



Arizona Broadband Overview

Jeff Sobotka

State of Arizona Broadband Director

June 22, 2022

Infrastructure Act* creates ~\$65B in BROADBAND funding

NTIA will administer ~\$48B of this new funding				FCC to administer ~\$14B
BEAD	DIGITAL EQUITY	TRIBAL	MIDDLE MILE	\$14.2B <i>For Affordable Connectivity Program, which will replace the EBB program</i>
\$42.45B	\$2.75B	\$2.00B	\$1.00B	USDA to administer \$2B
Title I - Broadband Equity, Access & Deployment Program	Title III - Digital Equity Act	Title II - Tribal Connectivity Technical Amendments	Title IV - Enabling Middle Mile Broadband Infrastructure	\$2.0B <i>Via the Rural Utilities Service</i>
Formula-based grant program for U.S. states and territories. BEAD aims to close the access gap for unserved & underserved areas of the country.	Three programs, established for planning & implementation of programs that promote digital equity, support digital inclusion activities, and build capacity related to the adoption of broadband.	Furtheres current Tribal Broadband Connectivity Program by investing an additional \$2B to fund broadband adoption and infrastructure projects.	Provides funding to extend middle mile capacity to reduce cost of serving unserved and underserved areas and enhance network resilience.	Private Activity Bonds \$600M <i>Authorizes State/local gov'ts to use private activity bonds for rural broadband</i>

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



Arizona IIJA Funding Allocation

5% Available for upfront planning; 2% for administration

Program	US Total (\$B)	Federal Agency	Purpose	Timing	State Share (\$M)	Non-Fed Match	How States Can Distribute	What needs to be done to access
F BEAD Connectivity Grant Program (Broadband Equity Access & Deployment Program)	\$38.2	Commerce (NTIA)	Fund broadband in unserved (<25/3) then underserved (<100/100) areas	4 years	\$833	25%	Discretionary to self, carriers, govts, not for profits, coops; Several models exist – mostly grants and middle mile	Submit LOI, 5-year plan, initial proposal; must include mapping, implementation plan, timeline and resources; must deploy funds within 4 years
C Bead Connectivity High-Cost Area Grant Program	\$4.25	Commerce (NTIA)	Fund same as above in high-cost areas	Avail until spent	\$103	0%	Discretionary to self, carriers, govts, not for profits, coops	Apply and justify high costs
O Affordable Connectivity Program – EBB Lifeline Expansion	\$14.1	FCC	Subsidize households you can't afford monthly fees (\$30/mo; 5 years)	Avail until spent	\$344	0%	Funds go directly to carriers	Leading jurisdictions facilitate application by households by coupling application support with school lunch program for example
F C Digital Equity Programs	\$2.75	Commerce	Fund efforts to educate around digital resources, PE Planning grants, CE Capacity and Competitive grants	Avail until spent	\$63	10%	Self, foundations, NGOs, community	Apply and compete; Planning grant application (formula) due Q2 2022
C Broadband Reconnect Program (was Rural Grant and Loan Program)	\$2	USDA	Fund and finance rural broadband	Avail until spent	\$80	0%	Self, territories, tribes, locals, not for profits, corporations	Apply and compete; Due Q3 2022
F Tribal Connectivity Program	\$2	Commerce	Fund broadband on tribal land	4 years	\$150	0%	Tribes, locals, not for profits, corporations	TBD
C Middle Mile Broadband Infrastructure	\$1	Commerce	Improve resilience; fund middle mile projects	Avail until spent	\$25	5%	Self, territories, tribes, locals, not for profits, corporations	Application due Q2 2022
F Private Activity Bonds	\$0.6	DOT	Loan Program	Avail until spent	\$17	0%	Corporations and P3s	Structure and Apply

F Formula **C** Competitive **O** Other

Arizona IIJA Funding 2022

BEAD (I/li) | 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

- 1 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

BEAD (I/II) | States and U.S. territories are eligible for funding, with legislation specifying eligible activities

ELIGIBLE ENTITIES

"Eligible entity" for this program refers to **all 50 U.S. States and U.S. Territories** (including the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands)

*If an eligible entity fails to submit, or fails to gain approval for, a 'covered application' (LOI, initial proposal or final proposal) by the relevant deadline, a **political subdivision, or consortium of political subdivisions** of the entity, may submit a covered application*

ELIGIBLE COSTS & ACTIVITIES

Planning / pre-deployment funds (no more than 5% of min. allocation)

- Research & data collection
- Budget development
- Publications, outreach & communication support
- Provision of technical assistance
- Employee training for eligible entity or political subdivision staff
- Establishing capacity in the eligible entity's office responsible for program

Grant / deployment funds

- Unserved & underserved area service projects
- Connecting eligible community anchor institutions
- Data collection, broadband mapping & planning
- Broadband adoption (incl. affordable device provision)
- Installing internet/Wi-Fi infrastructure (or providing reduced cost broadband) in multi-family residential building

Eligible entities can use no more than 2% for administrative purposes

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."

PROGRAM/S PRIORITIES

- > **Veterans**
- > Individuals living in households **earning at or below 150% of the poverty line**
- > **Aging** individuals
- > **Incarcerated** individuals
- > Individuals with **disabilities**
- > Individuals with a **language barrier**
- > Individuals who are members of a **racial or ethnic minority group**
- > Individuals who primarily reside in **a rural area**

PROGRAMS CREATED

State program

State Planning Grant Program (\$60M)



State Capacity Grant Program (\$1.44B)

Comp. program

Competitive Grant Program (\$1.25B)

Created once state implementation grants begin being awarded

Note: funding amounts inclusive of all administrative set-asides

DIGITAL EQUITY (II/IV) | The first program creates \$60m for state digital equity planning

State Planning Grant Program

OVERVIEW

Official name: State Digital Equity Planning Grants

Funding pool: \$60M

Type of program: State and Territory formula program

Programs' objective:
Ensure States have the capacity & appropriate plans to achieve digital equity & support digital inclusion

ELIGIBILITY

"Eligible entities" for this program are any U.S. State, the District of Columbia & Puerto Rico. State Governors must appoint an 'administering entity', which can be one, or a partnership of:

- The State, political subdivision, agency, or instrumentality of State
- An Indian Tribe, Alaska Native entity or Native Hawaiian organization located in the State
- A foundation, corporation, institution, association, or coalition that is a not-for-profit, not a school, and is providing services in the State;
- A community anchor institution (not a school) located in the State.
- A local educational agency that is located in the State.
- An entity located in the State that carries out a workforce development program.
- An agency of the State that is responsible for administering or supervising adult education and literacy activities in the State.
- A public or multi-family housing authority that is located in the State.

ELIGIBLE COSTS

Grant funds awarded for planning can only be used for the following purposes

- To develop the Stage Digital Equity Plan
- To make subgrants to any eligible entities to assist in the development of the State Digital Equity Plan

Note: funding amounts inclusive of all administrative set-asides

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

Note: funding amounts inclusive of all administrative set-asides

DIGITAL EQUITY (iV/iV) | once NTIA begins awarding state capacity grants, competitive program will be launched

Competitive Grant Program

OVERVIEW

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

ELIGIBILITY

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, to benefit covered population/s

- 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

Note: funding amounts inclusive of all administrative set-asides