Draft BDO Strategic Plan Blueprint – Requested Modifications

Winkler County and Ward County

Submittal

By: Representative Brooks Landgraf, Texas District 81 | October 26th, 2026

Submitted to the Texas Comptroller of Public Accounts, Broadband Development Office, through the office of State Representative Brooks Landgraf, House District 81, on behalf of Ward County, the City of Monahans, and Winkler County.

Document commented on: Strategic Plan Blueprint, Texas Broadband Development Office, draft dated September 2026 (the "Plan"). Section numbers below are the Plan's.

Position: the commenters support the Plan's fiber priority, competitive award, reimbursement-based disbursement, verified-performance testing, and cost-per-location accountability. As drafted, however, the Plan ties every infrastructure award to the FCC map classification and the 80 percent rule, which leaves counties whose locations are reported as served by fixed wireless, including Ward and Winkler, with no path to a state-funded fiber project even where fiber can be delivered at a fraction of the Plan's reference price. The nine modifications below ask the Office to use authority it already holds under Article III, Section 49-d-16 of the Texas Constitution, Government Code Section 403.603, and Government Code Chapter 490I. None requires legislation, none alters FCC classifications or BEAD eligibility, and each is written in the Plan's own terms. For each modification we give the Plan text as drafted, the text requested, and the basis.

Summary of requested modifications

No.	Plan section	Modification requested
1	1.1 Funding Position, BIF bullet	Disclose the uncommitted BIF balance and reserve a named portion for the State Fiber Readiness Program (Modification 5)
2	2. Challenge and protest process	Add a "Burden of substantiation" bullet: provider-side proof for fixed-wireless and satellite served claims, aggregated local-government evidence, stated grounds and a cure period for any rejection
3	2. Transparent rule changes	Name the rules to be re-examined: the 14-day December 2024 challenge window, BEAD reference pricing, and binding state-funded awards to FCC classifications
4	4. Infrastructure Deployment, objective	Define "the gap left unfunded" to include locations reported served solely by non-fiber technology with documented performance or scalability constraints
5	New 4.6	State Fiber Readiness Program: a capped, competitive, reimbursement-based BIF program for shovel-ready fiber-to-the-premises projects in counties where at least 95 percent of locations lack fiber; fixed round appropriation, no county entitlement
6	4.2 Texas Middle Mile	If the TMM is eliminated, direct returned funds to Section 4.6; retain middle-mile awards under 490I.0106(a-2) for county and municipal partners

No.	Plan section	Modification requested
7	6. Pre-award vetting and performance security	Count local-government, school-district and philanthropic capital as match; accept a Texas PE-sealed design in lieu of a second engineering review; keep reimbursement-basis disbursement
8	7. Key Performance Indicators	Add two KPIs: reported-served locations that fail verification, and cost per passing of state-funded fiber against the reference price
9	New 4.6 (eligible costs)	Make fiber-to-the-premises construction in an eligible county begun on or after January 1, 2027 eligible for reimbursement from grant proceeds, whether incurred before or after award, on the same milestone and documentation terms

Modifications 1 to 3: Funding Position, challenge process, rule changes

Modification 1. Section 1.1, Funding Position, "BIF" bullet

Add one sentence at the end of the bullet.

Plan text as drafted (last two sentences of the bullet): "BIF money may be spent without further legislative appropriation. Unexpended or unobligated balances revert to General Revenue when the constitutional provision expires Sept. 1, 2035."

Requested text, added after that sentence: "Of the balance not committed above, the Comptroller's office reserves a portion, stated in the final plan, for the State Fiber Readiness Program described in Section 4.6."

Basis: the bullet lists five commitments totaling about $632 million of the $1.5 billion fund and is silent on the use of the remainder. Naming a reserve is a disclosure consistent with the Plan's transparency objective in Section 2, and it gives Section 4.6 a funding source without touching the Texas Match Assistance Program reserve.

Modification 2. Section 2, after the "Challenge and protest process" bullet

Insert a new bullet.

Plan text as drafted (the existing bullet, in part): "Going forward, the office will go beyond statute to operate a standing challenge mechanism for state-funded programs. Determinations will be posted publicly, including accepted, rejected, and pending, with justification for each decision."

Requested text, as a new bullet immediately following: "Burden of substantiation. Where a broadband serviceable location is reported as served solely by fixed wireless or satellite technology, the office may require the reporting provider to substantiate, within 30 days, that service of at least 100 Mbps download and 20 Mbps upload at 100 milliseconds or less latency is available at that location. A county, municipality, or school district may submit aggregated performance evidence for a defined area, including speed-test distributions, engineering analysis, and sworn statements, in place of location-by-location consumer submissions. Any rejection of a challenge will state the specific deficiency relied on and allow a 30-day cure period before the determination is final."

