Glenn Hegar Texas Comptroller of Public Accounts

Broadband Development Office Board of Advisors

June 2022

TEXAS BROADBAND DEVELOPMENT OFFICE

BroadbandforTexas.com

Agenda
Meeting of the Broadband Development Office Board of Advisors
June 1, 2022

I. Call to Order and Roll Call

II. Adoption of Minutes from May 3, 2022, meeting of Broadband Development Office Board of Advisors (BDOBOA)

III. Overview of the Notice of Funding Opportunity (NOFO) by the National Telecommunications and Information Administration (NTIA) for the Infrastructure Investment Jobs Act (IIJA)

   a. Review of the Broadband Equity, Access, & Deployment (BEAD) Program

   b. Review of the Digital Equity Act (DEA).

IV. Discussion on affordable broadband service in Texas

V. Public comment

VI. Adjournment

NOTICE FOR PERSONS WITH DISABILITIES

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, also non-English-speaking persons who may need assistance are requested to contact Mr. Greg Conte at broadband@cpa.texas.gov, at least two (2) working days prior to the meeting so that the appropriate arrangements may be made.

PUBLIC COMMENT

A member of the public wishing to provide comment should send a request to broadband@cpa.texas.gov by the day before the meeting or to the meeting host through Webex after the meeting starts prior to the comment period with their name and the organization represented. Individuals wishing to provide public comment will be recognized by the Chair during agenda item V. All public comments are limited to 3 minutes per person and cannot be extended by using someone else's unused minutes.

TEXAS BROADBAND DEVELOPMENT OFFICE

Board of Advisors
June 2022

Comptroller Glenn Hegar
Texas Comptroller of Public Accounts
Chair

Representative Trent Ashby
Representative for House District 57
Appointed by Speaker of the House Dade Phelan on April 14, 2022

Mr. Alonzo Cantu
Chairman and CEO of Cantu Construction
Appointed by Speaker of the House Dade Phelan on April 14, 2022

Mr. Sergio Contreras
President/CEO of the Rio Grande Valley Partnership
Appointed by Lt. Gov. Dan Patrick on December 22, 2021

Ms. Adriana Cruz
Executive Director of the Governor's Economic Development and Tourism Office
Appointed by Gov. Greg Abbott on December 9, 2021

Mr. Robert McGee
Senior Vice President of Telecom for Qunta
Appointed by Lt.Gov. Dan Patrick on December 22, 2021

Dr. Scott Muri
Superintendent of Ector County ISD
Appointed by Lt. Gov. Dan Patrick on December 22, 2021

Ms. Mari Robinson
Director of Telehealth with the University of Texas Medical Branch
Appointed by Speaker of the House Dade Phelan on April 14, 2022

Mr. Gregory Conte
Director of Broadband Development Office
Non-voting member

board will meet every other month. The dates and time so the next five meetings were included in the meeting materials.

Meeting adjourned at 3:13 PM.

THE BROADBAND EQUITY, ACCESS AND DEPLOYMENT (BEAD) PROGRAM OVERVIEW

FUNDED BY THE BIPARTISAN INFRASTRUCTURE LAW

Where we are today...

Many Americans lack access to affordable, reliable, high-speed Internet

America runs on high-speed internet. A strong internet connection powers our economy and supports education. It fosters better public health. And, it connects loved ones and strengthens social ties. But not everyone is connected. Too many Americans are cut off from the opportunities that high-speed internet makes possible. That's why we're working to bring high-speed internet to all Americans.

... and where we're going

The BEAD Program includes $42B for high-speed Internet access

Funded by the Bipartisan Infrastructure Law, BEAD is a federal grant program that aims to get all Americans online by funding partnerships between states or territories, communities, and stakeholders to build infrastructure where we need it to and increase adoption of high-speed internet. BEAD prioritizes unserved locations that have no internet access or that only have access under 25/3 Mbps and underserved locations only have access under 100/20 Mbps.

