



Department of
**Economic &
Community Development**

**American Rescue Plan (ARP)
State Fiscal Recovery Fund**



“I am committed to ensuring connectivity in every corner of our state as broadband impacts our goals for health care, education, economic development and beyond.”

- Governor Lee

Tennessee Broadband Accessibility Act

Investment:

- **Grants:** Any providers can apply for funds to offset the cost of deployment of broadband services to unserved areas.

Deregulation:

- Electric cooperatives may provide broadband internet and video services within their service area.

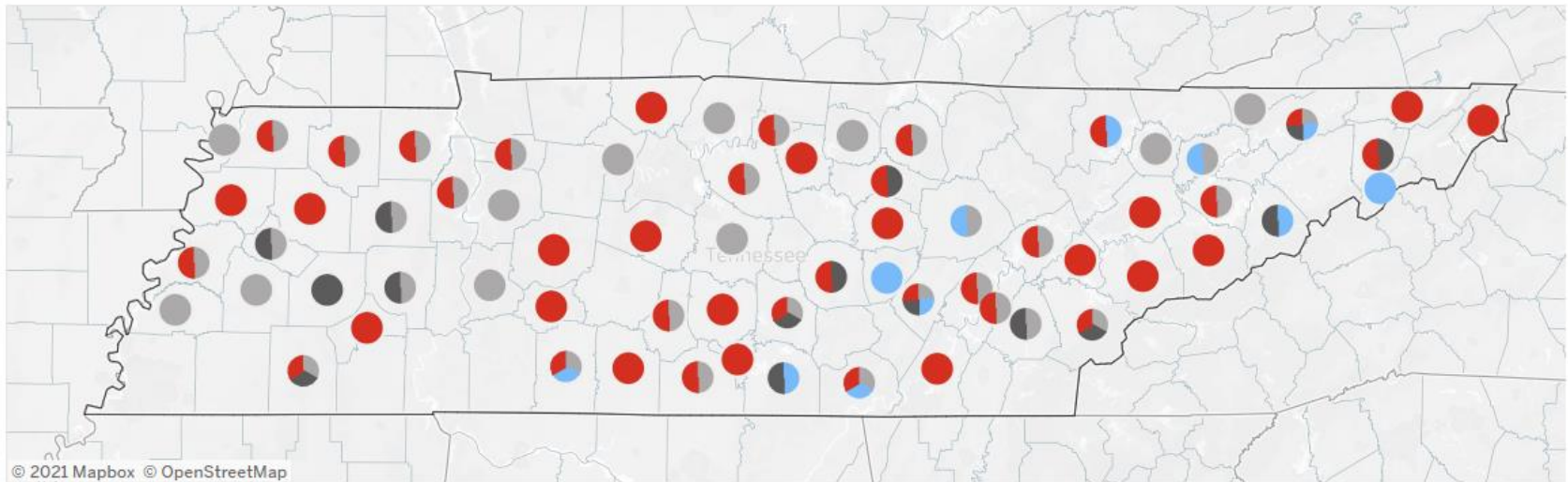
Digital Inclusion:

- A portion of grant funds are awarded to libraries for digital literacy training, equipment and hot spot devices

Historical Progress

- Since 2018, ECD has awarded **\$120M** in state and CARES Act funding to make broadband service available to **140,000** Tennesseans in **64** counties.
- Participating broadband providers have included for-profit, non-profit cooperatives and municipal entities deploying technology including fiber-to-the-premise, hybrid fiber/coax cable, and fixed wireless.

Participation in Broadband Programs



Progress

Leveraging Federal Investment:

Since 2016, broadband providers in TN have been awarded approx. \$94 million in federal funding.

- **FCC**
 - Telecommunications Act of 1996 and Universal Service Fund
 - Rural Digital Opportunity Fund (RDOF)
- **USDA**
 - Goal of expanding broadband service to rural areas without sufficient broadband access
 - Community Connect, ReConnect, Distance Learning & Telemedicine
- **Appalachian Regional Commission**
 - POWER funding awards grants to coal impacted communities

Broadband Grant Projects

Robertson County



Marion County



Lincoln County



Hawkins County



COVID-19 Impact

- Increased needs in remote working, distance learning for both K-12 and post-secondary, telehealth and other areas.
- Highlights the digital divide among communities who cannot access these services at home
- Constituent and providers calls have increased
 - Resources, funding available for students and distance learning
 - Free and public Wi-Fi access
 - Providers in the area and deployment progress
- Tennessee launched an Emergency Broadband Program using CARES Act funds, investing \$54 million in new projects.

American Rescue Plan

- On August 4, 2021, the FSAG approved **\$500** million of Tennessee's ARP FRF for broadband projects.
 - \$400 million for infrastructure in unserved areas
 - \$100 million for programs to encourage adoption and usage of broadband
- ARP expenses deadline – December 2026 but State will likely impose shorter project deadline
- Awaiting Final Rule from US Treasury to determine specific requirements around eligible uses.

