



Infrastructure Investment and Jobs Act BEAD and MMBI Program Implementation: Building Networks to Last

NTIA and the states should focus federal broadband funding on the clear statutory priorities provided in the IIJA and, using an RFP-style application process, prefer locally-owned or managed subgrantees that have experience building and operating fiber networks.

The \$42.45 billion Broadband Equity, Access and Deployment (BEAD) Program and \$1 billion Middle Mile Broadband Infrastructure (MMBI) Grant Program constitutes a singular and invaluable opportunity to make substantial progress in the construction of robust and scalable networks capable of meeting rapidly growing broadband service needs in the nation's unserved and underserved areas.

BEAD: Building Networks to Last

Choosing the right subgrantees is key to making sure that the networks built today are around tomorrow and can meet consumer demands.

- Subgrantees proposing to build fiber-to-the-home networks should be preferred over other subgrantees, except in areas where the topography or population density make it prohibitively inefficient. Fiber can deliver the highest speeds and is easily scalable for future needs.
- Subgrantees that have experience building networks, are locally-owned or managed, and have existing networks close to the areas to be served should be preferred over new entrants and providers that do not have existing service near the unserved locations.
- NTIA and states should abide by spirit of the IIJA statute and not discriminate against particular applicants based on the applicants' corporate structure.
- As much as possible, states should allow subgrantees to define their own proposed service territories to ensure small and mid-size applicants can participate.

BEAD: Allocate Funding Effectively

- NTIA and the states should not deviate from the prioritization of eligible locations made clear in the IIJA law. Funding should be first allocated to build networks to locations lacking 25/3 Mbps, then to locations lacking 100/20 Mbps, and then to anchor institutions lacking 1 Gig service.
- States should use an RFP-style application process, as opposed to reverse auctions, to choose subgrantees once the FCC completes its mapping process and a robust challenge process has been held.
- Existing federal broadband network buildout commitments should be respected to prevent overbuilding. (The only exception should be if there are RDOF Long Form Applications that have not been granted by the FCC at the time BEAD starts. Those areas should be deemed eligible.)
- NTIA and the states should not add to the statutorily-defined uses of BEAD funding or the criteria for determining "high-cost" areas.
- NTIA and the states should allow flexibility when it comes to low-cost service options and coordinate with the FCC's Lifeline Program and Affordable Connectivity Fund.

MMBI: Affordable Access

- Small broadband providers in some states face several problems regarding middle mile access: 1) high transport prices; 2) bandwidth constraints; and 3) lack of redundancy.
- In states where these problems do not exist, small providers have joined together to self-fund middle-mile fiber rings to link their networks rather than rely on larger entities to transport their traffic to the Internet.
- NTIA should use this model and encourage and help fund fiber rings in those states where they do not exist.