broadband adoption projects. Broadband adoption projects include the same activities eligible for funding under the Digital Equity Competitive Grant Program established by the DEA.

States can also require BEAD sub-recipients to partner with trusted community-based organizations to assist eligible households with signing up for service, integrate local digital inclusion programming into their outreach initiatives, and prioritize outreach in low-income neighborhoods, particularly historically disconnected communities. Finally, prioritizing the allocation of BEAD funds to community-based, locally accountable providers would advance digital equity. For example,

Figure 11

5-Year Broadband Action Plan

Did you know — After a state receives planning funds under the BEAD program, it must develop a 5-year action plan.



Collaborate



Involve Local & Regional Entities



Align Planned Spending



Consider Related Connectivity Efforts

The 5-Year Action Plan must be informed by collaboration with local, regional, and Tribal (as applicable) entities, and should detail investment priorities and associated costs, and align the State's planned spending with its economic development, community benefit, workforce, telehealth, digital equity, and other related efforts.³⁰

³⁰ NTIA, BroadbandUSA, Notice of Funding Opportunity Broadband Equity, Access, and Deployment Program, [link](#).

community and municipally owned networks, electric member cooperatives (EMCs), and telephone member cooperatives (TMCs) are all community based and owned by community members, thus are proactively accountable to the community members and sensitive to their nuanced needs, including affordability barriers to broadband adoption.

Affordability Strategies

The fact that a broadband subscription is all too often not affordable for a household is a primary reason 28 million households across the country lack broadband in their homes. According to the Pew Research Center, 26 percent of people across the U.S. are worried about paying their Internet bill over the next few months, and 54 percent of all households earning less than \$25,000 a year don't have a broadband subscription.

Studies show that \$10 per month is the most that low-income Americans can afford to pay for broadband. However, according to Pew Charitable Trusts, the average cost of a monthly subscription ranges from \$50 to nearly \$70.

Certain government programs like the **Affordable Connectivity Program (ACP)** can help promote broadband affordability. ACP is a federal program under the FCC that provides to eligible households' monthly discounts of up to \$30 on Internet service costs and one-time discounts of up to \$100 for connected devices. The monthly discount is higher (\$75) for households on qualifying Tribal lands and households in high-cost areas. However, ACP has a finite amount of funding and is not yet a permanent program.

Defining Affordability for 'Low-Cost Broadband Service Options'

The BIL and the BEAD NOFO provides responsibilities to States and territories with developing "low-cost broadband service options" in consultation with NTIA and broadband providers. In addition, Capital Projects Fund recipients are encouraged to require sub-grantees (i.e., providers) to include "at least one low-cost option offered at speeds that are sufficient for a household with multiple users to simultaneously telework and engage in remote learning."³¹

³¹ U.S. Department of the Treasury. Guidance for the Coronavirus Capital Projects Fund: For States, Territories, and Freely Associated States (2021). (See page 4). [link](#).

Poverty and Income Analysis

The downside of establishing a fixed price point for the “low- cost broadband service option” is its inflexibility. In some communities, \$30 is affordable. In others, it is not. As such, States should analyze the State’s socioeconomic landscape to determine where the \$30 price point may not fully address affordability barriers. For example, States should examine metrics such as median household income, property value, and the number of households with students enrolled in school lunch programs. Through this analysis, States will gain a deeper understanding of where additional efforts will be needed to address affordability fully.

Provider Appeal Process

Providers may assert that they cannot profitably provide service at a \$30 price point for the “low-cost broadband service option” in a particular area. States should establish a process through which providers can formally assert that the \$30 price point is infeasible, provide proof to that effect, and request an exemption from the \$30 maximum. In proving the financial infeasibility of providing service at a \$30 price point to a particular area, providers should be required to utilize a long-term profitability model in their financial projections and establish that profitability is impossible in the long-term, not just a short-term period of three to five years.³²

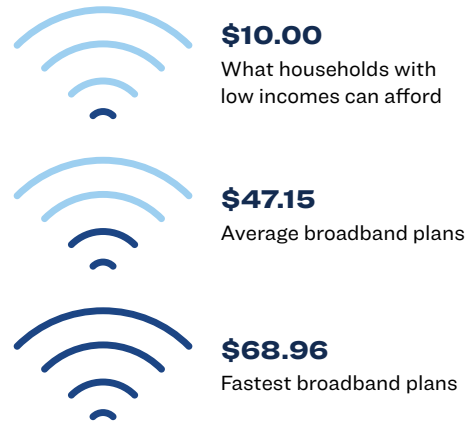
ACP Outreach

States can also impact affordability by ensuring their eligible households are aware of, understand, and enroll in the ACP program. Building awareness of the program requires concerted outreach across mediums (at home, at social service locations, via social media, phone, and more.) and in simple and accessible terms (e.g., multilingual outreach, plain English, not exceeding 8th-grade reading comprehension). Successful approaches are often all-hands-on-deck, requiring collaboration across offices and agencies that already interact with underserved households. For example, New York State conducted a **successful campaign** in early 2022 to educate consumers on the ACP, signing up an additional 100,000 households in

³² Falcon, Ernesto Why Slow Networks Really Cost More Than Fiber. Electronic Frontier Foundation, Electronic Frontier Foundation (June 4, 2020). [link](#).

Figure 12

Affordable Strategies



less than three months. In addition, the State’s Office of Temporary and Disability Assistance is directing social services agencies to share outreach materials with clients and contracted service providers; Housing and Community Renewal reached out to housing nonprofits and landlords; the Department of Labor developed a public service announcement video, and the Department of Motor Vehicles pushed ACP information at State-operated offices.

Capital Projects Fund (CPF)

The Department of Treasury’s Capital Projects Fund recipients may use grant funds for “critical Capital Projects that directly enable work, education, and health monitoring, including remote options, in response to the public health emergency.” This means recipients may use grant funds for anything (with a few exceptions — roads, bridges, transit systems, etc.) that meets the following three criteria:

1. The Capital Project invests in capital assets designed to enable work, education, and health monitoring.
2. The Capital Project is designed to address a critical need that resulted from or was made apparent or exacerbated by the COVID-19 public health emergency.
3. The Capital Project is designed to address a critical need of the community to be served by it.

Even though a wide net is cast, Treasury anticipates most recipients will use the funds for broadband projects, so they have Stated that the following three types of projects are presumptively eligible:

1. Broadband Infrastructure Projects (construction and deployment of broadband infrastructure);
2. Digital Connectivity Technology Projects (purchase and/or installation of devices and equipment to facilitate broadband Internet access); and
3. Multi-Purpose Community Facility Projects (construction or improvement of buildings that are designed to jointly and directly enable work, education, and health monitoring)

Other eligible uses of CPF funds may include:

- Digital literacy training, digital navigation, and digital inclusion services, if they are deemed “ancillary costs necessary to put the capital asset to use.”³³
- Constructing or improving libraries, community health centers, or full-service community schools. Gigabit Internet, public Wi-Fi, and lendable computers would be an “improvement” for many libraries, community health centers, and full-service community schools.
- If an applicant requests funds to purchase computers (a capital asset) to lend through libraries, then digital literacy, technical support, and digital navigation expenses would also be eligible.
- If an applicant requests funds to build a gap network and addresses affordability through the network, they could also invest in community engagement and broadband adoption efforts to support subscriptions to the network.
- If an applicant requests funds to wire all libraries and community health centers with fiber, they could invest in digital navigation and digital literacy courses.

For more information on what constitutes a broadband infrastructure project, a digital connectivity technology project, or a multi-purpose community facility project, see Treasury’s [Capital Projects Fund Guidance](#).³⁴

Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

The Department of Treasury’s SLFRF funds may be used for a range of projects that respond to the public health and economic impacts of COVID-19, including:

- Affordability programs, such as subsidies that address the cost of Internet service
- Digital literacy programs, such as standard digital literacy classes or digital navigator programs
- Programs that provide devices and equipment to access the Internet to households (e.g., programs that provide equipment like tablets, computers, or routers)
- Services that expand Internet access without constructing new networks (e.g., expansion of public Wi-Fi networks or free Wi-Fi in public housing communities). Other programs that support the adoption of Internet service where service is available

SLFRF funds may also be used to invest in broadband infrastructure. SLFRF recipients must address affordability while building new broadband networks. The SLFRF Final Rule States, “a project cannot be considered a necessary investment in broadband infrastructure if it is not affordable to the population the project would serve.” The SLFRF Final Rule outlines two ways recipients should address affordability:

- “Lack of affordable broadband” is now considered a quality that recipients can use to identify areas eligible for investment with SLFRF funds.
- If a project provides Internet service to households, it now requires the ISPs to participate in the Affordable Connectivity Program or comparable program.

For more information on eligible uses of SLFRF fund see Treasury’s [SLFRF Final Rule](#).³⁵

33 U.S. Department of the Treasury. Guidance for the Coronavirus Capital Projects Fund: For States, Territories, and Freely Associated States (2021).

34 Id.

35 Coronavirus State and Local Fiscal Recovery Funds Final Rule: 87 Fed. Reg. 4338 (Jan. 27, 2022) (to be codified at 31 C.F.R. Part 35), [link](#).

BIP and CMC & Tribal Connectivity Program

NTIA also manages the Broadband Infrastructure Program (BIP),³⁶ the **Connecting Minority Communities Pilot Program (CMC)**³⁷ and **Tribal Broadband Connectivity Program**.³⁸ Grantees from these programs could already be developing or launching digital inclusion projects or programs.

