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To BEAD or not to BEAD: Affordability, ACP and USF

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Presenter



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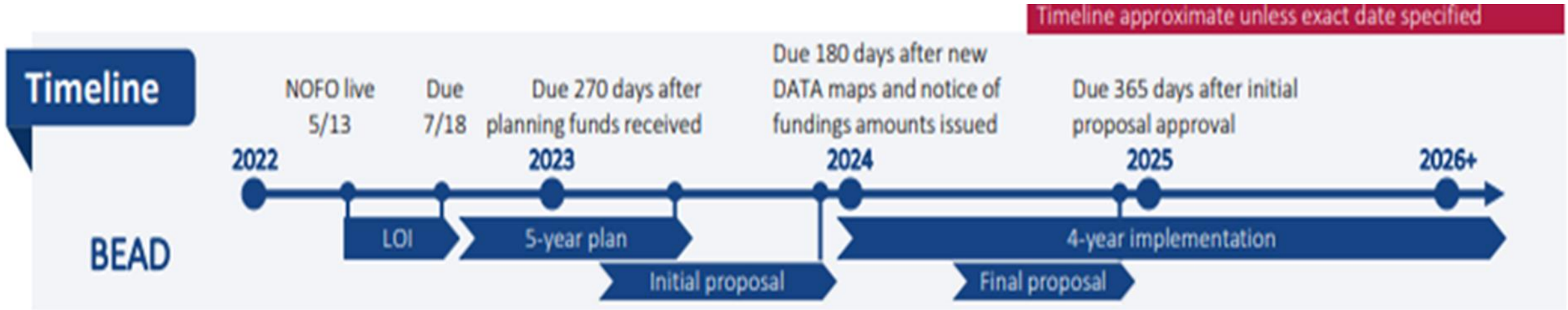
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Agenda



1. Introduction
2. IIJA BEAD Program
3. IIJA Digital Equity Act Programs
4. IIJA ACP Program (FCC)
5. ARPA Funding (Treasury)
6. Other Federal Broadband Funding Programs
7. Q&A

Broadband Equity, Access, and Deployment (BEAD) Program



- \$42 B distributed based on unserved /underserved households.
- Amount per state can be found at <https://www.ntia.gov/press-release/2023/biden-harris-administration-announces-state-allocations-4245-billion-high-speed>

Broadband Equity, Access, and Deployment (BEAD) Program



- Local Government Protection
 - A state’s plan must be developed in coordination with, and be sensitive to the needs of local governments. The Act specifically requires that state plans must:
 - “be informed by collaboration with local and regional entities” (Section 60102(e)(1)(D)(i)(I).)
 - “[A]ddress local and regional needs in the eligible entity with respect to broadband service” (Section 60102(e)(1)(D)(ii)(I)); and
 - “include localized data with respect to the deployment of broadband service in the eligible entity, including by identifying locations that should be prioritized for Federal support with respect to that deployment.” (Section 60102(e)(1)(D)(ii)(III).)

Broadband Equity, Access, and Deployment (BEAD) Program



- Local Government Protection (cont'd)
 - Act reserves to local governments the right to challenge any initial state proposal that fails to include in its plan a particular location or community anchor institution that is eligible for the grant funds because it is unserved or underserved. The Act further provides that the challenge takes place before any funding is allocated, and that the state “shall ensure a transparent, evidence-based, and expeditious challenge process under which a unit of a local government ... can challenge a determination” on non-eligibility for funding. Section 60102(e)(4).

The Digital Equity Act - Three Programs to Promote Digital Equity and Inclusion



Funding pool
\$2.75B

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 service to meet their needs and improve their lives.

PROGRAMS HIGHLIGHTS

The Digital Equity Act created three programs:

State Planning

- \$60M formula funding program to develop digital equity plans

State Capacity

- \$1.44B formula funding program to implement plans & promote digital inclusion

Competitive

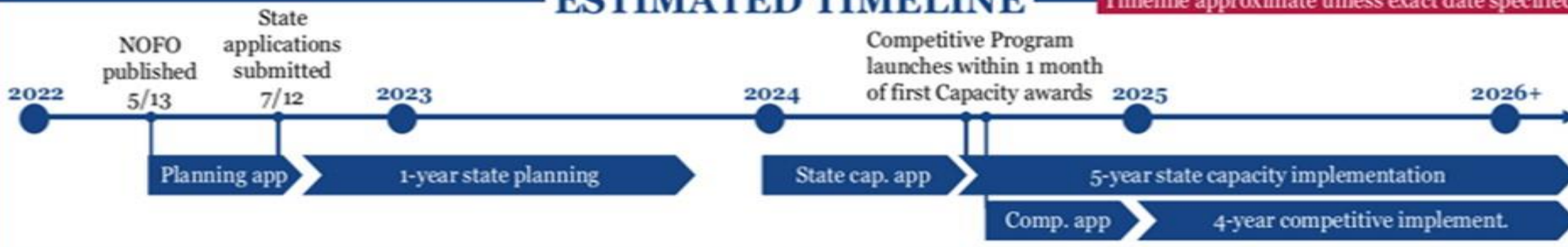
- \$1.25B to implement digital equity and inclusion activities

Example eligible uses of funds across three programs include:

- 🌟 Developing digital equity plans; states must develop a plan to be eligible for state capacity grants
- 🌟 Making awards to other entities to help make digital equity plans
- 🌟 Improving accessibility and inclusivity of public resources
- 🌟 Implementing plans related and activities
- 🌟 Providing digital literacy and digital skills education
- 🌟 Facilitating the adoption of high-speed Internet service

ESTIMATED TIMELINE

Timeline approximate unless exact date specified



Affordable Connectivity Program (FCC)



- Replaced Emergency Broadband Benefit program (ARPA)
- Provides discounts on internet access service for eligible households
- Over 20 million households have enrolled
- Absent Congressional action, ACP funds will be depleted by mid-2024

ARPA Coronavirus State & Local Fiscal Recovery Funds (Treasury)



- Broadband was eligible for American Rescue Plan Act funding – money is likely soon exhausted.
 - Funds are able to be used to cover eligible costs incurred during the period of March 3, 2021 and ends on December 31, 2024
 - Funds must be obligated by December 31, 2024 and must be expended by December 31, 2026
- On August 10, 2023 the Department of Treasury issued an interim 2023 ARPA Rule. This new rule provides for the expansion of ARPA funds for new eligible programs;
 - Emergency Relief from Natural Disasters; Surface Transportation Projects and Title I of the Housing and Community Development Act.
 - (See BBK alert <https://bbklaw.com/resources/la-081123-us-department-of-treasury-updated-arpa-rule>)

Other Broadband funds

NTIA

- Connecting Minority Communities
- Enabling Middle Mile Broadband Infrastructure
- Tribal Broadband Connectivity Program

Treasury

- Capital Improvement Grants (By way of states)

Rural Funds

- FCC E-Rate
- Dept of Agriculture (RUS Funds)

Cyber Security Grant:



- Estimated total funding of \$1 billion budget in 2022: \$185,024,069
- Minimum award size: \$500,000
- A total of 56 grants are anticipated — one for each state and territory.
- Only states and territories are eligible to apply for grant awards under the SLCGP. (The tribal grant NOFO has yet to be announced.)

Cyber Security Grant:



- Local entities receive sub-awards through their states. At least 80% of funds awarded to states must go to local governments, with a minimum of 25% of the allocated funds distributed to rural areas.
- Eligible entities can submit an application via Grants.gov.
- Applications appear to have two minimum requirements: creation of a state Cybersecurity Planning Committee and a completed state Cybersecurity Plan.



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Questions?

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