Approach to Maximizing Broadband Investment in Current Environment

Identify Needs

• What Oklahoma communities and populations have been hardest-hit by the COVID-19 crisis?
• What community programs and public health assets are needed?
• What economic programs are needed to rebuild a stronger, more innovative and more diverse Oklahoma economy?
• How can service be enhanced to improve the wellbeing of all citizens?
• What are the risks and constraints?

Evaluate Funding Sources

• Is this activity eligible for funding from Specific Initiatives?
• Are there other potential sources or could this be funded by the Infrastructure Investments and Jobs Act?
• Is more flexibility needed for this activity?
• Can the projects be completed and/or funds expended no later than December 31, 2026?

Allocate Funds

ARPA (SLFRF)

ARPA (Capital Projects Fund)

Infrastructure Investment and Jobs Act

Other Federal Funding
ARPA State and Local Fiscal Recovery Funds (SLFRF)
Meet the critical need for investments and improvements to existing infrastructure in water, sewer, and broadband

In setting standards, Treasury identified speeds necessary to ensure that broadband infrastructure is sufficient to enable users to generally meet household needs, including the ability to support the simultaneous use of work, education, and health applications, and also sufficiently robust to meet increasing household demands for bandwidth.

Thresholds are consistent with the FCC’s benchmark for “advanced telecommunications capability.” This threshold is also consistent with thresholds used in other Federal programs to identify eligible areas to be served by programs to improve broadband services.

- Invest in projects designed to provide service to locations in need, needs can include:
  - Lack of access to a reliable high-speed broadband connection
  - Lack of affordable broadband
  - Lack of reliable service
- Complement broadband investments made through the separate Capital Projects Fund
ARPA (SLFRF) Final Rule Updates

Improvements to Infrastructure: Broadband

• Prioritize projects that are designed to serve locations without access to reliable wireline 100/100 Mbps broadband service
• Where not practical for cost, geographic, or topographic reasons, eligible projects may be designed to reliably **meet or exceed 100/20 Mbps and be scalable** to a minimum of symmetrical 100 Mbps download and upload speeds
• Treasury encourages the following **project priorities**:  
  – Fiber-optic infrastructure  
  – Support broadband networks owned, operated by, or affiliated with local governments, nonprofits, and co-operatives
• Modernization of cybersecurity for existing and new broadband infrastructure, including hardware and software
• SLFRF funds will **not be used** for costs that will be reimbursed by the other federal or state funding streams

Recipients must require service providers for a project that provides services to households to **require enrollment in a low-income subsidy program**:
• Participate in the FCC’s Affordable Connectivity Program (ACP)  
  – Or –
• Provide access to a **broad-based affordability** program to low-income consumers that provides benefits commensurate to ACP  
  – And –
• Include at least one **low-cost option without data usage caps cost option** offered at speeds sufficient for a household with multiple users to simultaneously telework and engage in remote learning
• Consult with the community on affordability needs

Oklahoma Rural Broadband Council – February 16, 2022
ARPA Capital Projects Fund
ARPA Capital Projects Fund – Treasury Guidance Overview

**State of OK Allocation:** $167,683,747

**Project Eligibility** (must meet all of the following):

1. Capital assets designed to directly enable work, education, and health monitoring
2. Addresses a critical need that results from, revealed or exacerbated by COVID
3. Critical need of the community to be served

**Period of Performance:** March 15, 2021, through December 31, 2026

Application must be filed in Treasury On-Line Portal by December 27, 2021

Capital Funds not used by December 31, 2026 must be returned

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**Presumptively Eligible Projects**

- **Broadband Infrastructure Projects** - Construction and deployment of broadband focused on last-mile connections. Grant plan must address if projects will result in affordable options for targeted service areas

- **Digital Connectivity Technology Projects** - Purchase/installation of devices and equipment to facilitate broadband access. Permitted devices include laptops, tablets, desktop computers for public distribution through loan program or available for use in public facilities

- **Multi-purpose Community Facility Projects** - Construct or improve buildings designed to jointly and directly enable work, education, and health monitoring. For example, full-service community schools that provide academic services to students and adults, health monitoring, and workforce training/career counseling

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**Eligible Entities**
States, Territories, District of Columbia, Puerto Rico and Tribal Governments

Eligible Tribal Government is the recognized government body individually identified in the most recent list published under Sec. 104 of the Federally Recognized Indian Tribal List Act of 1994- $167,504 allocations to each Tribe

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Oklahoma Rural Broadband Council – February 16, 2022
Alternative Capital Projects – Reviewed on a Case-by-Case Bases
In addition to the presumptively eligible Capital Projects, a Recipient may propose a different use of funds. Such a use must meet all three of the ARPA statutory criteria, specifically:

1. The project invests in a **capital project** designed to **directly enable work, education, and health monitoring**.
   - Capital Project means construction, purchase, installation or improvement in a capital asset (costs are capitalized or depreciated, including ancillary costs); examples: Buildings, towers, digital devices and equipment, fiber-optic lines and broadband networks.
   - Capital Project must enable all three purposes of work, education and health (physical or behavioral) monitoring.
   - Project must provide eligible services and activities for at least **five years from completion of Capital Project**.