Select BEAD program details

Eligible entities

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

Example eligible uses of funds

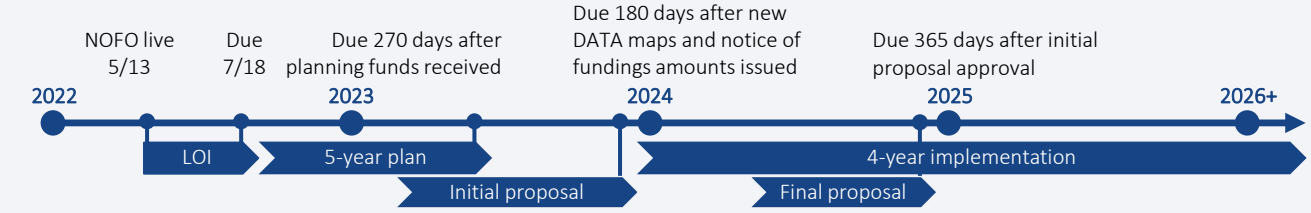
1. Planning for the deployment of high-speed Internet, including conducting research, collecting data, outreach, and training
2. Deploying or upgrading Internet in unserved or underserved areas or improving service to community anchor organizations
3. Installing Internet and Wi-Fi in multi-unit residential buildings
4. Adoption and digital equity programs
5. Workforce development programs and vocational training

Ways to get involved

Eligible entities must conduct coordination with local governments, Tribes, community orgs, and individuals within their jurisdiction. Members of the public are encouraged to contact U.S. states, the District of Columbia, Puerto Rico, and territories to learn about more ways to get involved.

Timeline

Timeline approximate unless exact date specified



IIJA/BEAD Program

- Broadband Equity, Access, and Deployment (BEAD)
- Administered by NTIA
- $42.5 billion nationwide, $100 million per state minimum pending new FCC Maps
- Purpose: support universal access by funding partnerships between states, communities, and stakeholders to build infrastructure where needed and increase adoption.

IIJA/BEAD Program

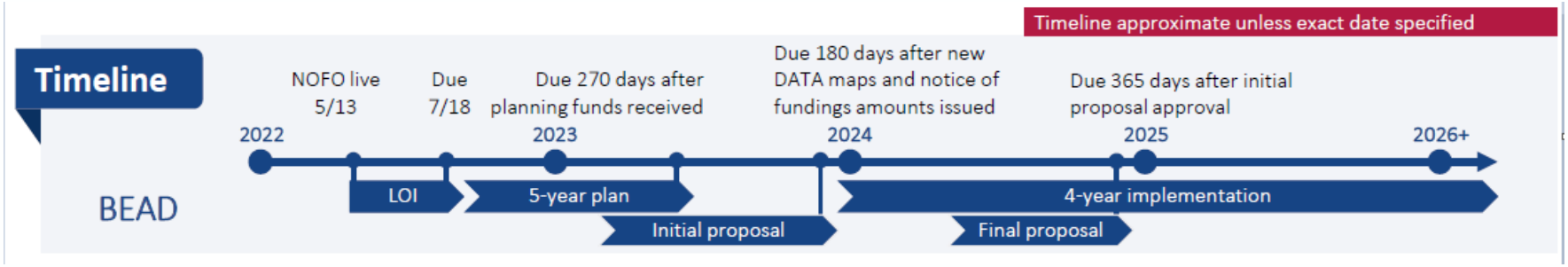
- Use of funds:
  - Block grants to states to implement competitive grant process
  - Last-mile broadband deployment projects
  - NTIA prescribes a robust subgrantee selection process
  - Cascading priorities:
    1. Unserved areas (lack 25/3 Mbps)
    2. Underserved areas (lack 100/20 Mbps)
    3. Community Anchor Institutions (lack 1/1 Gbps)

IIJA/BEAD Program

- Program Sequencing
  - States submit Letter of Intent (July 18)
  - States request for Initial Planning Funds (Aug 15)
  - States develop and submit a Five-Year Action Plan
  - NTIA issues a Notice of Available Amounts for each state
    - Pending FCC Maps (late-2022)
  - States submit an initial proposal
  - States undergo a challenge process
  - States conduct a subgrantee selection process
  - NTIA releases 20% funding
  - States submit final proposal and receive remaining funds

IIJA/BEAD Program

- Program Timeline:



IIJA/BEAD Program

- Programmatic requirements for states:
  - Consider all provider types
  - Ensure subgrantee accountability
  - Confirm extensive local coordination
  - Equitable and nondiscriminatory distribution of funds
  - Fair labor practices
  - Advance workforce development objectives
  - Civil rights and nondiscriminatory laws
  - Climate resiliency

IIJA/BEAD Program

- Subgrantee obligations per NTIA:
  - Network capabilities
    - Speed: ≥100/20 Mbps (≥1/1 Gbps for CAIs)
    - Latency: 95% below 100 milliseconds round trip
  - Deployment requirements
    - Deploy and begin service not later than 4 years after subgrant received
  - Cost Sharing/Matching
    - ≥ 25% of project costs
    - includes in-kind contributions
    - waived in “high cost” areas

