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An Updated Look of the U.S. Government Broadband Funding Landscape: Stimulus, Infrastructure Grants, and More

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Contents

Section 1: Infrastructure Investment and Jobs Act and Stimulus Funding	3
Section 2: Broadband Equity, Access, and Deployment (BEAD) Program.....	6
Section 3: Tribal Broadband Connectivity Grant Program	7
Section 4: Where Things Stand with RDOF.....	8
Section 5: Other Broadband Funding Programs	9
Section 6: Navigating the Funding Landscape	11
APPENDIX: State Broadband Funding Offices.....	12

Section 1: Infrastructure Investment and Jobs Act and Stimulus Funding

Major U.S. Government broadband funding programs like the Federal Communications Commission’s (FCC) Rural Digital Opportunity Fund and 5G Fund for Rural America have been around for many years, but the coronavirus pandemic highlighted an urgent need for broadband, so stimulus funding was passed that helped to address many challenges. This funding was followed up by the Infrastructure Investment and Jobs Act, which brought even more structured funding for broadband across the United States. The convergence of investments in broadband infrastructure and expanded service availability has resulted in a historic opportunity to bridge the digital divide in underserved areas across the country and has created a new landscape of broadband funding.

INFRASTRUCTURE INVESTMENT AND JOBS ACT

The Infrastructure Investment and Jobs Act (IIJA, also known as the Bipartisan Infrastructure Law) is a \$1.2 trillion investment to address infrastructure needs, particularly for broadband, water, energy, and Information Technologies (IT) systems. Unlike with coronavirus stimulus funding, when monies were distributed quickly, IIJA funds are being distributed over several years.

Broadband funding out of IIJA is being implemented in several different programs, but there are two main overarching goals:

- Broadband infrastructure deployment: ensure every individual in the United States can access 100/100 Mbps broadband internet service.
- Broadband use and adoption activities: support efforts to get every individual in the United States engaged with the digital world through access and digital equity efforts.

Let’s define some terms.

What do we mean when we say a program is broadband-focused vs. broadband-friendly?

BROADBAND-FOCUSED	BROADBAND-FRIENDLY
Explicitly created to fund broadband expansion	Created to address a need that broadband may play an important part in
Most of each grant (>90%) will cover costs for broadband build-out	Each grant will cover a variety of costs, a portion of which may be broadband, depending on the project
Will have “broadband” or “connectivity” in the name of the grant	Will have a name that indicates the purpose of the program, rather than specifying a particular technology

Both types of programs fund broadband expansion and both are potentially worth investigating. And as we’ll see, some of the largest funding programs in the history of the country are “broadband-friendly.”

Broadband-focused Programs in the Infrastructure Investment and Jobs Act

The major broadband-focused opportunity funded under IIJA is the \$42.45 billion **Broadband Equity, Access, and Deployment (BEAD) Program**, administered by the National Telecommunications and Information Administration (NTIA). This program provides funding to each state and territory to implement efforts within their borders.

The **Tribal Broadband Connectivity Program**, created out of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), is a \$3 billion program under IIJA to continue support for infrastructure deployment and broadband adoption activities on tribal lands.

Finally, IIJA added additional funding to the United States Department of Agriculture (USDA) broadband loan and grant programs. The Rural eConnectivity (ReConnect) Program has awarded \$5.3 billion in grants and loans through November 2024 with additional awards being announced on a rolling basis.

Of course, the FCC is not taking a back seat in terms of broadband-focused funding and are still active with Phase 1 RDOF funding.

Broadband-friendly Programs in the Infrastructure Investment and Jobs Act

There are two large, related grant programs created to support digital equity and inclusion activities under IIJA. Digital equity is focused on ensuring that all individuals and communities have the IT capacity to fully participate in the society and economy of the United States. Digital inclusion is focused on ensuring that all individuals in the United States have access to, and the use of, affordable information and communication technologies. These types of projects also typically involve digital literacy training, to enable users to find, evaluate, organize, create, and communicate information.

The **State Digital Equity Grant Program** provides funding to states for both planning and capacity grants. States have already developed digital equity plans, while NTIA began to approve digital inclusion strategies on a rolling basis beginning in mid-2024.

The **Digital Equity Competitive Grant Program**, which is also being administered by NTIA, allows eligible entities to apply directly for support for their digital equity and digital inclusion projects. NTIA received more than 700 applications for over \$6.5 billion in total funds. Awards have not been made as of November 2024.