2. The project will be designed to address a critical need that results from or **was made apparent or exacerbated by the Public Health Emergency**.
   - Projects must be designed to address impediments to community members’ ability to directly engage in work, education, and health monitoring that resulted from or were made apparent or exacerbated by the Public Health Emergency.
   - Recipients are expected to first identify one or more impediments to participation in work, education, and health monitoring that resulted from or were made apparent or exacerbated by the public health emergency and then identify how any such impediments would be remediated with the Project.
Alternative Capital Projects – Reviewed on a Case-by-Case Bases

In addition to the presumptively eligible Capital Projects, a Recipient may propose a different use of funds. Such a use must meet all three of the ARPA statutory criteria, specifically:

- The project is designed to **address a critical need in the community to be served by it**.
- The Project must be designed to address a **critical need for the Project in the community to be served by it**. Communities with a critical need for the project include those that do not have access to the resources or services that are provided by the project, whether because of the physical absence or insufficiency within the community of the type of resources provided by the project, or because access to those resources is unaffordable, resulting in barriers to work, education, and health monitoring that were caused or exacerbated by the Public Health Emergency.
- When determining the individuals and communities with a critical need that will be served by a proposed Capital Project, Recipients may choose to consider any available data including federal and/or state collected data; interviews with community members and business owners; reports from community organizations; documentation of existing facilities providing similar or identical services to those the Capital Project is intended to provide; and any other information they deem relevant.

*Capital Projects must be carried out in ways that comply with applicable federal laws, including the 2019 National Defense Authorization Act (NDAA). Among other requirements contained in 2 C.F.R. Part 200.*
Broadband Infrastructure Projects
Construction and deployment of broadband focused on last-mile connections. Grant plan must address if projects will result in affordable options for targeted service areas.

Construction and deployment of broadband infrastructure projects are eligible for funding under the Capital Projects Fund program if the infrastructure is designed to deliver, upon project completion, service that reliably meets or exceeds symmetrical download and upload speeds of 100 Mbps.

If impracticable due to geography, topography, or excessive cost, the project must be designed so that it reliably

- meets or exceeds 100 Mbps download speeds
- and between 20 Mbps and 100 Mbps upload speeds
- and be scalable to a minimum of 100 Mbps symmetrical for download and upload speeds.
Priority Areas
Recipients encouraged to prioritize last mile connections, fiber-optic infrastructure, and collaboration with networks owned, operated or affiliated with local government, non-profits and cooperatives

Critical Need
Recipients must explain why communities identified for broadband have a critical need for those projects as is related to access, affordability, reliability, and/or consistency

Service Providers
Recipients are required to ensure that the service provider for a completed CPF-funded Broadband Infrastructure Project participate in federal programs that provide low-income consumers with subsidies on broadband internet access services

Affordability
Recipients are encouraged to address affordability as a barrier to full use of the internet when developing their plans

Broad use of available data allowed to identified project communities, including actual customer experience, speed of existing service at various hours, latency or jitter, use of existing legacy technology
Digital Connectivity Technology Projects
The purchase or installation of devices and equipment to facilitate broadband internet access are eligible for funding under Capital Projects where affordability has been identified as a barrier to broadband adoption.

Permitted devices and equipment include laptops, tablets and desktop personal computers for distribution to members of the public through short-term or long-term loan programs, or to be made available in public facilities.

Ownership of the equipment must be maintained by the recipient or subrecipient.

Recipients must demonstrate why the communities they have identified to be served by Digital Connectivity Technology Projects have a critical need for those projects.

To identify those communities, recipients may choose to consider any available data, including documentation of existing service performance and pricing, federal or state broadband data, user speed test results, broadband maps, HUD QCT data, interviews with community members and any other relevant information.
Multi-Purpose Community Facility Projects
Projects to construct or improve buildings that are designed jointly and directly to enable work, education and health monitoring. Examples include:

1. Community Schools
Projects to construct or improve full-service community schools that provide a comprehensive academic program to their students and adult education in the community at large; health monitoring to their students and the community; and workforce training or career counseling services that provide community members with the knowledge needed to engage in work, including digital literacy training programs.

2. Libraries
Projects to construct or improve libraries that provide public access to the internet for purposes including work, education, and health monitoring such as offering digital skills programs and support for community members engaging in virtual learning.

