## **Broadband Funding Update**

Office of Civic Innovation & Technology

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# What problems are we trying to solve?

#### Our Digital Inclusion focus in targeted to three main overarching areas

#### **Availability**

The availability of access to high speed internet services. The FCC currently defines this as service providing speeds of at least 25Mbps download and 3Mbps upload. New federal funding rules for ARP dollars require speeds of 100Mbps download and 20Mbps upload for built projects.

#### **Affordability**

A significant portion of Louisville has access to one high speed internet provider, but the cost of service may be prohibitive, or customers may have previous unpaid balances that restrict them from taking advantage of low-income plans and funding.

#### **Access to Devices and Digital Literacy**

Having access to the internet does not solve the issue. Having a usable computer and training on how to use it is equally important



# **Funding Sources Available**

- ARPA Capital Projects \$10 billion (given to states, can pass to cities)
- NTIA Broadband Infrastructure Program \$288 million (competitive)
- ARPA Allocation to Commonwealth of Kentucky \$2.1 billion
- Commonwealth Broadband funding \$300 million (\$50M this year)
- ARPA Direct Allocation to Metro \$340 million
- NTIA Connecting Minority Communities \$268 million
- FCC Emergency Broadband Benefit \$3.2 billion (individuals)
- FCC Emergency Connectivity Fund \$7.2 billion



# **Potential Funding Sources for Metro**

#### **Commonwealth of Kentucky**

**American Rescue Plan funds** 

- Direct allocation
- State allocation
- Capital Projects Fund

**National Telecommunications & Information Administration (NTIA)** 

The Federal Communications Commission (FCC)







# **Eligible Funding Recipients**

LOUISVILLE FREE PUBLIC LIBRARY

SIMMONS
COLLEGE OF KENTUCKY

**Commonwealth of Kentucky** 

**Louisville Metro Government** 

**Louisville Free Public Library (E-Rate)** 

**Jefferson County Public Schools** 

**Historic Black Colleges and Universities** 

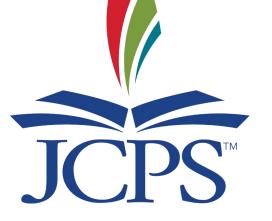
**Existing incumbent ISP's** 

**New Market entrant ISP's** 

**Individual Residents** 



Spectrum







# Funding options (What can be paid for from various sources?)

ISP buildouts to unserved areas

**Device acquisition and loan out programs (E-Rate)** 

**Internet Assistance funds (Emergency Broadband Benefit – EBB)** 

Network improvements at and around HBCU's





# **ARPA Capital Projects Funds**

Available to all 50 states and Washington DC/Puerto Rico

Recipients may distribute funds to cities, counties, non-profits, and private entities. Subrecipients such as cooperatives and electric utilities may also receive funds.

- To be eligible for Capital Projects Fund grant funds, a capital project must:
- Invest in capital assets designed to directly enable work, education, and health monitoring;
- Be designed to address a critical need that resulted from, or was made apparent or exacerbated by, the COVID-19 public health emergency; and
- Be designed to address a critical need of the community to be served by it.



### **ARPA Grant Use Cases**

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

Recipients are encouraged to prioritize **investments in fiber-optic infrastructure** where feasible, as such advanced technology better supports future needs

Treasury encourages recipients to prioritize projects that involve broadband networks owned, operated by or affiliated with local governments, non-profits, and co-operatives—providers with less pressure to generate profits and with a commitment to serving entire communities.



Source: <a href="https://www.benton.org/blog/treasury-ready-send-billions-states-broadband-projects">https://www.benton.org/blog/treasury-ready-send-billions-states-broadband-projects</a>

## **NTIA Broadband Grants**

Three separate grant programs:

- Broadband Infrastructure Program \$288 million
- Tribal Broadband Connectivity Program \$980 million
- Connecting Minority Communities Pilot Program \$268 million



In August, the Office of Civic Innovation & Technology released RFP 220010 seeking a private partner for the BIP grant. Spectrum was awarded as the partner of choice. On August 17 we submitted an application to NTIA in collaboration with Spectrum, which agreed to absorb all required match for the application. Spectrum provided information showing unserved parcels in Louisville Metro as a part of this application.

**Status as of 10/5/21**: NTIA is currently accepting feedback from ISP's about the census blocks submitted to determine if other commercial services are available. That comment period will end on October 19.

