



Broadband Accessibility Grant

Program Guidelines

The Broadband Accessibility Grant Program is designed to offset the capital expenses in the deployment of broadband in unserved areas. The goal of this program is to facilitate broadband access to all Tennesseans while promoting practices that increase deployment and encourage adoption. Funds will be targeted to areas that are unlikely to receive broadband service without grant funding.

Eligible Applicants

- Applicants must be authorized to provide retail broadband in the area proposed to be served with grant funding.
- Types of eligible applicants:
 - Political subdivisions or entities of political subdivisions,
 - Corporations,
 - Limited liability companies,
 - Partnerships or other business entities,
 - Cooperatives organized under Tenn. Code. Ann. § 65-25-101 et seq. and § 65-29-101 et seq., and
 - Any other entity authorized by state law to provide broadband services.

Eligible Areas

- Grant funding can only be used to pay for costs associated with deployment of broadband to unserved areas.
- An unserved area is defined as a designated geographic area in which households or businesses are without a fixed, terrestrial connection supporting at least 25 Mbps download and 3 Mbps upload speeds.
 - Areas lacking fixed, terrestrial 10 Mbps download and 1 Mbps upload speeds will be given priority in application scoring.
- Proposed service areas are not required to be contiguous. However, non-contiguous areas more than 10 miles apart must include an explanation of how the economic and community impact is the same for the proposed areas.
- Determination of the available broadband service:
 - The most recent available data from the FCC Form 477 will be used to determine existing service levels.
 - Because this data is collected on a census block level and can overstate the availability of services, an applicant is permitted to provide additional information to demonstrate that the proposed service area is in fact unserved.
 - Additional information must be sufficient to conclude that an area is in fact eligible and may include but is not limited to:

- Statistically significant survey data for the designated area, or
 - Documentation of the location of existing infrastructure within a given census block.
- If a new FCC data set is released during the scoring period, grant finalists will be given a three-week period to respond to any changes in the data in their proposed service areas.
- Application scoring will include an evaluation of the likelihood that the proposed area will receive broadband service without state grant funding. This will include consideration of CAF II eligible areas and any other federal funding sources including USDA ReConnect that will result in the provision of at least 10/1 service. Applications must include a map file (acceptable formats: .shp, .kml, or .kmz) of the proposed service area.
- Maps of areas eligible according to the FCC data will be available as well as a downloadable GIS shapefile for use in preparing an application.
- Applicants may provide information regarding additional infrastructure deployments that are not eligible for grant funding to provide context for the proposed project in the relevant portions of the application.

Eligible expenses

- The maximum grant request is \$2 million.
- The grant will cover up to 50% of eligible project expenses.
- Applicants with additional local match or leveraged funds will receive additional points in the scoring process. Federal grant or other federal broadband funding is not an eligible match.
- Eligible project cost: costs associated with the installation and/or acquisition of middle-mile and last-mile broadband infrastructure that supports broadband service at the locations and speeds identified in the application.
 - Examples: Project planning, construction permits, construction of facilities, equipment, installation, and test of service.
- Ineligible costs:
 - General broadband planning not associated with a specific last-mile build,
 - Operational expenses,
 - Middle-mile infrastructure that is not directly connected to service provision for an end user,
 - Expenses related to the provision of telephone or video services which are not necessary for the delivery of broadband services.
- Applicants will be required to obtain review of the project application by a Professional Engineer (PE) or another qualified individual. If the evaluation is not stamped by a PE, applicants must provide the credentials of the individual who prepared the report.
- TNECD reserves the right to amend the scope of grant awards or partially fund applications.

Statutory Priorities

The enabling legislation for the grant program establishes priority for projects that:

- Serve locations without access to download speeds of at least ten megabits per second (10 Mbps) and upload speeds of at least one megabit per second (1 Mbps);
- Propose to acquire and install infrastructure that supports broadband services scalable to higher download and upload speeds without taking precedent over the number of locations and size of the area to be served;
- Serve locations with community support including participation in the Broadband Ready Community program;

- Have not received funds or have not been designated to receive funds through other state or federally funded broadband grant programs; and
- Will provide higher download and upload speeds to locations served.

