



THE BROADBAND EQUITY ACCESS AND DEPLOYMENT (BEAD) PROGRAM

PROGRAM DETAILS



January 2023

This presentation focuses on BEAD – the largest of the four high-speed Internet programs administered by NTIA¹

Presentation focus

BEAD

\$42.45B

Broadband Equity, Access & Deployment Program

A program to get all Americans online by funding partnerships between states or territories, communities, and stakeholders to build infrastructure where we need it and increase adoption of high-speed internet.

DIGITAL EQUITY

\$2.75B

Digital Equity Act

Three programs that provide funding to promote digital inclusion and advance equity for all. They aim to ensure that all communities can access and use affordable, reliable high-speed internet to meet their needs and improve their lives.

TRIBAL

\$2.00B

Tribal Connectivity Technical Amendments

A program to help tribal communities expand high-speed internet access and adoption on tribal lands.

MIDDLE MILE

\$1.00B

Enabling Middle Mile Broadband Infrastructure

A program to expand middle mile infrastructure, to reduce the cost of connecting unserved and underserved areas.

1. National Telecommunications and Information Administration (NTIA)
Note: Funding amounts inclusive of all administrative set-asides

BEAD Program will provide ~\$42.45B for infrastructure planning and implementation

Funding pool
\$42.45B

A program to get all Americans online by funding partnerships between states or territories, communities, and stakeholders to build infrastructure where we need it and increase adoption of high-speed internet.

PROGRAM HIGHLIGHTS

Entities eligible to apply for this program include:

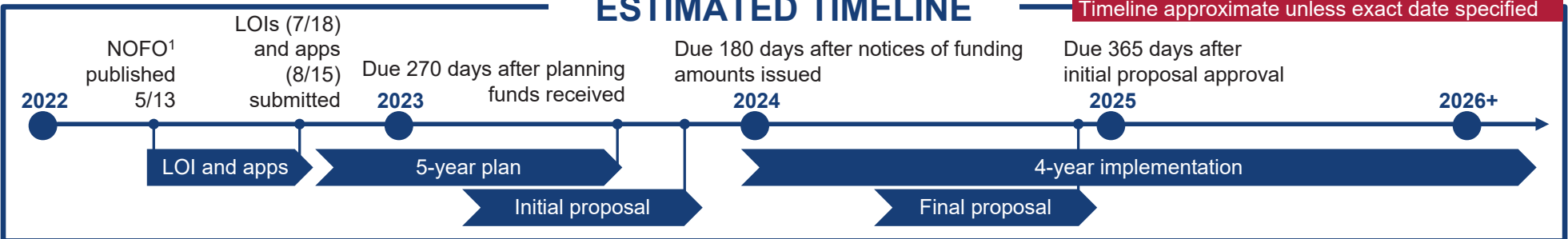
- All 50 States
- The District of Columbia and Puerto Rico
- Other Territories: U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands

Example eligible uses of funds include:

- ☆ Planning for deployment of Internet
- ☆ Deploying or upgrading Internet
- ☆ Installing Internet in multi-tenant buildings
- ☆ Implementing adoption and digital equity programs
- ☆ Workforce and job training


ESTIMATED TIMELINE

Timeline approximate unless exact date specified



1. Notice of Funding Opportunity (NOFO), available [here](#).

The BEAD Program helps deliver broadband access, affordability, and adoption



Access



Increases access for unserved and underserved households to ensure that all Americans have access to high-speed Internet



Ensures Americans have access to **high-quality, broadband services** to support full participation in the 21st century economy and beyond



Affordability



Supports **affordability** of broadband services, esp. in low-income households



Fosters a system that **promotes long-term, sustainable, affordable solutions**



Adoption and equity



Enables investment in digital skills training to increase the number of households adopting high-speed Internet and narrow adoption disparities



Makes investments to ensure Americans can **participate in economy & society, reducing inequities** across sectors, including healthcare, workforce & education

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Initial Proposal | Complete coverage of unserved locations and underserved locations (where funding permits)



First, Eligible Entities must serve all unserved locations (incl. serving multi-tenant buildings)

- **Unserved locations** lack reliable internet with download speeds <25 Mbps, upload speeds <3 Mbps, and latency <100ms



Second, Eligible Entities must serve all underserved locations

- **Underserved locations** lack reliable internet with download speeds <100 Mbps, upload speeds <20 Mbps, and latency <100 ms



Next, NTIA strongly urges Eligible Entities serve Eligible Community Anchor Institutions

