



## **Massive Opportunities for Growth in Broadband Infrastructure Bill**

As you may have heard, the U.S. Senate recently passed a bi-partisan infrastructure bill that includes \$65 billion for broadband projects across the U.S. If the bill passes as drafted, a significant portion of this investment will be deployed to unserved and underserved areas. Specifically, the bill would target areas where service at speeds of at least 25/3 Mbps is not available and would require funding recipients to deploy service at speeds of at least 100/20 Mbps.

The amount to be awarded to the states is \$42.45 billion, which would be allocated in a manner proportionate to the percentage of unserved locations in each state. Each state would funnel the money to ISPs to expand networks where sufficient Internet service is lacking. Those ISPs that accept this funding will have to offer a low-cost service, with pricing determined by government regulators.

Awarding funding to individual projects will be “formula-based.” States will be required to have plans to address all unserved areas before funding projects in underserved areas.

Funding recipients will be required to offer a low-cost broadband plan. The Senate bill includes approximately \$14 billion toward a \$30 monthly benefit that helps low-income people pay for Internet, extending a pandemic-era emergency program.

The remainder of the broadband funding in the bill passed by the Senate includes:

- \$1 billion for middle mile networks, defined as “a dedicated line that transmits a signal to and from an internet point of presence.”

- \$600 million to enable states to issue private activity bonds to finance broadband deployment in rural areas where a majority of households do not have broadband access.
- \$2 billion in additional support for rural areas through the U.S. Department of Agriculture, including the ReConnect program that provides loans, grants and loan/grant combinations to fund broadband deployments.
- \$2 billion for the Tribal Broadband Connectivity program, which was established in the December 2020 COVID-19 relief package and is administered by the NTIA.
- \$2.75 billion to establish two NTIA administered programs to promote digital inclusion and equity for communities that “lack the skills, technologies and support needed to take advantage of broadband connections.”
- \$14.2 billion for a “sustainable” Affordability Connectivity Benefit that would provide a \$30 per month voucher for low-income families to use toward any internet service plan of their choosing.

Based on the above, it's clear this bill represents a generational investment in network deployment, affordability, cybersecurity and digital equity that presents enormous opportunities for the industry to grow significantly. As a leader in the broadband industry, we look forward to working with you on any projects you develop as a result of this influx in new investment.

#### ABOUT LITRA

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