IIJA/BEAD Program

- Subgrantee obligations per NTIA:
  - Service obligations
    - Offer a low-cost and a middle-class affordability plan
    - Participate in ACP and subsequent affordability programs
    - Do not impose data usage caps
    - Conduct awareness campaigns to increase adoption
    - Permit interconnection for middle mile infrastructure receiving funding
    - Adhere to baseline requirements related to cybersecurity and supply chain

IIJA/BEAD Program

- Criteria for Reliable Broadband Service:
  - fiber optic
  - cable modem/hybrid fiber coax technology
  - digital subscriber line (DSL)
  - fixed wireless
    - entirely licensed spectrum
    - hybrid of licensed and unlicensed spectrum.
  - locations served exclusively by satellite or entirely unlicensed spectrum will be considered “unserved.”

IIJA/BEAD Program

- Eligible use of funds for last-mile broadband projects:
  - Construction, improvement, and/or acquisition of facilities and equipment including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings.
  - Long-term leases, including indefeasible right-of-use (IRU) agreements.
  - Deployment of internet and Wi-Fi infrastructure within an eligible multi-family residential building.

IIJA/BEAD Program

- Eligible use of funds for last-mile broadband projects:
  - Engineering design, permitting, and work related to environmental, historical and cultural reviews.
  - Personnel costs
  - Network software upgrades, including cybersecurity solutions.
  - Training for cybersecurity professionals
  - Workforce development

IIJA/BEAD Program

- Other items of note:
  - extensive subgrantee reporting requirements
  - encourages states to relax laws that prohibit broadband expansion, such as bans on municipal networks
  - encourages open access for wholesale last-mile broadband service for the life of the subsidized networks
  - projects may include a single unserved or underserved broadband-serviceable location

IIJA/BEAD Program

- Other items of note:
  - preference to subgrantees pursuing public-private partnerships
  - bank letters of credit and a legal opinion on the lines of credit
  - “Buy America” requirements
  - penalties for non-performance
  - all BEAD funds (and CPF) should be considered taxable income

DIGITAL EQUITY ACT PROGRAMS OVERVIEW

FUNDED BY THE BIPARTISAN INFRASTRUCTURE LAW

Where we are today...

Many Americans lack access to affordable, reliable, high - speed Internet

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... and where we're going

The Digital Equity Act includes $2.75B to drive digital inclusion and equity

Funded by the Bipartisan Infrastructure Law, the Digital Equity Act Programs are planning and implementation 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. The three programs include two state formula programs and one competitive program.

Select Digital Equity programs details

Three federal grant programs

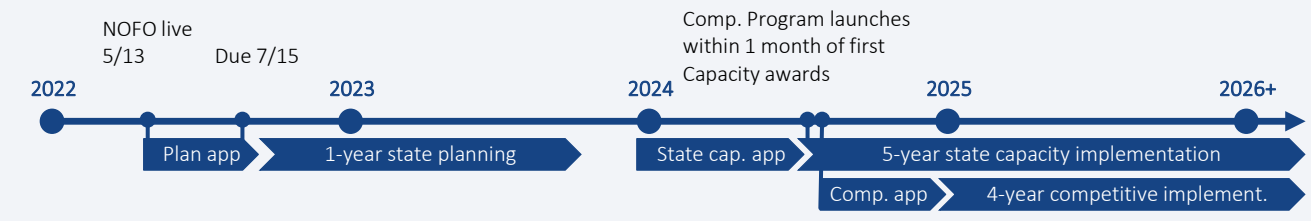
1. State Planning Program: A $60M formula grant program for states, territories, and tribal governments to develop digital equity plans.
2. State Capacity Program: A $1.44 billion formula grant program for states, territories, and tribal governments. It will fund an annual grant program for five years in support of digital equity projects and the implementation of digital equity plans.
   Note: US territories other than Puerto Rico and Tribal / Native entities have separate funding allocations and different programmatic requirements for the State Planning and Capacity Programs
3. Competitive Program: A $1.25 billion competitive grant program. It will fund an annual grant programs for five years to implement digital equity projects. Several types of entities can apply for these funds.