As of the time of writing, NTIA has approved the plans for all entities. Now, entities are in the process of selecting internet service providers through the implementation phase of BEAD.

STIMULUS FUNDING FOR STATE AND LOCAL GOVERNMENTS – STATE AND LOCAL FISCAL RECOVERY FUND AND CAPITAL PROJECTS FUNDS

State and local governments were hit hard by the coronavirus pandemic, as sales and income taxes fell, unemployment claims rose, and they were required to transform their service delivery models from in-person to a remote, technology-driven platform overnight.

Congress gave governments \$350 billion in the American Rescue Plan, in the form of **State and Local Fiscal Recovery Funds**. The deadline for governments to obligate funds expired on December 31, 2024. However, these funds must be spent by December 31, 2026. Funds can be used for a wide variety of different projects, including:

- to respond to the public health emergency with respect to (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- to respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the State, territory, or Tribal government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
- for the provision of government services to the extent of the reduction in revenue of such State, territory, or Tribal government due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the State, territory, or Tribal government prior to the emergency; or
- to make necessary investments in water, sewers, or **broadband infrastructure**.



Although broadband is only one of many uses of these funds, even if only 1% of the funding was used for broadband projects, that would amount to more than \$5 billion in additional funding for broadband expansion projects.

The American Rescue Plan also appropriated \$10 billion to the **Coronavirus Capital Projects Fund**, which allocates funds to states, territories, and tribal governments for critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to the pandemic. Like with the State and Local Fiscal Recovery Funds, the Capital Projects Funds are allocated to eligible recipients based on a formula and have been announced by states on a regular basis.

These state and local government stimulus funds are currently being utilized by eligible entities across the country for many different projects, including broadband. Unlike many other types of grants, these stimulus funds are mainly internal competition within government entities, with competing priorities across the municipality. Consider any broadband project's impact on the community and its response to the Coronavirus crisis.

Section 2: Broadband Equity, Access, and Deployment (BEAD) Program

The Broadband Equity, Access, and Deployment (BEAD) program is the largest single-program investment in broadband from the federal government. This \$42.45 billion program will support broadband deployment and adoption activities across all the states and territories. The goal of the program is to ensure that every resident of the United States has access to 100/100 Mbps broadband service by the end of the program implementation process.

States and territories may use funds for several different efforts:

- Unserved service projects that address areas where 80% of locations in the proposal area lack access to reliable 25/3 Mbps service;
- Underserved service projects that address areas where 80% of locations in the proposal area lack access to reliable 100/20 Mbps service;
- Community anchor institutions, such as schools, libraries, and hospitals, lacking access to 1 Gbps service;
- Data collection and broadband mapping;
- Installing internet and Wi-Fi infrastructure or providing reduced-cost broadband within a multifamily residential building; and
- Affordability, including for internet-capable devices.

The BEAD program funding is based on a formula focused on the number of unserved and underserved locations within each state and territory. To get to these numbers, and therefore the final allocation amounts, the FCC and

Final allocations for states and territories can be found at <https://www.ntia.gov/press-release/2023/biden-harris-administration-announces-state-allocations-4245-billion-high-speed-internet-grant>

the NTIA collected information on current broadband coverage for locations across the country from service providers. They then allowed for a challenge process where individual locations could contest the level of coverage they could access.

Beginning in late 2023 and throughout much of 2024, NTIA approved all 56 Internet of All plans. Louisiana was the first state to submit its Final Proposal for public comment, which included information about approved internet service providers. As of this writing, 16 entities have finalized the homes and businesses that will be connected through BEAD as their challenge process has been completed and nine entities have begun selecting service providers. The plans address long-term objectives for broadband deployment, how to close the digital divide, and ways to promote economic growth. States and territories also show how they will support local and regional broadband planning processes and identify existing federal and state-funded broadband efforts within their borders.

In the future, states and territories will receive the remainder of their funds, most of which will be used to competitively regrant the funds out to end recipients to implement the project plans. These subgrants will go to service providers, local governments, and community anchor institutions.

Section 3: Tribal Broadband Connectivity Grant Program

The Tribal Broadband Connectivity Grant Program was created under the Coronavirus Response and Relief Supplemental Appropriations Act, which implemented the program with a \$980 million appropriation. IIJA added an additional \$2 billion to this program.