3. Community Health Centers
Projects to construct or improve community health centers that, in addition to engaging in health monitoring, provide a broader range of services to the communities they serve, including activities such as access to job counseling employment services, as well as health education classes or internship programs for medical professionals.
Capital Projects Fund - Application Information

Key Timelines

- Application due date: **December 27, 2021 – Complete!**
- Grant Plan due date: **September 24, 2022**

1. Complete Application
   - Due: 12/27/2021
   - Status: Complete
   - Requested Grant Amount – cannot exceed State’s allocation
   - Requested Amount for Program Administrative Costs
     - Must specify the amount of funding for admin costs that they wish to have access to following the execution of grant agreement
   - Designation Letter
     - Must include a designation letter signed by the Governor that identifies and delegates authority to the authorized representative (who will sign certifications, submit application, and sign grant agreement)

2. Sign Grant Agreement
   - Due: upon approval of application
   - the State will execute grant agreement that contains terms and conditions of the award:
     - Roles and responsibilities
     - Accounting and reporting requirements
     - Audits, recordkeeping, and internal controls
     - Other terms required or permitted by federal law

3. Submit Grant Plan
   - Due: 9/24/2022
   - Summary of the State’s plan for the Capital Projects Fund
   - Allocation Table of intended spend across three major categories (Broadband, Digital Connectivity, Community Facility)
   - Detailed program plans - one or more that provides more detailed information on a particular type of Capital Project
   - State’s program plan may be supplemented; i.e. plan for statewide broadband can include detailed program plan for some counties and then update for remaining counties
Infrastructure Investment and Jobs Act (IIJA) or the Bipartisan Infrastructure Law
Infrastructure Investment and Jobs Act of 2021
H.R. 3684 – As Enacted

Roads, Bridges and Major Projects: $110 Billion
Rail, Safety, Freight: $78 Billion
Airports/Public Transit: $64 Billion
FEMA/Army Corps: $38 Billion
Electric Vehicles/EV Infrastructure: $15 Billion

Existing Spending (Highway Trust Fund, etc.): $650 Billion
Environmental Remediation: $21 Billion
Broadband: $65 Billion
Cyber Security: $1.1 Billion
Energy, Water Infrastructure & Western Water Infrastructure: $178 Billion

$1.2 Trillion
Topline Above-Baseline Spending in IIJA ($ in billions)

- **Transportation:** $283.8
  - Roads, Bridges, and Major Projects
  - Airports
  - Low-Carbon and Zero-Emission School Buses and Ferries
  - Electric Vehicle Charging
  - Ports and Waterways
  - Safety and Research
  - Reconnecting Communities

- **Power and Grid:** $65
  - Western Water: $8.3
  - Legacy Pollution: $21

- **Roads, Bridges, and Major Projects**
- **Airports**
- **Low-Carbon and Zero-Emission School Buses and Ferries**
- **Electric Vehicle Charging**
- **Ports and Waterways**
- **Safety and Research**
- **Reconnecting Communities**

Source: Bipartisan Infrastructure Investment and Jobs Act Summary & Brookings
Infrastructure Investment & Jobs Act  $5.77 Billion for **Oklahoma**

<table>
<thead>
<tr>
<th></th>
<th>Highways</th>
<th>Bridges</th>
<th>Public Trans.</th>
<th>Water</th>
<th>Other</th>
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<tbody>
<tr>
<td>1</td>
<td>$4.3 Billion</td>
<td>$266 Million</td>
<td>$349 Million</td>
<td>$530 Million</td>
<td>$337 Million</td>
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Broaddband Equity, Access & Deployment Programs - $42.45 Billion

$100 Million
Threshold allocation to each State, Puerto Rico, and the District of Columbia;

$4.245 Billion
To “high-cost areas,” to be distributed by formula

$100 Million
Threshold allocation to be divided evenly among the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands;

$37.15 Billion
(Remaining amount) to be distributed by formula according to the percentage of unserved locations within each entity as part of the US

The bill requires **local coordination** on the part of the state. Specifically, the bill requires the state to submit a "5-year-action plan" as part of its proposal, which "shall be informed by collaboration with local and regional entities."

**Maximum of 2% ($849 million) can be used for administrative expense**
Broadband Equity, Access & Deployment Programs - $42.45 Billion

States may **competitively award subgrants for:**

1. **Unserved service projects**
   (defined as an area that lacks access or access to 25/3 speed and latency sufficient to support real-time, interactive applications) and underserved service projects (defined as an area that lacks access to 25/100 speed and a latency sufficient to support real-time, interactive applications).

2. **Multifamily residential projects**
   Installing broadband infrastructure or providing reduced-cost services within a multifamily residential building, with priority given to a building that has a "substantial share" of unserved households or in a designated poverty area.

