U.S. DEPARTMENT OF THE TREASURY

Treasury Announces Three Additional Capital Projects Fund Awards to Increase Access to Affordable, High-Speed Internet

December 20, 2022

Illinois, Indiana, and North Carolina are approved to receive approximately \$444 million under the American Rescue Plan and will connect over 170,000 homes and businesses to affordable, high-speed internet

WASHINGTON — Today, the U.S. Department of the Treasury announced the approval of broadband projects in three additional states under the American Rescue Plan's Capital Projects Fund: Illinois, Indiana, and North Carolina. Together, these states will use their funding to connect over 170,000 homes and businesses to affordable, high-speed internet. A key priority of the Capital Projects Fund program is to make funding available for reliable, affordable broadband infrastructure.

The Capital Projects Fund provides \$10 billion to states, territories, freely associated states, and Tribal governments to fund critical capital projects that enable work, education, and health monitoring in response to the public health emergency. In addition to the \$10 billion provided by the CPF, many governments are using a portion of their State and Local Fiscal Recovery Funds (SLFRF) toward meeting the Biden-Harris Administration's goal of connecting every American household to affordable, reliable high-speed internet. Together, these American Rescue Plan programs and the Bipartisan Infrastructure Law are working in tandem to close the digital divide – deploying high-speed internet to those without access today and lowering costs for those who cannot afford it.

"The pandemic upended life as we knew it—from work to school to connecting with friends and family—and exposed the stark inequity in access to affordable and reliable high-speed internet in communities across the country in rural, Tribal, and other underrepresented communities," said Deputy Secretary Wally Adeyemo. "This funding will lay the foundation for the Biden-Harris Administration's historic investments to increase access to high-speed internet and reduce internet bills for American households and businesses."

In accordance with Treasury's guidance, each state's plan requires service providers to participate in the Federal Communications Commission's (FCC) new Affordable Connectivity Program. (ACP). The Affordable Connectivity Program helps ensure that households can afford the high-speed internet they need for work, school, healthcare, and more by providing a discount of up to \$30 per month (or up to \$75 per eligible household on Tribal lands). Experts estimate that nearly 40% of U.S. households are eligible for the program.

To further lower costs, President Biden and Vice President Harris announced the Administration had secured commitments from 20 leading internet service providers—covering more than 80% of the U.S. population—to offer all ACP-eligible households high-speed, high-quality internet plans for no more than \$30 per month. As a result, ACP-eligible households can receive internet access at no cost and can check their eligibility for free internet and sign up at GetInternet.gov. In addition to requiring funding recipients to participate in the Affordable Connectivity Program, Treasury's guidance requires recipients to consider whether the federally funded networks will be affordable to the target markets in their service areas and encourages recipients to require that a federally funded project offer at least one low-cost option at speeds that are sufficient for a household with multiple users.

Treasury announced state awards in June, July, August, early October, late October, and twice in early December, and will continue approving state and Tribal plans on a rolling basis.

To date, 26 states have been approved to invest over \$3.7 billion of CPF funding in affordable, reliable high-speed internet, which those states estimate will reach more than 936,000 locations.

The following descriptions summarize the two state's plans that Treasury approved today:

• Illinois is approved to receive \$253.7 million for broadband infrastructure, which the state estimates will connect 87,163 households and businesses – representing approximately 25% of locations still lacking high-speed internet access. Illinois' award will fund the Connect Illinois Broadband Grant Program (CIBG), a competitive grant program designed to deploy highspeed internet service to areas lacking access to at least 100/20 Mbps wireline service. The CIBG Program will prioritize projects that demonstrate community support, deploy fiber-optic infrastructure, provide affordable service and adoption assistance. Each of the internet service providers funded by the program will participate in the FCC's Affordable Connectivity Program (ACP) – a \$30 per month subsidy for qualifying households. The plan submitted to Treasury and being approved today represents 100° the state's total allocation under the CPF program.

- Indiana is approved for additional funding to support the Indiana Next Level Connections (NLC) broadband grant program, increasing the total award from \$187 million to \$203 million. Indiana's NLC broadband grant program was previously approved for CPF funding on August 30, 2022, and in total will connect an estimated 55,349 households and businesses representing 8% of locations still lacking high-speed internet access. Each of the internet service providers funded by the program will participate in the FCC's Affordable Connectivity Program (ACP) a \$30 per month subsidy for qualifying households. The plan submitted to Treasury and being approved today, along the award made on August 30, represents 100% of the state's total allocation under the CPF program.
- North Carolina is approved to receive \$177.7 million for broadband infrastructure, which the state estimates will connect an estimated 78,100 households and businesses representing 14% of locations still lacking high-speed internet access. North Carolina's award will fund the Completing Access to Broadband (CAB) program, a competitive grant program that aims to create a partnership between the state, counties, and internet providers to build broadband infrastructure and provide service to areas that lack adequate access to the internet. Each of the internet service providers funded by the program will participate in the FCC's Affordable Connectivity Program (ACP) a \$30 per month subsidy for qualifying households. The plan submitted to Treasury and being approved today represents 65% of the state's total allocation under the CPF program. North Carolina submitted plans for the remainder of their CPF funds and these applications are currently under review by Treasury.

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