Connecting with the BIP, CMC and Tribal Broadband Connectivity Program grantees in the State could provide an opportunity for partnership. In addition, the lessons they are learning through their projects could inform the BEAD and DEA plan.

Strengthen Collaboration, Engagement, and Outreach

Robust and meaningful stakeholder collaboration, engagement, and outreach will be a hallmark of effective and successful State digital equity plans. Stakeholder engagement should not be a one-time occurrence but rather be baked in throughout the entire planning process with multiple permeable pathways for residents and trusted community-based organizations to participate in the process. Like all relationships, building goodwill and trust with stakeholders through meaningful engagement takes time.

Meet People Where They Are

In 2021, the Louisiana broadband office began a traveling roadshow, visiting 50+ small towns throughout Louisiana's 64 parishes. They reached out to mayors and local elected officials to organize listening sessions on broadband. They brought simple, one-page informational flyers with data representing that community's broadband access, adoption, Emergency Broadband Benefit (EBB) enrollment rates, and digital literacy rates. They provided information about the future State and federal funds and listened to the community's broadband and digital inclusion needs. They purposely did not use PowerPoint presentations, opting for roundtable-style sessions to provide a more intimate peer-to-peer environment.

³⁶ NTIA, BroadbandUSA: Broadband Infrastructure Program: [link](#).

³⁷ NTIA, BroadbandUSA: Connecting Minority Communities Pilot Program, [link](#).

³⁸ NTIA, BroadbandUSA: Tribal Broadband Connectivity Program, [link](#).

Other States have opted for virtual convenings, like Hawaii's Office of Broadband and Digital Equity, which in March 2020, virtually convened a group of allies working towards digital equity. The Broadband Hui as it is known, has met weekly since and consists of over 200 individuals and organizations. Both States' sustained engagement of partners and residents have greatly benefited the stakeholders and the State leaders.

Create a Stakeholder Engagement Plan

Before beginning the planning process, designing a robust stakeholder engagement plan that weaves stakeholder engagement throughout the entire planning process and elevates the voices of those who directly work with or have direct lived experience of being disconnected will support the overall planning process. Ensuring the voices of covered populations and underrepresented groups are built into the planning process is essential to ensure the plan is comprehensive and honestly addresses the concerns and needs of the State's disconnected residents. In addition, intentionally engaging organizations trusted by historically disconnected communities will require thoughtful planning.

Approaches to Engagement

Knowing who to reach out to is only half the battle because the approach to community engagement is equally important. Successful outreach should employ a mix of strategies, communications channels, and messengers to be effective, including:

- using diverse communications tools to connect, including websites, social media, phone calls, info sessions and town halls, and old-fashioned door-to-door community outreach
- meeting during non-work hours to ensure working adults, parents, and others can participate
- striving for engagement across geographically diverse sections of your State
- clarifying with engaged organizational goals, the information gathered, how that input will be used, what type of follow-up will be conducted, and how they can keep track of your work (e.g., website, listserv, ongoing public check-ins)

Follow up and provide updates. It is also important to engage organizations that are doing meaningful work and providing support to increase their capacity.

Engage Diverse Communities

The DEA requires the administering entity to “list the organizations the State collaborated with in developing and implementing the plan.” Congress outlined a list of organizations to include in the planning and implementation process, including, but not limited to:

- Community anchor institutions, CBOs, and nonprofits;
- Counties, city governments, and Indian Tribes, Alaska Native entities, or Native Hawaiian organizations (where applicable);
- Local educational agencies, school districts, and workforce development organizations;
- Organizations that represent:
 - individuals with disabilities, including children with disabilities,
 - aging individual,
 - individuals with language barriers (e.g., English learners, low English proficiency, immigrant groups),
 - individuals who have low levels of literacy,
 - veterans, and
 - incarcerated individuals in facilities other than federal correctional facilities
- Civil rights organizations
- Public housing authorities in the State

Additional Types of Organizations to Consider Engaging

While all State agencies should be included in some aspect of the planning process, the agencies who directly or indirectly serve the covered populations should be consulted throughout the planning process, including:

- Department of Education
- State Library
- Department of Health and Human Services
- Workforce Development Department
- Housing Department
- Department of Commerce or Economic Development
- State Technology or Digital Service Office
- Members of the covered populations and historically disconnected communities (lived experts)

- State cabinet-level agencies
- State corrections department/agency
- State departments of education
- Digital inclusion coalitions located in the State
- State and local chambers of commerce or industry associations
- Regional councils of governments
- Economic development authorities
- Higher education institutions
 - State higher education coordinating board or governing board
 - Community or Technical College System
 - Public and Private Universities
 - Minority Serving Institutions
- Public housing resident associations and other low-income housing providers
- Labor unions (in particular — telecommunications workers’ unions)
- Healthcare systems and networks
- Homeless continuum of care providers
- Private and nonprofit multi-family housing developers and owners
- Faith-based institutions (i.e., churches, temples, mosques, etc.)
- Entrepreneurs and business owners
- State or local foundations and funders
- Advocacy organizations
- Existing multi-stakeholder groups (i.e., councils on aging, etc.)
- Refugee resettlement organizations
- Re-entry organizations
- Organizations serving undocumented residents
- Early intervention coordinators (i.e., those providing in-home therapy for children ages 3 to 5)
- Trade organizations
- Agriculture extension offices
- Cultural organizations
- Local media outlets such as PEG station leaders and Ethnic media

Tribal Engagement

U.S. territories and possessions, Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that receive awards from the appropriate funding may use funds to further their participation and equity interests in the development of relevant State digital equity plans under this program or both.

Like all other stakeholders, States should engage with Tribes in their State early and often through meaningful consultation. Engagements should be conducted as peer-to-peer engagements, as Tribes are sovereign and govern themselves. This means they are distinct governments, and any decisions about the Tribes concerning their property and citizens are made with their participation and consent. Use intergovernmental collaboration best practices when consulting with and engaging with Tribes to develop the plan.

Effective Tribal engagement requires meaningful consultation and proactive relationship-building efforts with members of Tribal communities. Rather than merely “box-checking,” States should engage in good-faith, ongoing efforts to empower Tribal communities in the planning process and to develop trustworthy relationships with Tribes in their States. States should avoid injecting Tribal communities into the planning process after substantial planning has occurred; Tribal

voices should be included in the planning process from beginning to end.

Request broadband and digital equity plans along with information about ongoing broadband deployment projects and digital equity programs from local and regional governments in the State; also, request this information from Tribes located in the State. Again, staying in communication with Tribes will ensure you know of any changes that could impact the digital equity plan.

Form a Core Planning Team

Creating the State digital equity plan will necessarily be a team effort. Thus, the first recommended step is forming a core planning team consisting of a diverse set of stakeholders and partners to lead and advise the development of the plan. A core planning team could be composed of multiple staff members of the administering entity and a member of the team leading the BEAD planning process. Additional core planning team members could include partners from other State agencies, universities, representatives of community-based organizations and community anchor institutions who work directly with the covered populations, digital inclusion practitioners, and “lived experts” who are members of the covered populations. The administering entity is the natural lead for the planning team and the development of the plan, but the core planning team can serve as an advisory group of sorts, supporting the administering entity as it progresses through the planning process.

A core planning team would likely be between four and ten people—a small group but large enough to ensure a variety of voices are included throughout the process and large enough to disburse responsibilities. The administering entity would be responsible for clearly defining and delineating roles and expectations for each planning team member. Throughout the planning process, the core team can provide feedback and guidance to the administering entity. In addition, the core team could support the administering entity in identifying and connecting with stakeholders, among other tasks that will present themselves throughout the planning process.

Finally, States can consider leveraging their planning funds to pay stipends to “lived experts,” or residents of the covered populations with direct, lived experience of being caught in the digital divide, to be members of the planning team.

Figure 13

Forming a Core Planning Team



Collaborate with State Agencies and Peers

The effectiveness of the digital equity strategy will depend on the ability to marshal and scale all available resources across the State government. This means leveraging informal State working groups or formal planning organizations, including existing appointed or convened broadband and digital equity task forces and councils. Understanding existing touchpoints the State agencies already have with covered populations (e.g., families with low incomes, individuals with disabilities, veterans) can maximize your ability to collect data on existing gaps in infrastructure and services and efficiently communicate the DEO's existing and forthcoming offerings. Collaboration with State and local agencies should expand beyond those focused on broadband and digital equity, and should include agencies dedicated to health, commerce and workforce, education, and housing. Broadband and digital equity have a role to play in each of those areas.

For example, Colorado incorporated its Digital Skills Survey into [existing surveys](#)³⁹ run by the Colorado Department of Public Health & Environment to minimize additional effort by State agencies and target populations. Other States have worked with high-touch agencies and offices with direct connections to target populations, including the department of motor vehicles, housing and homelessness agencies, Supplemental Nutrition Assistance Program (SNAP) and social service offices, department of corrections, department of labor and unemployment, and health and human services agencies.

Using a planning structure, existing relationships, and the DEO's mandate, incorporate surveying and messaging content in existing mailers, fliers, email campaigns, social media content, town halls, and websites. Focus on highlighting existing offerings, the importance of accurate data collection to deliver new services, and pointing to the DEOs website as the best source of updated information. Finally, leverage NTIA's existing list of State templates ([Appendix A](#)) and reach out directly to colleagues in other States to quickly replicate best practices.

