

The Infrastructure Investment and Jobs Act Broadband Deployment, Equity, and Affordability Division

In 1936, the Federal government made a historic investment through the Rural Electrification Act to bring electricity to nearly every home and farm in America. Millions of families and the U.S. economy reaped the benefits. High-speed, affordable broadband internet is the new electric service. It is necessary for Americans to do their jobs, to fully participate in remote and in-school learning, to connect and stay connected to health care, and to achieve their full potential in the 21st century economy.

The Infrastructure Investment and Jobs Act meets this challenge by delivering the most comprehensive and ambitious broadband legislation ever proposed by Congress – one that will put high-speed broadband accessible and affordable within reach of all Americans. It will invest \$65 billion in fast and reliable infrastructure, bring down prices for all consumers, and ensure equitable access to connections, training, and devices. These bold and necessary steps will help our country finally bridge the digital divide.

Broadband Deployment Grants to States, D.C., Puerto Rico, and Territories - \$42.45B:

- Similarly to the Rural Electrification Act, the Infrastructure Investment and Jobs Act provides an historic investment of \$42.45 billion to states, the District of Columbia, Puerto Rico, and the Territories for the deployment of high-speed broadband to every home in America. These funds, administered through NTIA, will increase choice and competition by empowering the states. The states, which know best where the gaps in broadband are in their areas, can use this investment to connect communities currently lacking access to reliable, high-speed internet. Funding will be distributed based on the size of each state's digital divide. The bill includes a 10% set aside to help states with high-cost areas that are the most expensive to deploy.
- The bill prioritizes unserved, underserved, and high-cost areas and includes a robust speed threshold. To ensure that networks will meet our nation's technology needs well into the future, funds will be prioritized for future-proof networks that can easily scale up speeds over time to meet the evolving connectivity needs of households and businesses and support the deployment of 5G and future technologies. These state programs will also advance efforts to ensure broadband affordability, broadband adoption, and digital inclusion.
- For the first time in any federal broadband infrastructure legislation, the bill ties affordability and inclusion with deployment by requiring all recipients that take taxpayer funds to provide a low-cost, affordable option.
- Funding is based on a minimum allocation (\$100 million) to every state and additional funding calculated by a formula based on the number of unserved locations according to the updated FCC broadband maps required under the bipartisan *Broadband DATA Act*. It also provides for an effective challenge process to give states and localities a voice in this process, rather than relying on self-reported data from broadband providers -- as had been done previously.
- While the broadband maps are being updated by the FCC, the bill provides for a robust planning process and technical assistance, in coordination with NTIA, to certify that states are reaching those last-mile unserved and underserved households, and making good use of taxpayer dollars. These planning funds will promote state-local coordination, increase the expertise and capacity at a local level, and strengthen broadband efforts around the country. It also expands the range of entities that

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are eligible to receive grants, ensuring that localities and their partners have the flexibility to design programs that meet their needs and requiring states to work with communities to ensure their voices are heard.

- The bill provides the tools to understand the scale of the digital divide, where it exists, the funds to fix it, and a plan for every state to get universal service to every American, ensuring that every household has access to affordable, high-speed broadband.
- Broadband deployment grant funds in the Infrastructure Investment and Jobs Act may be used for the following eligible purposes: the deployment to unserved and underserved locations; connecting eligible anchor institutions; data collection, broadband mapping, and planning; installing internet and Wi-Fi infrastructure or reduced-cost broadband for multi-family dwelling units; broadband adoption and affordable internet-capable devices; and any use determined necessary by NTIA to facilitate the goals of closing the digital divide.