Basis: in May 2025 the office rejected a challenge covering 1,655 Ward County locations "before the rebuttal phase due to technical requirements" that were never specified, and the FCC's own process accepts challenges only from a resident of each address. A standing mechanism that keeps the burden on

the consumer will produce the same result. The requested bullet applies the Plan's "verified performance" standard (Section 7) to reported coverage before public money is withheld on the strength of it.

Modification 3. Section 2, "Transparent rule changes" bullet

Add one sentence at the end of the bullet.

Plan text as drafted: "Model the BDO's proposed rules change process on other agencies' successful methods of adopting substantive changes to program rules. Post all input received during the public comment period. Examine the necessity and reasonableness of recently changed rules."

Requested text, added after "recently changed rules": "The examination will include, at a minimum, the 14-day challenge window used in December 2024, the reference-pricing method used for BEAD project areas, and the practice of conditioning state-funded infrastructure awards on FCC broadband map classifications where no federal funds are involved."

Basis: the Plan commits to the examination but does not say what will be examined. These three rules are the ones that excluded Ward and Winkler counties from every state program since 2024, and the office told Representative Landgraf's office in February 2026 that it was "actively pursuing rules changes to ease or eliminate the served and underserved address issue." The final plan should say so.

Modifications 4 to 6: Deployment objective, new Section 4.6, Texas Middle Mile

Modification 4. Section 4, Infrastructure Deployment, objective paragraph

Replace the second sentence.

Plan text as drafted: "Additionally, address the gap left unfunded by that proposal in a way that maintains the BDO's mission of delivering service while maintaining fiscal discipline and wisely stewarding taxpayer resources."

Requested text: "Additionally, address the gap left unfunded by that proposal, including locations in counties outside the BEAD award footprint that are reported as served solely by non-fiber technology and for which documented performance or scalability constraints exist, in a way that maintains the BDO's mission of delivering service while maintaining fiscal discipline and wisely stewarding taxpayer resources."

Basis: Section 4.1 defines the residual gap as about 2,000 BEAD-eligible locations. Ward and Winkler counties are outside the BEAD footprint entirely, with 65,977 Texas locations assigned to satellite and 53,653 to fixed wireless under the approved final proposal. The objective should name the gap the Plan otherwise leaves unaddressed.

Modification 5. New Section 4.6, State Fiber Readiness Program

Insert after Section 4.5. Requested text, in full:

"4.6 State Fiber Readiness Program

Using Broadband Infrastructure Fund balances reserved under Section 1.1, including any funds returned from the Texas Middle Mile Program, the office will administer a capped, competitively awarded program for shovel-ready fiber-to-the-premises projects.

Eligible counties. A county with a county seat of 5,000 to 25,000 residents in which, according to the FCC Broadband Data Collection vintage in effect on the date a notice of funds availability is published, at least 95 percent of broadband serviceable locations lack access to fiber-to-the-premises service.

Eligible locations. Broadband serviceable locations in an eligible county that are not served by fiber-to-the-premises service, without regard to their classification under Section 490I.0105.

No entitlement. The program is funded by a fixed appropriation stated in each notice of funds availability and is not an entitlement. Applications are scored and ranked competitively; awards are made in rank order only to the extent of the funds appropriated for that round; and no county or applicant acquires a right to an award by meeting the eligibility tests.

Award terms. Awards are conditional, disbursed on a reimbursement basis against milestones, subject to audit and clawback under Section 6, and capped per location at a figure published in the notice of funds availability. Priority goes to projects with engineering substantially complete, an identified operator, and committed local, county, school-district, or philanthropic capital.

Eligible costs. Costs of fiber-to-the-premises construction in an eligible county on which construction begins on or after January 1, 2027 are eligible for reimbursement from program funds, whether incurred before or after the date of award, provided the project meets program requirements at the time of award and the costs are documented and reimbursed on the same milestone basis as post-award costs. Pre-award construction is undertaken at the applicant's own risk and creates no obligation on the office.

Sunset and evaluation. The first round sunsets 36 months after first award and is evaluated against the Section 7 key performance indicators; a further round requires that evaluation and unobligated program funds.

Relationship to federal programs. The program does not alter FCC classifications, BEAD eligibility, or any executed BEAD subgrant, and does not draw on the Texas Match Assistance Program reserve."

Basis: the constitutional purpose of the BIF is "the expansion of access to and adoption of broadband and telecommunications services" (Art. III, Sec. 49-d-16), not the FCC's served status; Government Code Section 403.603 permits use for Chapter 490I purposes; and Section 490I.01062(b)(3) already lets the office fund projects on criteria it establishes. The eligible-county test is the office's own, proposed to Representative Landgraf's office on April 30, 2025, when it identified Scurry, Stephens, Ward, Zavala, Winkler, DeWitt and Nolan counties (47,875 locations) and costed them at $430.9 million at the $9,000 reference. More counties now meet the test; the fixed appropriation and rank-order award keep that growth from becoming an obligation on the fund. Monahans built about 2,000 fiber passings on roughly $3.2 million of grant and philanthropic capital plus private investment, at roughly $1,600 to $1,800 per passing, which is the cost-per-location result Section 7 is written to reward. The eligible-costs paragraph is addressed separately as Modification 9.