In addition to integrating digital equity with broadband deployment programs (mentioned above), it is also critical to align Statewide planning and investment in areas such as workforce development, housing,

39 Bergson-Shilcock, A. (2022, March 22). States are leading the way on digital equity [National Skills Coalition]. Skills Blog. [link](#).

telehealth, and education. For example, State employment agencies, workforce development organizations, and education agencies are taking various measures to build a highly skilled workforce and close the digital skills gap. These efforts often center on digital literacy training, digital navigation, and technology distribution. It is critical to integrate not only data collection and mapping efforts, but also to align strategies and programs. Bringing multiple agencies to the table will help ensure that communities and populations with the highest needs and lowest likelihood to participate in digital literacy training or other services being adequately addressed.

Establish a Task Force or Council

As a part of general broadband expansion planning or in response to the pandemic, some States such as Wisconsin and Illinois have appointed broadband or digital equity planning task force or council tasked with advising State broadband offices and DEOs on bridging their digital divides. These councils are either established by legislative statutes, executive orders or, in some cases, are informal (i.e., established without an executive order or statute), public-facing, or internal government-facing (e.g., working groups of State agency leads).

Wisconsin, for example, has a Task Force on Broadband Access, established through an executive order from Governor Evers in 2020, which includes a digital equity subcommittee and a Digital Equity and Inclusion Stakeholder group of 50 to 60 people.

The governor selected the members of the Task Force who led the compilation of a [report](#)⁴⁰ in 2021 with recommendations to close broadband access gaps and increase broadband adoption and affordability. The Wisconsin [Public Service Commission \(PSC\)](#) convenes the stakeholder group monthly. The digital equity and inclusion stakeholder group, which has an open-door policy, meets virtually every month and provides organizations the opportunity to form relationships, establishing connections between different organizations and sectors that either directly run digital inclusion programs or whose work is impacted by digital inequities. Rhode Island also plans to establish an interagency working group to engage sister agencies and support the coordination and execution required to implement the BEAD and DEA programs.

40 Governor's Task Force on Broadband Access, Report to Governor Tony Evers and Wisconsin State Legislature. Public Service Commission of Wisconsin (2021), [link](#).

Staff, chair, or be a task force/council member or work in tandem with its existing membership. If asked to advise on appointments to the council, ensure that diverse organizations are represented, including social service institutions, community-based organizations, digital service providers, essential government agencies, and forward-thinking and collaborative Internet service providers.

Learn from Digital Inclusion Practitioners

A State digital equity plan should be designed to create specific, Statewide strategies to serve those most affected by the digital divide. Nevertheless, many plans are created in a vacuum without input from those the plan is designed for — the residents. No State leader can learn the specific needs of each of their residents. However, States can learn from the many organizations that have developed thoughtful strategies incorporating community input into their planning process.

The digital inclusion field is relatively young. However, best practices and models for holistically addressing the digital divide exist. Before embarking on the planning process:

1. Spend time learning about what has and hasn't worked for those working toward digital equity in your State and across the country.
2. Consult existing local digital equity plans and learn about ongoing digital inclusion or broadband deployment coalitions, projects, and programs in the State.
3. In addition, talk to peers across the country and join networks like NDIA, where many local and State subject matter experts regularly meet and discuss promising practices and practical research.
4. See [Appendix A](#) for a list of resources.

In addition, the entity organizations should begin getting to know the local digital inclusion practitioners across their State. NDIA estimates that more than 40 communities (cities, towns, and regions) across the country have at least one active digital inclusion coalition. Identifying existing coalitions in the State and attending their meetings to get to know the practitioners, organizations, and the digital inclusion work they do can assist the State as it begins stakeholder engagement. For example, Ohio's broadband office

regularly attends local digital inclusion coalition meetings and, in doing so, has established relationships with the 30 to 50 digital inclusion organizations that are members of each coalition. Coalitions are also positioned to support the DEO as they engage with residents in the planning process.

Use and Collect Data to Understand Assets and Needs

The plan will rely heavily on the best available data to quantify needs and estimate costs. Prepare to begin the data collection process by planning how to collect data, learning about the existing data sources, thinking through existing data and how it can be leveraged for the plan (i.e. speed test data, digital skills data, etc.), and identifying whether local governments or digital inclusion coalitions in the State have already begun collecting local data that could be included in the asset inventory and needs analysis.

Best data sources include:

- **Availability:** FCC Form 477, State/local mapping, Geotel telecommunications infrastructure data (proprietary), speed tests (national datasets from FCC, Ookla, M-Lab, State and local speed test data), asset mapping of digital skills training and low-cost computer programs
- **Affordability:** Surveys of ISPs and service providers, State/local surveys of residents, NDIA Free & Low-Cost Plans list
- **Adoption:** American Communities Survey (ACS) 1-year and 5-year estimates, FCC Internet Access Services Reports, EBB/ACP enrollment, State/local surveys of residents

Remember:

Availability

Affordability

Adoption

Many States have run such analyses, with select formats and templates, in [Appendix A](#). In general, the information offered by the FCC or commercial ISPs might overstate the availability and affordability of existing services. Availability analysis can be complicated by including speeds that are lower than what is generally accepted as “broadband” (>= 100 Mbps).

Affordability analysis can be complicated by including introductory offers and pricing that requires families to subscribe to multiple television and phone services or pay additional rental and equipment fees. While gathering data promptly is critical, the means of gathering data is equally important, especially because disconnected or poorly connected communities are hard to reach digitally. Consider employing door-knocking teams in affordable housing complexes, calling and texting residents, gathering in-person data at town halls, or asking questions at existing high-traffic social services offices (e.g., DMVs, unemployment offices) and public education institutions (e.g., community colleges) to ensure you are reaching the least connected groups.

Some States have collected their data throughout the State, and others have equipped local governments and coalitions to collect local data, including assets. Hawaii, for example, has done a Statewide study of [digital literacy and readiness](#), and Utah launched a Statewide [speed test and survey](#). At the same time, [Nebraska](#) and [North Carolina](#) have created tools for local coalitions and governments to develop local digital inclusion plans. The resources they have created could be helpful for communities in the State seeking to develop their own local digital inclusion plans and for the entity to create a data collection plan.

Asset Mapping

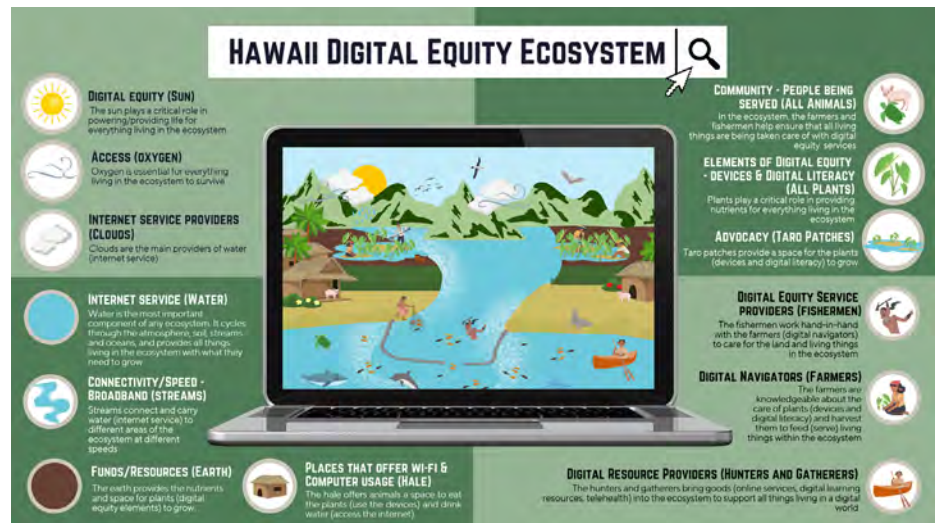
Asset mapping identifies a community’s existing resources, networks, and strengths in order to build upon them. By leveraging the resources in a community, asset mapping helps identify opportunities to support and scale strategies already in place. This, in turn, supports the empowerment of community residents and institutions and promotes ownership in the community-building process.

An asset inventory for your State digital equity plan will be a snapshot of the current landscape, an inventory of the assets present throughout the State that currently do, or potentially could, to support digital equity in each of these categories, prior to outlining measurable objectives. The inventory should include physical assets such as broadband infrastructure and ongoing deployment projects, organizations, programs, and individuals delivering digital inclusion services, funding sources to support digital equity work, and any other resources deemed essential to characterize the digital equity landscape. Establishing meaningful and measurable objectives requires a thorough understanding of the current landscape.

Hawaii’s [digital equity ecosystem map](#) is a stunning example of a collective effort to understand and document the State’s current digital equity ecosystem while simultaneously setting goals for growth.

