



# OTA – Oklahoma Rural Broadband Association 2021 Accounting Conference

## Washington DC Update

**Eric Keber**

**Vice President of Government Affairs  
WTA – Advocates for Rural Broadband**

 *Advocates for Rural Broadband*



# Infrastructure Investment and Jobs Act

Infrastructure Investment and Jobs Act (approved by Congress 11/5/21) - \$65 billion for broadband-related programs, including:

- \$42.45 billion for new Broadband Equity, Access, and Deployment Program administered by NTIA. Funds will be allocated to states and territories that then subgrant it to entities for network construction, mapping, data collection, etc.
- \$2 billion for NTIA's Tribal Connectivity Program
- ~\$2 billion for RUS ReConnect Program
- \$1 billion for new middle mile program at NTIA
- \$14.2 billion for Affordable Connectivity Fund (program formerly known as EBB)
- \$76 million for other RUS broadband/telecom programs
- Includes FCC requirements that address consumer "broadband labels" and "digital discrimination"



# Infrastructure Investment and Jobs Act

## Broadband Equity, Access, and Deployment (BEAD) Program

### Broadband Deployment Rules:

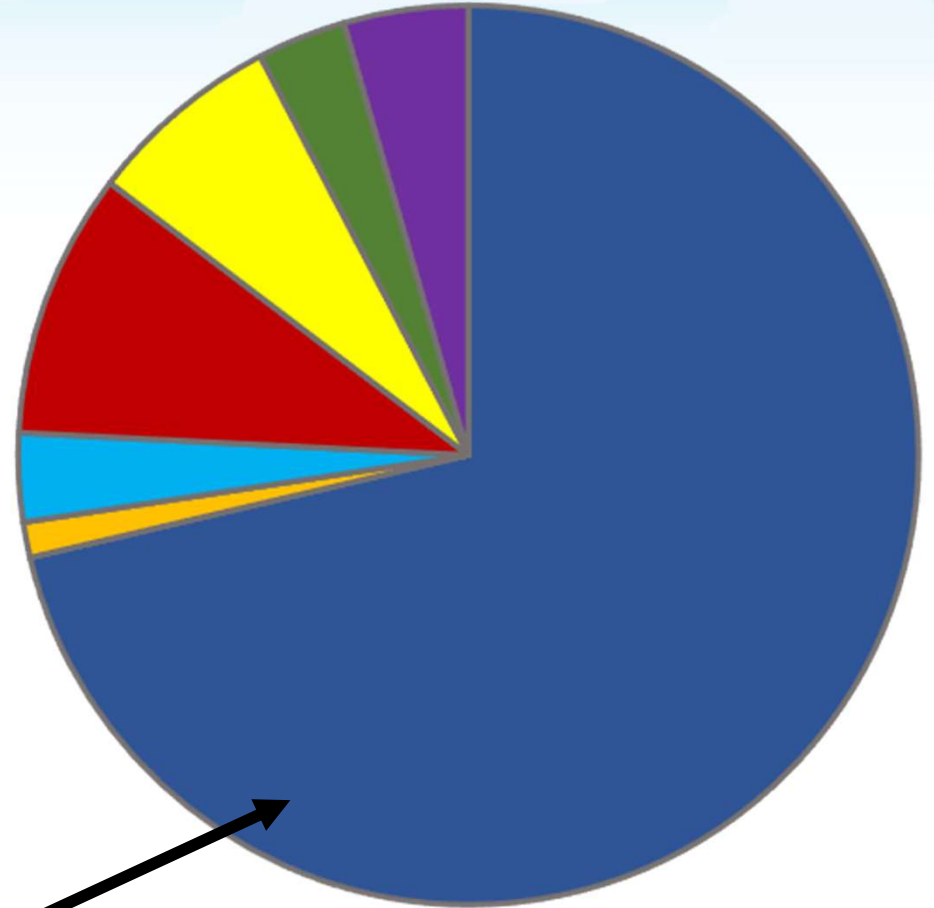
- State priorities: 1) areas lacking 25/3 Mbps; 2) areas lacking 100/20 Mbps; 3) anchor institutions lacking 1 Gig
- Other priorities: high poverty counties, speed of broadband deployed, expediency of completion, commitment to employment law
- Each state gets \$100 million; remaining allocated based on unserved locations in high-cost areas and other unserved locations
- Recipient obligations: provide at least 100/20 Mbps to each unserved location within four years (exceptions apply) with one low-cost service option
- 25% matching requirement (waived for areas deemed “high cost”)
- States run challenge process



# ReConnect Program

More Funding to Come:

- ~\$600+ million for grants and loans in Round III
- \$2 billion in IIJA
- \$700 million in FY22 Appropriations draft



RLECS!