Modification 6. Section 4.2, Texas Middle Mile (TMM) Network, third bullet

Add two sentences at the end of the bullet.

Plan text as drafted (last sentence): "This would not prevent the BDO from awarding a future middle-mile project out of the BIF if that project meets the requirements of Texas Government Code Section 490I.0106(a-2) and the standards set by the Comptroller's office."

Requested text, added after that sentence: "Funds returned to the BIF from the TMM will be available to the State Fiber Readiness Program under Section 4.6. The office will give priority among any future middle-mile awards under Section 490I.0106(a-2) to county and municipal partners that own or have committed capital to last-mile fiber in the area served."

Basis: the office has rescinded $61 million of the Zayo awards and is prepared to return the uncommitted TMM balance to the fund. Directing that money to last-mile fiber in counties with no fiber is the use the office's representatives were most receptive to at the February 18, 2026 meeting, and it converts a program the Comptroller intends to close into one that serves the Plan's stated objective.

Modifications 7 to 9: Pre-award vetting, KPIs, and projects constructed after January 1, 2027

Modification 7. Section 6, "Pre-award vetting" bullet

Add two sentences at the end of the bullet.

Plan text as drafted: "Implement an independent certified public accountant review of applicant financials and verified engineering blueprints, calibrated so that requirements removed by the June 2025 Restructuring Policy Notice are not reimposed on BEAD applicants without a federal waiver."

Requested text, added after that sentence: "For state-funded programs, committed capital from a county, municipality, school district, or philanthropic foundation counts toward any match requirement and as evidence of financial capacity. A design sealed by a Texas-licensed professional engineer satisfies the engineering review for the design it covers."

Basis: Section 6 states that the office's reimbursement-based posture "lowers the barrier for smaller Texas providers." Monahans Phase I was financed by a county, an economic development corporation, and five foundations; the Winkler County project is proceeding on a county-procured, PE-sealed design. Counting that capital and that design is how the barrier is actually lowered.

Modification 8. Section 7, Key Performance Indicators

Add two bullets after "Verified performance." Requested text:

"Reported-service verification. Locations reported as served that fail post-completion or on-request performance verification, by provider and technology, and the number of those locations subsequently reclassified.

State-funded fiber cost. Cost per passing of fiber-to-the-premises funded under Section 4.6, compared with the reference price used in the applicable notice of funds availability."

Basis: both indicators are measurable from data the office already collects under the "Verified performance" and "Cost per location served" KPIs, and they report the two facts the Plan's accountability

framework otherwise cannot see: whether reported coverage is real, and what fiber actually costs when built by a local partner.

Modification 9. New Section 4.6, "Eligible costs" paragraph (set out in Modification 5)

Make fiber-to-the-premises construction begun on or after January 1, 2027 eligible for reimbursement from grant proceeds whether the costs are incurred before or after award.

Requested text (repeated from Section 4.6 for the office's convenience): "Costs of fiber-to-the-premises construction in an eligible county on which construction begins on or after January 1, 2027 are eligible for reimbursement from program funds, whether incurred before or after the date of award, provided the project meets program requirements at the time of award and the costs are documented and reimbursed on the same milestone basis as post-award costs. Pre-award construction is undertaken at the applicant's own risk and creates no obligation on the office."

Basis: the Plan already awards retroactively. Section 4.3 commits the office to a third Pole Replacement round "awarded retroactively to projects meeting all program and statutory requirements, which have already been completed" through July 31, 2026. The same principle, applied to fiber construction after a fixed date, lets a county that has financed design and is ready to build in 2027 proceed without waiting for a notice of funds availability, and lets the office reimburse only work that meets its requirements, on its milestone terms, from a fixed round. Nothing in the paragraph obligates the office before award, and the January 1, 2027 date excludes work already completed with other funds.

Closing, attachments, and contacts

The commenters ask that the final Strategic Plan incorporate Modifications 1 through 9 and that the office confirm receipt of these comments for the public comment record under Section 2 of the Plan. The commenters will supply, on request, the Monahans Phase I cost and performance data, the Winkler County design, and the aggregated speed-test evidence referenced above.

Attachments upon Request: (A) Statutory Authority and Compliance Framework, Permian Basin Fiber Resilience Pilot, submitted to the office February 18, 2026; (B) BDO correspondence of April 30, 2025 proposing the 95-percent fiber-to-the-premises county test; (C) BDO correspondence of May 21, 2025 on Ward County BEAD eligibility.

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