American Rescue Plan

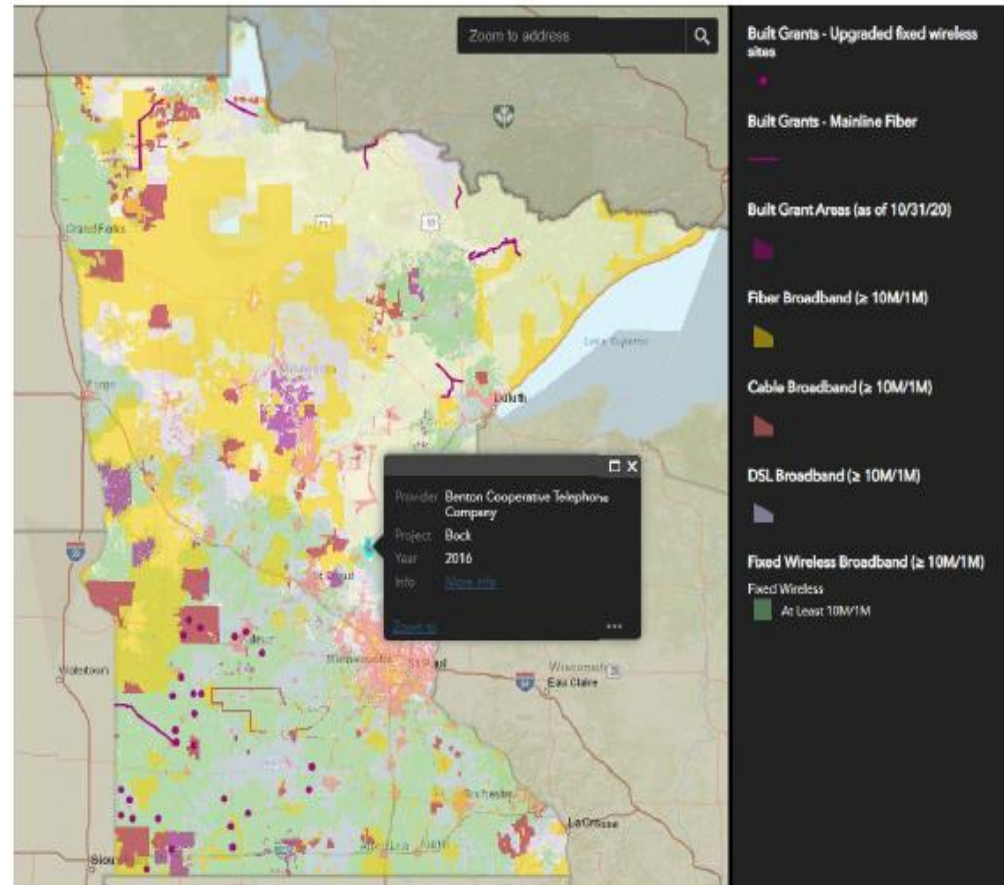
Strategy	Program	Description	Funding	Match
Accessibility	ARP FRF Phase 1	Broadband deployment in unserved areas Two Parts: <ul style="list-style-type: none"> • <u>Distressed County Connectivity Fund</u> targeted to projects providing ubiquitous broadband service to remaining unserved distressed, at-risk counties • <u>Broadband Local Match Fund</u> targeted to projects located in political subdivisions supporting project with local ARP funds. 	\$400M	70/30 but can vary based on community needs
		<i>Subtotal</i>	\$400M	\$80-120M
Adoption	Residential service subsidy	Temporary subsidy to qualifying households to cover expense of 100mb/100mb broadband service	\$50M	80/20
	Community Connectivity	Provide connectivity to community anchor institutions. Support digital literacy programs. Examples may include schools, libraries, public safety buildings, public housing authorities, state offices, or state parks.	\$44M	80/20
	Downtown Wi-Fi	Connecting downtown business districts with free public wi-fi	\$2M	80/20
	<i>Subtotal</i>		\$96M	~\$20M
Admin	1%-3%	Contracted services for mapping, project certification, technical assistance, grants administration and internal program management	\$5-15M	
TOTAL			\$500M	~\$100-140M

Timeline

- **Current Grants**
 - FY20 projects: April 2020 – March 2022
 - FY21 projects: April 2021 – March 2023
- **Broadband Mapping**
 - July 2021 – June 2022
- **ARP Projects**
 - Phase 1 - \$400M
 - Applications – Fall/Winter 2021
 - Awards – Spring 2022
 - Phase 2 - \$ TBD
 - Applications – Fall 2022
 - All ARP projects complete by June 2026

Mapping

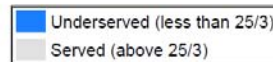
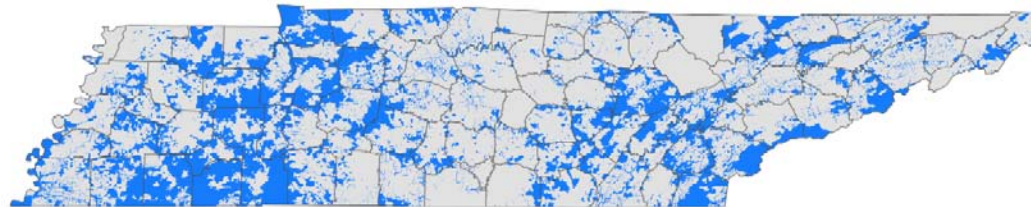
- Per TACIR recommendation, ECD will create detailed broadband map for informing funding decisions and acting as constituent and community planning resource
- ECD's mapping vendor is Connected Nation
- **Timeline**
 - June 2021 – Begin
 - Jan 2022 – Draft map available for public input
 - Summer 2022 – Final map



Next Steps

- Meet with your local providers **as soon as possible**
- Discuss broadband problem areas or issues and opportunities to partner
- ECD will be encouraging a local community match

Note - Communities may be required by US Treasury to conduct RFPs to identify provider partner



Questions?

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