THE IIJA and Broadband \$65B for infrastructure and digital equity

Broadband Equity,
Access, and
Deployment Program
(BEAD)
\$42.5B

Digital Equity Act \$2.75B Enabling Middle Mile Infrastructure \$1B

Broadband Affordability \$14.2B

Consumer Broadband Labels

Digital Discrimination

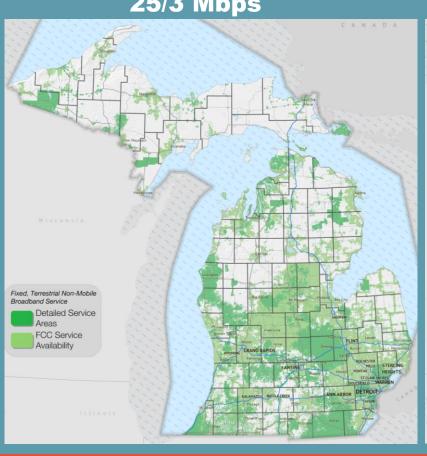


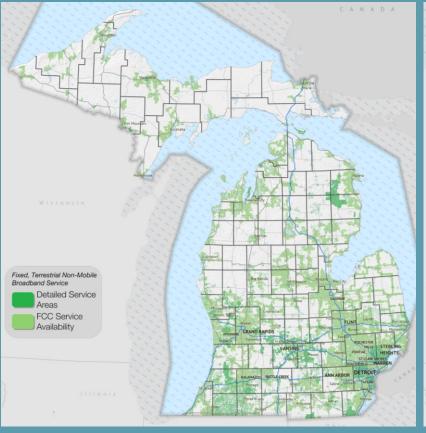
Broadband in Michigan Estimated Availability

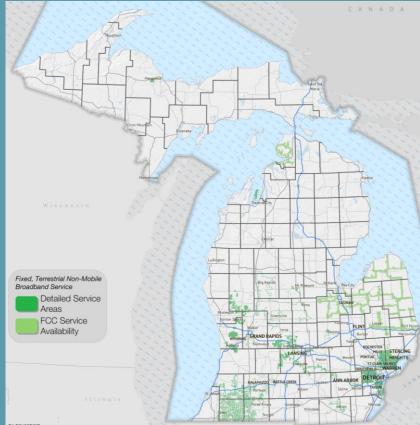
25/3 Mbps 100/10 Mbps



1/x Gbps



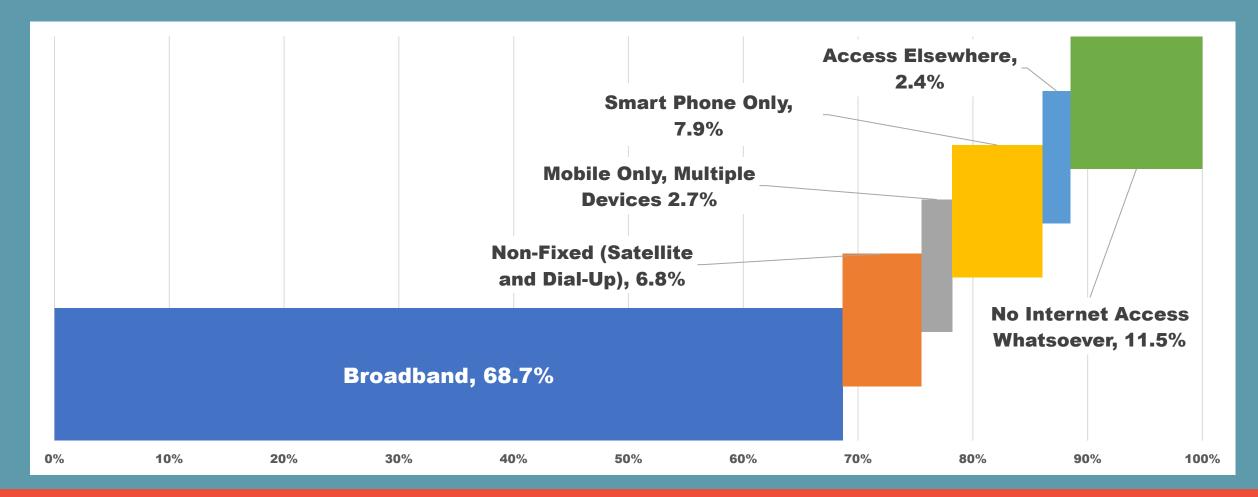






Broadband in Michigan

1.24M households struggling with some form of the digital divide





Broadband Equity, Access, and Deployment Program \$42.5B focused on infrastructure

