IIJA BROADBAND PROGRAMS UPDATE

1. Broadband Equity, Access & Deployment (BEAD) Program
2. Digital Equity Programs
3. Tribal Connectivity Technical Amendments
4. Enabling Middle Mile Broadband Infrastructure
Infrastructure Investment and Jobs Act Update (H.R. 3684)

Timeline Update

Enabling Legislation

BEAD Program

Digital Equity

Tribal Connectivity

Middle Mile
**INFRASTRUCTURE ACT** CREATES ~$65B IN BROADBAND FUNDING

<table>
<thead>
<tr>
<th><strong>NTIA will administer ~$48B of this new funding</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BEAD</strong></td>
</tr>
<tr>
<td><strong>$42.45B</strong></td>
</tr>
<tr>
<td><em>Title I - Broadband Equity, Access &amp; Deployment Program</em></td>
</tr>
<tr>
<td><strong>MIDDLE MILE</strong></td>
</tr>
<tr>
<td><strong>$1.00B</strong></td>
</tr>
<tr>
<td><em>Title IV - Enabling Middle Mile Broadband Infrastructure</em></td>
</tr>
<tr>
<td><strong>DIGITAL EQUITY</strong></td>
</tr>
<tr>
<td><strong>$2.75B</strong></td>
</tr>
<tr>
<td><em>Title III – Digital Equity Act</em></td>
</tr>
<tr>
<td><strong>TRIBAL</strong></td>
</tr>
<tr>
<td><strong>$2.00B</strong></td>
</tr>
<tr>
<td><em>Title II - Tribal Connectivity Technical Amendments</em></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>FCC to administer ~$14B</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$14.2B</strong></td>
</tr>
<tr>
<td>Affordable Connectivity Program</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>USDA to administer $2B</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$2.0B</strong></td>
</tr>
<tr>
<td>Via the Rural Utilities Service</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Private Activity Bonds</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$600M</strong></td>
</tr>
<tr>
<td>Authorizes State/local gov’ts to use private activity bonds for rural broadband</td>
</tr>
</tbody>
</table>

* Infrastructure Investment and Jobs Act, Division F, Pub. L. 117-58 (Nov. 15, 2021)
Note: funding amounts inclusive of all administrative set-asides
IIJA Timeline Update (H.R. 3684)

Estimated Timeline

May 2022  
NTIA Notice of Funding Opportunity for BEAD Program
Montana provides Letter of Intent
NTIA approves $5 million for predeployment
State prepares 5 year action plan for BEAD Program

Early 2023  
FCC issues national Broadband DATA Map
(Montana Legislative Session)

Early 2023  
NTIA issues invitation for Initial Proposal including 5 year action plan
State submits Initial Proposal
NTIA releases 20% of total funding
State opens application window
State prepares awards for NTIA funding in MT
State submits Final Proposal with selected
awards for NTIA review, timeline, and oversight procedures
NTIA approves Final Proposal and releases
remaining 80% of funding
State awards funding and begins monitoring and reporting.
**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*
**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."

**PROGRAMS CREATED**

<table>
<thead>
<tr>
<th>State program</th>
<th>Comp. program</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Planning Grant Program ($60M)</td>
<td>Competitive Grant Program ($1.25B)</td>
</tr>
<tr>
<td>State Capacity Grant Program ($1.44B)</td>
<td>Created once state implementation grants begin being awarded</td>
</tr>
</tbody>
</table>

**Programs' objective:**

- **State program:** To support the implementation of State Digital Equity Plans and digital inclusion activities
- **Comp. program:** Support efforts to promote digital inclusion, achieve digital equity & improve adoption of broadband

*Note: funding amounts inclusive of all administrative set-asides*
## 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

1. Adding $2 billion for NTIA to distribute to eligible entities, including to fund previously-proposed programs  
2. 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  
3. Allowing infrastructure grantees to expend up to 2.5% total project cost for related planning, feasibility and sustainability studies  
4. Preserving unused allocated funds for other Tribal broadband projects instead of reverting back to the Treasury

---

Note: funding amounts inclusive of all administrative set-asides
# 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

1. 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"

---

**Note:** funding amounts inclusive of all administrative set-asides
REQUEST FOR COMMENT (RFC)

NTIA is requesting public comment on a wide range of policy and program considerations associated with the new grant programs authorized and funded by the Infrastructure Investment and Jobs Act (IIJA). Commenters are encouraged to address any or all the questions enumerated in the RFC.

**Comments Due:** February 4, 2022 by 5:00pm ET

Please Submit Comments through Regulations.gov
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!

All Listening Sessions are from 2:30-4 pm ET

January 26, 2022
February 9, 2022
February 23, 2022

For more information about upcoming listening sessions:
https://broadbandusa.ntia.doc.gov/events/latest-events
ConnectMT Agenda

- Statewide Broadband Map Update
- Application Timeline Update
- Application Policy Decision
- ConnectMT Challenge Process Decision
- ConnectMT Penalties Policy Decision
- Project Maximum Award Decision
- Lookback Provision as Eligible Match Decision
Statewide Broadband Map

Lightbox Parent, L.P.

