

NC Department of Information
Technology
Performance Report

Capital Projects Fund
2023 Report

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Executive Summary

The **Completing Access to Broadband (CAB) Program** provides an opportunity for individual N.C. counties to partner with NCDIT to fund broadband deployment projects in unserved areas of each county. [N.C. Session Law 2021-180](#) appropriates \$400 million from the American Rescue Plan Act for this new program. NCDIT and the Broadband Infrastructure Office, in partnership with counties, will develop a competitive process for broadband providers to bid on broadband infrastructure deployments.

Participating counties will work with the Broadband Infrastructure Office to mutually identify eligible project areas and develop the scope of work for the procurement of construction, installation and operation of broadband infrastructure in the targeted project areas. NCDIT will provide customizable procurement templates and processes for use with each county.

Projects require matching investments from counties and the selected broadband service providers. No county may receive more than \$4 million in aggregate funding from the CAB Fund in a single year.

Program Objectives:

- To fund broadband infrastructure deployments to unserved and underserved locations within a participating county, with a combination of funding from the State, the county, and the selected broadband service provider.
- To develop coordination between the state and the counties to mutually identify eligible areas for the CAB Program.
- To provide the opportunity for counties to prioritize selection criteria elements within the competitive bid process, such as highlighting particular project areas or digital equity goals and metrics.

Uses of Funds

Part I of the Program Guidance for CAB was released in June 2022. This Guidance document covers the basic program parameters, for use by county governments and broadband providers as they begin their initial program planning. In the coming months, and updated Program Guidance document will be released with a focus on the competitive bidding process and implementation of the program, as additional details on the Request for Proposals process are finalized. As outlined in the Guidance document, a county wishing to participate in the CAB Program may request funding for either:

- a defined eligible project area that is mutually identified by the county and the Office, or
- for a GREAT Grant project that was not awarded a grant in the 2021-2022 GREAT Grant Program.

For the 2021-2022 GREAT Grant Program, applications received by the Office in May 2022, exceeded the \$350 million available for funding. The Office completed review of the GREAT applications, including vetting for eligibility, completeness, eligible areas including the protest process, and scoring; and projects with the highest scores received awards from the \$350 million available. Eligible projects that did not receive GREAT grant awards due to lack of available funding may be considered for funding under the CAB Program.

Because these projects were part of a competitive grants process, passed eligibility requirements for the GREAT Program, were vetted for eligible areas, and were part of a protest process for eligible locations, the remaining viable projects may be considered under CAB. (Note that some of these unfunded projects may be ineligible for consideration because of duplication with funded GREAT projects, making the remaining project infeasible.) Counties will then determine whether they wish to fund an eligible GREAT grant project that did not receive prior funding.

For projects other-than unfunded Eligible GREAT Grant Projects, counties will work with the Broadband Infrastructure Office to mutually identify eligible project areas and develop a scope of work for the deployment of broadband infrastructure in targeted project areas. The Office will utilize customizable forms and procedures developed by NCDIT for the purpose of these competitive bids.

The N.C. Department of Information Technology's (NCDIT) Division of Broadband and Digital Equity [posted a request for proposals](#) to prequalify internet service providers to participate in multiple broadband expansion programs, beginning immediately with the \$400 million [Completing Access to Broadband \(CAB\)](#) program. The division collected feedback on the draft request for proposals from broadband stakeholders, including unserved communities across North Carolina and internet providers in May. Vendors may submit proposals via the State of North Carolina Interactive Purchasing System at <https://www.ips.state.nc.us/ips/> until 2 p.m. on July 31, 2023.

Internet service providers awarded a state convenience contract through this process will be eligible to reply to counties' requests for service expansion in unserved and underserved areas mutually defined by the counties and the division. Following a competitive bid process in a county, the broadband service provider selected for a project shall enter into an agreement with the Office that will include the project description, timelines, benchmarks, proposed broadband speeds, and any other information and documentation the Office deems necessary. The Office will provide project oversight, and, upon completion of established benchmarks in the project agreement, the Office will disburse funds from the project account to the broadband service provider on a reimbursement basis.

The Start Date for the CAB Program is July 1, 2022. The Estimated Substantial Completion Date is December 31, 2026.

Milestones:

2022	Release of CAB Program Guidance Part I/Program Parameters Publication of CAB Online Planning Tool on NC One Map
2023	Solicitation to pre-qualify internet service providers for CAB Awarding of CAB Projects that are Unfunded GREAT Projects Release of CAB Program Guidance Part II/Program Implementation Release of Procurement/Bid templates Competitive Bidding released in pilot counties
2024	Pilot projects contracted and underway Competitive Bids released in remaining counties Projects contracted and underway All funds obligated by December 31, 2024
2025	Projects continue to be deployed and monitored
2026	All projects completed by December 31, 2026. Additional monitoring may occur after 2026.

Promoting Equitable Outcomes

Building digital equity is the top priority of the NCDIT Division of Broadband and Digital Equity, which houses the Broadband Infrastructure Office and the Office of Digital Equity and Literacy. NCDIT will build equity into its broadband infrastructure projects at every opportunity. In addition to supporting deployment of high-speed internet infrastructure in unserved and underserved parts of the state, the Division's mission includes addressing the high costs of internet subscriptions, building digital literacy by creating skills opportunities and tools for low-income households, and addressing inequities in historically underserved communities.

S.L. 2021-180 Section 38.6 states the CAB program will serve unserved areas (areas without access to speeds of 25 mbps download and 3 mbps upload speeds) with access to broadband speeds scalable to 100 mbps symmetrical by December 2026.

NCDIT intends to establish criteria in county scopes of work and response decision rubrics to address equity issues. BIO and the Office of Digital Equity and Literacy work together to address these issues, including affordability, minority-owned business opportunities, device support, and adoption efforts within minority demographics, within the parameters of the authorizing legislation and guidelines.

Labor

As a recipient of federal funding, NCDIT is required to comply with the rules, laws, and regulations of Title VI of the Civil Rights Act of 1964. Compliance with Title VI is contingent upon employees' and contractors', sub-contractors' and sub-recipients' adherence to Title VI and all applicable laws, regulations, and rules.

NCDIT is committed to ensuring all management staff, contractors and service beneficiaries are aware of the provisions of and responsibilities associated with Title VI of the Civil Rights Act of 1964.

Community Engagement

NCDIT's Broadband Infrastructure Office has dedicated staff that work with county representatives to communicate about this program. The BIO published a nationally recognized Community Broadband Planning Playbook that specifically addresses communication and active participation from referenced organizations. These dedicated staff actively engage and communicate with these stakeholders. They have communicated with all 100 counties about the CAB program and other broadband and digital equity opportunities to help them prepare.

The BIO also has a dedicated staff person that will serve as a liaison to the Internet Service Providers since they will be the respondents to the competitive bid process. Staff will work with the providers on any questions related to the program.

The Office of Digital Equity and Literacy also works with local governments and other stakeholders to make sure NCDIT receives feedback from a broad range of constituencies and maintains communication with community-based organizations of all types.