Guide to Federal Broadband Funding Opportunities in the U.S.

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Introduction

This guide offers an overview of federal funding options that could provide financial support to Tribal, state, and local governments and utilities in their efforts to expand broadband infrastructure. We have also included the Appalachian Regional Commission (ARC) programs because of their wide applicability; while technically a federal-state partnership, ARC offers funding in 13 states.

Varying dramatically in size, these funding opportunities target a wide variety of deployment scenarios and end users. The programs encompass infrastructure buildout, service subsidies, and technical planning assistance.

This guide provides information on a range of funding opportunities—most of which are currently open, but some of which may be awaiting future funding. We include the latter because application deadlines and funding allocations are a moving target for many programs, and we believe there is value in being aware of programs that might be available again in the future.

Rather than presenting the programs alphabetically, we have highlighted some of the most significant opportunities first. Additionally, we have included a summary in Appendix A of the current status of the FCC's Rural Digital Opportunity Fund, as we believe its impacts are worth consideration as a broadband grant strategy is developed. A glossary of terms is also included in Appendix B to help readers navigate both broadband solutions and funding opportunities.

Department of Commerce, Economic Development Administration: Public Works and Economic Adjustment Assistance Program

This program is a rebrand of the previous Economic Development Administration (EDA) Program and is designed to address needs in economically distressed areas. While the agency does not receive many broadband applications, this can actually be a strategic advantage for communities that can show broadband is needed as an element of their economic development plan. While it focuses on distressed communities, especially those that have experienced plant or base closures, an addendum was added on May 7, 2020, to announce additional funding through the CARES Act to support recovery of communities adversely affected by COVID-19. Funding requests that target recovery from COVID-19 distress are intended to be flexible and spent quickly and are not subject to the regular economic distress requirements.

Nature of Award
Grants.

Eligible Entities
Eligible Entities include city, township, county, or special district governments; state governments; federally recognized Tribal governments; nonprofits, aside from institutions of higher education; private institutions of higher education; and public and state-controlled institutions of higher education.

Eligible Areas
Regular program rules require the community to qualify as distressed for a project to be eligible. Criteria for eligibility is established by providing "third-party data that clearly indicate that the region is subject to one (or more) of the following economic distress criteria: (i) an unemployment rate that is, for the most recent 24-month period for which data are available, at least one percentage point greater than the national average unemployment rate; (ii) per capita income that is, for the most recent period for which data are available, 80% or less of the national average per capita income; or (iii) a 'Special Need,' as determined by EDA."

Note that the EDA has determined that the economic impact of the coronavirus pandemic constitutes a "special need," and has extended eligibility to all communities if applying for coronavirus-related funding. Applicants must still explain in their applications how their project would "prevent, prepare for, and respond to" to coronavirus, or respond to "economic injury as a result of the coronavirus," and the level of distress of the community is still a factor in application competitiveness.

Eligible Costs

Building, designing, or engineering infrastructure and facilities to advance economic development strategies, or planning efforts to implement such solutions.

Funding Availability

In 2019 around $200 million was awarded in public works, economic adjustment grants and planning grants. On May 7, 2020, $1.467 billion was added to the program in COVID-19 related funding, to remain available until funding was expended or a new funding opportunity is published. This funding was pursued very competitively and is likely largely accounted for already, but EDA received its standard allocation for the 2021 fiscal year, and we anticipate additional appropriations will be made for the program.

Typical Grant Award

Grant awards vary, with a minimum of $100,000, and a maximum of $30 million. However, the trends in awards since April 2020 have shown awards closer to an average of $3 million.

Match

Grants typically cover up to 50% of project costs, but the maximum allowable investment rate can increase if other economic factors are met. For projects that constitute a special need (such as the coronavirus), the EDA will determine the maximum award percentage, not to exceed 80% of project costs. Funds from other federal financial assistance awards may be considered matching only if authorized by statute and approved by the EDA.

Requirements

A Community Economic Development Strategy (CEDS) must be in place for the intended project area and must discuss the need for broadband. The applicant must demonstrate support of the project by the business community.

Application Guidance

- A defined project scope is required to apply for this program. Applicants need to be able to describe the geographic footprint of the project, the business model, relevant partners, the level of economic distress in the area, and the benefit to businesses in the area.
- In addition to a project narrative, this application requires an environmental impact document (the NEPA questionnaire), a budget narrative, and a high-level preliminary engineering report. Another critical application element is the demonstrated impact that the project would have on businesses, typically demonstrated through letters from local businesses.
- Applications are submitted through Grants.gov. A System for Award Management (SAM) registration and a Data Universal Numbering System (DUNS) number are required before submitting the application. The process of registering with Grants.gov can be time-consuming and should be started as soon as possible. Be sure to follow the specific

instructions included in the program's Notice of Funding Opportunity when setting up the application workspace in Grants.gov.

- It is crucial that prospective applicants get in touch with the regional EDA representative early in the application process. They can give guidance on the application process and, to a certain extent, content.
- Construction proposals will likely require a cash match.
- Procurement matters:
  - For projects requesting funding that will support a procurement process related to the proposed project, do not begin the procurement process prior to final award.
  - For projects requesting funding that will support a project already in process (where contractors are already selected), be sure to 1) review the contracts and procurement details for those contractors with your EDA representative and 2) be clear in your application and budget narratives regarding the details of the procurement process and resulting contracts.
- Make sure you have filled out all required forms. Pay attention to forms referenced but not provided (for example, in addition to the NEPA questionnaire, there is also a separate NEPA certification form that must be included with your application documentation).
- The Grants.gov interface will require responses in the required question boxes, but it is easier to enter "see attached narrative" and upload responses as an attachment.

Application Deadlines

This program has no official application deadline and accepts applications on a rolling basis. The EDA does typically get its funding allocation in October of each year (coinciding with the federal fiscal year), and regional representatives have advised in the past that submitting applications in the fall around the time of the new fiscal allocation is helpful.

Key Links

- Program Fact Sheet:
  https://www.eda.gov/pdf/about/Economic-Adjustment-Assistance-Program-1-Pager.pdf
- Notice of Funding Opportunity, including CARES Act allocation:
  https://www.grants.gov/web/grants/view-opportunity.html?oppId=321695
- Frequently Asked Questions: https://www.eda.gov/coronavirus/faq/index.htm

Example Awardee

In FY 2019, the Department of Commerce of the American Samoa Government was awarded $100,000 to fund a broadband strategy to create the structured initiation, growth, and development of knowledge-based industry in Pago Pago, AS.

- Recent awardees: https://www.eda.gov/files/annual-reports/fy2019/FY2019-Approved-EDA-Annual-Report.pdf
- Previous awardees: https://www.eda.gov/annual-reports/

Agency Contact

Find the Economic Development Representative for your community here: https://www.eda.gov/contact/. For projects addressing COVID-19 recovery that are national in scope, the contact is RNTA@eda.gov.

Federal Communications Commission

E-Rate Program – Universal Service for Schools and Libraries
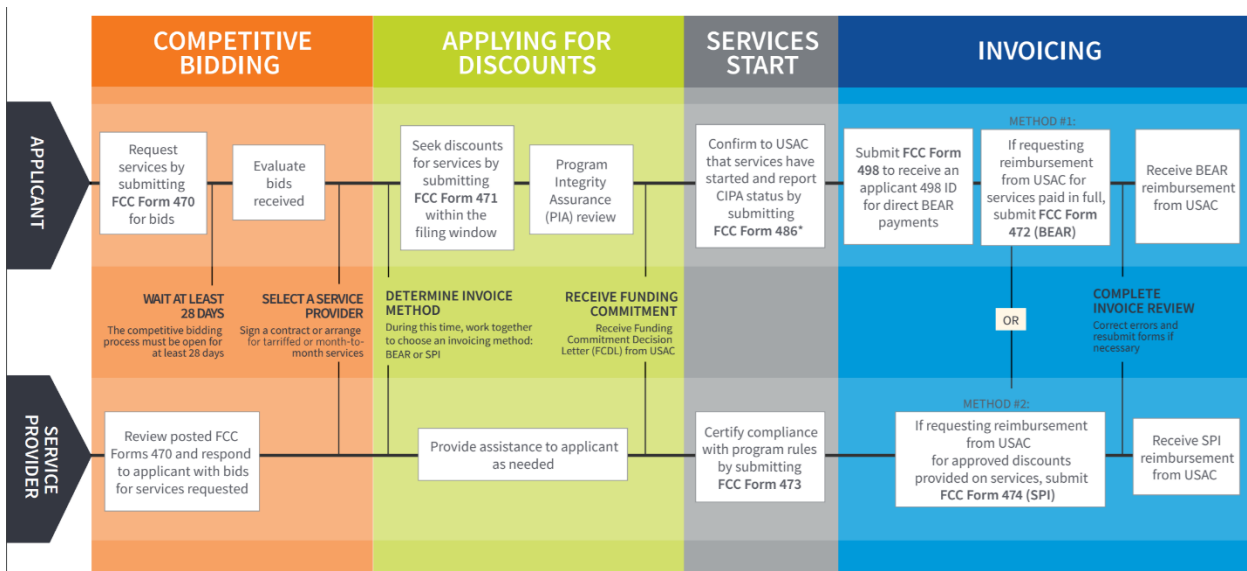
The E-rate program (more formally known as the Schools and Libraries Program) provides discounts to schools and libraries for telecommunications and Internet access by partially funding the cost of services and equipment (and, in some cases, the cost of construction). The program is administered through the Universal Service Administrative Company (USAC) under the authority of the Federal Communications Commission (FCC).

Nature of Award

Funding is provided through the Universal Service Fund in the form of a subsidy on the eligible facility's telecommunications expenses. The size of the subsidy varies, as elaborated below, and may cover both Internet service and infrastructure. Applicants must follow a strict procurement and funding request process. A full description of the program can be found here: https://www.usac.org/wp-content/uploads/e-rate/documents/Handouts/E-rate-Overview.pdf.

Figure 1: Overview of E-Rate application processes

Eligible Entities

Funding is provided to eligible schools, school districts, and libraries (either individually or as part of a consortium). Funds are distributed to both public and private schools, as long as they provide primary or secondary education, operate as a nonprofit business, and do not have an endowment exceeding $50 million. Eligible libraries must be eligible for assistance from a state library

administrative agency under the 1996 Library Services and Technology Act. Generally, libraries are eligible if their budget is separate from a school and they do not operate as a for-profit business.