Awards by Provider Type  
Rounds I & II



# ReConnect Program – Round III

Application window: Nov 24-Feb 22

## Four categories of awards:

1) 100% Loan - \$200 million available - \$50 million maximum per award

Considered on a rolling basis. If two applications are submitted for the same area, RUS will first consider the one it receives earlier.

2) 100% Grant - \$350 million available - \$25 million maximum per award\* - 25% matching requirement with clearly defined source

3) 50/50% Loan and grant combinations - \$250 million available - \$25 million maximum on both grant and loan

4) 100% Grants to Tribal and Socially Vulnerable Communities (SVCs) - \$350 million available - \$25 million maximum\* - No match required for Tribal entities serving their own lands or if 75% of an area is considered SVC

\*(applicants can get \$35 million if 100% of PFSA is considered FAR Level 4)



# ReConnect Program – Round III

## Eligible Service Areas:

- PFSA must have 90% of households unserved at 100/20 Mbps from fixed, terrestrial service. Applicants must identify unserved households, existing providers, and what level of service is being provided.
- Services areas of existing RUS borrowers and those receiving support from the FCC are eligible for funding if they lack 100/20Mbps.
  - (According to ReConnect rules released in February 2021, areas served by recipients of any RUS broadband loans/grants are ineligible, except if those borrowers are not building to 100/20 Mbps, in which case those borrowers can apply for ReConnect funding for those areas.)
- Areas under consideration for RDOF are eligible if applicant commits to provide service above and beyond RDOF commitment (e.g., faster buildout).

## Other conditions of applicants:

- must provide 100 Mbps symmetrical service
- must get written consent from Tribal government to build on Tribal lands.



# ReConnect Program – Round III

## Scoring System:

- Rurality (25 points) – Points awarded if PFSA population density is 6 people or less per square mile or PFSA is 100 miles from town of at least 50k.
- Level of existing service (25 points) – Point awarded if existing broadband service in PFSA is less than 25/3 Mbps.
- Economic need (20 points) – Points awarded if 75% of area scores 20 percent or higher on Census Small Area Income and Poverty Estimates (SAIPE) Program.
- Affordability (20 points) – Points awarded if applicant provides information on the prices it will charge and the tiers it will provide as well as information on whether those prices are affordable in its market. Must also commit to providing one low-cost service option through which a customer can engage in simultaneous remote learning and telework and commit to participating in Lifeline and EBB.



# ReConnect Program – Round III

## Scoring System Continued:

- Labor Standards (20 points) – Points awarded if applicant commits to “strong labor standards.” These include: 1) paying prevailing wages; 2) a project labor agreement; 3) requiring proper worker safety training, professional certifications, and licenses; 4) the extent to which a workforce is locally-based; 5) whether applicant has policies to ensure contractors are qualified; and 6) whether the applicant or contractors have violated state or federal labor law within five years.
- Non-privately owned applicants (15 points) – Points awarded for non-profit, local government, and cooperative applicants. Private companies can partner with a local government or non-profit and get points as long as applicant is non-profit.
- SVCs (15 points) – Points awarded when 75% of the PFSA is SVC.





# ReConnect Program – Round III

## Scoring System Continued:

- Tribal Lands (10-15 points) – 15 points awarded for Tribal Governments when PFSA's are 50% Tribal lands. Other applicants serving 50% Tribal lands receive 10 points.
- Net Neutrality (10 points) – Points awarded when applicant commits to not blocking, throttling, or engaging in paid prioritization of traffic.
- Wholesale broadband service (10 points) – Points awarded when the applicant commits to a reasonable and nondiscriminatory wholesale broadband commitment.