3. **Connecting eligible community anchor institutions**
   defined as an entity such as a school, library, health clinic, health center, hospital or other medical provider; public safety entity; institution of higher education; public housing organization or community support organization that facilitates greater use of broadband service by vulnerable populations, including low-income individuals, unemployed individuals and aged individuals.

4. **Data collection, broadband mapping and planning**

5. **Broadband adoption**
# Other Broadband Provisions of the Infrastructure Act

<table>
<thead>
<tr>
<th>Digital Equity Act (Competitive)</th>
<th>Enabling Middle Mile Broadband Infrastructure (Competitive / Not State Focused)</th>
<th>Broadband Affordability Programs ( Constituent Focused)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• $2.75 Billion</td>
<td>• $1 Billion to remain available until September 30, 2026, for competitive grants</td>
<td>• $14.2 Billion</td>
</tr>
<tr>
<td>• Creates three grant programs</td>
<td>• Timing</td>
<td>• Funding Purpose</td>
</tr>
<tr>
<td>– State Digital Equity Planning Grant Program: Appropriates $60 million for planning grants to states to develop State Equity Plans and digital inclusion initiatives</td>
<td>– Notice of Funding Opportunity (NOFO) due 180 days after bill signing</td>
<td>– Provides a $30 per month voucher for low-income families to use toward any internet service plan</td>
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<td>– State Digital Equity Capacity Grant Program: Appropriates $1.44 billion for states to implement state digital equity plans</td>
<td>– Awards issued within 270 days of NOFO posting</td>
<td>• Other Purpose</td>
</tr>
<tr>
<td>– Digital Equity Competitive Grant Program: Appropriates $250 million per year for competitive grants to public and nonprofit entities for a range of digital inclusion and broadband adoption activities</td>
<td>• Uses</td>
<td>– Renames the FCC program to Affordable Connectivity Program</td>
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<tr>
<td>• Timing: NOFO not later than 180 days after the funds are made available</td>
<td>– construction, improvement or acquisition of middle-mile infrastructure, which is defined as &quot;any infrastructure that does not connect directly to an end-user location, including an anchor institution. “</td>
<td>– Makes the program permanent and expands eligibility</td>
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<td>– Awards not later than 270 days after issuing the NOFO</td>
<td>• Eligibility</td>
<td>– Requires the display of labeling to help consumers make educated decisions</td>
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<td>– States, subdivisions of states, tribal governments, telecommunication companies, technology companies, electric utilities and utility cooperatives</td>
<td>– Requires new FCC rules regarding digital discrimination and provide best practices for states and municipalities</td>
</tr>
</tbody>
</table>

• FCC is seeking comment on proposed rule
### Tribal Broadband Connectivity Program

- **$2 Billion**
- **Ongoing funding of existing NTIA program**
- **Uses**
  - Broadband deployment on tribal lands
  - Telehealth
  - Distance learning
  - Broadband affordability
  - Digital inclusion
- **Eligibility**
  - Federally recognized tribal governments
  - Tribal colleges and universities
  - Department of Hawaiian Homelands,
  - Alaska Native Corporations

### ReConnect: Rural Broadband Programs (USDA)

- **$2 Billion**
  - 100% grant: up to $25 M, unless other eligibility can be met, then up to $35 M
  - 100% grant for tribal governments: up to $24 M, unless other eligibility can be met, then up to $35 M
  - 50/50 Loan-grant combo: up to $25 M for each, must be equal amounts
  - 100% loan: up to $50 M
- **Uses**
  - Costs of construction, improvement, or acquisition of facilities and equipment
- **Eligibility**
  - State governments
  - Local governments
  - Tribal governments
  - Territorial governments
  - Rural companies
  - Cooperatives
IIJA Broadband– Next Steps

Webinar Dates
• Wednesday, March 9, 2022, from 2:30–4:00 p.m. ET
• Wednesday, March 23, 2022, from 2:30–4:00 p.m. ET
• Wednesday, April 6, 2022, from 2:30–4:00 p.m. ET
• Wednesday, April 27, 2022, from 2:30–4:00 p.m. ET
• Wednesday, May 11, 2022, from 2:30–4:00 p.m. ET

Broadband-related IIJA Grants
• Broadband Equity, Access, and Deployment Program
• Enabling Middle Mile Broadband Infrastructure Program
• State Digital Equity Planning Grant Program
• State Digital Equity Capacity Grant Program
• Digital Equity Competitive Grant Program

Webinar Dates
• Wednesday, March 9, 2022, from 2:30–4:00 p.m. ET
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USDA ReConnect Recorded Webinars are published at:
https://www.usda.gov/reconnect/application-workshop-webinar-materials