Public Comments: TX BDO Strategic Plan Blueprint

October 30, 2026

To the Texas Broadband Development Office:

Connect Humanity appreciates the opportunity to comment on the September 2026 Strategic Plan Blueprint. We are a nonprofit impact investor and community development lender working to expand access to capital for community-centered digital infrastructure and connectivity solutions in underserved communities. Our work combines financing, investment readiness, and technical assistance with regional planning and digital opportunity initiatives. In Texas, we serve as the backbone organization for the Rio Grande Valley Broadband Coalition, a cross-sector partnership of local governments, internet service providers, educational institutions, healthcare organizations, workforce partners, and community groups across Cameron, Hidalgo, Starr, and Willacy counties.

We share the BDO's commitment to transparency, fiscal discipline, competitive investment, and measurable value for taxpayers. These are important foundations for sustainable broadband deployment. Our experience suggests that the greatest public return comes not only from building networks cost-effectively, but from ensuring that people and businesses can afford and use them, that the infrastructure helps attract additional private investment, and that communities can translate connectivity into lasting economic opportunity.

We offer five recommendations grounded in our experience financing broadband and helping regional partners develop the conditions for successful deployment and use.

1. Set clear adoption goals so the state's infrastructure investment is used

We support the blueprint's focus on public safety, education, and health, as well as efforts to improve access to state digital services. These priorities underscore why broadband is valuable, but they also show why infrastructure alone is insufficient. A student needs an affordable connection and appropriate device to participate in online learning. A patient may need reliable home service and help navigating virtual care. Small businesses need

digital tools and skills to convert connectivity into new customers, greater productivity, and economic resilience.

Texas's 2024 Digital Opportunity Plan established measurable goals for adoption, affordability, devices, and digital skills. The new blueprint largely continues Texas's infrastructure agenda but does not clarify how the Digital Opportunity Plan fits within the state's updated priorities, particularly following changes in federal funding. That leaves an important question for local governments, philanthropy, service providers, and community organizations already investing in complementary programs.

Our experience in the Rio Grande Valley reinforces the value of a coordinated approach. The Coalition's regional plan brings together infrastructure planning, affordable service, devices, digital navigators, workforce development, telehealth, and small-business digitalization. It is designed to ensure that new connections generate actual participation in the digital economy, rather than ending at the network boundary.

Recommendation: We encourage the BDO to clarify the continuing role of Texas's Digital Opportunity Plan, identify which adoption and affordability goals will carry forward, and outline how local, private, philanthropic, and public partners can contribute to those outcomes. This need not require the BDO to directly administer every complementary program.

2. Measure economic ripple effects alongside construction and network performance

We support rigorous reporting on cost per location, project milestones, verified service performance, and compliance. We particularly welcome the blueprint's commitment to track changes in subscription rates after construction as a measure of whether the state's capital investment is being used. These measures help ensure that public resources are spent responsibly. Yet a low construction cost does not necessarily translate into the greatest public value if households cannot afford service or networks experience limited use.

Broadband's economic effects extend beyond network construction. A reliable connection can help a worker gain skills and reach better employment opportunities, enable a small business to adopt online sales or productivity tools, and support the delivery of telehealth and other essential services. Infrastructure can also improve a community's attractiveness for additional investment. We refer to these downstream outcomes as economic "ripple effects": they are part of the case for broadband as economic development infrastructure, even though careful analysis is needed to distinguish broadband's contribution from other influences.

Connect Humanity approaches these questions from both a financing and a community development perspective. We assess whether a project has a sustainable operating model and whether its financial structure and local partnerships will support meaningful take-up. For example, cost per subscribing household can tell a different story than cost per location passed, and the amount of additional private investment mobilized helps reveal whether public dollars are expanding a market or merely replacing capital that would have been invested anyway.

Recommendation: We suggest complementing existing construction metrics with a focused set of indicators for active subscriptions, affordability, sustained adoption, and private investment leveraged. Where practical, the BDO could collaborate with regional partners to track relevant workforce, small-business, and healthcare outcomes using clear baselines and appropriately qualified measures of contribution.

3. Assess middle-mile investment through competition, access, and the private capital it enables

We agree with the BDO that state investments should avoid unnecessary duplication of facilities that the private market can provide on reasonable terms. At the same time, the presence of fiber on a map does not necessarily mean that usable, competitively priced middle-mile capacity is available to smaller last-mile providers. Wholesale access terms, interconnection points, route diversity, network resilience, and the cost of reaching surrounding communities all affect whether existing infrastructure can support new service.

These considerations are especially relevant in South Texas. The RGV Broadband Coalition and local partners have worked on opportunities to extend service into small towns and colonias, where the economics of connecting individual households and institutions can be difficult.