# Rural Digital Opportunities Fund (RDOF)

Total Number of Awards Approved for Disbursement (as of 11/12): 70

Total Support Approved for Disbursement: \$345,948,194

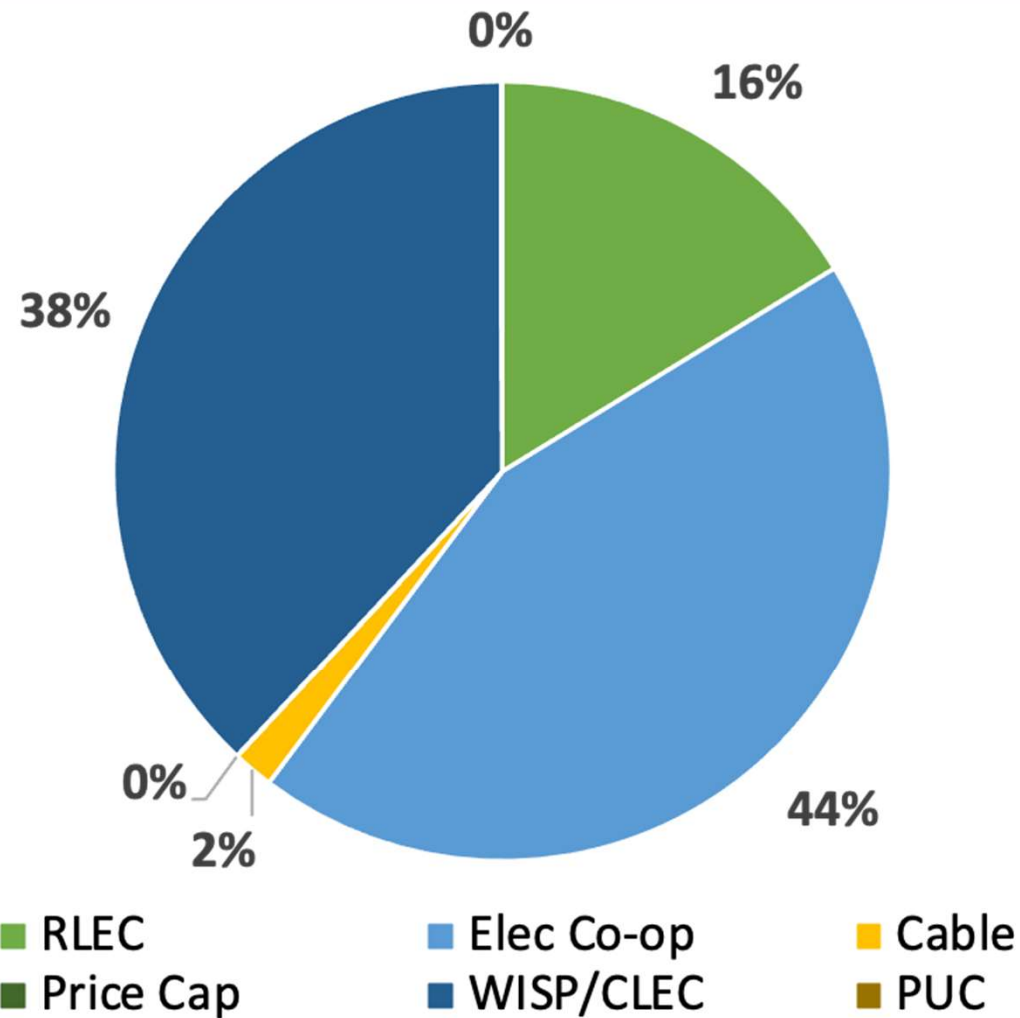
Award Breakdown:

Type of Bidder	Number of Bids
RLEC	29
Elec. Co-op	14
WISP/CLEC	13
Cable	10
Price Cap	1
PUC	1



