# ARIZONA BEAD PROGRAM FAQs – MARKET SOUNDING

#### 01. What is the BEAD program?

Funded by the Bipartisan Infrastructure Law, the <u>Broadband</u>, <u>Equity</u>, <u>Access and Deployment (BEAD) Program</u> is a federal grant program that aims to get all Americans online by funding partnerships between states or territories, communities, and stakeholders to build infrastructure in order to increase adoption of high-speed internet. BEAD prioritizes unserved locations that have no internet access or that only have access under 25/3 Mbps and underserved locations only have access under 100/20 Mbps.

#### 02. What is the funding amount awarded to Arizona?

Arizona has been awarded \$993.1 million in federal funding to build infrastructure and expand internet access in rural and historically underserved communities.

### 03. What are the requirements regarding BEAD funding?

The BEAD Program rules require states to prioritize funds in the below order:

- Unserved Locations (available service is 25/3 Megabits per second [Mbps] or less)
- Underserved locations (available service is at least 25/3 Mbps but less than 100/20 Mbps)
- Community Anchor Institutions (CAI) to gigabit symmetrical service (1,000/1,000 Mbps)

### 04. Who can apply for BEAD funding? Are there matching fund requirements for BEAD eligible applicants?

Per the National Telecommunications and Information Administration (NTIA), any State of the U.S., the District of Columbia, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands are considered "Eligible Entities" under the BEAD program and may apply for funding.

According to Section III. B of the <u>BEAD Notice of Funding Opportunity (NOFO)</u>, every Eligible Entity involved in deployment activities must contribute a minimum of 25% of the project costs as matching funds. Matching funds are not necessary for regions classified as "high-cost areas." These are unserved areas where the expense of deploying broadband service exceeds the average deployment cost in unserved areas across the United States.

#### 05. What is the timeline?

Arizona's <u>Initial Proposal Volume II</u> was approved on August 1, 2024. The Arizona Commerce Authority has one year, until August 1, 2025, to submit the BEAD Final Proposal. The Market Sounding exercise is open September 23, 2024 until November 7, 2024. The BEAD Application window for BEAD Eligible Subgrantees will open in late November 2024. Stay tuned for more timeline details.



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#### 06. What is Market Sounding? Is Market Sounding Required?

Market Sounding allows the Arizona Commerce Authority (ACA) to gain valuable feedback regarding Initial Project Areas as we continue to explore how to best meet the connectivity needs of Arizona communities effectively. The ACA aims to foster open communication and gain a better understanding of how to effectively help address connectivity needs of all Arizonans. The ACA is committed to ensuring 100% of households are served in Arizona.

Market Sounding is not a requirement of NTIA, but a commitment by the ACA to continually ensure transparency and feedback loops throughout the BEAD Program.

#### 07. Who is eligible to participate in Market Sounding?

To participate in the Market Sounding exercise and provide feedback on the Initial Project Areas, Prospective BEAD Subgrantees can comment on Initial Project Areas through the <u>Arizona Broadband Navigator</u>. A subgrantee, also known as a subrecipient, is either a for-profit entity or non-federal entity that receives a subgrant for the purpose of carrying out part of a federal award (in this case, BEAD). Specific requirements related to financial capability, managerial capability, technical capability, compliance with laws, operational capability, ownership, and other public funding are available on pages 71-76 of the <u>BEAD NOFO</u>. Prospective BEAD Subgrantees can request an account for the Arizona Broadband Navigator through this link.

#### 08. How do I participate in Market Sounding? Are the Initial Project Areas shown on the <u>Arizona</u> <u>Broadband Navigator</u> considered final?

The Initial Project Areas will be made available on the website. Prospective BEAD Subgrantees can offer feedback during Market Sounding using the <u>Arizona Broadband Navigator</u>. The Arizona Broadband Navigator User Guide has helpful information all <u>Prospective BEAD Subgrantees</u> should review for participating in Market Sounding.

Initial Project Areas shown on the <u>Arizona Broadband Navigator</u> are not considered final. ACA might strategically update the Initial Project Areas based on the Market Sounding results to make sure all eligible unserved and underserved households are connected through BEAD funding.

#### 09. What is Arizona Broadband Navigator and who can use it?

The <u>Arizona Broadband Navigator</u> is an interactive, public-facing online resource provided by the ACA, designed to aid Prospective BEAD Subgrantees. The Navigator enables exploration of Initial Project Areas. It is also open to public for view. No registration required to view the map.

