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2022 NACO LEGISLATIVE CONFERENCE

FEBRUARY 12-16 WASHINGTON HILTON WASHINGTON, D.C.





Welcome to the Latest Funding Opportunities in Broadband Deployment and Infrastructure





Opening Remarks

Commissioner Tarryl Clark, Stearns County Minn.



<u>Run of Show</u>

8:00am: Welcome and Opening Remarks
8:05am: USDA Rural Utilities Services, Acting Administrator Chris McLean
8:30am: USDA Q&A
8:40am: NTIA – Associate Administrator Doug Kinkoph
9:05am: NTIA Q&A
9:15am: Workshop concludes







Acting Administrator Chris McLean USDA Rural Utilities Service



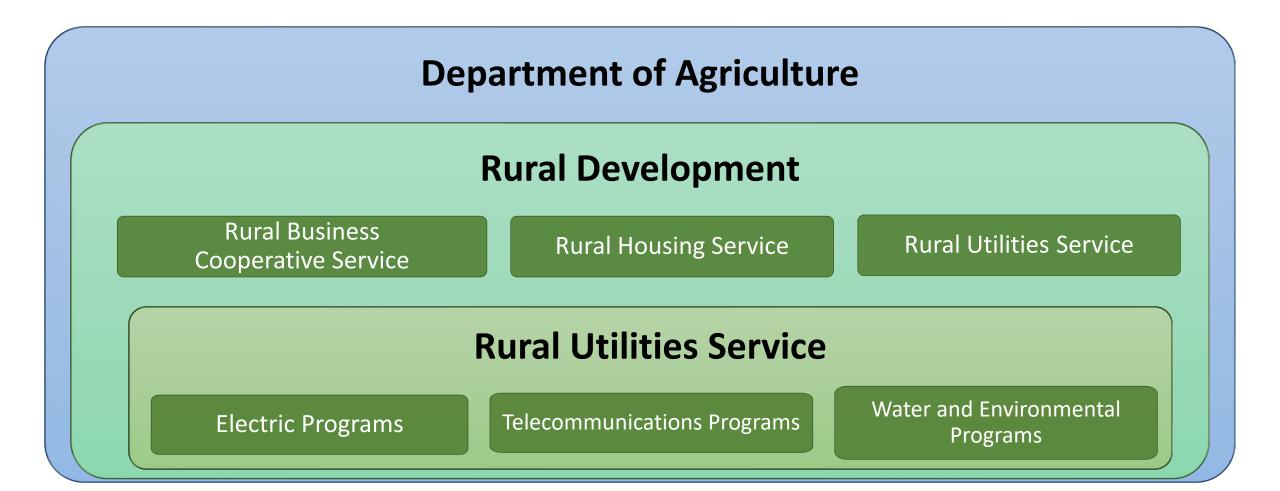


Telecommunications Programs Overview *Rural Utilities Service* Christopher McLean, Acting Administrator



Rural Development

Broadband at USDA



Rural Utilities Service

RUS provides funding for infrastructure and infrastructure improvements to rural communities. These include water and waste treatment, electric power, and telecommunications services.

These services help to expand economic opportunities and improve the quality of life in rural areas.

Telecommunications Program

- 1. Distance Learning & Telemedicine Grant Program
- 2. Community Connect Grant Program
- 3. Telecommunications Infrastructure Loan Program
- 4. Rural Broadband Loan Program
- 5. ReConnect Program

ReConnect Round 3 – Closes February 22, 2022

> \$1.15 Billion in Funds Available

- Areas without 100/20 Mbps are eligible for funding.
- \$350 Million Grant Set-Aside with No Match for Tribes and Socially Vulnerable Communities.
- Priority points:
 - Rurality; Lack of service at 25/3 Mbps; Economic Need
 - Local governments, Tribal Governments, nonprofits, and cooperatives
 - Projects that serve Socially Vulnerable Communities, Tribal Lands

ReConnect Program

Purpose: Fund rural broadband infrastructure – construction, maintenance, improvement, and expansion of broadband service.