The first round of this program had applications due on September 1, 2021. Many awards have been made over the last several months by NTIA. As of the time of writing, 226 projects have been awarded across the United States, with a total award funding amount of more than \$1.86 billion. A complete list of these awards can be found at <https://broadbandusa.ntia.doc.gov/funding-programs/tribal-broadband-connectivity/award-recipients>

The NTIA released a second round of the Tribal Broadband Connectivity Grant Program in July 2023. For this round, applicants could use funds for broadband infrastructure deployment projects or broadband use and adoption projects. Broadband infrastructure deployment projects can include support for the establishment of carrier-neutral submarine cable landing stations. Broadband use and adoption projects can include affordable broadband programs, distance learning, telehealth, digital inclusion efforts, and other broadband adoption activities. NTIA made up to \$980 million available with applications



due on March 22, 2024. In the middle of November 2024, NTIA announced its first award during the second round of funding as the Department of Hawaiian Home Lands received \$72.7 million to fund both infrastructure deployment and adoption projects to connect unserved Native Hawaiian households to high-speed Internet service. Additional grants will be announced on a rolling basis.

Although additional funding beyond round two of the Tribal Broadband Connectivity Grant Program is dependent on future appropriations, the priorities of this program will continue to be reflected across other broadband-focused and broadband-friendly grant programs implemented by the federal government in the coming months and years.



Section 4: Where Things Stand with RDOF

In July 2024, the Wireline Competition Bureau provided guidance for winners of FCC's Rural Digital Opportunity Fund (RDOF) who were not expected to meet some or all their buildout commitments, explaining alternatives to defaults and steps that providers considering defaults should take next.

The FCC said that those who could not meet buildout commitments could transfer obligations to another provider, noting that some had already been approved to be transferred. In addition, the commission said financial costs associated with defaults might be minimized if there was early reporting of a decision not to complete a build.

The ruling said that any provider contemplating a default must reach out to the FCC and any relevant state and tribal broadband officers right away.

Lastly, the defaults associated with locations targeted for builds could also be eligible for funding through the E-ACAM program.

For additional information, <https://www.fcc.gov/> will be a good place to visit.

Section 5:

Other Broadband Funding Programs

Looking further across the funding landscape are other federal and state-funded programs that fall within broadband-focused and broadband-friendly categories.

State Digital Equity Grant Program

The State Digital Equity Grant Program provides funding to each state and territory to implement their digital equity and digital inclusion plans. There are two main phases to this program: the planning phase and the capacity phase. Eligible entities finalized their digital equity plans. The State Digital Equity Capacity Grant Program opened in 2024 with applications due in May. States and territories have received their implementation funds on a rolling basis beginning in the summer.

The implementation of digital equity plans will take various forms across the country. In most cases, states and territories will regrant their Capacity funds to eligible end recipients (such as community anchor institutions, local governments, local education agencies, and nonprofit organizations). These entities will implement parts of the larger approved state or territory digital equity plan. Projects could include improving digital equity or digital inclusion through access to the internet and internet-connected devices for all residents. Other projects will focus more on digital literacy training for residents.

These potential State Digital Equity Grant Program subrecipients may also apply directly to NTIA for the Digital Equity Competitive Grant Program to work on other projects not addressed as part of the state or territory digital equity plan.

Other Federal Grants

We have already indicated that broadband-friendly grants are available across the federal government, in both stimulus and non-stimulus programs. The federal government also provides a range of other non-stimulus broadband-friendly and broadband-focused grants that might fit perfectly with the type and scale of project you envision.

All federal grants are posted at the Federal Electronic Grants Clearinghouse at www.grants.gov when they open for applications. You can even register for email alerts to stay apprised of announcements for grants that match your preferences.



One good example of an alternative broadband-focused grant is the USDA's **Community Connect program**, which provides grants between \$100,000 and \$3 million for extending 100/20 Mbps service to rural service areas in which broadband does not exist (or is less than 25/3 Mbps currently). There are some strings attached to this funding – for example, winners will be required to provide free service to all essential community facilities (mostly municipal) and a community center for at least two years, along with paying 15% of the project costs out of pocket. But any type of incorporated organization can apply, no previous broadband experience is required, and financing is available. It is an entry-level program that can prepare you and your broadband service organization (in whatever legal form it may take) to access the larger programs that require more preparation and experience to apply to.