- **Eligible Community Anchor Institutions** include schools, libraries, hospitals and entities that facilitate greater use of high-speed Internet service by vulnerable populations and have download speed <1 Gbps
- **Other eligible uses** include affordability programs, cybersecurity training, workforce development, etc.
- If an Eligible Entity wants to use funds for other eligible uses instead of deploying service to eligible Community Anchor Institutions, then it must provide a strong rationale

Note: If an Eligible Entity has a plan to deploy service to all unserved and underserved locations within its jurisdiction, it may pursue non-deployment initiatives before or while deployment projects are underway

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Initial Proposal | Eligible Entity must identify "Extremely High Cost per Location Threshold"

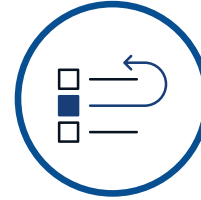


Eligible Entities must identify Extremely High Cost per Location Threshold in Initial Proposal

The Extremely High Cost per Location Threshold is a BEAD subsidy cost per location above which an Eligible Entity may decline to select a proposal if an alternative technology meeting program technical requirements would be less expensive

In the Initial Proposal, Eligible Entities must identify or detail a process for identifying an Extremely High Cost Per Location Threshold

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



Eligible Entities use Extremely High Cost per Location Threshold in subgrantee selection

An Eligible Entity may decline a proposal that requires a BEAD subsidy that exceeds the threshold if an alternative technology meeting the program's technical requirements is less expensive

If no technology meeting the program's requirements is deployable for a subsidy less than the threshold, an Eligible Entity is authorized to select a proposal involving a less costly technology that does not satisfy the program's baseline technical requirements



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Initial Proposal | Matching funds $\geq 25\%$ of project costs are required for deploying broadband service projects



Requirement

Matching funds $\geq 25\%$ of project costs provided by subgrantee, an Eligible Entity, local government, a utility, a cooperative, a nonprofit, a for-profit company, regional planning or governmental organization, or any combination thereof

Preference for minimum subsidy

Eligible Entities are required to incentivize matches $> 25\%$ to reduce the federal share of projects and extend the reach of BEAD Program funding

Federal funds

Regarding Federal funds, only funds for deploying broadband service that were provided to eligible entities under four statutes may be used as matching funds¹

In-kind matches

Matching funds may be cash or in-kind contributions consistent with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards set forth at 2 C.F.R. Part 200

Match waivers

The Assistant Secretary will grant match waivers only in extraordinary circumstances to serve the public interest and effectuate the purposes of the BEAD Program (e.g., projects in designated “high-cost areas”)

1. (1) The Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178), (2) the CARES Act (Public Law 116-136; 134 Stat. 281), (3) the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182), and (4) the American Rescue Plan Act of 2021 (Public Law 117-2; 135 Stat. 4)



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Service obligations | Subgrantees must offer at least one low-cost broadband service option for all eligible subscribers

Eligible Entities to propose "low-cost broadband service option" definition for approval

Eligible Entities shall submit a proposed definition to the Assistant Secretary for approval in their Final Proposal

In determining whether to approve a definition, the Assistant Secretary will consider, among other factors:

- 1 Cost to an Eligible Subscriber¹ after subsidies (both monthly and non-recurring charges)
- 2 Plan's basic service characteristics
- 3 Ability to apply Affordable Connectivity Benefit subsidy
- 4 Ability to upgrade to any new low-cost service plans offering with better technical specifications

The "low-cost broadband service option" is in addition to requirement to submit a **middle-class affordability plan** to ensure that all consumers have access to affordable high-speed internet access

Example definition from BEAD NOFO

Speed: $\geq 100/20$ Mbps or FCC performance benchmark²

Upgrades: Permits eligible subscribers with one low-cost broadband service option to upgrade to another low-cost broadband service option with higher speeds at no costs

Latency: ≤ 100 ms

Data caps, surcharges, etc.: Not subject to data caps, surcharges, or usage-based throttling; subject only to the same acceptable use policies as other broadband plans

Subsidies: Subgrantees required to participate in ACP; eligible subscribers that are eligible for a subsidy can apply the subsidy to the option

Cost: $\leq \$30$ incl. taxes and fees for at least one option

1. Any household seeking to subscribe to broadband Internet access service that qualifies for the Affordable Connectivity Program (ACP) or any successor program 2. The performance benchmark for fixed terrestrial broadband service established by the FCC pursuant to Section 706(b) of the Communications Act of 1934, as amended

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