Understanding Broadband Funding

Your community has the opportunity to capitalize on billions of dollars in federal funding to help bridge the digital divide. There are now 3 primary funds to help serve areas without adequate internet service. Understanding the purposes each program is best suited to will be critical as we work to deploy broadband as efficiently as possible.

1. **State & Local Fiscal Recovery Funds (SLFRF) - $350 billion**: Offers significant flexibility for state and local governments to determine which projects would help areas in need of improved internet access – beyond just lack of access.
   - These projects could include schools, residences, small businesses and offices or multi-dwelling units.
   - These funds can be used to address a number of challenges including aging infrastructure, unreliable service or lack of affordable options, among other issues.
   - As a result, SLFRF funds are well-suited for areas with inadequate broadband.

   **Bottom Line**: SLFRF funds are available today and offer the most flexibility to improve broadband access across a number of communities with different levels of existing service and unique challenges. States and localities should use these funds now, especially for projects that may not be eligible for other federal broadband funding.

2. **Capital Projects Fund (CPF) - $10 billion**: With a special focus on community, empowers states to carry out broadband related capital projects to address critical needs, as exposed by COVID-19, to enable work, education and health monitoring.

**Note**: This visual is for illustrative purposes only and is not representative of all use cases related to federal broadband funding. In many cases, more than one fund may potentially be applicable to any given area.
Because CPF funds do not require the use of forthcoming FCC maps, these funds can be used to address a variety of urgent needs in communities now, including:

- Broadband infrastructure projects
- Digital connectivity technology projects
- Multi-purpose community facility projects

**Bottom Line:** Recognizing that communities need high-speed, reliable broadband to support education, jobs and healthcare, CPF is suited to projects that leverage community institutions to address access and adoption issues.

**Broadband Equity, Access & Deployment (BEAD) Program - $42.5 billion:** Provides dedicated funding for states to implement a targeted approach to broadband deployment that will expand access for:

- **Unserved areas:** locations with speeds < 25/3 Mbps
- **Underserved areas:** locations with speeds <100/20 Mbps

State plans for BEAD funding must be targeted at areas where at least 80% of locations are unserved or underserved as determined by the new Broadband Data Act maps being created by the FCC.

**Bottom Line:** BEAD funding is best suited to ensure that all unserved and underserved locations in a state have reliable broadband access, including those in rural areas that are harder to reach. By efficiently and effectively maximizing the benefits of these once-in-a-generation funding programs, your community has the opportunity to help bring critical connectivity to all.