Eligible Costs

USAC publishes an Eligible Service List (ESL) for each funding year[1] detailing the eligibility of products and services under the program. Generally, there are two funding "Categories":

- Category 1: Data Transmission Services and/or Internet Access
- Category 2: Internal Connections (IC), Managed Internal Broadband Services (MIBS), and Basic Maintenance of Internal Connections (BMIC)

The current funding year ESL can be found at https://www.usac.org/e-rate/applicant-process/before-you-begin/eligible-services-list/.

FY 2021 Resources

Funding is stable as resources are not subject to appropriations. E-rate program funding is based on demand, up to an annual cap of about $4.15 billion (modified annually to account for inflation). Resources for any given school or library are determined based on levels of rurality and poverty in the relevant district.

Typical Award

E-rate provides a discount on eligible services, with the size of the discount (ranging from 20 to 90%) dependent on the level of poverty and the urban/rural status of the population served. The funding level can be determined from the matrix available on the E-rate website at http://www.usac.org/_res/documents/sl/pdf/samples/Discount-Matrix.pdf. The primary measure for determining Schools and Libraries support discounts is the percentage of students eligible for free and reduced lunches under the National School Lunch Program (NSLP), calculated by individual school.

Applicable Deadlines

The application process typically begins in July and continues throughout the year. The "funding year" is defined as July 1 through June 30.

Application Guidance

- The E-Rate process includes four phases and begins with submitting FCC Form 470 (essentially a form version of an RFP to accompany an actual RFP) to begin the bidding process for services. The entire process is described here: https://www.usac.org/wp-content/uploads/e-rate/documents/Handouts/application-process-flow-chart.pdf.
- Applicants (schools and libraries) must register for a Billed Entity Identification Number (BEIN) and may be required to register for an FCC Registration Number (FRN) and a form

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1   A "funding year" refers to the time period of July 1 through June 30.

498 Filer ID (also known as the Service Provider Identification Number or SPIN) if the applicant would like to receive funds directly from USAC (this may matter depending on how the applicant determines it will receive the subsidy). Learn more here: https://apps.fcc.gov/coresWeb/publicHome.do.

- Providers seeking to participate/bid on RFPs/Forms 470 should register for an FCC Registration Number (FRN) and a Form 498 Filer ID (also known as the Service Provider Identification Number or SPIN). Additionally, providers will be required to have an FCC Form 499 Filer ID (providers are required to report annually actual revenue billed during the previous year using the Form 499).

Key Links

- To submit questions about the program: https://www.usac.org/e-rate/contact-us/
- General background: http://www.usac.org/sl/
- Eligible service list (a comprehensive document with descriptions of all qualifying services): https://www.usac.org/e-rate/applicant-process/before-you-begin/eligible-services-list/
- Program training resources: https://www.usac.org/e-rate/learn/

Agency Contact

Contact 1-888-203-8100 with questions.

Rural Health Care Program

The Rural Health Care Program (RHC) at USAC provides funding to eligible health-care providers (HCPs) for telecommunications and broadband services necessary for the provision of health care. RHC is comprised of the Telecommunications Program, the Connected Care Pilot program, and the Healthcare Connect Fund.

"Healthcare provider" is defined by statute as hospitals, rural health clinics, local health departments, community health centers or health centers providing health care to migrant workers and post-secondary educational institutions offering health-care instruction, teaching hospitals, and medical schools. Individual providers can determine whether they are located in a rural area through a look-up tool on USAC's website at: http://www.usac.org/rhc/telecommunications/tools/Rural/search/search.asp. Note that non-rural HCPs may still apply for funding through the Healthcare Connect Fund if they are a member of a majority rural consortium.

While none of these programs support comprehensive broadband deployment, they may provide useful resources to support eligible health-care providers.

Program Mission

The Rural Health Care Program is intended to reduce the disparity in cost between rural and urban telecommunications and Internet services used for the provision of health care at eligible facilities.

Nature of Award

Subsidy.

FY 2021 Resources

Funding is through the Universal Service Fund (i.e., surcharges on telephone bills), rather than Congressional appropriations. In June of 2018, the FCC issued an order that increased the annual RHC Program funding cap to $571 million, to adjust the cap for inflation annually, and to establish a process to carry forward unused funds from past years for use in future years. For FY 2020, the program cap was $604,759,306. The proposed first-quarter contribution factor for 2021 is 31.8%, up from 27.1% in the fourth quarter of 2020. Conversations at the Commission about what specifically that contribution will include are ongoing.

Applicable Deadlines

The Rural Health Care Program funding year runs from July 1 through June 30 of the following year.

Application Guidance

- Participation in this program involves a six-step process, from determining eligibility to receiving an invoice. Specific forms are required from the Universal Service Administrative Company (USAC), which are detailed here: https://www.usac.org/wp-content/uploads/rural-health-care/documents/handouts/RHC-Program-Application-Process.pdf.
- Applicants should determine eligibility as soon as possible and, depending on how they will be receiving their subsidy, should also determine if they will be required to file any other forms. Learn more here: https://apps.fcc.gov/coresWeb/publicHome.do.

Key Links

- General background: http://www.usac.org/rhc/
- Program education materials: https://www.usac.org/rural-health-care/learn/
- Application process overview: https://www.usac.org/wp-content/uploads/rural-health-care/documents/handouts/RHC-Program-Application-Process.pdf

Agency Contact

Paloma Costa, Manager of Outreach for Rural Health Care Program, Universal Service Administrative Company (pcosta@usac.org or 202-772-6274)

Telecommunications Program

Eligible Entities

Rural, public, or not-for-profit health care providers (HCPs) are eligible. Consortia of HCPs with at least one eligible entity as a member can also apply. To determine if the HCP facility is located in a rural area, see the Eligible Rural Areas Search Tool on the Rural Health Care Program website: http://www.usac.org/rhc/telecommunications/tools/Rural/search/search.asp

Eligible Costs

Telecommunications services.

Typical Award

The subsidy amount is determined by the urban/rural differential of cost of service.

Healthcare Connect Fund

Eligible Entities

Rural, public, or not-for profit health care providers (HCPs) and consortia of such are eligible. Non-rural HCPs are also eligible if they are a member of a consortium that is made up of majority-rural HCPs. To determine if the HCP facility is located in a rural area, see the Eligible Rural Areas Search Tool on the Rural Health Care Program website: http://www.usac.org/rhc/telecommunications/tools/Rural/search/search.asp.

Eligible Costs

Eligible Costs include telecommunications and broadband services and network equipment. Consortium applicants can also apply for funding for constructed and owned network facilities, and for support for upfront charges associated with service-provider deployment of new or upgraded facilities to provide requested services, dark or lit fiber leases or IRUs, and self-construction, where demonstrated to be the most cost-effective option.

Typical Award

The Healthcare Connect Fund offers a 65% flat-rate discount on eligible expenses.

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Connected Care Pilot Program

Program Mission
This program is intended as a three-year pilot to help understand the future of Universal Service Fund use and how the fund can support connected care and telehealth over the long term. The program defrays costs for health-care providers to provide connected care services, especially for low-income and veteran patients. The program is administered by the Universal Service Administrative Company (USAC).

Nature of Award
Grant.

Eligible Entities
Eligible nonprofit and public health-care providers (HCP).

Eligible Areas
Eligible HCPs can apply regardless of whether they are in a rural or urban area.

Eligible Costs
Broadband connectivity, network equipment, and information services necessary to provide connected care services to the intended patient population.

FY 2020 – FY 2022 Resources
$100 million will be made available over three years.

Typical Award
There is no floor or ceiling for the requested grant amount. Awards are given for a three-year duration, plus up to six months for project setup and six months for project close-out.

Cost-Share Requirement
A 15% match is required from awardees. The match can be from participating patients, health-care providers, or government or nonprofit grants, but cannot be from vendors.
Awardees cannot also receive grants for broadband from the Healthcare Connect program for the same purpose.

Applicable Deadlines
 For FY 2020, the application window was closed on December 7. We expect the application window to open again in mid-fall of 2021 and to be open for approximately 30 business days.

Restrictions
The program does not provide support for health-care providers' administrative costs associated with participating in the pilot program, doctor or staff time spent on the pilot program, or other miscellaneous costs.

Application Guidance

- One goal of the program is to use funded projects as data sets to understand impacts, so the program will likely favor projects that target a sufficiently large amount of patients to be able to analyze and aggregate data.
- Applicants should determine eligibility as soon as possible and, depending on how they will be receiving their subsidy, should also determine if they will be required to file any other forms.

Example Awardee

On January 1, 2021, the University of Virginia Health System was awarded $4,462,500 to expand remote patient monitoring and home telehealth services to a broad range of underserved patients with acute and chronic illnesses.

Awardees: https://www.fcc.gov/sites/default/files/ccpp-selection-list_1.15.2021.pdf

Key Links

- Report and Order: https://docs.fcc.gov/public/attachments/FCC-20-44A1.pdf
- Program information: https://www.usac.org/rural-health-care/connected-care-pilot-program/

Emergency COVID-19 Telehealth Program

Program Mission

This program was developed as an expedited version of the Connected Care Pilot Program in order to quickly enable telehealth applications that allow health care providers to connect to patients or their devices over digital connections in response to COVID-19.

Nature of Award

Reimbursement.

Eligible Entities

Nonprofit or public health care providers, or a consortium of such. Eligibility is established using FCC Form 460—this form can be accessed via the Universal Service Administrative Company (USAC) portal: https://www.usac.org/rural-health-care/resources/my-portal/.

Eligible Areas

All areas are eligible; the program is open to eligible health-care providers that serve urban or rural areas.

Eligible Costs

Eligible Projects provide connectivity or devices required to reach patients and must be based on a need related to COVID-19. Telehealth services may be provided from a provider permanent premise (such as a hospital or clinic) or from a temporary or mobile location.

FY 2021 Resources

Congress appropriated $250 million through the 2021 Consolidated Appropriations Act.

Typical Award Size

There is a formal limit of $1 million and no floor for awards.

Cost-Share Requirement

None.

Applicable Deadlines

A new funding window is anticipated to open sometime in the 2021 calendar year.

Example Awardee

On July 8, 2020, Westside Family Healthcare, Wilmington, DE, was awarded $524,062 for a telehealth platform, remote monitoring devices, laptop, tablets, and videoconferencing and other equipment to give health-care teams access to Internet services for providing remote care.