Funding Type: Loans, grants, and loan/grant combinations. *25% matching requirement for grants.

Eligibility:

- Rural communities of 20,000 or less
- 90% Proposed Service Area must be unserved
- Businesses, Tribes, non-profits, cooperatives, telecommunications carriers, etc.

ReConnect Results

- Round 1 (FY19) \$656 million for 76 projects in 33 states.
- Round 2 (FY20) \$852 million for 105 projects in 37 states.

IIJA Broadband Investment

IIJA invests \$65 Billion in broadband infrastructure deployment, affordability, and digital inclusion.

- \$2 Billion to USDA for existing programs at the Rural Utilities Service that fund broadband infrastructure in rural communities:
 - \$74 Million for the Rural Broadband Loan Program
 - \$1.926 Billion for the ReConnect Program

IIJA at USDA: ReConnect Program

\$1.926 Billion for the ReConnect Program

- 50% of the Proposed Funding Service Area must be unserved.
- 10% set-aside (\$192.6 Million) for areas where at least 90% of households do not have sufficient broadband access.
- Waiver of 25% Grant Matching Requirement for Alaska Native Corporations, Tribal Governments, projects serving colonias, and projects serving persistent poverty counties.
- **\$5 Million** in Technical Assistance for the establishment and growth of cooperatives to offer broadband.

Contact Rural Utilities Service

47 State Offices

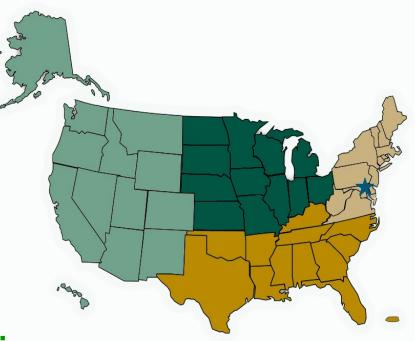
400+ Area Offices

1 National Office in DC

More information: https://www.usda.gov/reconnect

Upcoming Webinars: https://www.usda.gov/reconnect/events

Contact your General Field Representative (GFR): https://www.rd.usda.gov/contact-us/telecom-gfr



Thank You

Christopher McLean, Acting Administrator Rural Utilities Service <u>Christopher McLean@usda.gov</u>



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Associate Administrator Doug Kinkoph, NTIA





INFRASTRUCTURE INVESTMENT AND JOBS ACT NEW FUNDING INITIATIVES

National Association of Counties Latest Funding Opportunities in Broadband Deployment February 15, 2022

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

IIJA BROADBAND PROGRAMS OVERVIEW

DOUG KINKOPH ASSOCIATE ADMINISTRATOR OFFICE OF INTERNET CONNECTIVITY AND GROWTH NTIA Broadband Equity, Access & Deployment (BEAD) Program

- 2. Digital Equity Programs
- 3. Tribal Connectivity Technical Amendments
- 4. Enabling Middle Mile Broadband Infrastructure

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

NTIA will administer ~\$48B of this new funding		FCC to administer ~\$14B
BEAD	DIGITAL EQUITY	\$14.2B Affordable Connectivity
\$42.45B Title I - Broadband Equity, Access &	\$2.75B Title III – Digital Equity Act	USDA to administer \$2B
Deployment Program MIDDLE MILE	TRIBAL	\$2.0B Via the Rural Utilities Service
\$1.00B	\$2.00B	Private Activity Bonds \$600M \$600M
Title IV - Enabling Middle Mile Broadband Infrastructure	Title II - Tribal Connectivity Technical Amendments	Authorizes State/local gov'ts to use private activity bonds for rural broadband

* Infrastructure Investment and Jobs Act, Division F, Pub. L. 117-58 (Nov. 15, 2021) Note: funding amounts inclusive of all administrative set-asides

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BEAD (I/II) | THE "BEAD" PROGRAM WILL PROVIDE ~\$42B FOR INFRASTRUCTURE PLANNING AND IMPLEMENTATION

