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

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Alabama, Kentucky, Nevada, and Texas are approved to receive approximately $793.7 million under the American Rescue Plan and will connect over 292,000 homes and businesses to affordable, high-speed internet.

Over one million locations will be connected as a result of Capital Projects Fund investments.

WASHINGTON — Today, the U.S. Department of the Treasury announced the approval of broadband projects in four additional states under the American Rescue Plan’s Capital Projects Fund in President Biden’s American Rescue Plan: Alabama, Kentucky, Nevada, and Texas. Together, these states will use their funding to connect over 292,000 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, advancing President Biden’s goal of affordable, reliable, high-speed internet for all Americans.

The Capital Projects Fund (CPF) 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 and lowering costs for those who cannot afford it.

“The pandemic upended life as we knew it and exposed the stark inequity in access to affordable and reliable high-speed internet in communities across the country, including rural, Tribal, and other underrepresented communities,” said Deputy Secretary Wally Adeyemo.

“This funding is a key piece of the Biden-Harris Administration’s historic investments to increase access to high-speed internet for millions of Americans and provide more opportunities to fully participate and compete in the 21st century economy.”
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 of this agreement and the Affordable Connectivity Program, eligible households can receive internet access at no cost and can check their eligibility 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 them 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 began announcing state awards in June of last year. To date, 30 states have been approved to invest approximately $4.5 billion of CPF funding in affordable, reliable high-speed internet, which those states estimate will reach more than 1.2 million locations. Treasury will continue approving state and Tribal plans on a rolling basis.

The following descriptions summarize the four state’s plans that Treasury approved today:

- **Alabama** is approved to receive $191.9 million for broadband infrastructure, which the state estimates will connect 55,000 households and businesses to high-speed internet access. Alabama’s award will fund the Alabama Broadband Capital Projects Fund (ABCPF), a competitive grant program designed to deploy last-mile infrastructure projects in rural areas of the state. Each of the internet service providers funded by the program will participate in the FCC’s Affordable Connectivity Program. The plan submitted to Treasury and being approved today represents 100% of the state’s total allocation under the CPF program.

- **Kentucky** is approved to receive $182.8 million for broadband infrastructure, which the state estimates will connect 45,000 households and businesses to high-speed
internet access. Kentucky’s award will fund the Kentucky Broadband Deployment Fund (BDF), a competitive grant program designed to provide affordable, reliable broadband service to locations that currently have no internet service, followed by areas that currently lack access to internet at speeds of 25/3 Mbps. The program aims to enable funding to reach rural areas of the Commonwealth that are hardest to serve. Each of the internet service providers funded by the program will participate in the FCC’s Affordable Connectivity Program. The plan submitted to Treasury and being approved today represents 100% of the state’s total allocation under the CPF program.

- **Nevada** is approved to receive $55.2 million for broadband infrastructure, which the state estimates will connect over 40,000 households and businesses to high-speed internet access. Nevada’s award will fund Nevada’s Low-Income Multi-Dwelling Units (MDU) Broadband Program, a competitive grant program designed to fund broadband infrastructure to and within low-income housing. CPF funds will be used to upgrade internet access in MDUs. Each of the internet service providers funded by the program will participate in the FCC’s Affordable Connectivity Program. The plan submitted to Treasury and being approved today represents 41% of the state’s total allocation under the CPF program. Nevada submitted plans for the remainder of their CPF funds and these applications are currently under review by Treasury.

- **Texas** is approved to receive $363.8 million for broadband infrastructure, which the state estimates will connect 152,000 households and businesses to high-speed internet access. Texas’s award will fund the Bringing Online Opportunities to Texans (BOOT) Program, a competitive grant program designed to fund last mile broadband infrastructure projects in areas throughout the state. The BOOT Program will prioritize projects that serve historically socio-economically disadvantaged areas and offer affordable service options and digital literacy support. Each of the internet service providers funded by the program will participate in the FCC’s Affordable Connectivity Program. The plan submitted to Treasury and being approved today represents 73% of the state’s total allocation under the CPF program. Texas submitted plans for the remainder of their CPF funds and these applications are currently under review by Treasury.

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