- Recent awardees: https://www.fcc.gov/document/fcc-approves-final-set-covid-19-telehealth-program-applications
- Previous awardees: https://www.fcc.gov/covid19telehealth

Key Links

General information: https://www.fcc.gov/covid-19-telehealth-program

Department of Agriculture

Rural Broadband Program

The Rural Broadband Program (formerly the Rural Broadband Access Loan & Loan Guarantee Program) has historically been the RUS program with the greatest promise for competitive broadband. The application process is not onerous, and there is some flexibility in what awards can cover.

In May 2020, new rule changes for this program took effect. These rules updated the program name and added a grant component. While these rules have been finalized in the Federal Register, USDA has not yet administered a funding cycle for this program with these changes in place.

Program Mission

The Rural Broadband Program has a broad mission. It is designed "[t]o provide loans for funding, on a technology neutral basis, for the costs of construction, improvement, and acquisition of facilities and equipment to provide broadband service to eligible rural communities."

Nature of Award

Awards are in the form of Treasury-rate loans, 4% loans, loan guarantees, and, with the new rule changes, loan/grant combinations. Loans are for the term of the life of the facility (thus, 18 to 20 years for standard-wire broadband). Money is dispersed as construction is completed, with monthly advances against the following month's contract. Once awarded, funding covers capital costs and can retroactively cover pre-application expenses (e.g., project design); however, applicants must take a "leap of faith" in preparing these details during the application process.

Eligible Entities

Entities eligible to receive loans include corporations, limited liability companies, cooperative or mutual organizations, federally recognized Tribes, and state or local governments. Individuals or partnerships are not eligible.

Eligible Areas

Loans are limited to eligible rural communities (i.e., an area with fewer than 20,000 inhabitants and not adjacent to an urbanized area with more than 50,000 inhabitants). An eligible service area must be completely contained within a rural area,; at least 15% of the households in the area must be underserved (unless the current borrower applies to upgrade existing facilities in an existing service area, in which case they are exempt from this requirement),; no part of the service area can have more than three incumbent service providers (note that an area may have two competing broadband service providers),; and no part of the funded service area can overlap with the service area of current RUS borrowers and grantees or be included in a pending application before RUS. It is likely that portions of a service territory would qualify, although the service territory may not qualify in its entirety. Incumbent service providers are broadband providers that RUS identifies as directly providing broadband service to at least 5% of the households within a service area.

Eligible Costs

The program funds costs of construction, improvement, and acquisition of facilities and equipment to provide broadband service to eligible rural areas. Thus, loans are not limited by anticipated end uses.

FY 2021 Resources

Specific program allocations have not yet been made for this program for the current fiscal year.

Typical Award

Congress approves an annual appropriation (loan subsidy) and a specific loan level (lending authority) for the program. Minimum and maximum award amounts will be published in the Federal Register. Historically, awards have ranged from $100,000 (minimum) to $100 million (maximum).

Cost-Share Requirement

For loans, there is no Cost-Share Requirement; however, applicants must carry fidelity-bond coverage for 15% of the loan or loan/grant combination award amount. Grants may cover 25% to 75% of project costs, dependent on the population density of the proposed funded service area.

Application Guidance

- Obtain a Dun and Bradstreet Universal Numbering System (DUNS) number and register in the System for Award Management (SAM).
- Applications, including additional documents such as certifications, are submitted through RD Apply, USDA's online application system. Learn more about RD Apply here: https://www.rd.usda.gov/programs-services/rd-apply.
- Signing up for account access for USDA's application system requires a Level II eAuthorization, a process that can take up to a month. It is important to begin the process to sign up for an account as soon as possible. Learn more here: https://www.eauth.usda.gov/home/.
- It is optional but highly recommended that you contact your area's General Field Representative, who can guide you through the application process and provide a pre-submission review of your application.
- All parts of the application must be consistent. The first step is to fill out a 17-question tab that will generate additional, customized tabs.
- You will need to describe your organization, the proposed project, and the requested loan amount; provide maps and demographic information describing the proposed service areas; and submit a construction timeline and a breakdown of project costs related to capital investments, depreciation schedules, and funding sources.
- The timeline must include major network build-out phases and milestones that demonstrate that your entire project will have all construction complete by the end of Year 3. Detailed information on capital investment, depreciation, competition, and environmental impact also is required.
- For projections of a penetration rate of more than 20%, you must complete market surveys within six months of the day you submit your application.

Applicable Deadlines

The program isn't currently open. We anticipate that USDA will open many of its broadband programs in the second half of the 2021 calendar year.

Other Requirements

Applicants must complete build-out within five years and demonstrate ability to provide the service at the Agency's "broadband lending speed" (25/3 Mbps). Note that awards are only partially based on project design but pay particular attention to the business plan and pro forma. Thus, applicants must invest resources preparing these supporting documents. Loans are given to those projects that demonstrate the greatest likelihood of repayment (as demonstrated by the business

plan). RUS will give greatest priority to applicants that propose to offer broadband to the greatest proportion of households that have no incumbent service provider.

Example Awardee

In FY 2020, the Pioneer Telephone Cooperative, Inc., was awarded $24,299,824 to deploy fiber-to-the-home broadband services in rural Oklahoma. The funded service areas include 1,832 households and two essential community facilities spread over 826 square miles.

- Recent awardees: https://www.usda.gov/reconnect/round-two-awardees
- Previous awardees: https://www.usda.gov/reconnect/round-one-awardees

Key Links
- Fact Sheet: https://www.rd.usda.gov/sites/default/files/fact-sheet/508_RD_FS_RUS_FarmBillBroadbandLoans.pdf
- Application Guide: https://www.rd.usda.gov/files/FB_AppGuide_Revised_18_19.pdf
- Federal Register Notice (May 2020 rule changes): https://www.govinfo.gov/content/pkg/FR-2020-03-12/pdf/2020-04086.pdf

Agency Contact

Ken Kuchno (202-690-4673); Kenneth.kuchno@wdc.usda.gov

ReConnect Program

Program Mission

The ReConnect program offers financing to facilitate broadband deployment in rural areas of the country that lack access to at least 10/1 Mbps.

Nature of Award

There are three types of opportunities offered through this program: 100% grant, 50/50 grant/loan, and 100% loan.

Eligible Entities

Awards can be given to both public and private entities. Eligible applicants for broadband grants include: cooperatives, nonprofits, mutual associations, state and local governments and their subdivisions, a territory or possession of the United States, and federally recognized Tribes. In order to be competitive, the applicant should be able to demonstrate its ability to build and operate a broadband network.

Eligible Areas

To be eligible for ReConnect, service areas must be rural, and 90% of households must lack access to fixed, terrestrial service of at least 10/1 Mbps. RUS will not fund a project proposing to serve an area that has already received financial assistance for broadband service from RUS broadband

loans, the Community Connect program, CAF II Auction 903, state-funded areas, or previous rounds of ReConnect, or that has been awarded through the Rural Digital Opportunity Fund.

Eligible Costs

Award funds can be used to fund the construction or improvement of broadband facilities, the acquisition of an existing system (up to 40% of the total requested award), and reasonable pre-application expenses (up to 5% of the total requested award). Operating costs are not Eligible Costs.

FY 2021 Resources

Round one of the program awarded more than $621 million. Round two closed on April 15, 2020, and will distribute $550 million, plus an additional $100 million from the stimulus act. In round three, we anticipate similar funding levels to the first two rounds. The program might open as soon as April 2021, with a grant deadline of 60 to 90 days later. Typical Award Size: Awards range considerably in size. 100% grants are limited to $25 million, and 50/50 awards are limited to $25 million for each the grant and the loan. 100% loans are limited to $50 million.

Cost-Share Requirement

Applicants receiving a 100% grant must provide a match equal to 25% of the overall project cost.

Projects Funded

Eligible Projects must propose to provide at least 25/3 Mbps broadband service to all premises in the proposed service area that do not have sufficient access to broadband; they must also demonstrate that they can be completely built out within five years of funding being made available.

Application Guidance

- Obtain a Dun and Bradstreet Universal Numbering System (DUNS) number and register in the System for Award Management (SAM).
- Applications, including additional documents such as certifications, are submitted through RD Apply, USDA's online application system. Learn more about RD Apply here: https://www.rd.usda.gov/programs-services/rd-apply.
- Signing up for account access for USDA's application system requires a Level II eAuthorization, a process that can take up to a month. It is important to begin the process to sign up for an account as soon as possible. Learn more here: https://www.eauth.usda.gov/home/.
- Align your project plan for technology, partnerships, business plan, and service levels with USDA's funding criteria. Several States have announced grant program funding that can be leveraged for the 25% match that is required for 100% ReConnect grants. Check to see if your State has such a program.
- Begin gathering data on population statistics and information on market research to establish eligibility and to provide content for the grant narrative. Collect letters of support

from your governor and others and document support of local government and the community, particularly businesses and prospective customers.

- Define your proposed service area and count the rural premises to be connected. Document the method used to demonstrate lack of service. Be sure the area has not previously received any disqualifying funding (such as Connect America Fund II). Applicants can upload shapefiles to define project area and proposed routes. Pay close attention to the instructions about the parameters of those files.

- Design a conceptual network, including project plan, buildout timeline, design, diagram, and cost estimates. Have the design and cost estimates certified by a licensed Professional Engineer.

- The application requires deep financial detail. Your financial pro forma must encompass the whole of your organization – not just the proposed project. Develop a business plan and a financial pro forma (used to project financial outcomes). Five-year revenue projections using statistically valid market research and organizational performance metrics can bolster your claim that your project is low-risk and sustainable.

Example Awardee

In FY 2020, Easton Utilities Commission in Maryland was awarded $13,108,229 to deliver fiber-to-the-premises to a service area that includes 3,447 households, eight educational facilities, one essential community facility, and one health-care facility spread over 122 square miles.

Recent awardees:
- https://www.rd.usda.gov/sites/default/files/CC_Awardsby_Application_FiscalYear2019.pdf
- Previous awardees: https://www.usda.gov/reconnect#anchor1

Key Links
- Program overview: https://www.usda.gov/reconnect/program-overview
- Application guide:
  https://www.rd.usda.gov/files/ReConnect_Program_Application_Guide.pdf

Program Contact

General contact: https://www.usda.gov/reconnect/contact-us

Community Connect Program

Priority for Community Connect grants is given to areas demonstrating "economic necessity." The application process is rigorous and competitive (with awards given to only 10% of applicants) and, once awarded, program requirements are demanding (e.g., requiring last-mile service for all households in the service area). Awards are fairly modest.

Program Mission

Community Connect has a broad Program Mission of helping "rural residents tap into the enormous potential of the Internet."

Nature of Award

Grant with modest (15%) match requirement.