OVERVIEW

Official name: Broadband Equity, Access and Deployment Program

Funding pool: \$42.45B

Type of program: State and Territory formula program

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

PROGRAM PRIORITIES

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

Eligible entity must also prioritize

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

OTHER KEY FEATURES

Quality requirements

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

Matching requirement

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

Low-cost plan requirement

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



Note: funding amounts inclusive of all administrative set-asides

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

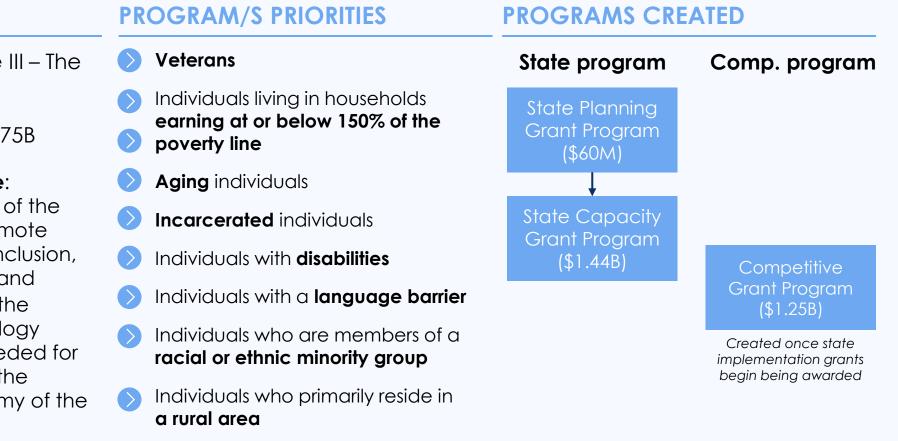
OVERVIEW

Official name: Title III – The Digital Equity Act

Funding pool: \$2.75B

Programs' objective:

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



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

State Capacity Grant Program

OVERVIEW

Official name: State Digital Equity Capacity Grants

Funding pool: \$1.44B

Type of program: State and Territory formula program

Programs' objective:

To support the implementation of State Digital Equity Plans and digital inclusion activities

ELIGIBILITY

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

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

ELIGIBLE COSTS & ACTIVITIES

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

- To update or maintain the State's Digital Equity Plan (no more than 20% of amount awarded)
- To implement the State's Digital Equity Plan
- To award sub-grants to 'eligible entities' to assist in implementation of the State's Plan
- To pursue digital inclusion activities in the State consistent with the Plan
- To report back to the State on related activities
- To determine the efficacy of efforts (no more than 5% of awarded funds can be used)
 No more than 3% can be used for administrative purposes



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

Competitive Grant Program

OVERVIEW

ELIGIBILITY

Official name: Digital Equity Competitive Grant Program

Funding pool: \$1.25B

Type of program: Competitive grant

Programs' objective:

Support efforts to promote digital inclusion, achieve digital equity & improve adoption of broadband

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

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

ELIGIBLE ACTIVITIES

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

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

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



TRIBAL (I/II) | TECHNICAL AMENDMENTS AND NEW FUNDING WILL STRENGTHEN CURRENT TRIBAL CONNECTIVITY PROGRAM

OVERVIEW

Official name: Tribal Broadband Connectivity Technical Amendments

Funding pool: \$2.00B

Type of program: Grants to eligible entities with approved applications

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

KEY AMENDMENTS TO PRIOR PROGRAM

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

MIDDLE MILE (I/II) | \$1 BILLION ALLOCATED TO MIDDLE MILE GRANT PROGRAM TO SUPPORT EXPANSION OF NETWORKS

OVERVIEW

Official name: Enabling Middle Mile Broadband Infrastructure

Funding pool: \$1.00B

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

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

PROGRAM PRIORITIES

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

2 Eligible entities must also:

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



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

BroadbandForAll@ntia.gov

Please join us for our upcoming broadband program public virtual listening sessions! February 23, 2022 (Topic: Digital Equity Act Programs)

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







Thank you!