A popular federal broadband-friendly program is the USDA's **Distance Learning and Telemedicine (DLT) Grant Program**. This program provides funding for the technology infrastructure needed to deliver either distance learning or telemedicine services in rural areas that do not offer, for example, coding classes to high school students, or that require patients to drive for hours to see a cardiologist. Grants cover the endpoints for service delivery to the rural locations to which services are being extended, and the infrastructure needed for them to access the services (broadband-friendly). Note that the endpoints on the service provider side – usually an urban hospital or educational institution that is providing the content – are generally not included.

With federal broadband-friendly grants, it is important to be clear about the specific objectives you are trying to achieve with your project. With a little research, you will be able to locate the programs that fit your project.

State Broadband Grants

As with anything across 50 states plus territories and the District of Columbia, state broadband funding is a hodgepodge of programs, some entirely focused on broadband infrastructure, and others more in the broadband-friendly camp.

State grants are some of the least competitive of the broadband grant opportunities, and they encourage collaboration among community stakeholders, municipalities, and service providers.

Like the federal Community Connect program, these state opportunities are a great starting point for anyone looking to extend broadband services to rural and underserved areas – some of the areas that need it the most and will see the greatest benefit from expanded connectivity for years to come.

A list of some of the most popular broadband-focused and broadband-friendly state grant programs is contained in the appendix.

Section 6:

Navigating the Funding Landscape

With so many different opportunities from so many sources, it can be difficult to know where to start. There are several factors related to your organization and project that can help you begin to filter through the available funding opportunities. Some of the most prominent include:

Location

Where geographically you want to provide service, and the demographics and current service levels there

Resources

How much capital you can allocate to the project(s), and what time and resources you can dedicate to pursuing funding

Capacity

How much experience you have with providing broadband service and the level of service you are looking to provide in future projects

Team

Who is already committed – or willing to commit – to partnering with you to deploy the project and help you overcome the inevitable technical, political, and regulatory obstacles you will face along the way

Scale

An approximation of how much funding (hundreds of thousands, millions, or tens of millions) the project needs.

Once you have a clear definition of these contextual considerations, the broad landscape of funding should begin to become quite manageable. You will find that the answers will move you toward one broad category of federal grants, and state grants will become limited to just a handful of opportunities, depending on the state you are planning to site your project in.

Like navigating any terrain, developing funding for a broadband project will be a journey. But for your organization's stakeholders, communities, and partners, and for you, the financial, operational, and personal rewards can make it all worthwhile!

APPENDIX: State Broadband Funding Offices

This list shows state broadband funding offices who are responsible for administering BEAD in addition to other broadband opportunities. Check with your state's funding office for additional information about available funding.

STATE	STATE ADMINISTERING AGENCY	WEBSITE
Alabama	Alabama Digital Expansion Division	https://adeca.alabama.gov/broadband/
Alaska	Alaska Broadband Office	https://www.commerce.alaska.gov/web/abo/
Arizona	Arizona Commerce Authority	https://www.azcommerce.com/Broadband
Arkansas	ARConnect: The Arkansas State Broadband Office	https://broadband.arkansas.gov/
California	California Public Utilities Commission	https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/bead-program
Colorado	Colorado Broadband Office	https://broadband.colorado.gov/
Connecticut	Connecticut Department of Energy & Environmental Protection	https://portal.ct.gov/deep/energy/broadband-deployment/bead-program
Delaware	Delaware Broadband Office	https://broadband.delaware.gov/
Florida	Office of Broadband, Florida Department of Economic Opportunity	https://www.floridajobs.org/community-planning-and-development/broadband/office-of-broadband
Georgia	Georgia Broadband Program	https://gta.georgia.gov/policies-and-programs/broadband
Hawaii	University of Hawaii – Broadband for Hawai'i	https://www.hawaii.edu/broadband/
Idaho	Idaho Commerce	https://commerce.idaho.gov/broadband/
Illinois	Illinois Office of Broadband	https://dceo.illinois.gov/connectillinois/ilofficeofbroadband.html
Indiana	Indiana Broadband Office	https://www.in.gov/indianabroadband/broadband-is/indiana-broadband-office/
Iowa	Iowa Office of the Chief Information Officer	https://ocio.iowa.gov/broadband
Kansas	Kansas Office of Broadband Development	https://www.kansascommerce.gov/officeofbroadbanddevelopment/