Eligible Entities

Awards can be given to both public and private entities. Eligible applicants for broadband grants include incorporated organizations, federally recognized Tribes, state or local units of government, cooperatives, private corporations, and limited-liability companies organized on a for-profit or not-for-profit basis. Individuals or partnerships are not eligible.

Eligible Areas

Funding is geographically limited to a contiguous area with a population of fewer than 20,000 that does not currently have Broadband Transmission Service (defined as 10/1 Mbps).

Eligible Costs

Eligible Projects must offer basic broadband transmission service to both residential and business customers within the proposed service area. Examples of Eligible Projects include deploying broadband transmission service to critical community facilities, rural residents, and rural businesses; constructing, acquiring, or expanding a community center (but only 5% of grant or $100,000 can be used for this purpose); and building broadband infrastructure and establishing a community center, with at least 10 computer access points, which offers free public access to broadband for two years.

FY 2021 Resources

For FY 2021, $35 million has been directly appropriated for Community Connect Grants. We anticipate that the opportunity may open in late 2021.

Typical Grant Award

Awards range considerably in size, from $100,000 to $3 million.

Cost-Share Requirement

Applicants must make a matching contribution of at least 15% of the total award. This match can be made with "in kind" contributions but cannot be made with federal funds.

Other Requirements

Grant requirements are fairly onerous, as recipients must agree to provide last-mile services throughout the entire service area (i.e., "basic transmission service to residential and business customers").

Application Guidance

- Start early. The application requires significant effort. Many applicants start work a year prior to the application window opening.
- Obtain a Dun and Bradstreet Universal Numbering System (DUNS) number and register in the System for Award Management (SAM).
- Applications, including additional documents such as certifications, are submitted through RD Apply, USDA's online application system. Learn more about RD Apply here: https://www.rd.usda.gov/programs-services/rd-apply.
- Signing up for account access for USDA's application system requires a Level II eAuthorization, a process that can take up to a month. It is important to begin the process to sign up for an account as soon as possible. Learn more here: https://www.eauth.usda.gov/home/.
- Describe the proposed service funding area and why the project is needed. Include a description of the applicant. Also describe the method used to determine the unavailability of existing broadband service in the project area.
- Describe the equipment, technologies, and facilities of the proposed broadband system and the total project cost.
- Community engagement is critical. Stakeholder involvement accounts for 40% of the scoring. Include a list of participating Essential Community Facilities.
- Maps may be drawn in the Community Connect portal or submitted as shape files.

Example Awardee

In FY 2019, the Peoples Rural Telephone Cooperative Corp. was awarded $2,396,440 for to construct a 48-mile fiber-to-the-premises network passing 269 residences, four businesses, and one community facility in Lee County, KY. The community center will provide residents with free Internet access for at least two years.

- Recent awardees: https://www.rd.usda.gov/sites/default/files/CC_Awardsby_Application_FiscalYear2019.pdf
- Previous awardees: https://www.rd.usda.gov/programs-services/community-connect-grants

Key Links

- Basic background: https://www.rd.usda.gov/programs-services/community-connect-grants
- 2021 program presentation: https://www.rd.usda.gov/sites/default/files/CC_Presentation2021.pdf

Agency Contact

- Long Chen and Janet Malaki (202-690-4673); community.connect@wdc.usda.gov
- Ken Kuchno (202-690-4673); Kenneth.kuchno@wdc.usda.gov

Distance Learning and Telemedicine

Grants for this program are given for equipment, rather than broadband service; however, this may provide a good way for a utility to leverage a new broadband network (e.g., by helping finance video conferencing systems and home medical units). As such, this grant could be a good supplement to other funding options. Applicants have a fairly high likelihood (70%) of receiving an award.

Program Mission
Grants are available for projects that "meet the educational and health-care needs of rural America."

Nature of Award
Grant.

Eligible Entities
Funds can be awarded to both public and private entities (including corporations or partnerships, Tribes, state or local units of government, consortia, and private for-profit or not-for-profit corporations), assuming they provide the requisite services. Individuals are not eligible. Grantees must provide education and medical care via telecommunications. Eligible Entities must either directly operate a rural community facility or deliver distance learning or telemedicine services to entities that operate a rural community facility or to residents of rural areas.

Eligible Areas
Rural areas with populations of fewer than 20,000 residents.

Eligible Costs
Grants can be used for equipment, but not broadband service. Eligible Projects vary and can include capital assets (e.g., interactive video equipment, data terminal equipment, and inside wiring), instructional programming that is a capital asset, technical assistance, and instruction. Grants can provide operating costs for the first two years of a program. They are made for projects where the benefit is primarily delivered to end users that are not at the same location as the source of the education or health-care service.

FY 2021 Resources
This program has an allocation of $60 million for grants and approximately $11.8 million for loans for FY 2021.

Typical Grant Awards
Grant awards range from $50,000 (minimum) to $1 million (maximum). Roughly 70% of applicants are awarded grants.

Cost-Share Requirement

The grant program requires a 15% match. Such matches may be made through "in kind" contributions but cannot be made with federal funds. Applications that provide a greater contribution may be scored more favorably.

Application Guidance

- Obtain a Dun and Bradstreet Universal Numbering System (DUNS) number and register in the System for Award Management (SAM). Applicants must prove legal existence and the DUNS number and SAM.gov registration must be for the applicant. The exact name of the legal entity must be used.
- Applications, including additional documents such as certifications, are submitted through RD Apply, USDA's online application system. Learn more about RD Apply here: https://www.rd.usda.gov/programs-services/rd-apply.
- Signing up for account access for USDA's application system requires a Level II eAuthorization, a process that can take up to a month. It is important to begin the process to sign up for an account as soon as possible. Learn more here: https://www.eauth.usda.gov/home/.
- Applicants should submit items in the order shown in the Application Guide, which is a relatively straightforward document and is available here: https://www.rd.usda.gov/sites/default/files/FY2020_DLT_App_Guide_Final.pdf.
- Describe the project, specifying whether the application is primarily for distance learning or telemedicine. Explain how the project will benefit rural residents and how many residents will be served. Informal consortiums must identify a single fiscal agent.
- Applicants must submit a Site Worksheet that clearly identifies hub, hub/end-user, and end-user sites and must ensure that site information is consistent throughout the application.
- In addition to online submission to RD Apply, submit the application to the State government(s) single point(s) of contact. Locate contact information here: https://www.whitehouse.gov/wp-content/uploads/2019/02/SPOC-February-2019.pdf.
- Contact your area's General Field Representative for more information.

Example Awardee

On October 7, 2020, the Puerto Rico Science, Technology & Research Trust was awarded $998,076 to provide a telecommunications link to improve health care in remote communities, reduce costs, and improve health outcomes in future natural disasters.

- Recent awardees: https://www.rd.usda.gov/sites/default/files/USDARD_DLT_CHART10072020.pdf
- Previous awardees: https://search.usa.gov/search?utf8=%E2%9C%93&affiliate=usda-rd&query=DLT+recipient+directory&commit=

Key Links:
- Program page: https://www.rd.usda.gov/programs-services/distance-learning-telemedicine-grants
- Map of recently funded areas: https://ruraldevelopment.maps.arcgis.com/apps/webappviewer/index.html?id=15a7383055 5645ae93d2fa773ed8e971

Agency Contact
- General information (202-720-1051 or dltinfo@wdc.usda.gov)
- Sam Morgan (202-205-3733 or sam.morgan@wdc.usda.gov)

Telecommunications Infrastructure Loans

USDA provides loans to support broadband in rural communities. Loans are limited to telephone companies serving rural areas within cities of fewer than 5,000 inhabitants.

Program Mission

The Telecommunications Infrastructure program makes "long-term direct and guaranteed loans to … finance[e] the improvement, expansion, construction, acquisition, and operation of telephone lines, facilities, or systems to furnish and improve Telecommunications service in rural areas." The loans are intended to provide advanced telecommunications networks for rural areas, especially broadband networks designed to accommodate distance learning, telework, and telemedicine.

Nature of Award

All awards are in the form of low-interest loans and includes cost-of-money loans (3.15% for a 20-year term beginning June 2014), guaranteed loans (interest rates are Treasury rate plus 1/8%, historically between 0.15 and 4.2%), and hardship loans (5% interest).

Eligible Entities

The Department of Agriculture provides Telecommunications Infrastructure Loans to entities providing telephone service in rural areas; public bodies providing telephone service in rural areas as of 1949; cooperative, nonprofit, limited dividend, or mutual associations. All borrowers must be incorporated or a limited liability company.

Eligible Areas

Rural areas, defined for this program as an area not included within the boundaries of any city, village, or borough (incorporated or unincorporated) with a population greater than 5,000.

Eligible Costs

Loans can be used to finance telecommunications in rural areas for improvements, expansions, construction, acquisitions, and refinancing.

FY 2021 Resources

The budget for this program has not yet been established for this fiscal year. For FY 2020, the program budget was $690 million.

Typical Award

$50,000 is the minimum loan award. The maximum is unclear, though as of June 2011, Triangle Telecom had received $136 million over the course of a decade.

Cost-Share Requirement

 N/A (loan).

Applicable Deadlines

Applications can be submitted year-round.

Application Guidance

- Obtain a Dun and Bradstreet Universal Numbering System (DUNS) number and register in the System for Award Management (SAM).
- Applications, including additional documents such as certifications, are submitted through RD Apply, USDA's online application system. Learn more about RD Apply here: https://www.rd.usda.gov/programs-services/rd-apply.
- Signing up for account access for USDA's application system requires a Level II eAuthorization, a process that can take up to a month. It is important to begin the process to sign up for an account as soon as possible. Learn more here: https://www.eauth.usda.gov/home/.
- Contact your local General Field Representative (GFR) to confirm that you have the most current information and to ensure a complete and eligible application prior to submission. GFRs are listed here: https://www.rd.usda.gov/contact-us/telecom-gfr.
- All parts of the application must be consistent. The first step is to fill out a 16-question tab that will generate additional, customized tabs.
- The application must describe the purpose and amount of the proposed construction and plans for upgrading existing services and providing new services. It should address the number of existing and projected subscribers and explain how you plan to meet the five-year projection.
- A system design prepared by an experienced telecommunications engineer is required.
- Extensive and specific financial information, including balance sheets, income and cashflow statements, debt and equity funding, and a pro forma (used to project financial outcomes) also are required.