Figure 14

Hawaii Digital Equity Ecosystem



Appendix A: Best Practices Across States

State	Link	Description
California	Research - Equity Best Practices	California research on quick strategies to improve EBB enrollment
California	Planning Document - Commission Report	California "Broadband for All" planning document
Colorado	Research - Digital Skills Survey	Colorado Digital Skills Survey Questions
Louisiana	Research - Geographic Data	Dashboard highlighting broadband access, affordability, and digital literacy across LAs parishes
Louisiana	Org Design - Commission Mandate	Executive order highlighting the roles, responsibilities, and mandates of Louisiana's broadband for all commission
National	Org Design - Team Structure	National Broadband Resource Hub document on structuring state high-speed internet offices
Nebraska	Planning Document - Planning Guide	Nebraska Digital Inclusion Planning Guide & Workbook
Nebraska	Planning Document - Plan Template	Nebraska Digital Inclusion Plan Template
New York	Org Design - Job Description	Director of Outreach JD
New York	Org Design - Job Description	Digital Inclusion Manager for NYCHA JD
New York	Org Design - Job Description	Director of Digital Equity
North Carolina	Research - Geographic Data	Index highlighting internet availability, quality, and adoption
North Carolina	Research - Community Outreach Guide	Guide for doing internet access and adoption outreach across communities using multiple mediums
Washington	Research - Community Outreach Guide	Washington Digital Equity Forum
Wisconsin	Planning Document - Commission Report	Governor's Task Force report and recommendations on high-speed internet and digital equity expansion
Wisconsin	Org Design - State Org Chart	Wisconsin statewide high-speed internet and digital equity office organizational chart

Appendix B: Definitions

Digital Equity

Digital equity is a condition in which all individuals and communities have the information technology capacity needed for full participation in our society, democracy and economy. Digital equity is necessary for civic and cultural participation, employment, lifelong learning, and access to essential services.

Digital Inclusion

Digital inclusion refers to the activities necessary to ensure that all individuals and communities, including the most disadvantaged, access and use Information and Communication Technologies (ICTs). This includes five elements: 1) affordable, robust broadband Internet service; 2) Internet-enabled devices that meet the needs of the user; 3) access to digital literacy training; 4) quality technical support; and 5) applications and online content designed to enable and encourage self-sufficiency, participation and collaboration. Digital inclusion must evolve as technology advances. Digital inclusion requires intentional strategies and investments to reduce and eliminate historical, institutional, and structural barriers to access and use of technology.

Digital Divide

The digital divide is the disparity in access to, knowledge of, and ability to use digital tools and technology.

Digital Literacy

The American Library Association has defined "digital literacy" as the following:

Digital literacy is the ability to use information and communication technologies to find, evaluate, create, and communicate information, requiring both cognitive and technical skills.

A digitally literate person:

- Possesses the variety of skills – technical and cognitive – required to find, understand, evaluate, create, and communicate digital information in a wide variety of formats;
- Can use diverse technologies appropriately and effectively to retrieve information, interpret results, and judge the quality of that information;
- Understands the relationship between technology, life-long learning, personal privacy, and stewardship of information;
- Uses these skills and the appropriate technology to communicate and collaborate with peers, colleagues, family, and on occasion, the general public; and
- Uses these skills to participate in civic society actively and contribute to a vibrant, informed, and engaged community.

Appendix C: The Digital Equity Act — State Plan Section

*The following text is from the [Infrastructure Investment and Jobs Act](#)

DIVISION F—BROADBAND TITLE III—DIGITAL EQUITY ACT OF 2021

SEC. 60304. STATE DIGITAL EQUITY CAPACITY GRANT PROGRAM.

(c) STATE DIGITAL EQUITY PLAN.—

(1) DEVELOPMENT; CONTENTS.—A State that wishes to be awarded a grant under subsection (d) shall develop a State Digital Equity Plan for the State, which shall include—

(B) measurable objectives for documenting and promoting, among each group described in subparagraphs (A) through (H) of section 60302(8) located in that State—

(i) the availability of, and affordability of access to, fixed and wireless broadband technology;

(ii) the online accessibility and inclusivity of public resources and services;

(iii) digital literacy;

(iv) awareness of, and the use of, measures to secure the online privacy of, and cybersecurity with respect to, an individual; and

(v) the availability and affordability of consumer devices and technical support for those devices;

(C) an assessment of how the objectives described in subparagraph (B) will impact and interact with the State's—

(i) economic and workforce development goals, plans, and outcomes;

(ii) educational outcomes;

(iii) health outcomes;

(iv) civic and social engagement; and

(v) delivery of other essential services;

(D) in order to achieve the objectives described in sub-

paragraph (B), a description of how the State plans to collaborate with key stakeholders in the State, which may include—

(i) community anchor institutions; (ii) county and municipal governments;

(iii) local educational agencies;

(iv) where applicable, Indian Tribes, Alaska Native entities, or Native Hawaiian organizations;

(v) nonprofit organizations;

(vi) organizations that represent—

(I) individuals with disabilities, including organizations that represent children with disabilities;

(II) aging individuals;

(III) individuals with language barriers, including— (aa) individuals who are English learners; and (bb) individuals who have low levels of literacy;

(IV) veterans; and

(V) individuals in that State who are incarcerated in facilities other than Federal correctional facilities;

(vii) civil rights organizations;

(viii) entities that carry out workforce development programs;

(ix) agencies of the State that are responsible for administering or supervising adult education and literacy activities in the State;

(x) public housing authorities in the State; and

(xi) a partnership between any of the entities described in clauses (i) through (x); and

(E) a list of organizations with which the administering entity for the State collaborated in developing and implementing the Plan.

Appendix D: Covered Populations

The DEA defines the populations.

Covered Populations:

- Individuals who live in covered households (i.e. households with income less than or equal to 150 percent of the federal poverty level);
- Aging individuals;
- Incarcerated individuals, other than individuals who are incarcerated in a federal correctional facility;
- Veterans;
- Individuals with disabilities;
- Individuals with a language barrier, including individuals who—
 - are English learners; and have low levels of literacy;
 - Individuals who are members of a racial or ethnic minority group; and
 - Individuals who primarily reside in a rural area

Appendix E: Broadband Equity, Access, and Deployment Program Planning Requirements

(D) ACTION PLAN. —

(i) IN GENERAL. —An eligible entity that receives funding from the Assistant Secretary under subparagraph (C) shall submit to the Assistant Secretary a 5-year action plan, which shall—

(I) be informed by collaboration with local and regional entities; and

(II) detail—

(aa) investment priorities and associated costs;

(bb) alignment of planned spending with economic development, telehealth, and related connectivity efforts.

(ii) REQUIREMENTS OF ACTION PLANS. —The Assistant Secretary shall establish requirements for the 5-year action plan submitted by an eligible entity under clause (i), which may include requirements to—

(I) address local and regional needs in the eligible entity with respect to broadband service;

(II) propose solutions for the deployment of affordable broadband service in the eligible entity;

(III) include localized data with respect to the deployment of broadband service in the eligible entity, including by identifying locations that should be prioritized for Federal support with respect to that deployment.

(IV) ascertain how best to serve unserved locations in the eligible entity, whether through the establishment of cooperatives or public-private partnerships;

(V) identify the technical assistance that would be necessary to carry out the plan; and

(VI) assess the amount of time it would take to build out universal broadband service in the eligible entity.

(2) NOTICE OF AVAILABLE AMOUNTS; INVITATION TO SUBMIT INITIAL AND FINAL

PROPOSALS.—On or after the date on which the broadband DATA maps are made public, the Assistant Secretary, in coordination with the Commission, shall

issue a notice to each eligible entity that—

(A) contains the estimated amount available to the eligible entity under subsection (c); and

(B) invites the eligible entity to submit an initial proposal and final proposal for a grant under this section, in accordance with paragraphs (3) and (4) of this subsection.

(3) INITIAL PROPOSAL.—

(A) SUBMISSION.—

(i) IN GENERAL.—After the Assistant Secretary issues the notice under paragraph (2), an eligible entity that wishes to receive a grant under this section shall submit an initial proposal for a grant, using the online application form developed by the Assistant Secretary under paragraph (1)(A)(iii), that—

(I) outlines long-term objectives for deploying broadband, closing the digital divide, and enhancing economic growth and job creation, including—

(aa) information developed by the eligible entity as part of the action plan submitted under paragraph (1)(D), if applicable; and

(bb) information from any comparable strategic plan otherwise developed by the eligible entity, if applicable;

(II)

(aa) identifies, and outlines steps to support, local and regional broadband planning processes or ongoing efforts to deploy broadband or close the digital divide; and (bb) describes coordination with local governments, along with local and regional broadband planning processes;

(III) identifies existing efforts funded by the Federal Government or a State within the jurisdiction of the eligible entity to deploy broadband and close the digital divide;

(IV) includes a plan to competitively award subgrants to ensure timely deployment of broadband;

(V)identifies—

(aa) each unserved location or underserved location under the jurisdiction of the eligible entity; and

(bb) each community anchor institution under the jurisdiction of the eligible entity that is an eligible community anchor institution; and

(VI)certifies the intent of the eligible entity to comply with all applicable requirements under this section, including the reporting requirements under subsection (j)(1).

(ii)LOCAL COORDINATION.—

(I)IN GENERAL.—The Assistant Secretary shall establish local coordination requirements for H. R. 3684—764 eligible entities to follow, to the greatest extent practicable.

(II)REQUIREMENTS.— The local coordination requirements established under subclause (I) shall include, at minimum, an opportunity for political subdivisions of an eligible entity to—

(aa) submit plans for consideration by the eligible entity; and

(bb) comment on the initial proposal of the eligible entity before the initial proposal is submitted to the Assistant Secretary.

(B)SINGLE INITIAL PROPOSAL.—An eligible entity may submit only 1 initial proposal under this paragraph.

(C)CORRECTIONS TO INITIAL PROPOSAL.—The Assistant Secretary may accept corrections to the initial proposal of an eligible entity after the initial proposal has been submitted...