OCIT has an employee serving as an evaluator for the Tribal Broadband applications

https://broadbandusa.ntia.doc.gov/resources/grant-programs/broadband-infrastructure-program

## **NTIA Connecting Minority Communities Grant**

- Funding \$500,000-\$3,000,000 per HBCU up to \$268M total for the program
- Builds the broadband and IT capacity of eligible HBCU, TCU, and MSI institutions
- Provides broadband education, awareness, training, access, equipment, and support to students and patrons at eligible institutions, MBEs, and tax-exempt 501(c)(3) organizations in anchor communities
- Provides subsidized broadband access and equipment to qualified low-income/in need students and communities
- Improves use of broadband services by eligible MBEs and community-based organizations to deliver digital skills, digital inclusion, workforce development programs, and technology services in anchor communities;
- 20% of funds can be used to provide broadband access and devices to their students
- One time capital costs to improve and expand network access on HBCU campuses

Applications are being accepted through December 1, 2021

https://www.grants.gov/web/grants/view-opportunity.html?oppId=335076

## Commonwealth of KY Fund - What is the Process?

- Request for Information
  - Released an Request for Information (RFI) June 24, 2021
  - Received 26 responses July 12, 2021
  - Responses used to finalize the Request for Proposal/Application
- Request for Proposals
  - Released RFP August 11, 2021
  - Responses Due October 25, 2021

\$50 million available through April 2022 for unserved areas

\$250 million available after

Must follow same standards defined by Treasury for deployment



## What is the RFP Timeline for the Commonwealth?

#### Request for Proposals/Applications

- Release RFP August 11
- 1<sup>st</sup> Set of Vendors Questions August 23
- Responses to Questions August 30
- 2<sup>nd</sup> Set of Vendors Questions September 13
- Responses to Questions September 21
- Proposals Due October 25 (3:30 p.m.)
- Disclose Geographic Scope of Project Areas November 1
- Challenges Due December 3
- Disclose Valid Challenges TBD

https://www.kaco.org/articles/rfp-issued-by-state-to-access-funding-for-broadband/



## **FCC Emergency Broadband Benefit**

- The Emergency Broadband Benefit will provide a discount of up to \$50 per month towards broadband service for eligible households
- Eligible households can also receive a one-time discount of up to \$100 to purchase a laptop, desktop computer, or tablet from participating providers if they contribute more than \$10 and less than \$50 toward the purchase price.

#### **Eligibility**

- Has an income that is at or below 135% of the <u>Federal Poverty Guidelines</u> or participates in certain assistance programs, such as SNAP, Medicaid, or <u>Lifeline</u>;
- Approved to receive benefits under the free and reduced-price school lunch program or the school breakfast program, including through the USDA Community Eligibility Provision, in the 2019-2020, 2020-2021, or 2021-2022 school year;
- Received a Federal Pell Grant during the current award year;
- Experienced a substantial loss of income due to job loss or furlough since February 29, 2020 and the household had a total income in 2020 at or below \$99,000 for single filers and \$198,000 for joint filers; or
- Meets the eligibility criteria for a participating provider's existing low-income or COVID-19 program.

## **FCC Emergency Connectivity Fund**

Schools, libraries, and consortia of schools and libraries that are eligible for support under the <u>FCC's E-Rate</u> <u>program</u>, are eligible to request and receive support through the Emergency Connectivity Fund Program.

The following types of equipment purchased for off-campus use by students, school staff, and library patrons who would otherwise lack sufficient connectivity to engage in remote learning are eligible for support:

- Laptop and tablet computers
- Wi-Fi hotspots
- Modems (including air cards)
- Routers
- Devices that combine a modem and router.

Schools and libraries can also receive funding for commercially available broadband internet service that provides a fixed or mobile broadband connection for off-campus use by students, school staff, or library patrons who would otherwise lack access to connectivity sufficient to engage in remote learning.

Applications being accepted Sept. 28-October 13

https://www.fcc.gov/emergency-connectivity-fund-faqs

# How will this money benefit Louisville?

- Local providers will be able to access money to expand their network
- Metro and local orgs will be able to get money for digital equity programs (devices & training)
- Anchor institutions, including Metro, will likely expand internal fiber networks
- Eligible Louisville residents can receive subsidy for home internet service

## Recommendations

- Continue to pursue all broadband funding grants aggressively
- Encourage JCPS to fully participate in the Emergency Connectivity Fund Program

# **Takeaways**

- Grant opportunities are limited and need recurring investments to be successful
- Metro pursuing opportunities that align with resources
- Digital equity is our priority
- Internet infrastructure not going away