Example Recipient

- Keystone-Farmers Cooperative Telephone Company of Keystone, IA, received a loan to serve the counties of Benton County and Tama County.
- Current recipients: https://www.rd.usda.gov/files/UTP_BorrDirectory.pdf

Key Links
- Program page: https://www.rd.usda.gov/programs-services/telecommunications-infrastructure-loans-loan-guarantees
- Program fact sheet: https://rd.usda.gov/sites/default/files/fact-sheet/508_RD_FS_RUS_TelecommunicationsLoan.pdf

Rural Business Development Program

Program Mission

The USDA Rural Development Program provides technical assistance and training for small businesses (businesses with fewer than 50 workers and under $1 million in gross revenue) in rural areas.

Nature of Award

Grant.

Eligible Entities

Awards can be given to rural, public entities. Eligible applicants for this program include towns, state agencies, authorities, nonprofit corporations, institutions of higher education, federally recognized Tribes, and rural cooperatives (only if organized as a private, nonprofit corporation). Individuals or partnerships are not eligible.

Eligible Areas

To be eligible for the USDA Rural Business Development Program, service areas must be "rural areas or towns outside the urbanized periphery of any city with a population of 50,000 or more." However, applicants for Opportunity Grants (which focus on the economic development of rural communities as a whole) do not need to be located in such areas themselves.

Eligible Costs

Award funds must be used to benefit small and emerging rural businesses. For Enterprise Grants (which directly benefit small and emerging businesses in rural areas), specific uses include "training and technical assistance, acquisition or development of land, easements, or rights of way, construction, conversion, and renovation of buildings, pollution control, capitalization of revolving loan funds, distance adult learning for job training/advancement, rural transportation improvement, community economic development, technology-based economic development, feasibility studies and business plans, leadership and entrepreneur training, rural business incubators, and long-term business strategic planning." For Opportunity Grants, specific uses include "community economic development, technology-based economic development, feasibility studies and business plans, leadership and entrepreneur training, rural business incubators, and long-term business strategic planning."

FY 2021 Resources

Funding allocations for this program have not yet been made for this fiscal year. For background purposes, in 2018, $34 million of funding was available for the USDA Rural Business Development Program. This number increased to $35 million in 2019 and further increased to $37 million in 2020.

Typical Award Size

Awards range considerably in size and are generally between $10,000 and $500,000. Opportunity Grant funding cannot be greater than 10% of the annual USDA Rural Broadband Development Program funding.

Cost-Share Requirement

There is no cost-sharing requirement.

Applicable Deadlines

This program is managed through state USDA offices, which each set their own deadlines for the program. Updates on application deadlines are available through https://www.rd.usda.gov/programs-services/rural-business-development-grants. Find your state office here: https://www.rd.usda.gov/page/state-offices.

Application Guidance

- Obtain a Dun and Bradstreet Universal Numbering System (DUNS) number and register in the System for Award Management (SAM). Signing up for account access for USDA's application system requires a Level II eAuthorization, a process that can take up to a month. It is important to begin the process to sign up for an account as soon as possible. Learn more here: https://www.eauth.usda.gov/home/.
- Application information is state-specific. For information about application details, pPlease refer to the program website and be sure to select the applicable state.
- Applications are submitted through USDA's local or state offices.
- It is a good idea to get in touch with your state office early in the process to learn more about the application process. Find your office here: https://www.rd.usda.gov/about-rd/state-offices.

Example Awardee

On September 1, 2020, the Ben Hill campus of Wiregrass Technical College in Georgia was awarded $99,999 to purchase and equip a mobile training laboratory for the masonry construction technology degree program at the college.

- Recent awardees: https://www.rd.usda.gov/newsroom/news-release/trump-administration-awards-13-million-usda-rural-business-development-grant
- Previous awardees: https://www.rd.usda.gov/newsroom/news-releases

Key Links
Program overview:
https://www.rd.usda.gov/programs-services/rural-business-development-grants

Program Contact
Find your state office contact here: https://www.rd.usda.gov/contact-us/state-offices

Appalachian Regional Commission

Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative

Program Mission
This program supports communities that have been affected by job losses in the coal industry by funding projects that address economic diversity, employment opportunities, job training, and attracting new investment. Broadband is one of the program's five investment priorities, and up to a third of total program funds are set aside each round to fund broadband projects specifically. This program offers an opportunity to fund both broadband infrastructure projects and broadband strategic planning initiatives. POWER offers a higher threshold of "served" than many other broadband programs.

Nature of Award
Grant.

Eligible Entities
Public and private nonprofit organizations, higher education institutions, Local Development Districts, federally recognized Tribes, and local and state governments and other subdivisions of states.

Eligible Areas
This program seeks to target coal-impacted communities in the Appalachian Region, so applicants should be able to demonstrate how the project area has been directly or indirectly impacted by coal. The Appalachian Region includes certain counties in Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia, and all of West Virginia.

While ARC does not support projects that would create unfair competition between businesses, POWER-funded fiber builds are allowed in areas that do not have access to 100/100 Mbps service for businesses and 50/10 Mbps service for residents. Wireless projects are eligible in areas that do not have access to 25/3 Mbps service.

The FY 2021 funding cycle will not fund projects that seek to deploy broadband in areas that have been awarded to a bidder in the FCC's Rural Digital Opportunity Fund (RDOF), though fiber projects will still be eligible in areas that RDOF has awarded to a satellite provider. The onus is on the POWER applicant to determine if it overlaps with RDOF-awarded areas.

Eligible Costs

This POWER program supports two types of grants—implementation grants and planning grants. Implementation grant awards are intended to carry out projects, including broadband infrastructure projects, and to fund capital costs (not operational costs). The period of performance is up to three years. Planning grants serve to help communities develop plans and strategies for economic development and restructuring. The period of performance for planning grants is typically one year.

FY 2021 Resources

The POWER program was allocated $45 million for FY 2021, with $15 million specifically reserved for broadband implementation projects.

Typical Award Size

Generally, implementation grants range from $400,000 to $1.5 million, though awards for broadband projects may be up to $2.5 million. Planning grants can be up to $50,000.

Cost-Share Requirement

Cost-share percentage is dependent on the ARC classification of the county or counties that will be served by the project, with ARC covering up to 80% of the total project cost. County classifications and the corresponding match rates for each funding year can be found on the ARC website: https://www.arc.gov/match-requirements-for-arc-grants/.

Application Guidance

- Obtain a Data Universal Numbering System (DUNS) number and register in the System for Award Management (SAM) to obtain a unique entity identifier. They will be needed for the Form 424 (basic information about the applicant and the proposed project) and the application itself. Submit your application in the 2021 POWER Initiative Application Portal: https://www.arc.gov/wp-content/uploads/2021/01/PW21-Letter-of-Intent.pdf.
- Identify your ARC State program manager and work with them to review project ideas. This step is required, and it will provide insight into how your proposal relates to your State's Appalachian economic development strategies and priorities. Your plan will also have to reflect the priorities of the POWER Initiative and align with one of the five ARC strategic investment goals.
- Engage your community get their perspectives and commitment. How do they envision the project transforming their community and economic development? Use community outreach to identify partnerships, explore funding match options, and obtain the letters from stakeholders that will be needed to demonstrate the community engagement.

- Describe the project's scope of work, timeline of activities and milestones, and geographic areas of focus. Be sure to explain how your project will have a direct impact in alleviating coal-related economic losses. Planning proposals must also demonstrate how the project will help formulate an implementation project.

- When you form the project team, be sure you can show that the members have the credentials and skills needed. Create a budget and a budget narrative and be sure the information in the budget, narrative, and project proposal align. When your budget is set, complete the appropriate Form 424.

- In addition to the above, implementation proposals must document feasibility studies, business planning, or other analysis that relates directly to the proposed project's design. They must identify project outputs and outcomes that are relevant, realistic, and achievable and explain the methodology used to estimate them. Future sustainability is a key outcome. It is especially important to have multiple stakeholders from multiple sectors and multiple disciplines engaged on the implementation project team. The team must also have experience in managing sizeable grants.

- All applications for POWER grants should address one of five ARC strategic investment goals (economic opportunities, ready workforce, critical infrastructure, natural and cultural assets, and leadership and community capacity) and one objective from ARC's Strategic Plan. Additionally, projects will be evaluated based on how well they align with the relevant state's ARC strategy.

- Competitive projects will positively affect economic development in multiple ways, such as by diversifying the local or regional economy, creating new jobs, attracting new investment, or providing workforce development and skills training opportunities.

Applicable Deadlines

The FY 2021 program Request for Proposals was released January 14, 2021; letters of intent are due March 5, 2021; and applications are due April 16, 2021.

Example Awardee

In FY 2019, Vinton and Meigs Counties, OH, were awarded $49,000 for broadband infrastructure improvement.

- Recent awardees: https://www.arc.gov/wp-content/uploads/2020/08/ARCProjectsApprovedinFiscalYear2019.pdf
- Previous awardees: https://www.arc.gov/wp-content/uploads/2020/08/ARCProjectsApprovedinFiscalYear2018.pdf

Key Links
- Program page: https://www.arc.gov/funding/power.asp
- FY2021 Request for Proposals: https://www.arc.gov/wp-content/uploads/2021/01/POWER-2021-RFP.pdf

Program Contact

Questions about this program can be directed to power@arc.gov.

Area Development and Distressed Counties Grants

Funding for these programs is allocated among eligible states, which are responsible for setting application cycles, deciding funding priorities, and making decisions about which projects to submit to ARC for review and award. While broadband development is eligible under these programs, typically the majority of funding is awarded to support water and sewer infrastructure projects.

Nature of Award

Grant.

Eligible Entities

Units of government, including Tribal governments and Local Development Districts, and 501(c)(3) organizations are eligible for this program. The applicant organization must either be located in Appalachia or limit its project service area exclusively to Appalachia, as defined by the Appalachian Regional Development Act of 1965.

Typical Resources

Resources of roughly $7 to 8 million are allocated to states, which then facilitate the grant application process. Program allocations for FY 2021 have not yet been finalized by ARC.

Typical Award Size

Project awards are typically $1.5 million to $1.8 million.

Cost-Share Requirement

Typically, ARC awards are limited to 50% of project costs, though projects in ARC-designated at-risk counties may receive up to 70% of project costs, and projects in ARC-designated distressed counties may receive up to 80% of project costs. ARC-designated competitive counties typically may only receive up to 30% of project costs. ARC economic status designations and the corresponding match rates may be found here: https://www.arc.gov/match-requirements-for-arc-grants/.