Example eligible uses of funds

1. Develop, implement, and oversee digital equity plans
2. Make awards to other entities to help in developing digital equity plans
3. Improve the online accessibility and inclusivity of public resources
4. Implement digital equity plans and digital inclusion activities
5. Provide digital literacy and skills education to covered populations
6. Facilitate the adoption of high-speed Internet by covered populations

Timeline

Timeline approximate unless exact date specified



IIJA/Digital Equity

- State Digital Equity Planning Grant Program
- Administered by NTIA
- $60 million total; Texas expected to receive $3.1 million
- Purpose: funding for states to develop State Digital Equity Plans, which will identify barriers to digital equity and strategies for overcoming those barriers.
- Plan will be used for the State Capacity program
  - $1.4 billion formula funding program to implement plans & promote digital inclusion
- Applications due by July 18th

IIJA/Digital Equity

- Eligible use of State Planning funds:
  - developing State Digital Equity Plans
  - making subgrants to other entities that help develop the Digital Equity Plan
- Possible uses of State Capacity funds:
  - pursuing digital inclusion activities
  - facilitating adoption of broadband
  - implementing training and workforce development programs
  - making equipment and software for broadband available
  - constructing or upgrading public access computer centers

IIJA/Digital Equity

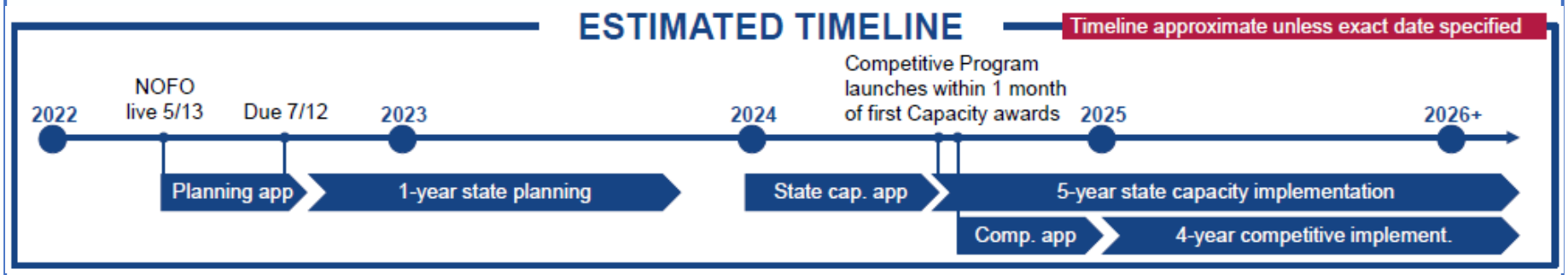
- State Digital Equity Plans must contain:
  - Vision
  - Objectives
  - Barriers to Digital Equity
  - Outreach and Engagement
  - Integration
  - Implementation

IIJA/Digital Equity

- Digital Equity Plans should be closely linked to BEAD
- The Digital Equity Act focuses on addressing the needs of "covered populations" as defined by the statute:
  - Low-income households
  - Aging populations
  - Incarcerated individuals
  - Veterans
  - People with disabilities
  - People with language barriers
  - Racial and ethnic minorities
  - Rural inhabitants

IIJA/Digital Equity

- Program timeline:



TEXAS BROADBAND DEVELOPMENT OFFICE

Resources Page

Broadband Equity, Access, and Deployment (BEAD) Program

https://www.internetforall.gov/program/broadband-equity-access-and-deployment-bead-program

High-speed internet access isn't a luxury. It's needed to fully engage in the economy, and it helps ensure public safety and the health of our nation. Unfortunately, too many in America lack access to affordable, reliable high-speed internet.

The Broadband Equity, Access, and Deployment Program provides $42.45 billion to expand high-speed internet access by funding planning, infrastructure deployment and adoption programs in all 50 states, Washington D.C., Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

Digital Equity Act (DEA) Program

https://www.internetforall.gov/program/digital-equity-act-programs

Too many communities lack access to high-speed internet. Many more can't afford it or don't know how to use it. The divide between those who have internet access and those who don't is stark. To create an equitable economy, we all need access to reliable and affordable high-speed internet.

The Digital Equity Act provides $2.75 billion to establish three grant programs that promote digital equity and inclusion. They aim to ensure that all people and communities have the skills, technology, and capacity needed to reap the full benefits of our digital economy.

Enabling Middle Mile Broadband Infrastructure (MM) Program

https://www.internetforall.gov/program/enabling-middle-mile-broadband-infrastructure-program

Local networks are important for bringing high-speed internet to communities. But local networks aren't enough. They need to connect to robust, high-capacity national and regional networks. Middle mile infrastructure makes this possible. By connecting to major networks, local networks can ensure reliable high-speed internet service for even the most remote communities.

The Enabling Middle Mile Broadband Infrastructure Program provides funding for this vital part of our nation's high-speed network. With $1 billion in funding, the program will reduce the cost of bringing high-speed internet to unserved and underserved communities.