- Formula-based grants to states (allocations calculated using yet developed FCC maps, likely available in early 2023)
- States will administer funds through a competitive subgrant process
- IIJA defines the priority order in which funds should be spent:
 - 1. Locations unserved at 25/3 Mbps
 - 2. Locations underserved at 100/20 Mbps
 - 3. Community Anchor Institutions with less than 1 Gbps
- Notice of Funding Opportunity will likely be published in June
- States will file a letter of intent and start the 5-year action planning process
- States must identify every location within their borders that meet the three priorities above
- Michigan expects to administer \$1B-\$1.3B in funding, and there is a 25% matching requirement



Digital Equity Act \$2.75B focused on digital equity and inclusion

- Digital equity is the condition in which individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States. Intended to address issues of affordability, devices, digital literacy, technical support, and online content
- Two programs; competitive digital equity grant and state digital equity planning and capacity grants
- States will receive ~\$1M to create a comprehensive digital equity plan, then \$1.44B will be allocated across all states over a five-year period to implement those plans



Enabling Middle Mile Infrastructure \$1B competitive grant program

- A variety of entities are eligible for this program including states, political subdivisions, tribes, ISPs, electric utilities, etc.
- Priority is given to connecting middle mile infrastructure to last mile networks in unserved areas
- Must be completed by 2026



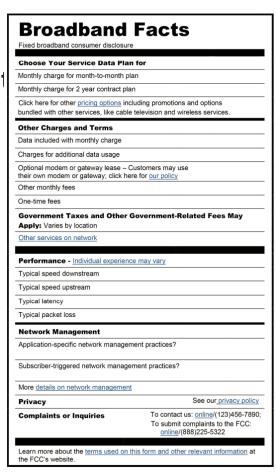
Affordable Connectivity Program \$14.2B to subsidize monthly cost of service

- The ACP replaces the Emergency Broadband Benefit program that was created in December 2020
- Provides a \$30/month subsidy for eligible households to use towards their internet connection
- Households on tribal lands and in high-cost areas can receive a \$75 subsidy
- Eligibility includes households at or below 200% of federal poverty; WIC, SNAP, Medicaid, housing assistance, SSI, etc. participants; National School Lunch Program participants, and Pell Grant recipients
- More information can be found here: https://www.fcc.gov/acp



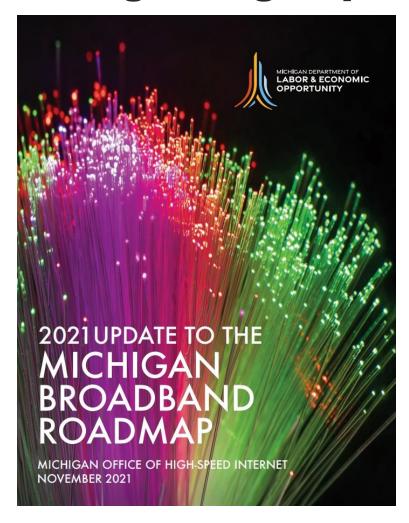
New IIJA Federal Policies Consumer broadband labels and digital discrimination

- The FCC has been tasked with developing consistent broadband service labels across ISPs and geographies to bring transparency service pricing
- Resurrects FCC work that was halted in 2016
- FCC must also adopt rules to address digital discrimination based income, race, ethnicity, color, religion, or national origin, and must identify steps for the FCC to eliminate such discrimination
- Must facilitate equal access to broadband service
- FCC recently created a taskforce to begin addressing this topic





Michigan High-Speed Internet Office



- Gov. Whitmer created the office in June 2021 at the Dept. of Labor and Economic Opportunity through Executive Directive
- LEO has submitted a request to the State Budget
 Office and the legislature for eight FTEs and a
 supplemental budget appropriation of federal funds to
 staff and resource the office
- House has held two hearings on this topic recently, one in appropriations subcommittee and one in communications and technology
- No movement yet to get the office the capacity it needs to start the critical work of implementing the newly created federal programs





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Eric Frederick is the Executive Director of Connected Nation Michigan. As a nonprofit organization, Connected Nation Michigan works to facilitate the expansion of broadband to improve the quality of life for all Michiganders. Eric implemented Michigan's State Broadband Initiative between 2010 and 2015. He advised the 21st Century Infrastructure Commission in 2016 and drafted the 2018 Michigan Broadband Roadmap. Eric and his team have partnered with the Department of Labor and Economic Opportunity to fulfill the duties of the state's Chief Connectivity Officer on an interim basis and help establish the Michigan High-Speed Internet Office. Eric also assists in the implementation of the Connecting Michigan Communities grant program and the Connecting Michigan Taskforce. Mr. Frederick holds a bachelor's degree in planning and GIS from Northern Michigan University and a Masters of Urban and Regional Planning from Michigan State University. Eric is a member of the American Institute of Certified Planners and LEED Accredited Professional with the United States Green Building Council. Eric has provided guidance to the FCC, the White House, the Malaysian Digital Economy Corporation, and hundreds of other organizations on strategies for closing the digital divide.