(4)FINAL PROPOSAL.—

(A)SUBMISSION.—

(i)IN GENERAL.—After the Assistant Secretary approves the initial proposal of an eligible entity under paragraph (3), the eligible entity may submit a final proposal for the remainder of the amount allocated to the eligible entity under subsection (c), using the online application form developed by the Assistant Secretary under paragraph (1)(A)(iii), that includes—

(I)a detailed plan that specifies how the eligible entity will—

(aa) allocate grant funds for the deployment of broadband networks to unserved locations and underserved locations, in accordance with subsection (h)(1)(A)(i);

and (bb) align the grant funds allocated to the eligible entity under subsection (c), where practicable, with the use of other funds that the eligible entity receives from the Federal Government, a State, or a private entity for related purposes;

(II)a timeline for implementation;

(III)processes for oversight and accountability to ensure the proper use of the grant funds allocated to the eligible entity under subsection (c); and

(IV)a description of coordination with local governments, along with local and regional broadband planning processes.

(ii)LOCAL COORDINATION.—

(I)IN GENERAL.—The Assistant Secretary shall establish local coordination requirements for eligible entities to follow, to the greatest extent practicable.

(II)REQUIREMENTS.— The local coordination requirements established under subclause (I) shall include, at minimum, an opportunity for political subdivisions of an eligible entity to—

(aa) submit plans for consideration by the eligible entity; and

(bb) comment on the final proposal of the eligible entity before the final proposal is submitted to the Assistant Secretary. H. R. 3684—766

(iii)FEDERAL COORDINATION.—To ensure efficient and effective use of taxpayer funds, an eligible entity shall, to the greatest extent practicable, align the use of grant funds proposed in the final proposal under clause (i) with funds available from other Federal programs that support broadband deployment and access.

(B)SINGLE FINAL PROPOSAL.—An eligible entity may submit only 1 final proposal under this paragraph.

(C)CORRECTIONS TO FINAL PROPOSAL.—The Assistant Secretary may accept corrections to the final proposal of an eligible entity after the final proposal has been submitted.

Appendix F: Examples of Local & Regional Digital Equity/Inclusion Plans

Local Governments

- Alamance County Digital Inclusion Plan (2021)
- Carteret County Digital Inclusion Plan (2021)
- City of Long Beach Digital Inclusion Roadmap (2021)
- Digital Durham Digital Equity Plan (2021)
- Forsyth County Digital Equity Plan (2021)
- Rockingham County Digital Inclusion Plan (2021)
- City of Bloomington Digital Equity Strategic Plan (2020)
- City of Seattle Internet for All Report (2020)
- New York City Internet Master Plan (2020)
- City and County of San Francisco Digital Equity Strategic Plan (2019)
- City of Detroit Digital Equity & Inclusion 2019 + 2020 Timeline (n.d.)
- Provo City Government Digital Equity Administrative Directive (2019)
- Salt Lake City Digital Equity Policy (2019)
- City of Kansas City Digital Equity Strategic Plan (2017)
- Louisville Metro Government Digital Inclusion Plan (2017)
- City of Austin Digital Inclusion Strategy (2016)
- City of Portland Digital Equity Action Plan (2016)
- District of Columbia Digital Divide Report (2015)

Regional

- Land of Sky Regional Council Digital Inclusion Plan (2021)
- Upper Coastal Plain Digital Inclusion Plan (2021)

Appendix G: Resources and Support

General Digital Inclusion Resources

From NTIA

[Internet for All website](#)

From NDIA

[Digital Inclusion Coalition Guidebook](#)

[Defining a State Digital Equity Office White Paper](#)

[Digital Inclusion Startup Manual](#)

[Digital Inclusion Trailblazers \(local governments\)](#)

Database of local and regional place-based digital equity coalitions (forthcoming in 2022)

From Other Organizations

[Broadband Technology and Opportunities Program Evaluation Study](#), ASR Analytics

[Broadband Adoption Toolkit](#), NTIA

[Digital Navigator's Toolkit](#), Salt Lake City Public Library & NDIA

State Specific Digital Inclusion Resources

Many resources already exist to support the State in implementing the DEA programs as effectively as possible. The following short list will be updated as we and others develop more resources.

State Digital Equity Scorecard

NDIA's [State Digital Equity Scorecard](#), developed in partnership with Microsoft and the [National Skills Coalition](#), can support States by providing resources to measure, review, and replicate State digital inclusion efforts. The interactive map gives insight into State efforts and the link between unemployment, digital skills, and economic opportunities. The Scorecard is regularly reevaluated and updated to provide States with resources to measure, review, and replicate successful efforts.

NDIA's Asset Mapping Tools

NDIA is in the process of developing a suite of asset mapping tools for States, local governments, digital inclusion coalitions, and digital inclusion practitioners. The guidance and tools are comprehensive yet simple to implement and flexible enough to accommodate varying geographic scales and levels of detail.

National Broadband Resource Hub

The [National Broadband Resource Hub \(NBRH\)](#) is a free online community for government leaders and nonprofits working on expanding broadband access and affordability. The Hub houses a collection of expert broadband resources, including funding guides, policy analyses, how-to's, and more. Through the NBRH help desk, government employees and nonprofit organizations can book free consultation time with experts in broadband policy, funding, and program implementation. The NBRH also serves as a collaborative community platform for local leaders.

Additional Organizations with Helpful Resources

Benton Institute for Broadband & Society

Benton provides free, reliable, and non-partisan daily digest resources related to broadband developments and policy. These resources include Benton’s Daily and Weekly Digest, which breaks down and discuss issues related to the BEAD and DEA programs, the Affordable Connectivity Program, and the Universal Service Fund.

Common Sense Media

Common Sense is a leading provider of bilingual digital literacy resources for families and educators. Common Sense offers a K-12 digital literacy curriculum that is used by 88 percent of Title 1 schools; original research on the digital needs of vulnerable families; and advocacy to promote affordable, future-proof broadband networks and digital inclusion programs. Common Sense harnesses its unique insights on the digital divide at home and in school to help State policymakers create digital equity plans that work for all communities.

Next Century Cities

Next Century Cities (NCC) engages in outreach to State leaders and participates in State-level regulatory proceedings encouraging collaboration with local leaders on Statewide plans and State-specific resources for community leaders seeking to improve broadband access and adoption. NCC elevates local perspectives on broadband policy, highlighting the critical need for processes that invite local officials to the table and provide opportunities for meaningful local policy recommendations. As a conduit of State and local coordination, NCC supports strategies to expand connectivity across regions and promotes inter-governmental collaboration.

Pew Charitable Trusts

The **Pew Charitable Trusts** is a global nongovernmental organization that seeks to improve public policy, inform the public, and invigorate civic life. Through efforts like the broadband access initiative, Pew works with State and federal policymakers, researchers, and other partners to accelerate the nation’s progress toward universal, affordable high-speed Internet service. Pew provides technical assistance to help

nonprofit organizations, businesses, and governments make evidence-based policy decisions.

Pew analyzes data, develops implementation plans, tailors models to the specific needs of the organizations with which Pew works, monitors progress, and helps interpret results.

Schools, Health & Libraries Broadband (SHLB) Coalition

The **SHLB Coalition** is a nonprofit, 501(c)(3) advocacy organization committed to closing the digital divide by promoting high-quality broadband for anchor institutions (CAIs) and their communities. The SHLB Coalition believes in building broadband «to and through» CAIs as a way to provide low-cost connections to the communities surrounding the anchor institutions. The SHLB Coalition, which has regular convenings and serves as an educational resource for its members, can help connect States to CAIs who will play a critical role in digital equity planning and implementation.

Heartland Forward

Heartland Forward is a nonprofit “think and do” tank focused on changing the narrative about the middle of the country and kick-starting economic growth. Heartland Forward’s Connecting the Heartland initiative is a multi-State initiative (Arkansas, Illinois, Ohio, and Tennessee)[3] to ensure families in the heartland have access to the high-speed, affordable Internet service and digital skills necessary for full participation in life in the digital age. Heartland forward provides community broadband planning support to local leaders in collaboration with the Benton Institute for Broadband & Society and State partners. Heartland Forward also supports American Connection Corps fellows in several heartland communities and drives participation in the Affordable Connectivity Program through local awareness and enrollment outreach.

National Digital Inclusion Alliance

NDIA bridges the community of digital inclusion practitioners and policymakers by providing a unified voice advocating for broadband access, devices, digital skills training, and tech support. Working collaboratively, NDIA crafts, identifies, and disseminates resources and tools to help digital inclusion programs increase their impact.

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Purpose of this Resource

The purpose of the BEAD and Digital Equity Pacing Guide is to help Eligible Entities map out all their required local coordination milestones for both programs. Both programs have multiple milestones throughout their timelines, so it is imperative that Eligible Entities plan out their milestones and see which tasks apply to both programs to save time and effort. Additionally, Eligible Entities should use this pacing guide to ensure they are reaching out to all the appropriate stakeholders for both BEAD and Digital Equity.



