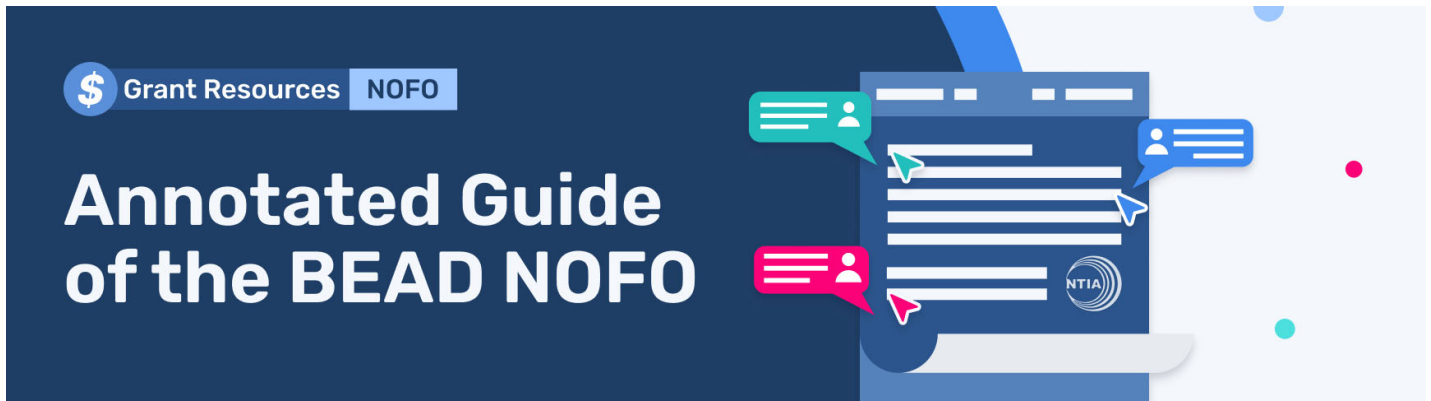


Program Description



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		

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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	<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>
Initial Proposal	<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>
Challenge Process	<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>

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 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.

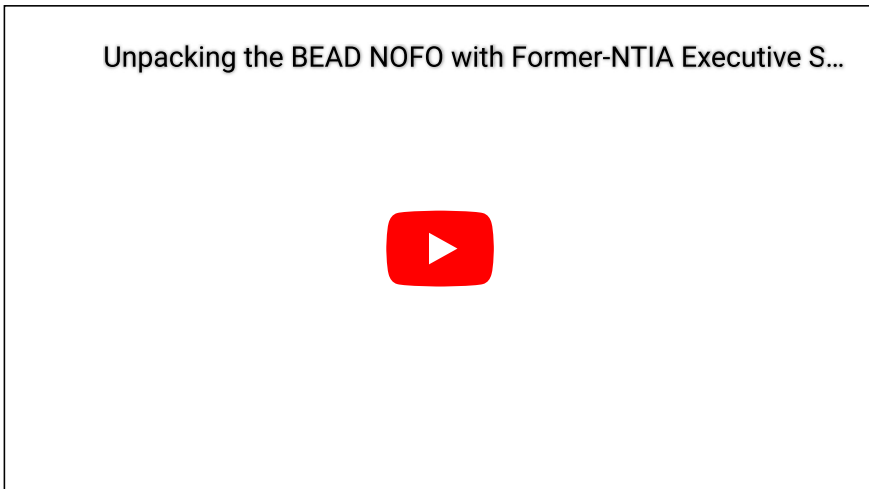
16 See Department of the Interior, Bureau of Indian Affairs, Indian Entities Recognized by and Eligible to Receive Services from the United States Bureau of Indian Affairs, 86 Fed. Reg. 7554 (Jan. 29, 2021), *available at* <https://www.govinfo.gov/content/pkg/FR-2021-01-29/pdf/2021-01606.pdf>.