Application Guidance

- Contact your ARC State program manager to review project ideas.
- Applications are submitted directly to ARC state offices. Contact your state office to determine funding cycles and the application submittal process.
- All ARC applications require a Data Universal Numbering System (DUNS) number and a unique entity identifier from the System for Award Management (SAM).

- Partnerships are important. Obtain letters of support from each agency or organization participating in program implementation.
- Sustainability beyond the life of the project is a key element for the application's success.
- All applications should address one of five ARC strategic investment goals (economic opportunities, ready workforce, critical infrastructure, natural and cultural assets, and leadership and community capacity) and one objective from ARC's Strategic Plan. Additionally, projects will be evaluated based on how well they align with the relevant state's ARC strategy.
- Competitive projects will positively affect economic development in multiple ways, such as by diversifying the local or regional economy, creating new jobs, attracting new investment, or providing workforce development and skills training opportunities.

Applicable Deadlines

Funding cycles are set by individual states.

Key Links

- Overall ARC project guidelines: https://www.arc.gov/wp-content/uploads/2020/08/ARCProjectGuidelines.pdf
- Construction projects application checklist: https://www.arc.gov/wp-content/uploads/2020/07/ChecklistforARCConstructionApplications.pdf

Program Contact

ARC State Program Managers can be found at: https://www.arc.gov/state_partner_role/state-program-manager/

Area Development Grants

Program Mission

The Area Development program funds projects that support a strong regional economy, including infrastructure development projects. Federal funding for this program is allocated among eligible states.

Eligible Areas

This program is open to the entire ARC region. Priority is given to projects that serve distressed counties.

Example Awardee

In FY 2019, Kentucky was awarded $127,452 for the development of the Cumberland Valley area.

- Recent awardees: https://www.arc.gov/wp-content/uploads/2020/08/ARCProjectsApprovedinFiscalYear2019.pdf
- Previous awardees: https://www.arc.gov/wp-content/uploads/2020/08/ARCProjectsApprovedinFiscalYear2018.pdf

Distressed Counties Grants

Program Mission

This program provides support to counties that have been designated as "distressed," based on three-year average unemployment rates, per capita market income, and poverty rates. Federal funding for this program is allocated among eligible states. Applicants submit project proposals directly to the state, which makes the decision about which projects to submit to ARC for review and ultimately, award.

Eligible Areas

This program is only available to projects that serve counties identified as distressed by ARC. ARC designations may be found on the Commission's website: https://www.arc.gov/appalachian_region/CountyEconomicStatusandDistressedAreasinAppalachia.asp.

Example Awardee

In FY 2019, Tennessee was awarded $100,000 to improve the financial health of students and workers in distressed communities.

- Recent Awardees: https://www.arc.gov/wp-content/uploads/2020/08/ARCProjectsApprovedinFiscalYear2019.pdf
- Previous Awardees: https://www.arc.gov/wp-content/uploads/2020/08/ARCProjectsApprovedinFiscalYear2018.pdf

Central Appalachia and North Central/North Appalachia Broadband Programs

Program Mission

This program funds broadband deployment in distressed counties in Central Appalachia and North Central/North Appalachia that have been affected by the decline of coal. Federal funding for this program is allocated among eligible states. Applicants submit project proposals directly to the state, which makes the decision about which projects to submit to ARC for review and, ultimately, award.

Nature of Award

Grant.

Eligible Entities

Units of government, including Tribal governments and Local Development Districts, and 501(c)(3) organizations are eligible for this program.

Eligible Areas

Projects must serve distressed counties in Central Appalachia or North Central/North Appalachia that have been affected by the decline of coal. This program has the narrowest geographic eligibility of the four ARC programs.

FY 2021 Resources

For FY 2021, $10 million was appropriated for broadband funding in distressed counties in Central Appalachia, and $5 million was appropriated for broadband funding in distressed counties in North Central and Northern Appalachia.

Typical Award Size

Most ARC broadband awards are $1.5 million to $1.8 million.

Cost-Share Requirement

Typically, ARC funds up to 50% of project costs, though distressed county projects (which would be all projects eligible for these programs) may request as much as 80% of project costs to be funded. ARC economic status designations and the corresponding match rates are here: https://www.arc.gov/match-requirements-for-arc-grants/.

Application Guidance

- Contact your ARC State program manager to review project ideas.
- Applications are submitted directly to ARC state offices. Contact your state office to determine funding cycles and the application submittal process.
- All ARC applications require a Data Universal Numbering System (DUNS) number and a unique entity identifier from the System for Award Management (SAM).
- Partnerships are important. Obtain letters of support from each agency or organization participating in program implementation.
- Sustainability beyond the life of the project is a key element for the application's success.
- All applications should address one of five ARC strategic investment goals (economic opportunities, ready workforce, critical infrastructure, natural and cultural assets, and leadership and community capacity) and one objective from ARC's Strategic Plan. Additionally, projects will be evaluated based on how well they align with the relevant state's ARC strategy.
- Competitive projects will positively affect economic development in multiple ways, such as by diversifying the local or regional economy, creating new jobs, attracting new investment, or providing workforce development and skills training opportunities.

Applicable Deadlines

For each funding cycle, states set their own application deadlines; this program is not currently open.

Key Links

ARC Grants page: https://www.arc.gov/grants-and-contracts/

Program Contact

ARC State Program Managers can be found at: https://www.arc.gov/state_partner_role/state-program-manager/.

U.S. Department of the Interior, Bureau of Indian Affairs: National Tribal Broadband Grant

Program Mission

This program provides grant funding to hire consultants to perform feasibility studies for broadband deployment, with the goal of supporting informed decisions about broadband planning and ultimately improving quality of life by encouraging the availability of broadband services.

Nature of Award

Grant.

Eligible Entities

Federally recognized Tribes.

Eligible Projects

Awards can be used to conduct a broadband feasibility study for any federally recognized Tribe. Applications are evaluated based on four criteria:

1. Community impact potential: How broadband will improve the community's quality of life.
2. Need: The applicant's lack of ability to conduct the work without a grant.
3. Project location in an Opportunity Zone.
4. Authenticity: Applications should demonstrate a partnership between the applicant and the entity that will conduct the work.

Eligible Costs

Feasibility studies funded by this program can include the following elements:

- Assessment of current broadband services
- Engineering assessment of new broadband services
- Cost estimate for building new or expanding existing services
- Identification of potential funding or financing for a network
- Risk assessment
- Determination of transmission mediums to be deployed

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Eligible feasibility studies are conducted by a third-party entity. Applicants may work with a variety of entities, including but not limited to universities and colleges, private consulting firms, and nonprofits, to perform eligible services.

Awards may not be used for indirect or administrative costs, creation of new jobs, equipment, training, legal fees, or any other activities not authorized by the grant award letter.

FY 2021 Resources
Funds have not been allocated to this program for the current fiscal year, though they may be in the future. Total program funding for the FY 2020 funding opportunity was estimated to be $1.2 million.

Typical Award
Awards range from $40,000 to $50,000. The Office of Indian Energy and Economic Development awarded 31 grants in that range for FY 2020.

Cost-Share Requirement
None.

Application Guidance
- Applicants should be able to demonstrate how broadband will improve the community's quality of life and should identify at a high level the geographic area that the feasibility study will address.
- Key application components include a project narrative, a project budget, and a Tribal resolution authorizing the application.
- Applicants should have an active Automated Standard Application for Payments (ASAP) number. Learn more about ASAP here: https://fiscal.treasury.gov/asap/.
- Application materials are downloaded from Grants.gov, and applications are submitted via email attachment directly to the Bureau of Indian Affairs.
- Applications are evaluated "primarily on the potential positive impact that broadband would bring to an applicant's community,"[2] so demonstrating the need for broadband and describing its potential benefits in the application is critical.
- Each application should address one project; applicants may submit more than one application in order to seek funding for various studies.

Example Awardee
In FY 2020, the Hualapai Indian Tribe in Arizona was awarded $50,000.

- Awardees: https://www.bia.gov/service/grants/ntbg/past-funded-ntbg-grant-projects

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2   https://www.bia.gov/service/grants/ntbg/past-funded-ntbg-grant-projects

Key Links

FY 2020 Solicitation of Proposals: https://www.federalregister.gov/documents/2020/02/10/2020-02616/national-tribal-broadband-grant-solicitation-of-proposals

Agency Contact

James R. West, NTBG Manager, Office of Indian Energy and Economic Development (jamesr.west@bia.gov or 202-595-4766)

Department of Health and Human Services: Telehealth Network Grant Program

Program Mission

The program is designed to promote tele-emergency services with an emphasis on tele-stroke, tele-behavioral health, and tele-emergency services (tele-EMS).

Nature of Award

Grant.

Eligible Entities

Eligible applicants include public and private nonprofit entities, including faith-based and community organizations, as well as federally recognized Tribes.

Eligible Areas

Services must be provided to rural areas—for this program, a non-metropolitan county or a rural census tract of a metropolitan county—though applicant can be located in an urban area.

Eligible Costs

Proposed projects should enhance telehealth networks to deliver 24-hour Emergency Department consultation services via telehealth to rural providers without emergency care specialists. Composition of the telehealth network must include at least one community-based health-care provider.

FY 2021 Resources

We anticipate a funding opportunity will be released in early spring. Funds have not yet been allocated to this program for the current fiscal year, but we do not anticipate a particularly robust appropriation; the FY 2020 resources were $8.7 million.

Typical Award Size

Awards are limited to $300,000 per applicant, subject to the availability of appropriated funds.

Cost-Share Requirement

None.

Application Guidance

- Applicants must include proof of nonprofit or public status. Partners may include for-profit organizations.
- Be sure to consult the Notice of Funding Opportunities, register in SAM.gov, create an account in Grants.gov, and follow the instructions in the Health Services and Research Administration (HRSA) SF-424 Application Guide. All applications must be submitted electronically.
- A budget and a budget narrative that explains all costs are required.

Example Awardee

The Athol Memorial Hospital in Worcester County, MA, received a grant for FY 2018 – FY 2021 to partner with other providers to conduct a demonstration project that will deliver high-quality and effective tele-behavioral health services. The videoconferencing technology selected is a telehealth platform accessible over a broadband Internet connection.