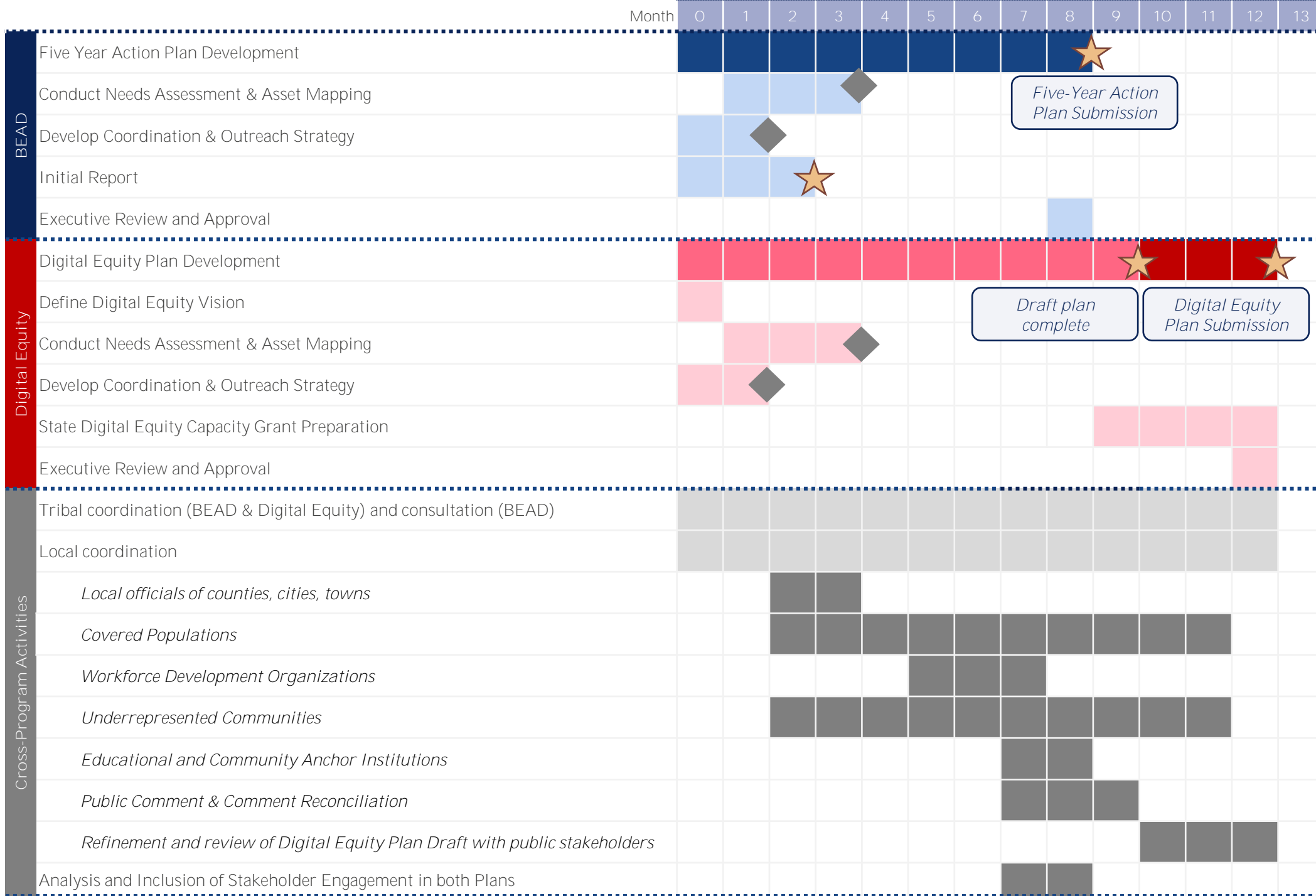
Why Coordination Matters

As stated in both the BEAD and State Digital Equity Planning Grant NOFOs, at a minimum, States and territories should establish formal and direct communications and collaboration pathways between the teams that remain in place throughout the entire planning process. This will be particularly important to reduce the burden and confusion on community stakeholders when fulfilling the local coordination, outreach, and stakeholder engagement requirements of both programs.

This is intended to be a resource to help states plan their local coordination over the course of the planning process. States may adopt other timelines and processes, so long as those processes conform to the NOFO requirements for both programs.

BEAD & State Digital Equity Planning Grant Sample Timeline

This is one example of a timeline that States could follow in conducting local coordination.

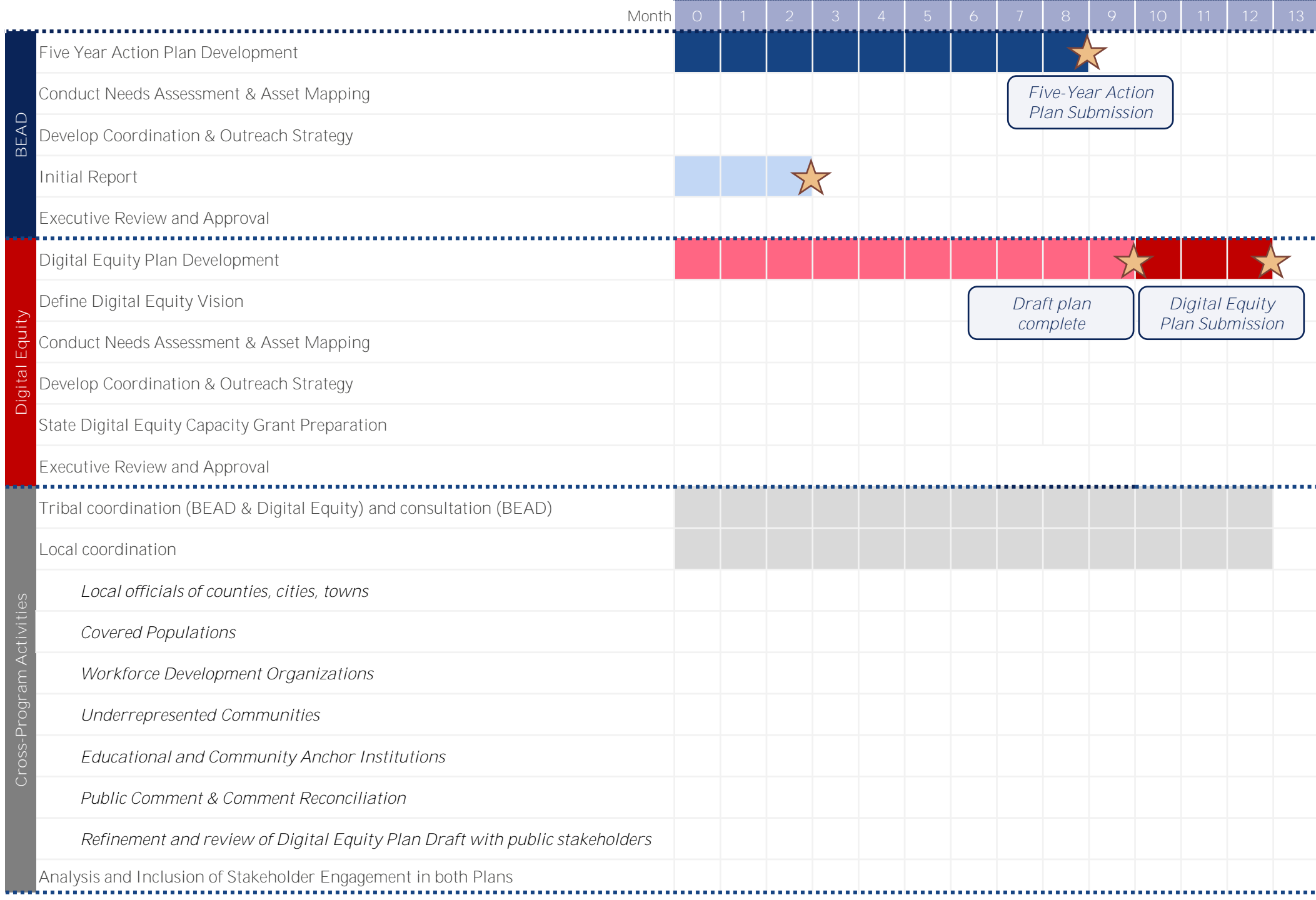


Legend

- Point of coordination and consolidation between BEAD and Digital Equity Plans
- Key milestone

BEAD & State Digital Equity Planning Grant Template Timeline

This is a blank timeline with key milestones for customization and planning



Legend

 Key milestone

Five-Year Action Plan Submission

Draft plan complete

Digital Equity Plan Submission

**INTERNET
FOR ALL**

Asset Mapping Guide

Data Equity
Gathering
Best Practices



**National Telecommunications and
Information Administration**

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Introduction

With the passage of the Bipartisan Infrastructure Law (BIL), the federal government is making historic investments in broadband technologies and infrastructure. The COVID-19 pandemic made it clear that too many households in America lack access to dependable, affordable, high-speed Internet. In many cases, Americans lack access because their home is in a location that is not connected to high-speed service, or they may be unable to afford the cost of a monthly high-speed internet connection.

To identify where high-speed internet is needed, an approach called asset mapping is used to collect, organize, and track data for building digital equity strategies and plans for new and improved infrastructure.

Whether focused on a single neighborhood or an entire state, digital inclusion coalitions, organizations, and public agencies across the country use asset mapping to identify resources, build partnerships, and plan for future work.

Through this guide and the accompanying Digital Equity Guide for States, the National Telecommunications and Information Administration (NTIA) has developed a set of practical guidelines designed to support asset mapping efforts by digital equity practitioners. The guidance and guidelines are comprehensive and flexible enough to accommodate varying geographic scales and levels of detail.