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

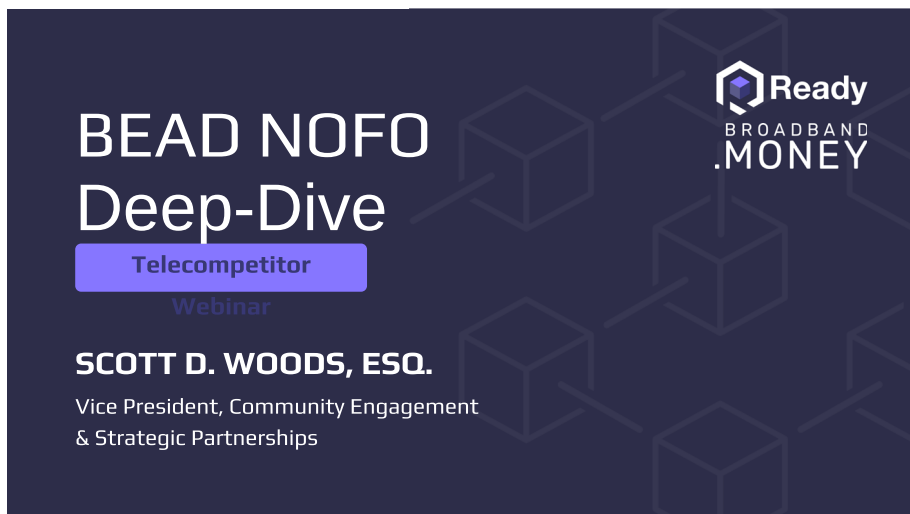
Scott Woods, former NTIA executive and Ready.net's new VP, gives insight into the historic BEAD NOFO.

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](#)

Related guides & resources

Guides

→ [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



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”

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 1: Definition of Terms

Eligible Entities	=	Subgrantee Selector/Grantee
Project Selection	=	Subgrantee Selection
Subgrant	=	Subaward
Subgrantee	=	Subrecipient
Subgrantee	≠	Subcontractor

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.

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.