- Recent awardees:
  https://www.hrsa.gov/sites/default/files/hrsa/ruralhealth/resources/telehealth/2018Directory.pdf
- Previous awardees:
  https://www.hrsa.gov/sites/default/files/hrsa/ruralhealth/resources/telehealth/oat-grantees-2017-profiles.pdf

Key Links

Program page: https://www.hrsa.gov/grants/find-funding/hrsa-20-036

Program Contact

Carlos Mena, MS, Public Health Analyst, Federal Office of Rural Health Policy; (301-443-3198 or cmena@hrsa.gov)

U.S. Treasury: New Markets Tax Credit

The New Markets Tax Credit (NMTC) may provide a source of revenue for broadband investments; however, to qualify, the applicant must identify a Community Development Entity (CDE) that has an available NMTC allocation and is willing to invest in the project. Moreover, projects must be located in low-income communities (defined below). Even if the applicant can identify a qualifying CDE and a low-income community, the credits are very competitive. Recipients of NMTC financing typically receive favorable terms and conditions on a loan from a CDE (e.g., allowing them to offset up to 39% of the cost of the project investment over seven years). Notably, while broadband is consistent with the Program Mission, only one broadband project appears to have received NMTC funding. The government has expressed an interest in shifting the focus away from real estate, however, which may make broadband projects more desirable going forward.

Program Mission

The NMTC provides tax incentives to induce private sector, market-driven investments in businesses and real-estate developments in economically distressed communities.

Nature of Award

The program provides an NMTC allocation to qualifying Community Development Entities (CDEs). Once a CDE receives an allocation, it can secure investors to make Qualified Equity Investments (QEIs) in exchange for the credit. The investors claim a 39% tax credit over seven years, 5% annually for the first three years and 6% in years four to seven. Having secured this investment, CDEs can then offer preferential rates and terms to developers in low-income communities.

Eligible Entities

The NMTC program permits individual and corporate taxpayers to receive a credit against federal income taxes for making Qualified Equity Investments (QEIs) in CDEs, which serve as investment intermediaries. CDEs then use the proceeds that they raise from QEIs to make Qualified Low-Income Community Investments into businesses in qualified communities. CDEs are typically nonprofits, government entities, and others who provide subsidized financing, whose primary mission is to benefit low-income households. Thus, a utility could receive the credit as a CDE, raise cash representing the value of the credit from investors, and then pass the investment to a developer who would receive a loan with below-market terms and conditions to deploy broadband in a low-income community. The CDE must first apply to the Community Development Financial Institutions Fund within the Department of Treasury for allocation awards. Efforts are made to support rural communities, with nearly 20% of NMTC investments going to rural communities through the course of the program.

Eligible Areas

Projects invested in by CDEs receiving NMTCs must primarily benefit a Low Income Community (LIC), defined as any population census tract where the poverty rate for such tract is at least 20% or, in the case of a tract not located within a metropolitan area, median family income for such tract does not exceed 80% of statewide median family income; or, in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80% of the greater of statewide median family income or the metropolitan area median family income. At least 85% of the investment must be made in a low-income community.

Eligible Costs

While "substantially all" (85% or more) of a CDE's investments must be targeted to the low-income service area identified by the CDE, there is significant flexibility in the types of businesses and development activities that NMTC investments support–including community facilities such as childcare or health-care facilities and charter schools, manufacturing facilities, for-profit and nonprofit businesses, and home-ownership projects. In 2011, an NMTC award was used to support a broadband project in rural Alaska.

2021 Resources

The credit allocation for this year has not yet been determined. In the 2020 calendar year, $5 billion in credits are allocated for the program.

Typical Award

Under IRC §45D(a)(2), NMTC investors claim a 39% tax credit over seven years, 5% annually for the first three years and 6% in years four to seven. Thus, if a CDE receives a $2 million NMTC allocation, an investor can claim a NMTC equal to 39% of $2 million (or $780,000). In essence, an investor in the NMTC program gets 39 cents in tax credits during the seven-year credit period for every dollar invested and designated as a QEI. These benefits, in turn, are transferred to developers who receive loans with below market-rate terms and conditions for their activities. Beginning in 2002, there have been several NMTC allocation rounds, including in every year from 2017 forward.

As of August 2019, the CDFI Fund had made a total of 1,178 NMTC allocation awards totaling $57.5 billion in allocation authority, reflecting a 30% applicant award rate since the program's inception.[3]

Cost-Share Requirement

Technically there is no cost-share, although the tax credit merely offsets expenses (so recipients are still responsible for 61% of project costs).

Application Guidance

Potential projects should identify a CDE that has received an allocation, serves their area, and is willing to invest in your project, visit the NMTC awardee map here: https://www.cdfifund.gov/awards/nmtc. The map page includes a link to the current monthly QEI Issuance Report, which lists all CDEs that may have available NMTC allocation authority remaining, and the amount of Qualified Equity Investments not yet raised. Applicants may also consult the NMTC Program Award Book for 2021, when issued. Past award books have become available in early summer.

Applicable Deadlines

The funding window for new applicants is initiated with a Notice of Allocation Authority in the Federal Register and collected for several months. The credit then applies for a seven-year cycle, which begins on the date the Qualifying Equity Investment is initially made. The 2020 application cycle opened in September 2020 and closed in November 2020; although the 2021 program announcement has not yet been made, it is anticipated to be released in the summer of this year.

Example Awardee

Opportunity Fund Community Development, a loan fund established in 1993 in San Jose, CA, received an allocation of $799,000 in 2019.

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3 https://www.cdfifund.gov/Documents/2019%20Introduction%20to%20the%20NMTC%20Program-Final.pdf

Awardees: https://www.cdfifund.gov/awards/nmtc

Key Links
- Background information (from IRS): http://www.irs.gov/pub/irs-utl/atgnmtc.pdf
- Introduction to the New Markets Tax Credit Program: https://www.cdfifund.gov/Documents/2019%20Introduction%20to%20the%20NMTC%20Program-Final.pdf
- Program Fact Sheet: https://www.cdfifund.gov/Documents/NMTC%20Fact%20Sheet_Jan2018.pdf
- Program Page: https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx

Contact
New Market Tax Credit Coalition (Paul Anderson) (paul@rapoza.org or 202-393-5225)

Federal Emergency Management Agency

Homeland Security Grant Program

The Homeland Security Grant Program supports three interconnected grants that are intended to enhance national preparedness capabilities: the State Homeland Security Program (SHSP), the Urban Areas Security Initiative (UASI), and Operation Stonegarden (OPSG). Of these, SHSP and UASI hold the greatest promise for funding connectivity initiatives. SHSP in particular presents the most opportunity for rural connectivity projects.

Nature of Award
Grant.

Application Guidance
Applications must be submitted by the State Administrative Agency.

State Homeland Security Program and Urban Areas Security Initiative

Program Mission
SHSP and UASI are intended to support the implementation of State Homeland Security Strategies to address the identified planning, organization, equipment, training, and exercise needs at the state and local levels to prevent, protect against, respond to, and recover from acts of terrorism and other catastrophic events.

Eligible Entities
The only entity eligible to submit applications is the State Administrative Agency, which applies for grants through each program separately, and then distributes them within the state and to UASIs.

Eligible Costs

Grantees are expected to consider National areas for improvement identified in the 2019 National Preparedness Report, which include cybersecurity, recovery-focused core capabilities, the integration of individuals with access and functional needs, enhancing the resilience of infrastructure systems, and maturing the role of public-private partnerships. Broadband deployment is consistent with several of these priorities. Projects must align with the Statewide Communications Interoperability Plan (SCIP) and the National Preparedness Report. Proposed projects would also benefit from being aligned with the National Emergency Communications Plan.

FY 2021 Resources

In 2021, $505 million was allocated to SHSP, and $705 million was allocated to UASI.

Typical Grant Award

Target allocation ranges are set for each State, territory, and eligible Urban Area.

Cost-Share Requirement

None.

Restrictions

States must spend at least 25% of SHSP funds toward law enforcement, terrorism-prevention-oriented planning, organization, training, exercise, and equipment. Broadband deployment could satisfy these requirements. The period of performance is two years.

Key Links

- Summary of all HSGP programs: https://www.fema.gov/homeland-security-grant-program
- Frequently Asked Questions addressing all HSGP programs: https://www.fema.gov/media-library-data/1587400512465-c969296a8971db7ef27513cfb5448393/FY_2020_HSGP_FAQ_4_20_508AB.pdf
- HSGP fact sheet: https://www.fema.gov/media-library-data/1581619107442-915cab1ee9d3eaece7aa50d6bc439c52/FY_2020_HSGP_Fact_Sheet_GPD_Approved_508AB.pdf

Agency Contact

Additional guidance and information can be obtained by contacting the FEMA Call Center at (866) 927-5646 or via e-mail to ASK-GMD@dhs.gov .

Operation Stonegarden (OPSG)

Program Mission

OPSG supports enhanced cooperation and coordination among Customs and Border Protection (CBP), United States Border Patrol (USBP), and federal, state, local, Tribal, and territorial (SLTT) law enforcement agencies to improve overall border security. SLTT law-enforcement agencies utilize

their inherent law-enforcement authorities to support the border security mission and do not receive any additional authority as a result of participation in OPSG.

Eligible Entities

The only entity eligible to submit applications is the State Administrative Agency, which can submit on behalf of state, local, and Tribal law-enforcement agencies that are located along the border of the United States.

Eligible Costs

This program funds projects that provide an enhanced law-enforcement presence or increase operational and intelligence capabilities of law enforcement.

FY 2021 Resources

$90 million.

Typical Award Size

Target allocations are set for each state and territory.

Cost-Share Requirement

None.

Eligible Areas

OPSG provides funding to support joint efforts to secure the United States' borders along routes of ingress/egress to and from international borders, to include travel corridors in states bordering Mexico and Canada as well as states and territories with international water borders.

Projects Funded

Enhancing information and intelligence sharing and cooperation with federal agencies, including DHS. Example project types:

- Participation in the DHS/ICE 287(g) training program
- Information sharing with all DHS components, fusion centers, and other entities designated by DHS
- Cooperation with DHS officials and other entities designated by DHS intelligence, threat recognition and analysis
- Join training and planning with DHS officials and other entities designated by DHS

Program Contact

Centralized Scheduling and Information Desk help line (800-368-6498 or AskCSID@fema.dhs.gov)

Tribal Homeland Security Grant Program

Program Mission

The goal of this program is to strengthen Tribes' capabilities to prevent, protect against, mitigate, respond to, and recover from potential terrorist attacks and other hazards.

Nature of Award

Grant.

Eligible Entities

Federally recognized Tribes. Recipients of funding must maintain a National Incident Management System (NIMS).