An Overview of Asset Mapping

Asset mapping at the state level helps to identify and build on the state's existing resources, networks, and strengths; these are the assets. This process helps emphasize capacity building and community-based solutions, and it works with community members and organizations as partners invested in solutions, rather than as problems to be solved. By mapping the connections of core assets in a region or community, and then expanding iteratively, the asset mapping process can generate a robust network of potential partners and stakeholders. Asset mapping is also particularly effective at uncovering resources in the community that would not otherwise have been invited to "a seat at the table" in a more traditional planning or engagement approach. Identifying the opportunities, interpersonal networks, and resources already present in a community will help identify areas to support and scale strategies that are already in place – which reduces duplicative efforts. In turn, asset mapping supports the empowerment of community institutions and people by sharing ownership in the local coordination efforts.

When undertaking any planning project or effort to bring about community change, understanding the current state through a needs assessment, existing conditions analysis, or another, similar method is a common early step. These approaches, however, often employ a deficit-based perspective - seeking to describe and quantify the problems to be

fixed in a community (for example, poverty rate, people experiencing homelessness, or households without a broadband subscription). While typical, this approach to understanding and framing an issue has several inherent challenges:

- It marginalizes those most in need of support (such as people experiencing digital inequities) by emphasizing their adverse outcomes rather than the systems that contribute to those outcomes.
- It frequently pays insufficient attention to the resources and expertise within a community that can be leveraged to produce desired outcomes.
- And finally, it can lead to a bias toward external solutions imposed on a community rather than solutions built within and by the community.

Asset Mapping & the Bipartisan Infrastructure Law

Asset mapping can help local governments conduct more impactful, long-term, high-speed internet infrastructure and digital equity planning. Critically, asset mapping data can be used to help ensure that governments are able to incorporate the local, regional, and community needs, and elevates the voices/needs of underrepresented communities into planning and implementation efforts. By adapting and building on the opportunities and resources already present in the community, governments can avoid unnecessary duplicative work and intentionally build the relationships necessary for local coordination.

A Better Lens: Mapping Digital Equity

Whether gathering information on a single neighborhood, tribal lands, across a city or even statewide, an individual or entity seeking to identify community assets must first define their geographic parameters to sharpen focus. In addition to defining a geographic area, it is also helpful to categorize assets in the inventory by the type(s) of digital equity activities each relates to. Comprehensive mapping of digital equity assets allows communities to measure investments and the impact of those investments. Crucial to this process are the five elements of digital equity, which are:

- Affordable, robust broadband internet service;
- Internet-enabled devices that meet the needs of the user;
- Access to digital literacy training and advanced digital skills training;
- Quality technical support;
- Applications and online content designed to enable and encourage self-sufficiency, participation, and collaboration.

Digital equity asset mapping is not only about mapping resources in the community but also about identifying impact and desired outcomes digital equity initiatives at the community level.

Building the Network & Engaging New Partners

On top of compiling useful geographic and activity-type information about individual organizations and programs, the network-building aspect of asset mapping is vital to the digital equity field. Once coalition members, digital equity practitioners, and other obvious entities have been added, the research turns to finding individuals and organizations that are doing work (or that could be doing work) in at least one of the five elements of digital equity and engaging those individuals and organizations to build your network of resources to aid in the planning and implementation processes. For example, leveraging existing relationships with community anchor institutions, such as public libraries, helps broaden the asset map network to find, engage, and educate new partners.

In the case of an organization like a workforce development agency, they may see their work strictly through the lens of job seeking. For instance, helping an individual find gainful employment involves teachable moments such as cover letter and resume writing in a word processing application, understanding internet search engines, and how to use online employment application forms and job search sites. Not to mention the reality that in the COVID-19 pandemic, organizations began doing this work remotely, which commonly required supplying devices like laptops or tablets for their clients.

This approach covers five elements of digital equity: devices, digital literacy/digital skills-building, tech support, applications, and meaningful use or adoption. Therefore, if a workforce development agency is doing digital equity work, it should be invited to the table as an asset in workforce development and digital equity in any ongoing or future projects.

Reaching the Right Populations

A strength of asset mapping is its ability to reduce the marginalization of vulnerable populations by lifting up community voices. Defining a diverse network of partners encourages outreach and engagement with a broad array of communities while limiting the emphasis on deficit-based approaches. This can be especially critical for reaching groups for whom engagement and trust in established institutions are challenging.

Identifying trusted entities, that can include community-based organizations, community anchor institutions, or even informal gathering places, brings these communities into the fold while also elevating the mission of a like-minded organization in the digital equity space.

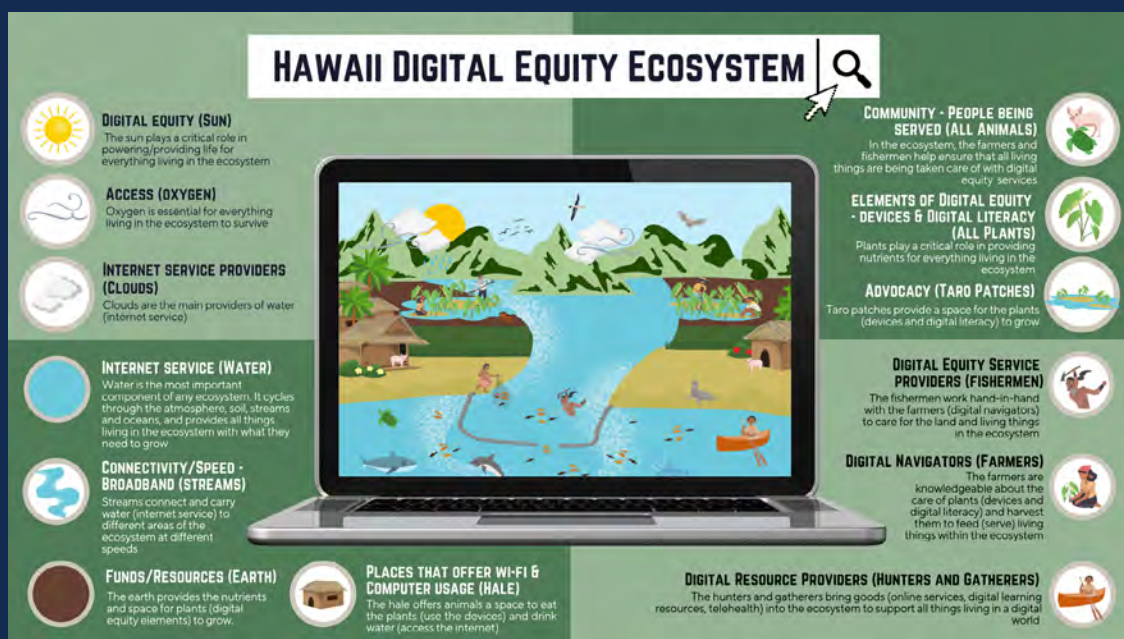
Understanding the Digital Equity Ecosystem

When asset mapping is well organized, incorporates comprehensive data sources, and benefits from strong engagement throughout the community, the result is greater than a set of individual data points.

A “digital equity ecosystem” is a combination of programs and policies that meet a geographic community’s unique and diverse needs. In a digital equity ecosystem, coordinating entities work together to address all aspects of the digital divide, including affordable high-speed internet, devices, and skills. One key component of an effective digital inclusion ecosystem is collaboration among partners to co-create solutions within the

community rather than one entity designating actions from the top down. While the purpose of the asset mapping process is to document the resources in a community, it can also uncover the ecosystem that currently exists and help set the course for further evolution through continued network building and collaborative, community-based solutions. Informed by their own asset mapping efforts, the **State of Hawaii Broadband and Digital Equity Office** has developed infographics and a report detailing the components of the digital equity ecosystem in their state.

Figure 1: A Digital Equity Ecosystem¹



¹ State of Hawaii, Hawaii Broadband & Digital Equity Office, Digital Equity Ecosystem Map, <https://broadband.hawaii.gov/deemap/>.

Conducting Asset Mapping

To assist digital equity coalitions, organizations, state leaders, and others interested in better understanding the digital equity ecosystem in their community, NTIA has developed a set of asset mapping guidelines. Every community has a wealth of assets that contribute to the character and resources of a place: institutions, individuals, formal and informal networks, physical spaces, and shared culture, to name a few.

While all are essential components, NTIA's asset mapping guidelines are focused on documenting the organizations and programs that provide (or potentially could provide) digital equity services and support in a community.

It may also be beneficial to communities that have not previously conducted asset mapping to connect other communities who have experience in asset mapping for advice on potential outreach strategies. These suggested guidelines are designed to support a wide array of needs and experience levels.

Key Guidelines for Digital Equity Asset Mapping Initiatives

Establish standard data fields and terminology

Collecting the same types of information about digital inclusion resources and services across different communities will develop shared languages and understanding across the field. It will facilitate the comparison of strategies and best practices between communities and states and supply or development of the digital inclusion field. Use your communication and local coordination outreach activities to inform your data collection.

Maintain flexibility to meet specific user needs

Recognize the diversity of potential contributors; the asset mapping guidelines were designed to be customizable. There are bound to be varying interests in the types of assets gathered, levels of detail in the information collected about assets, and intended uses of the result.

Comprehensively include all components of digital equity work

Covering all types of digital inclusion services allows for information about various organizations and programs to be compiled in one place. Additionally, many organizations provide multiple services (e.g., affordable devices, training courses, and technical support), and it is vital to reflect all aspects of an organization's digital inclusion work.

Populating as much or as little information in the asset mapping guidelines as is necessary for user needs

Fields may be skipped, and standard response options may be overwritten by user organizations if desired. For example, a state broadband office may choose to only map organizations and the categories of digital equity work they do. In contrast, a local coalition may decide to track detailed information about each program in their community, resulting in some organizations appearing in the asset inventory multiple times.