For a region pursuing a community-developed Broadband and Digital Opportunity Plan, the question is not simply whether a route overlaps with another network. It is whether providers can obtain the capacity they need on commercially workable terms, whether an alternate build is genuinely likely to reach communities within a reasonable timeframe, and whether public participation could make additional private investment feasible. Transparent mapping and consistent criteria can help distinguish productive investments from unnecessary duplication.

Recommendation: We encourage the BDO to make the market and mapping factors used in middle-mile evaluations clearer, including the availability and cost of wholesale access,

resilience, and expected private last-mile investment. We would welcome opportunities for affected communities and providers to offer project-specific evidence to inform future decisions.

4. Use existing loan authority and community development finance to build a durable source of private capital

A central objective of the blueprint is to avoid using public funds where private capital can deliver the intended outcome. We agree. In underserved markets, however, a viable broadband project can struggle to attract conventional financing because of its relatively small scale, limited collateral, substantial upfront costs, or a mismatch between available financing terms and the long-term cash flow of infrastructure.

These are challenges Connect Humanity works to address. Our community development finance approach pairs flexible capital with business planning, financial modeling, project development, and investment-readiness assistance. In the right circumstances, this combination can help smaller community-centered providers reach financial sustainability and attract other lenders or investors. It can also help distinguish projects that need one-time grant support from those capable of supporting recoverable financing.

Section 490I.0106(a) authorizes the BDO to award "contracts, grants, low-interest loans, and other financial incentives," and Section 490I.0106(a-2) extends that authority to middle-mile projects. Partnering with competitively selected CDFIs, community development lenders, and banks could let the state put that authority to work without building a lending operation of its own. Practical options include reimbursement bridge financing, so smaller providers can carry construction costs between reimbursement draws on state-funded projects; credit enhancement, such as loan-loss reserves or partial guarantees, that draws bank and CDFI lending into projects the private market will not yet finance alone; and patient or subordinated loans for projects with repayment capacity but insufficient scale or collateral for conventional terms. Recoverable capital does not replace grants where repayment is impractical.

This approach also answers a longer-term fiscal question. Grant programs are one-time: CPF funds must be spent by 2027, BEAD deployment awards have been made, and the Broadband Infrastructure Fund expires in 2035. The networks they build will need maintenance, upgrades, and expansion for decades. Texas does not need to remain the funder of last resort for that work. Community development finance—CDFIs, banks seeking Community Reinvestment Act credit, and impact investors—can supply private capital in markets conventional lenders avoid. A modest, well-structured state role would build that market's capacity to underwrite broadband. Unlike grants, recoverable capital is repaid and redeployed. It creates no recurring obligation the state would inherit, and it

leaves Texas with a private financing base that can fund future builds and upgrades without new appropriations.

Recommendation: We encourage the BDO to use its existing authority under Section 490I.0106 to award low-interest loans and other financial incentives, and to deliver them in partnership with CDFIs, community development lenders, banks, and impact investors selected through an open and competitive process. This could include reimbursement bridge financing, credit enhancement, and patient or subordinated loans, with public reporting on private capital mobilized, repayment, and affordability outcomes.

5. Build on established regional partnerships to improve planning and implementation

We welcome the BDO's proposed regional contacts, coordination with Councils of Governments, improved public mapping, and transparent challenge processes. These steps can support more informed decisions and stronger accountability. Their effectiveness will be enhanced when the state can draw on existing partnerships that connect infrastructure planning to economic development and community use.

The Rio Grande Valley Broadband Coalition provides one such model. It brings together local governments, providers, healthcare and education organizations, workforce systems, and community institutions around a regional broadband and digital opportunity strategy. These partners can help identify practical service gaps, inform prospective investments, connect residents and businesses with relevant programs, and track whether networks support the outcomes communities seek. Their work can complement, rather than duplicate, the role of the region's Council of Governments and its economic development planning.

Community-level evidence is particularly valuable when provider-reported availability does not match residents' experience of usable service. Healthcare providers, schools, local organizations, and ISPs can help document service quality and obstacles to adoption. A predictable process for considering such information can support both accurate mapping and efficient use of capital.

Recommendation: We encourage the BDO to recognize established regional coalitions as partners alongside Councils of Governments and to provide accessible channels for verified local evidence to inform mapping, investment decisions, and the planned assessments of public safety, education, and healthcare needs.

Conclusion

We appreciate the BDO's commitment to responsible stewardship of broadband resources. The recommendations above share a common purpose: to help Texas realize greater long-term value from its investments by connecting efficient deployment with sustained adoption, additional private capital, and measurable economic benefits.

Connect Humanity would welcome continued dialogue and the opportunity to contribute lessons from our community-centered financing work and our partnership with the Rio Grande Valley.

Sincerely,

Brian Vo
CEO, Connect Humanity