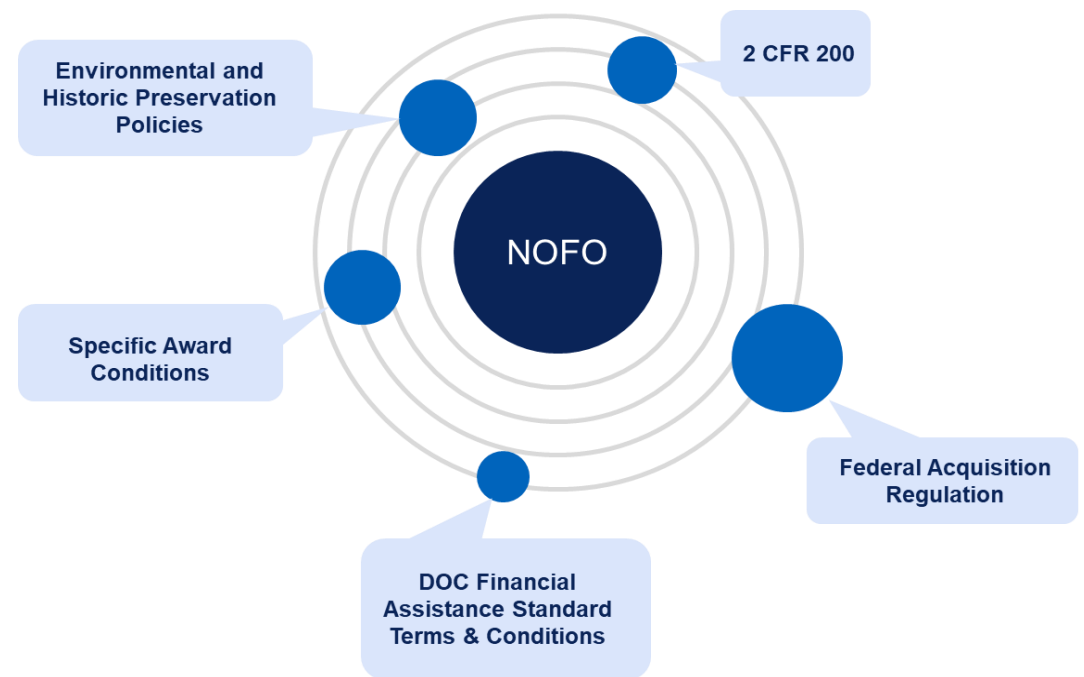


Figure 2: Universe of Federal Procurement Requirements



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

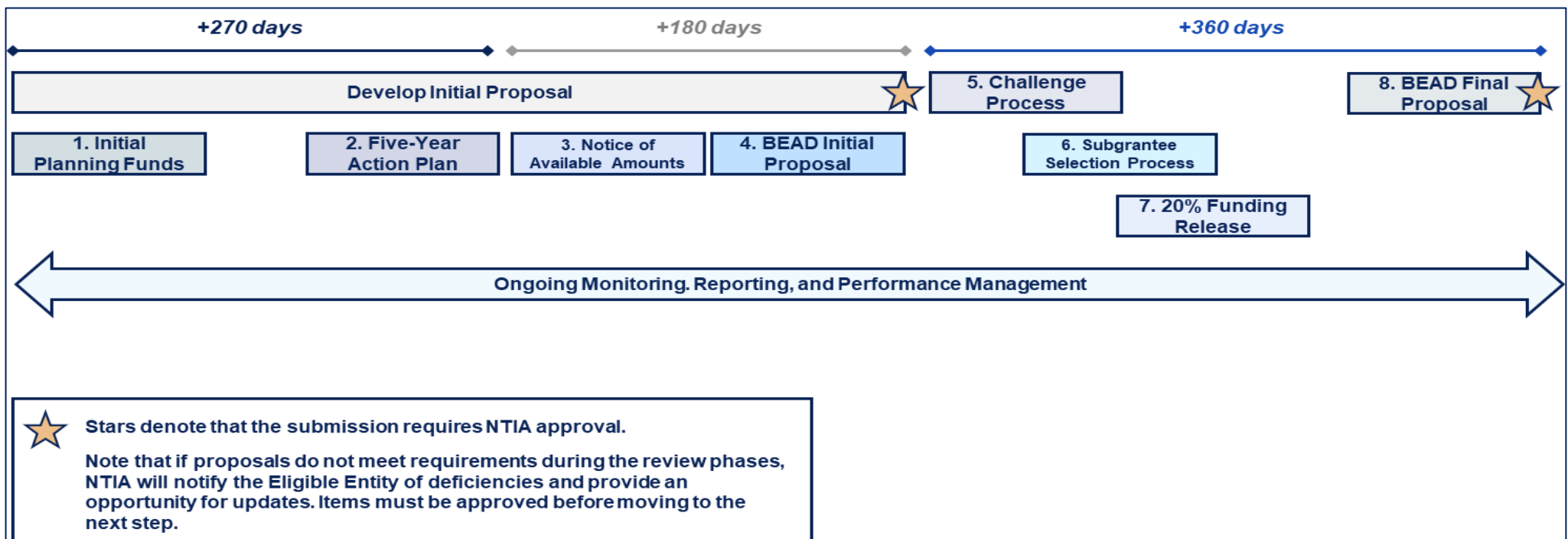


Figure 8: BEAD Program Timeline

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

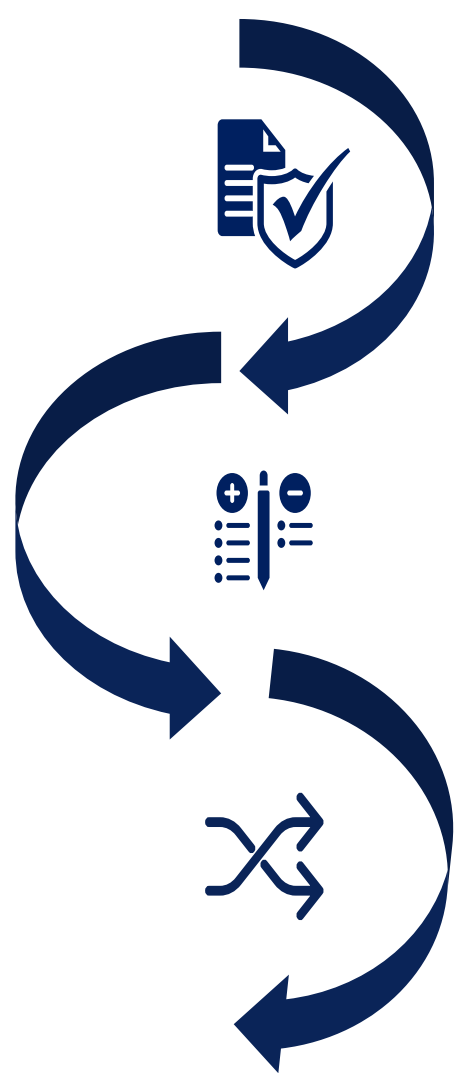
Form a Selection Criteria Scoring Rubric