Provide free and accessible resources

Extending resources to as many entities working for digital equity is fundamental to NTIA's work. NTIA encourages contributors to translate their choice of resources into whatever platform best fits their needs, the selected formats do not require additional software or subscriptions. Resources are accessible to contributors with moderate digital skills.

Information to Collect

For each asset mapped, governments can consider the type and granularity of information to collect.

- **Basic Information:** This includes information such as organization name, website, point of contact, operating hours, organization mission or purpose, organization type, constituents, and website links.
- **Covered Populations:** Identify the groups that are already serving the covered populations in different localities and regions and areas of the state. Identify how these different organizations overlap to identify unserved populations and regions.
- **High-speed Internet specific data points:** These data points may differ based on organization type, but could include data points around the following:
 - Broadband access & affordability (e.g., local advocacy groups)
 - Device access (e.g., schools or other entities providing devices)
 - Digital skills & technical support (e.g., workforce development or job training organizations)
 - Public device & internet access (e.g., local libraries with community computer access)
 - Digital equity funding (e.g., local foundations funding digital equity efforts)
 - Digital equity/broadband adoption (e.g., meaningful use and improved outcomes data)
- **Other community assets:** such as existing partnerships, coalitions, and resources

Remember data collection is an iterative process and should be customized to meet the needs of the community. Using these best practices can help ensure a comprehensive approach that allows input from a wide range of stakeholders within the community.

Guidance and Usage Tips – Community Data Collection Tool

An asset map may be created by the state, a local or regional coalition representative, a statewide convening entity, or an individual or organization looking to find digital equity partners. The creation of a tool, like a spreadsheet or a fillable form, for an individual or small group to enter multiple records for different assets can help ensure comprehensive data collection. Ideally, the state will have a tool that will allow it to fill out the form on behalf of an organization, person, or resource, and will also permit people and community organizations to fill it out for themselves.

This tool, and all the data entered in it, can be owned and managed by the organization or entity compiling the information. Therefore, individuals within the organization or entity have complete control over access and editing controls of their copy of the tool. Currently, there is no national data repository for asset mapping tools, so each tool should be managed locally by the organization or entity compiling the information.

A data collection tool should have the following features:

- Be publicly accessible and either free or available at a nominal cost;
- Have an interactive, user-friendly query capability with downloadable data;
- The capability to integrate with other GIS information, such as broadband access and availability, to create visual overlays;
- Offer a companion training guide;
- Regular updates with tagged data sources and dates.

In addition to the features listed above, project teams must determine which features best fit their individual needs and resources. One method is to build out an initial asset mapping tool and expand upon its capabilities over several projects.

Project Execution

The asset mapping project leader should bring together a team with partners who can provide additional resources, knowledge, and connections. This will ensure the team captures all relevant assets, opportunities, and people. Executive buy-in from government leaders is helpful to encourage cooperation and raise the project's profile.

One office (e.g., Department of Transportation planning) should lead the asset mapping process. Key considerations for selecting project leadership include:

- Access to or ownership of public assets and data
- Existing relationships with relevant partners
- Data collection, curation, and visualization expertise

Asset Mapping Benefits from the Participation of Key Public and Private Sector Stakeholders

Project Leadership

One office should lead the process. It should:

- Have access to or ownership of public assets
- Leverage existing relationships with relevant partners
- Include data collect, curation, and visualization expertise

Partnerships & Project Team

The project leader should bring together a project team:

- Find partners who can provide additional resources, knowledge, and connections
- Ensure that they capture all relevant assets
- Create buy-in from government leaders

Data Use & Access

The project team should decide how to use the resource:

- Determine which information is appropriate to share:
 - Consider critical infrastructure security concerns
 - Consider proprietary business data
- Have an internal version and a public version

Data Management

A successful asset mapping project needs to consider several elements of data management.

Data Management Elements

Managing the Process

The project leader should clearly communicate to stakeholders the ask, costs involved, and the data collection and transfer process. They should also listen to stakeholders and adjust processes as needed.

Data Collection

Standardize and validate the data collection process from the outset. This work may involve digitizing paper records, which usually require multiple agencies to provide access to the project team. In addition, the project team can include physical records and conduct field visits to physical assets as part of local coordination efforts.

The Asset Mapping Tool

The project team should be able to access data visualization capabilities to share information with stakeholders through the tool of their choice. Critically, they should have appropriate cybersecurity, data integrity, and privacy provisions while embracing collaborative and accessible tools.

Asset Mapping Data & Inventory

It is best to create a flexible framework for organizations to identify and organize digital equity resources, programs, and funding sources within a geographic area. Asset mapping information should be organized into sections and fields according to common types of digital equity work.

Given that not all sections of an asset map will be applicable to every organization, NTIA recommends that the organizations or individuals compiling the asset mapping tool populate only the fields and cells within the map that apply to a given asset. NTIA also suggests that if an organization or individual cannot edit the asset mapping tool to input their own information directly, the team should provide a way through which organizations can submit their own information or information about other organizations and programs they are familiar with. This approach can dramatically expand the digital equity resources captured during the asset mapping process.

The key takeaway is to create an asset mapping tool that permits the team to capture the information in whichever ways are most useful to understand how a key resource fits within the community and its relationship to state planning goals and needs.

Effectively capturing the relevant information about the resources, people, and organizations in the asset mapping tool should be done in ways that best fit the needs of the team. Information about a resource can be detailed in the asset mapping tool in a variety of ways with varying levels of specificity.

The following examples illustrate how information about the same asset might be captured in three different ways:

- A state library is conducting statewide asset mapping to identify which types of digital equity support each library system in the state offers. Given the scale of this effort, the state library would likely have a single record for each library system, with contact information for the library administration and the types of digital equity work the system does. Still, program information and other sections of the asset mapping guidelines may be left blank.
- A local digital equity coalition collects asset mapping information to create an online digital equity resource guide. As a critical community asset, the local library will be included. Because it would be necessary for organizations using the guide to know if a resource is close to them, the coalition will consist of each library branch location as a separate entry in the asset mapping tool. In this case, capturing days and hours of operation and crucial information about technical support, public device, and internet access would also be essential.
- Another coalition uses asset mapping to identify digital equity programming gaps in the community. Knowing that the local library offers a device loaning program, a digital skills program for older adults, and a program offering remote technical support, the coalition will document each program provided by the library as a separate record in its asset mapping. This means that the library will show up multiple times in the organization field, once for each program it offers. However, each record will only include information relevant to the program; the remaining areas will be left blank.

Examples

- **Capital Region Coalition for Digital Inclusion** (Sacramento, CA). The nonprofit mohuman worked very closely with community-based organizations and residents of digitally underserved regions to identify their needs and the digital services necessary to meet those needs. The result was the co-development of moDAT, the people’s digital advocate and navigator. This iteration of moDAT, developed for the Capital Regional Coalition for Digital Inclusion to serve the Sacramento area, is an intelligent platform designed to help navigate the digital equity resources in their community.
- **Digital Inclusion Network** (Portland, OR). The Portland Digital Inclusion Network maintains a searchable directory of local digital equity resources. In the spirit of collaboration, the Portland Digital Inclusion Network encourages members to share materials; identify opportunities, challenges, and resource gaps; and develop solutions to better serve digitally disconnected residents.
- Representatives from the **Cleveland Foundation** described creating an infographic to visually communicate information collected from the asset mapping guidelines. They also stated their intention to integrate the asset mapping tool and resources collected into their existing website for their digital navigator’s program. Representatives envision developing a network map to document Cleveland’s local digital equity ecosystem.
- A **Kansas City Digital Drive** representative shared their vision to evolve the inventory from a list into a resource that tracks the digital skills and digital training continuum. They described using the resource to help guide learners along a path suitable and appropriate for their abilities and interests and cited how television streaming services can “suggest” a similar movie based on previous views. Most working groups indicated that implementing the tool would result in a public-facing resource.
- **Long Beach, California’s** stakeholder engagement process convened a 50-person multidisciplinary committee that reflected the entire spectrum of digital equity. This committee provided strategic guidance to advance Long Beach’s digital equity plan. The stakeholder committee developed a common agenda, engaged in asset mapping, developed a shared measurement system, refined draft strategies, and reviewed community input. The community engagement process collaborated with trusted community partners to engage individuals impacted by the digital divide. Long Beach engaged the community through pop-up events, workshops, interviews, and a community survey.

As more organizations and digital equity coalitions engage in network mapping, identify new use cases, and produce new guidelines from the results, NTIA will continue to share best practices and guidance as this essential aspect of digital equity work evolves. NTIA will work with different states and territories to provide technical assistance, support, data, or programmatic requirements to produce State Digital Equity Plans that fully address gaps in broadband adoption, promote digital skills, advance equitable access to education, healthcare, and government services, and build information technology capacity to enable full participation in the economy for covered populations.

Conclusion

NTIA is here to help states to identify existing resources, people, and partnerships to build robust plans for broadband access, adoption, affordability, digital equity, and digital inclusion across the state. NTIA also requires local coordination; asset mapping is an effective strategy to collect data that will be used to show how funding can support broadband access, adoption, and use, as well as broader social, community, and economic outcomes. Through these methods, NTIA will empower states, tribes, territories, and local communities to achieve digital equity and Internet for All.