Eligible Areas

Tribes or consortia of Tribes must meet the following requirements:

1. Located in the continental United States
2. Operates a law enforcement or emergency response agency
3. Meets one of the following:
    a. Is located on or within 100 miles of an international border, a coastline bordering an ocean, or international waters
    b. Is located within 10 miles of a system or asset included on the prioritized critical infrastructure list established by the Homeland Security Act of 2002, or has an asset within its territory
    c. Is located within or contiguous to one of the 50 most populous metropolitan statistical areas in the United States
    d. Includes at least 1,000 square miles of Indian country, as defined by the United States Code
4. Has not received funds through the UASI or SHSP programs.

Eligible Costs

Program funds may be used for planning and organization, equipment, maintenance and sustainment, and construction and renovation. Up to 50% of the award money may be used for personnel costs. Applicants receive a 20% increase to their evaluation scores if they address one or more of the following national priorities: enhancing cybersecurity, enhancing the protection of soft targets and crowded places, and addressing emerging threats.

FY 2021 Resources

$15 million.

Cost-Share Requirement

None.

Applicable Deadlines

FY 2020 applications were due April 23. We anticipate similar timing for FY 2021.

Application Guidance

- Applicants must have a Data Universal Numbering System (DUNS) Number, an Employer ID Number (EIN), and a System for Award Management (SAM) number. Applicants must also establish an Authorized Organizational Representative (AOR) in Grants.gov.
- The application process for this program includes two steps: Initial applications are submitted via Grants.gov, and final applications are submitted via the ND Grants System.
- The review process includes three steps: a review to confirm eligibility and application completeness, a scoring process, and a financial risk assessment.
- Applications that address at least one of FEMA's National Priorities receive extra points in the review process. The National Priorities are: cybersecurity, soft targets and crowded places, and emerging threats.

Key Links

- Program page: https://www.fema.gov/grants/preparedness/tribal-homeland-security
- Program FAQ: https://www.fema.gov/sites/default/files/2020-07/FY_2020_THSGP_FAQ.pdf
- FEMA Preparedness Grants Manual: https://www.fema.gov/sites/default/files/2020-06/fema_preparedness-grants-manual.pdf

Agency Contact

- The State Administrative Agency Contact list can be found here: https://www.fema.gov/sites/default/files/2020-08/fema_saa-contacts_march-2020.pdf?id=6363

Emergency Management Performance Grants

Emergency Management Performance Grants (EMPG) appear to extend to broadband deployment. Because allocations are population-based, this is unlikely to be a substantial funding source for some areas. Nonetheless, this may be an option worth exploring with state Emergency Management Agencies.

Program Mission

EMPGs are given to intra- and inter-state emergency management systems that encourage partnerships across all levels of government and with nongovernmental organizations. Grants are given "for the purpose of providing a system of emergency preparedness for the protection of life and property in the United States from all hazards and to vest responsibility for emergency preparedness jointly in the federal government and the states and their political subdivisions."

Nature of Award

Grant.

Eligible Entities

FEMA awards EMPG money directly to all states and territories.

Eligible Costs

Eligible Costs include direct, planning, organization, equipment, training, exercises, domestic travel, construction and renovation, operational overtime, maintenance and sustainment, management and administration, and indirect facilities and administrative costs that are described in the notice of funding opportunity or grants manual (see link below). Pre-award costs are only eligible with prior written approval from DHS/FEMA. Broadband is identified as an eligible project: "Emergency communications activities include the purchase of interoperable communications equipment and technologies such as voice-over-Internet protocol bridging or gateway devices or equipment to support the build out of wireless broadband networks."

FY 2021 Resources

$355 Million.

Typical Grant Award

Grants are distributed based on population.

Cost-Share Requirement

The EMPG Program has a 50% federal and 50% state cost-match requirement. The state match can be made with in-kind contributions but cannot be met with other federal funds.

Applicable Deadlines

FY 2020 applications were due April 15, 2020. We anticipate a similar timing for FY 2021.

Application Guidance

A single state application is accepted from the State Administrative Agency (SAA) or the State's Emergency Management Agency (EMA) on behalf of state, local, or Tribal emergency management agencies. Recipients of funding must maintain a National Incident Management System (NIMS).

Key Links
- FEMA Preparedness Grants Manual: https://www.fema.gov/media-library-data/1581623378002-f8280c8c1ab2e38f650fe67289764826/FEMA_PreparednessGrantsManual_21320_1605_508c.pdf

Agency Contact

- The State Administrative Agency Contact list can be found here: https://www.fema.gov/sites/default/files/2020-08/fema_saa-contacts_march-2020.pdf?id=6363

Appendix A: Rural Digital Opportunity Fund

The Rural Digital Opportunity Fund (RDOF) Phase I was the first of a two-phase reverse auction held by the Federal Communications Commission (FCC) to subsidize the costs of buildout of broadband infrastructure in rural America by qualified Internet Service Providers (ISPs).

The Phase I auction, conducted in late 2020, targeted census blocks entirely unserved by broadband speeds of at least 25/3 Mbps. Areas lacking 10/1 Mbps and Tribal areas were given priority. The minimum performance tier was 25/3 Mbps, the baseline tier was 50/5 Mbps, and additional tiers existed for 100/20 Mbps and 1 Gbps/500 Mbps ("gigabit") service. Award recipients were required to provide both voice and broadband service, including standalone voice service, and to ensure that voice and broadband services are offered at costs comparable to rates in urban areas.

The auction was open to service providers with an Eligible Telecommunications Carrier (ETC) designation (or that would be eligible for one if awarded funding). The eligibility of applicants was determined using Form 477 data and the Connect America Cost Model (CAM).

In several rounds of bidding, applicants bid a certain amount of money to serve a specific area in a given speed tier and with a designated latency. Bidders who proposed to provide service with the smallest FCC subsidy (after applying other evaluation weights) were awarded the bid. The auction itself involved intense competition. Some gigabit providers accepted very low levels of support, introducing doubt about their ability to meet their auction commitments.

The FCC announced the winning bidders in December 2020. Award winners came from all 50 states, partly because SpaceX, offering low-earth-orbit satellite technology, could bid on any area without regard to terrestrial buildout costs. Outcomes by state varied widely, with some states seeing awards go primarily to recipients offering fiber technology and gigabit service, while others saw more awards go to recipients offering cable, fixed wireless, and satellite technologies, generally with lower-speed service.

The FCC is completing the RDOF Phase I awards. Awardees must provide additional information about qualifications, funding, and the network that they intend to use to meet their obligations. They also must submit an eligible bank's commitment to issue a letter of credit and then must obtain a letter of credit from an eligible bank that will cover disbursements until milestones have been completed. Awardees also must certify, within six months, that they are eligible telecommunications carriers in any areas for which they seek support.

The FCC has not set a date for the Phase II auction, but requirements are such that the FCC may not be able to hold the auction until the end of 2021 or later. In addition to completing the Phase I awards, the FCC also has announced its intention to use updated, more precise maps, a time-

consuming effort. In addition, there are questions about whether enough contiguous Eligible Areas will remain to make a second RDOF auction worthwhile.

If the second auction is held, the $4.4 billion in funding for Phase II would be augmented by more than $6.8 billion remaining from Phase I. Phase II is intended to include census blocks that are partially served, as well as locations that were not funded in Phase I. The eligibility criteria for bidders are likely to be similar to the Phase I criteria.

Appendix B: Glossary of Terms

The following glossary defines commonly used terms as a quick reference for personnel evaluating different broadband solutions and funding opportunities.

Access Fiber – The fiber in an FTTP network that goes from the FDCs to the optical taps that are located outside homes and businesses in the rights-of-way.

AOR – Authorized organization representative; a user role in Grants.gov that has the authority and permissions in the system to submit a grant application on behalf of an organization. If your organization already has a Grants.gov account, you may need to contact the account administrator to assign someone from your team an AOR role.

Broadband – High-speed Internet access that is always on and is faster than dial-up access. In 2015, the FCC updated the legal definition of broadband to refer to services providing at least 25 Mbps download and 3 Mbps upload.

Burstable – An Internet connection that can temporarily exceed the bandwidth speed that a subscriber is purchasing.

CAGE code – Commercial and government entity code; a unique identifier assigned when you register with SAM. This code is needed in order to do business with the federal government.

CPE – Customer premises equipment; the electronic equipment installed at a subscriber's home or business.

Dark fiber – Fiber that is unused or not connected to electronics that "light" the fiber. The phrase can also refer to fiber that is provided in a "dark" state to be connected and lit by the customer.

Dark fiber lease – A contract to lease dark fiber, typically for a shorter term than that in an IRU agreement, paid on a month-to-month or annual basis.

Drop – The fiber connection from an optical tap in the right-of-way to the customer premises.

DUNS number – Data universal numbering system number; a unique business identification number given by Dun & Bradstreet.

ETC – Eligible telecommunications carrier; a designation given to service providers that meet certain public-safety and consumer standards. An ISP does not need to be an ETC to provide broadband service, but it does need this designation in order to receive universal service support from the government.

FDC – Fiber distribution cabinet; houses the fiber connections between the distribution fiber and the access fiber. FDCs, which can also house network electronics and optical splitters, can sit on a curb, be mounted on a pole, or reside in a building.

FTTP – Fiber-to-the-premises; a network architecture in which fiber optics are used to provide broadband services all the way to each subscriber's premises.

Grants.gov – A federal website that serves as a database and application portal for many funding opportunities.

IP – Internet protocol; the method by which computers share data on the Internet.

IRU – Indefeasible right of use; an agreement, typically covering 10 to 20 years, under which the customer has the right to use dark fiber strands on a network.

ISP – Internet service provider; an organization that provides services enabling customers to connect to the Internet.

NOFO – Notice of funding opportunity; an official notice from an agency that a funding opportunity has opened. These documents include all the details about application process, requirements, and eligibility, and are specific to each funding round. For this reason, it is critical to read the NOFO as soon as you begin the application process, especially to learn of any changes to program rules.

OSP – Outside plant; the physical portion of a network (also called Layer 1) that is constructed on utility poles (aerial) or in conduits (underground).

QoS – Quality of service; a network's performance as measured on a number of attributes.

RFP – Request for proposal; a document that solicits price/solution proposals for a given project.

ROW – Right-of-way; land reserved for the public good such as utility construction. ROW typically abuts public roadways.

SAM – System for award management; a directory managed by the federal government of all businesses with which it does business. Entities must register with SAM in order to receive the CAGE code that is necessary to participate in funding programs.

WAP – Wireless access point; a device that broadcasts an Internet signal wirelessly to enable devices to connect to the Internet.

Wi-Fi – Wireless fidelity; the networking technology by which computers and other devices transmit data wirelessly.

Internet
Society