Rural Community Assistance

To align our program with Governor Lee’s Executive Order 1, which emphasizes supporting rural and distressed communities, we plan to offer the following for projects located in these counties:

- Priority in the scoring will be given to grant projects located in “Distressed” and “At-Risk” counties. Please review the county designations [here](#).
- Limited technical assistance on grant area mapping will be offered to applicants for projects located in “Distressed” counties.

Reimbursement and Accountability

- Funds disbursement will occur on a reimbursable basis.
- For the first 85% of the grant award, expenses will be reimbursed as incurred and requests for payment are submitted. The remaining 15% of grant funds will be available upon submission of grant closeout and final report.
- Grant closeout will require review from either a Professional Engineer certified in Tennessee or a third-party verifier pre-approved by TNECD. This review will confirm that the build has been completed; that the design and installation conforms to all applicable federal, state, and local requirements and standard engineering practice; and that the installed infrastructure will provide the service levels stated in the application.
- If project costs exceed the budget included with the application, grantees will still be required to finish the proposed project without an increase in the grant award.
- Grantees are expected to offer service at the pricing and speed levels stated in the application for a minimum of 3 years after close out of the contract. While not a contractual requirement, it is expected that the selected applicants will have incorporated this criteria into their business plan.
- TNECD reserves the right to require an accountability agreement in addition to the grant contract.

Adoption and Community Involvement

Application scoring will include an evaluation of the applicant’s broadband adoption plans and community impact. Examples include:

- Digital literacy training,
- Low income assistance programs (for equipment and/or broadband service),
- Partnerships with co-working or entrepreneurship organizations,
- Awareness or marketing campaigns,
- Service provision to community anchor institutions and/or additional programming, and
- Other programs designed to meet the needs of the local community.

Public Comment for Pending Applications

To ensure transparency and best use of taxpayer funds, the application process will include a public comment period.

- Within two weeks of the close of applications, TNECD will post a description of the applications received including the proposed service area.

- The online public comment period will last from December 4, 2019 until December 20, 2019.
- All comments collected during the public comment period may be subject to public disclosure, except for the specific location of infrastructure assets.
- This period is designed to provide an opportunity for providers, elected officials and citizens to either express support or to inform us of any issues or concerns with an application or its proposed service area. Comments related to ineligibility of a proposed service area should include information beyond the FCC data.
- Grant applicants are not allowed to enter comments on behalf of community members unless the community member has requested special assistance in submitting the form. Surveys or comments collected by providers should be included in their grant application.
- Providers are highly encouraged to submit comments and corresponding documentation if:
 - The area proposed to be served already has service available;
 - Construction is underway in the area proposed to be served and will be completed within 12 months; or
 - The area proposed to be served is in future expansion plans.
- In order for feedback regarding existing service, construction, or future builds to be considered when reviewing applications, supporting evidence must be provided. The impact of planned builds disclosed in comments will depend on the certainty of the build as demonstrated by the documentation submitted with the comment and the timeline for the expansion. Documentation that shows that a provider anticipates serving an area in the future will be factored into the scoring to demonstrate that the area is likely to be served without grant funding. Comments with insufficient evidence or documentation will not be considered.
- Where evidence demonstrates that an area is currently served (with a 25/3 fixed, terrestrial connection) that portion of the grant area will be disqualified. In order for a defined area to be considered served, service at or exceeding 25 Mbps download and 3 Mbps upload must be generally available to all residential customers in the defined area.
- Grant finalists will be given a four-week period to respond to public comments.
- Providers who comment may be asked to provide additional information and/or work with TNECD to validate service availability.
- If a commenter is found to have submitted inaccurate information, all current and future comments will be disregarded in the scoring process.