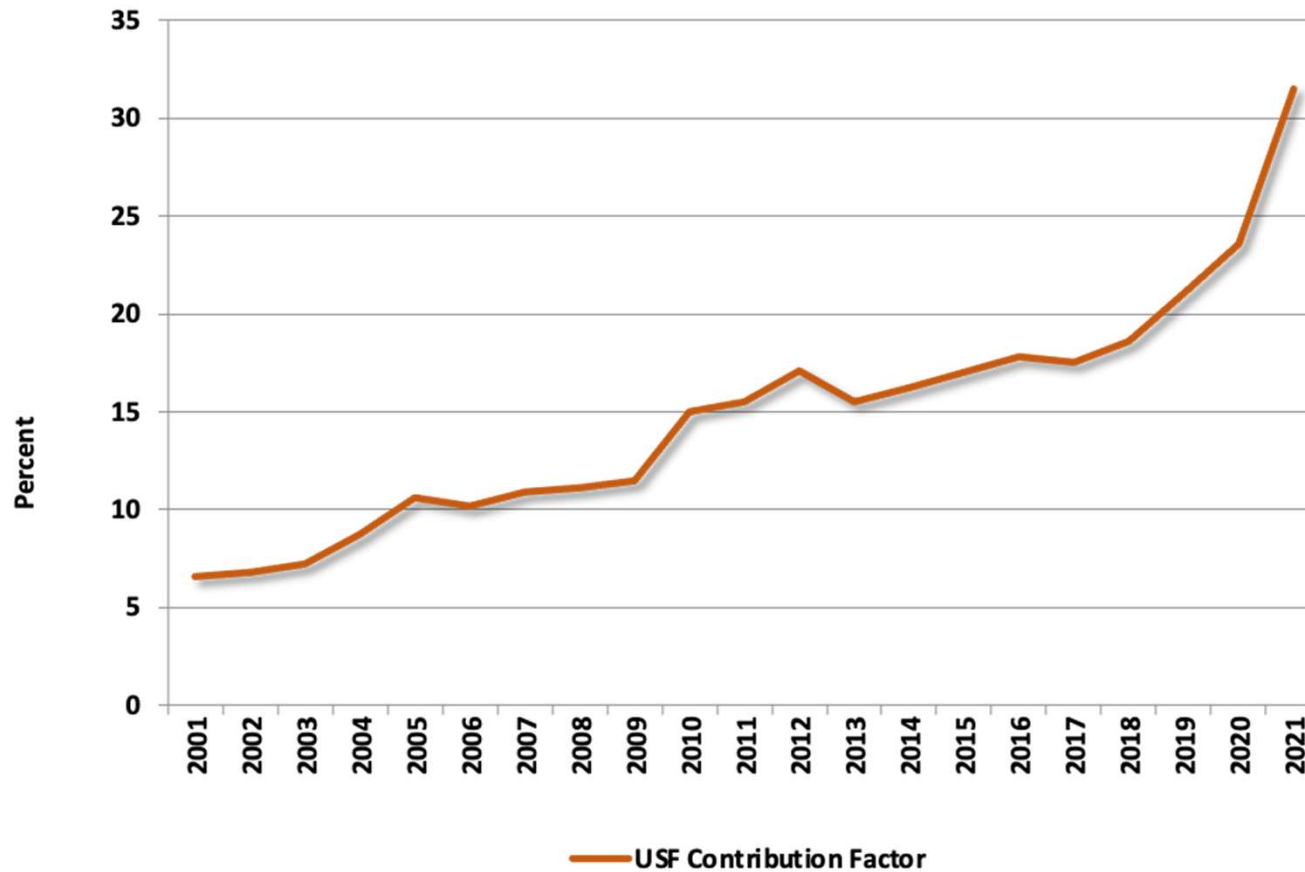
# Rural Digital Opportunities Fund (RDOF)

## RDOF Funding Approved for Release



# USF Contributions Modernization

## USF Contribution Factor 29.1% for 4Q21



# Lifeline/EBB

## Lifeline:

- Phase-out of voice-only support paused until Dec. 2022

## EBB

- \$3.2 billion EBB program established in December 2020 by the Consolidated Appropriations Act
  - \$50 broadband EBB monthly subsidy for qualifying households (\$75 on Tribal lands), \$100 reimbursement for connected device
  - As of late September, more than 6 million households enrolled in EBB
  - Current funding estimated to be exhausted in Q1 2022
- Infrastructure Investment and Jobs Act includes additional \$14.2 billion for broadband discounts
  - Renames EBB program Affordable Connectivity Program (ACP); reduces subsidy to \$30





Questions?

**Contact:**  
**eric@w-t-a.org**  
**202-548-0202**