STATE	STATE ADMINISTERING AGENCY	WEBSITE
Kentucky	Kentucky Infrastructure Authority	https://kia.ky.gov/Pages/index.aspx
Louisiana	Connect LA	https://connect.la.gov/
Maine	Maine Connectivity Authority	https://www.maineconnectivity.org/
Maryland	Maryland Office of Statewide Broadband	https://dhcd.maryland.gov/Broadband/Pages/default.aspx
Massachusetts	Massachusetts Broadband Institute	https://broadband.masstech.org/
Michigan	Labor and Economic Opportunity (LEO) Michigan High-Speed Internet Office	https://www.michigan.gov/leo/bureaus-agencies/mihi
Minnesota	Minnesota Office of Broadband Development	https://mn.gov/deed/programs-services/broadband/
Missouri	Missouri Office of Broadband Development	https://ded.mo.gov/content/broadband-development
Montana	ConnectMT	https://connectmt.mt.gov/
Nebraska	Nebraska Broadband	https://broadband.nebraska.gov/Home
Nevada	Nevada Governor's Office of Science, Innovation & Technology	https://osit.nv.gov/Broadband/Broadband/
New Hampshire	New Hampshire Department of Business and Economic Affairs	https://www.nheconomy.com/office-of-broadband-initiatives
New Jersey	NJ Office of Broadband Connectivity	https://www.nj.gov/connect/
New Mexico	New Mexico Office of Broadband Access & Expansion	https://connect.nm.gov/bead.html
New York	New York State ConnectALL	https://broadband.ny.gov/
North Carolina	North Carolina Department of Information Technology Division of Broadband and Digital Equity	https://www.ncbroadband.gov/
North Dakota	North Dakota Information Technology Department	https://www.ndit.nd.gov/about-us/broadband
Ohio	Ohio Department of Development	https://broadband.ohio.gov/
Oklahoma	Oklahoma Broadband Office	https://oklahoma.gov/broadband.html

STATE	STATE ADMINISTERING AGENCY	WEBSITE
Oregon	Oregon Broadband Office	https://www.oregon.gov/biz/programs/oregon_broadband_office/pages/default.aspx
Pennsylvania	Pennsylvania Broadband Development Authority	https://dced.pa.gov/broadband-resources/pennsylvania-broadband-development-authority/
Rhode Island	Rhode Island Commerce Corportation	https://connectri-ricom.hub.arcgis.com/
South Carolina	South Carolina Broadband Office, Office of Regulatory Staff	https://ors.sc.gov/broadband/office
South Dakota	South Dakota Governor's Office of Economic Development	https://sdgoed.com/partners/connectsd/
Tennessee	Tennessee Department of Economic & Community Development	https://www.tn.gov/ecd/rural-development/broadband-office.html
Texas	Texas Broadband Development Office	https://comptroller.texas.gov/programs/broadband/
Utah	Utah Governor's Office of Economic Opportunity	https://business.utah.gov/broadband/
Vermont	Vermont Department of Public Service	https://publicservice.vermont.gov/connectivity
Virginia	Virginia Department of Housing and Community Development	https://www.dhcd.virginia.gov/broadband
Washington	Washington State Department of Commerce	https://www.commerce.wa.gov/wsbo/
West Virginia	West Virginia Broadband Enhancement Council	https://broadband.wv.gov/
Wisconsin	Public Service Commission of Wisconsin	https://psc.wi.gov/Pages/ServiceType/Broadband.aspx
Wyoming	Wyoming Business Council Broadband Office	https://wyomingbusiness.org/communities/broadband/
District of Columbia	DC Office of the Chief Technology Officer	https://octo.dc.gov/

STATE	STATE ADMINISTERING AGENCY	WEBSITE
American Samoa	Broadband Coordination, Opportunities, Redevelopment & Deployment, American Samoa	https://www.doc.as.gov/broadband
Guam	Guam Office of Infrastructure Policy and Development	N/A
Northern Mariana Islands	CNMI Office of the Governor Broadband Policy & Development	https://bpd.cnmi.gov/
Puerto Rico	Puerto Rico Office of Management and Budget	https://www.smartisland.pr.gov/
U.S. Virgin Islands	Virgin Islands Office of Management and Budget	https://omb.vi.gov/bead/



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