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.

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.

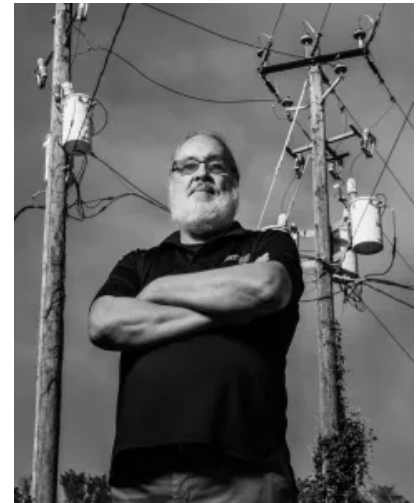
The NOFO says that states are *required to incentivize matches of greater than 25 percent from subgrantees*. That means states must make every effort to award less than a 75% grant. In fact, if two entities request building fiber to the same geographic area, the one asking for the smaller amount of money 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



DOUG DAWSON, PRESIDENT



CONTACT DOUG DAWSON

(202) 255-7689
blackbean2@ccgcomm.com

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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.

Like

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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>
------------------------------------	--	--

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>	Brief description of role
<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.

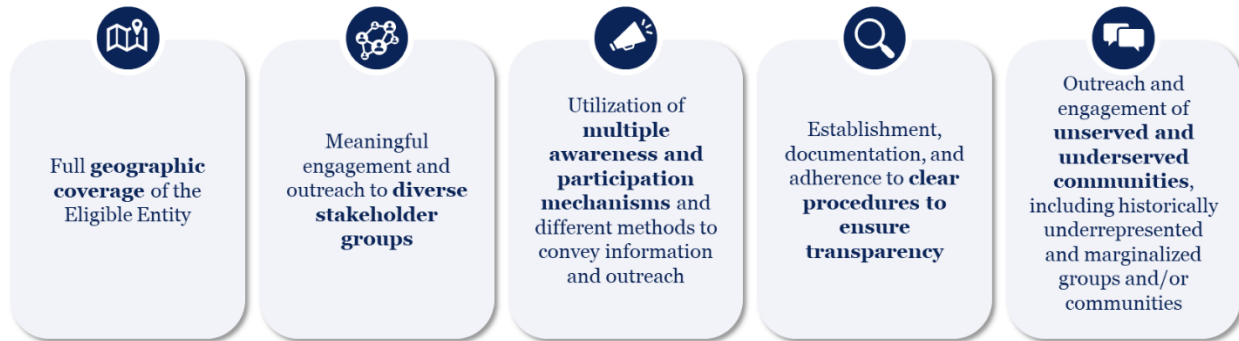
Eligible Entities need to specifically address the five local coordination criteria mentioned in the [NOFO](#) Section IV.C.1.c, which includes:



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

<p>Relevant Requirements from the NOFO, Section IV.B.3.b :</p> <ul style="list-style-type: none"> • Provide a comprehensive, high-level plan for providing reliable, affordable, high-speed internet service throughout the Eligible Entity, including: <ul style="list-style-type: none"> ○ The planned utilization of federal, Eligible Entity, and local funding sources. <p style="text-align: center; font-size: small;">Req. 10.b</p>

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.