Permanent Broadband Affordability - \$14.2B

- The Infrastructure Investment and Jobs Act builds on the Emergency Broadband Benefit (EBB) Program by investing \$14.2 billion in a new and robust Affordable Connectivity Program (ACP), more than 4 times the funding level provided to EBB in the *Consolidated Appropriations Act, 2021*. The ACP begins when funding for EBB is exhausted, ensuring that qualified households will be able to access affordable high-speed internet beyond the COVID-19 emergency period.
- Providers who receive Infrastructure Investment and Jobs Act funding to build broadband networks must provide a low-cost option ensuring Americans can afford to access the connections that their tax dollars built.
- The ACP expands affordability support by broadening eligibility to 200% of the federal poverty level, adds coverage for WIC recipients, and strengthens the long-term availability of support for qualified households.
- The ACP protects consumer choice by guaranteeing that eligible households may use the benefit for ANY broadband service offering, preventing providers from restricting it to only certain service plans.
 - Providers are prohibited from charging eligible households different prices than they charge households that do not receive the voucher.
- The Infrastructure Investment and Jobs Act increases consumer protections and transparency by:
 - Prohibiting credit checks on recipients.
 - Requiring the FCC to promulgate rules to protect consumers from inappropriate upselling or downselling, prevent providers from requiring consumers from entering into an extended service contract as a condition of accessing the ACP, and to prohibit restrictions on a customer's switching of plans or providers.
 - Empowering the FCC to impose penalties on providers that violate the law's affordability protections.

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- Requiring FCC rulemaking regarding the annual collection of data relating to price and subscription rates.
- Requiring the FCC to finish the broadband labeling rule, providing consumers nationwide with clear, easily-understandable disclosures to better compare offerings.
- Requiring the FCC to adopt rules to prevent digital discrimination (aka digital redlining).

Tribal Connectivity - \$2B

- The Infrastructure Investment and Jobs Act includes an additional \$2 billion for the Tribal Broadband Connectivity Program, building on the program established in the Consolidated Appropriations Act, 2021 that was passed in December 2020. This flexible funding will allow Native American, Alaska Native, and Native Hawaiians to meet their most urgent broadband needs, including deployment, affordability, and digital inclusion efforts.

Digital Equity and Inclusion - \$2.75B

- The Infrastructure Investment and Jobs Act invests \$2.75 billion through the Digital Equity Act to ensure all individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy.
- The bill provides funding for a diverse array of digital inclusion projects at the state and local level. These projects may range from providing digital literacy and digital skills education to low-income or senior populations, improving the online accessibility of social services for individuals with disabilities, or more accurately measuring broadband access and adoption in rural communities.
- The bill establishes two grant programs to be administered by NTIA to promote digital equity and inclusion nationwide:
 - *Building Capacity within States through Formula Grants:* An annual formula grant program for all 50 States, the District of Columbia, and Puerto Rico to fund the creation and implementation of comprehensive digital equity plans in each State
 - *Spurring Targeted Action through Competitive Grants:* An annual competitive grant program to support digital inclusion projects undertaken by individual groups, coalitions, and/or communities of interest

Enabling Middle Mile Broadband Infrastructure - \$1B

- The bill includes \$1 billion to assist efforts by small providers, non-profits, planning and development organizations, utilities, and others across the country to build out middle-mile infrastructure in order to drive down costs and ensure the infrastructure exists to build out to last-mile households.

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USDA ReConnect Loan and Grant Program - \$2B

- The Infrastructure Investment and Jobs Act includes an additional \$2 billion through the U.S. Department of Agriculture's ReConnect Loan and Grant Program and Rural Broadband Access Loan and Loan Guarantee Program to connect the most rural and hard-to-reach rural areas. These additional funds may be used for technical assistance and capacity building for small communities, and funding is set aside to help communities establish cooperatives, which were key to serving isolated rural areas with electricity through the Rural Electrification Act.
- The Infrastructure Investment and Jobs Act will also allow ReConnect to reach more areas, including areas that lack access to 25/3 broadband speeds, an improvement upon the prior eligible speed threshold of 10/1, and make it easier to deploy in rural, higher-poverty areas.

Private Activity Bonds for Broadband - \$600M

- The Infrastructure Investment and Jobs Act authorizes certain broadband projects as eligible activities for tax-exempt private activities bonds. Private activity bonds are bonds issued by state and local governments used to finance projects in partnership with the private sector.
- This private activity bond expansion gives state and local governments access to new financing options that may be used to expand their broadband infrastructure in a way that best serves their communities and connects households and businesses.

In 1936, the Federal government made a commitment to ensure that no American was left in the dark. In 2021, the Infrastructure Investment and Jobs Act makes that same commitment today that no American will be left unconnected.