



August 11, 2025

The Honorable Arielle Roth
Assistant Secretary of Commerce for Communications and Information
U.S. Department of Commerce
1401 Constitution Avenue NW
Washington, DC 20230

RE: State Flexibility to Determine Community Anchor Institutions Under BEAD

Dear Assistant Secretary Roth:

The Schools, Health & Libraries Broadband (SHLB) Coalition<sup>1</sup> and the Benton Institute for Broadband & Society (Benton) write to encourage NTIA to provide states with broad deference and expansive flexibility to determine which locations qualify as a community anchor institution (CAI) under the Broadband Equity, Access, and Deployment (BEAD) program.

The Infrastructure Investment and Jobs Act (IIJA) defines a CAI to mean "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 low-income individuals, unemployed individuals, and aged individuals."<sup>2</sup>

On June 6, 2025, the Commerce Department issued a <u>BEAD Restructuring Policy Notice</u> directing states to adhere to the IIJA definition when designating CAI locations that would be eligible for, and included in, BEAD projects. The guidance also provided that NTIA would both narrowly interpret the term "community support organization" (CSO) and reserve the right to reject any CAI designation. NTIA later issued the <u>Frequently Asked Questions and Answers Version 12</u> (BEAD FAQ Version 12) that limited the scope of locations that qualify as a CSO.

SHLB and Benton appreciate the Department of Commerce continuing to recognize the statutory requirement that CAIs remain an important beneficiary of BEAD funds to help unserved and

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<sup>&</sup>lt;sup>1</sup> SHLB is a broad-based public interest coalition of more than 300 organizations that share the goal of promoting open, affordable, high-quality broadband for anchor institutions and their communities. SHLB members include schools, libraries, representatives of health care providers and telehealth networks, state broadband offices, private sector companies, state and national research and education networks, and non-profit organizations. For a current list of SHLB members, see https://www.shlb.org/shlb-members.

<sup>&</sup>lt;sup>2</sup> 47 U.S.C. §1702(a)(2)(E).

underserved communities and vulnerable populations. We believe, however, that Congress recognized that states are best situated to solve the connectivity challenges facing their communities.

Specifically, while the IIJA definition identifies specific CAI examples such as schools and libraries, Congress also included the much broader term, "community support organization" conferring broad deference and expansive flexibility to states to include organizations as BEAD-eligible CAIs that fulfill comparable public-serving functions and assist vulnerable populations, but that do not fit neatly into one of the listed types (i.e., school, library, health clinic, health center, hospital, or other medical provider, public safety entity, institution of higher education, or public housing organization"). Such CSOs can generally include houses of worship, senior centers, youth development organizations, and job training centers. By including CSOs in the statutory definition, the IIJA recognizes that states, and their cities and towns, know best when deciding where community members gather, learn, and seek care. Accordingly, the IIJA's definition was intentionally expansive and flexible, and the specific institutions listed were illustrative and not limiting.

Yet the BEAD FAQ Version 12 more narrowly defines a CSO to mean an organization that is "located in a government-owned facility that provides publicly accessible Internet service and currently offers digital skills training." We are concerned that this determination: i) could result in eliminating critical CAI locations from BEAD project areas, which could disadvantage rural and urban unserved and underserved areas, and ii) removes the broad deference and expansive flexibility Congress provided to states to determine BEAD-eligible CSO locations.

First, by narrowing the eligibility requirements, CSOs that could otherwise fulfill the BEAD Program's goals are now at risk of being left out. For example:

- Some communities—particularly rural ones—may be far away from a community anchor institution like a school or library. Instead, residents often rely on places like houses of worship or senior centers as gathering spaces that serve as de facto CAIs. These organizations (which can also include government agencies) may not operate within government-owned buildings, yet they connect vulnerable populations to the Internet and assist with online tasks like accessing government services, searching for jobs, and attending virtual medical and legal appointments.
- CSOs that offer critical services may not currently have the adequate bandwidth to offer unlimited public access to the Internet or facilitate digital skills training—whether at all or on a continuous basis. With BEAD investment, however, these organizations can become ideal sites for digital opportunity initiatives offering periodic training (such as workshops) or more formal, consistent programs with dedicated staffing and technical support. NTIA's requirement that CSOs "currently" provide publicly accessible Internet service and digital skills training forecloses the ability of existing CAIs to expand their services.

<sup>&</sup>lt;sup>3</sup> BEAD Frequently Asked Answers and Questions Version 12 § 2.27.

Second, the text of the IIJA does not explicitly define a CSO by using the qualifying conditions that NTIA is now requiring. By "qualifying conditions", we refer to "located in a government owned facility," and provision of "publicly accessible Internet service and currently offers digital skills training." Rather, the statute only provides that a CSO must "facilitate greater use of broadband service by vulnerable populations, including low-income individuals, unemployed individuals, and aged individuals." This language does not indicate that Congress intended to limit the CSO designation using the qualifying conditions that only those organizations "located within a government owned facility that provides publicly accessible Internet service and currently offers digital skills training" would be considered BEAD-eligible.

In accordance with the intent behind the IIJA, which empowers states to develop and implement broadband deployment plans that best fit the needs within their own borders, we urge NTIA to defer to states' expertise and knowledge of their communities when making decisions about what locations fit the definition of CAI (either as one of the enumerated statutory examples or as a community support organization allowed under the statute). Such broad deference and expansive flexibility will conform NTIA's policies with the intent of the IIJA and ensure that BEAD projects more completely respond to the direct and sometimes unique needs of communities and enhance the efficiency of broadband deployment in all underserved and underserved areas.

Thank you for your consideration and for NTIA's essential work in helping to close the digital divide.

## Respectfully,

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<sup>&</sup>lt;sup>4</sup> See e.g. 47 U.S.C. §1702(e)(1)(D)(i) (mandating states that receive program funding to submit a 5-year action plan, which shall "be informed by collaboration with local and regional entities" and detail "investment priorities and associated costs" and "alignment of planned spending with economic development, telehealth, and related connectivity efforts.").

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cc.:

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