State of Georgia Example

Locations at GIS Level Designation
Served
Unserved
Frontier
Underserved

Periodic Updates to Map
LightBox Service
Montana – Proposed Solution Snapshots
January 25, 2022
Location Snapshot Example

Address: 923 Choteau Ave
City: Valier
State: MT
Zipcode: 59486
County: Pondera
Federal program (RDOF): Y
Serviceability: Served

Slide 14
Boundary Snapshot Example

<table>
<thead>
<tr>
<th>County</th>
<th>Yellowstone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Served</td>
<td>65,789</td>
</tr>
<tr>
<td>Unserved</td>
<td>4,279</td>
</tr>
<tr>
<td>Underserved</td>
<td>3,469</td>
</tr>
<tr>
<td>Frontier</td>
<td>347</td>
</tr>
<tr>
<td>Total</td>
<td>73,884</td>
</tr>
<tr>
<td>Eligible %</td>
<td>11%</td>
</tr>
</tbody>
</table>
## Application Timeline Update

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/7/22-4/8/22</td>
<td>Statewide Application window</td>
</tr>
<tr>
<td>2/8/22</td>
<td>Application Webinar</td>
</tr>
<tr>
<td>4/13/22</td>
<td>Applications available for public review</td>
</tr>
<tr>
<td>4/14/22-5/12/22</td>
<td>30 day Challenge period</td>
</tr>
<tr>
<td>5/27/22</td>
<td>DOA responses to challenges</td>
</tr>
<tr>
<td>5/30/2022-6/3/22</td>
<td>Applicants open to modify applications</td>
</tr>
<tr>
<td>June 2022</td>
<td>Receive ARPA funds from US Treasury</td>
</tr>
<tr>
<td>6/4/22 – 6/30/22</td>
<td>Review eligible applications &amp; determine awards</td>
</tr>
<tr>
<td>6/30/22</td>
<td>Obligate and announce awards</td>
</tr>
</tbody>
</table>
Application Policy Decision

Application was approved prior to scoring chart approval in last meeting.

Page 5 of the Application Guide changed:

“Middle Mile Open Network Requirements.

- Interconnection: Recipients may allow interconnection to grant-funded facilities at any technically feasible point along the network (without exceeding current or reasonably anticipated capacity limitations). This duty includes, at a minimum, the physical interconnection of the recipient’s facilities to a requesting party’s facilities for the exchange of traffic. In addition, recipients may connect to the public Internet directly or indirectly and provide requesting parties with an ability to connect to the Internet. Rates and terms for interconnection shall be reasonable and nondiscriminatory.

- Negotiate in Good Faith: Recipients may negotiate in good faith with all requesting parties (i.e., public, private, nonprofit, or other parties) making a bona fide request for interconnection or wholesale services.

- Wholesale Broadband Services: The ConnectMT Program encourages recipients to offer wholesale broadband services at rates and terms that are reasonable and nondiscriminatory.”
ConnectMT Challenge Process Background

Online Challenge Submission
Similar to Application

2 options to offer challenge
A. Currently served locations at SB297 definition
B. Approved State (Tribal) or Federal funding obligated to serve locations

“The challenge must also include a new proposal that identifies improvements or increases in broadband speed, lower cost, area coverage, or completion date relative to the submitted proposals.”
ConnectMT Challenge Process Decision

ConnectMT Program is required to conduct an independent departmental review

Steps may include:
Engineer technical review
Cross reference to statewide broadband map
Service Area Validation (field site visit)
Reference to FCC/USDA/NTIA/local government body

Responses due to Challenger within 15 days of receipt

Add 5 days for Commission input?
ConnectMT Penalty Provisions Decision

SB297: The department shall create procedures including penalties associated with any failure to comply with the provisions of the awarded contract without reasonable cause.

Items for consideration:
**During Construction**: 10% retainage of project costs

**Timeline for buildout**: Failure to complete without prior approval of extended timelines.

**Scoring chart**: If scored as part of basis for decision, penalty for failure to deliver on scored item.

**Speed and locations**: failure to deliver through monitoring and federal audits through 5 years once buildout is complete.
Project Maximum Award Decision

Should the state establish a maximum allocation for each project award?

If so, how much should the maximum be?

Each state has varying limits primarily based on the amount of funding that state has dedicated toward broadband.
Project Maximum Award (Background)

2019 USDA ReConnect average grant awards
(44 grant only projects for $254 million to 55,687 locations)
5,600 population; 2,130 locations average area
$7.3 million project; $5.8 million grant; $1.5 million match
41 Fiber to the Premises projects; 3 Fixed Wireless
$5,100 Fiber to the Premises average cost per location in US
$8,000 Fiber to the Premises average cost per location in West
$1,600 (NM) to $29,000 (SD) fixed wireless cost per location

Fiber to the Premises (MT) - $31,000 per location
$4.5 million project cost
(142 locations, population 250)

$19,000 per mile aerial fiber average cost
$30,000 per mile underground fiber average cost
## Project Maximum Award Decision Options

<table>
<thead>
<tr>
<th></th>
<th>Option A</th>
<th>Option B</th>
<th>Option C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum Award per Project</td>
<td>$10 million</td>
<td>$25 million</td>
<td>$266 million</td>
</tr>
<tr>
<td># Projects (minimum)</td>
<td>26</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Project cost</td>
<td>$12.5 million</td>
<td>$31 million</td>
<td>$320 million</td>
</tr>
<tr>
<td># of locations per project</td>
<td>1,000 to 4,000</td>
<td>2,500 to 10,000</td>
<td>11,000 to 42,000</td>
</tr>
</tbody>
</table>

Assumption:
$8,000 Fiber to the Premises average cost per location in West
A potential applicant posed the question: “Will the ConnectMT Program allow applicants to use previously expended capital infrastructure as a match for a current application?”

The ConnectMT Program recommends that we do not include a lookback provision.

ARPA Commission has not allowed lookback provisions for other infrastructure awards.
Lookback Provision as Eligible Match

Examples:

Wyoming & Arizona: do not allow any lookback

Virginia:
   CARES Act or local funds directly related to project.
   Allowed to go back to June 17, 2020.
   Show proof of expenditures in application.