



New York State to Receive \$100 Million in Federal Funding for Expanding Affordable Broadband Infrastructure for Underserved Communities

On March 29, 2023, New York State leaders Governor Kathy Hochul, Majority Leader Chuck Schumer and Senator Kirsten Gillibrand announced that New York State will receive \$100 million in federal grant money to connect 100,000 affordable housing units with high-speed internet.

The funding comes from the American Rescue Plan's \$10 billion Capital Projects Fund (CPF) and will flow to New York's Affordable Housing Connectivity Program (AHCP). The CPF's funds will be used to upgrade internet access in affordable housing units. To receive funding, internet service providers will apply for the federal broadband grants through a competitive process. Owners of affordable housing properties interested in receiving free, new or upgraded fiber-to-unit broadband equipment installations may visit the New York State web page, [Fiber Broadband for Affordable Housing](https://broadband.ny.gov/fiber-broadband-affordable-housing),¹ to indicate their interest in the program.

The CPF is a program designed to address challenges exacerbated by the COVID-19 pandemic that has a particular focus on rural America, Tribal communities, and low- and moderate-income communities. One of its priorities is to make funding available to ensure that communities have access to high-quality, modern infrastructure, which includes reliable, affordable high-speed broadband. The \$100 million represents 29% of New York's total allocation under the CPF program.

The AHCP is a competitive grant program designed to fund high-speed, reliable broadband infrastructure to and within low-income housing units. The aim of the program is for eligible providers to bring affordable at-home internet service options to low-income housing units. The program is designed to provide internet service with speeds of 100/100 megabits per second (Mbps) upon project completion. Each of the internet service providers funded by the program will participate in the Federal Communications Commission's Affordable Connectivity Program, which provides a \$30 per month subsidy for low-income families.

This funding is separate from further federal funding in the pipeline under the Infrastructure Investment and Jobs Act of 2021 (IIJA) for deployment and adoption of broadband. The IIJA authorized the Broadband, Equity, Access, and Deployment (BEAD) Program, which will allocate \$42.45 billion among American states and territories. The BEAD Program is managed by the National Telecommunications and Information Administration (NTIA) of the U.S. Department of Commerce. BEAD's principal focus is on deploying broadband service to *unserved* and *underserved* locations. Unserved is defined as those without any broadband service at all or with broadband service offering speeds below 25 Mbps downstream/3 Mbps upstream. Underserved is defined as those without broadband service offering speeds of 100 Mbps downstream/20 Mbps upstream.

¹ <https://broadband.ny.gov/fiber-broadband-affordable-housing>



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New York's allocation of BEAD funds will be distributed further by the ConnectALL office. The ConnectALL office, headed by Josh Breitbart, is part of New York State's Empire State Development (ESD), which is headed by Hope Knight. On December 12, 2022, the ConnectALL office was awarded \$7.2 million in planning funds through BEAD and Digital Equity Act Programs, which it is currently using to produce comprehensive statewide broadband deployment and digital equity plans. This includes planning how to handle forthcoming BEAD funds.

The ConnectALL office is currently holding listening sessions across the state to identify community concerns. The sessions are available to attend virtually and will

occur throughout April. State allocations of BEAD funds are expected to be announced by the NTIA in June 2023, as federal broadband maps are scheduled to be announced by June 30, 2023. The ConnectALL office is developing its State Digital Equity Plan and expects to make a draft of it available for public comment this fall. The plan will be due to the NTIA this winter. We are closely monitoring the progression of the BEAD Program and the distribution of its funding.

Additional Assistance

For further assistance, please contact a member of our [Telecommunications Practice Team](#) or the [Phillips Lytle attorney](#) with whom you have a relationship. ■



Albany Omni Plaza 30 South Pearl Street Albany, NY 12207-1537 (518) 472-1224

Buffalo One Canalside 125 Main Street Buffalo, NY 14203-2887 (716) 847-8400

Chautauqua 201 West Third Street Suite 205 Jamestown, NY 14701-4907 (716) 664-3906

Garden City 1205 Franklin Avenue Plaza Suite 390 Garden City, NY 11530-1629 (516) 742-5201

New York City 620 Eighth Ave 38th Floor New York, NY 10018-1442 (212) 759-4888

Rochester 28 East Main Street Suite 1400 Rochester, NY 14614-1935 (585) 238-2000

Chicago, IL 161 North Clark Suite 1700 Chicago, IL 60601-3342 (312) 794-7300

Washington, DC 1101 Pennsylvania Avenue NW Suite 300 Washington, DC 20004-2514 (202) 617-2700

Canada The Communitel Hub 151 Charles Street West Suite 100 The Tannery Kitchener, Ontario N2G 1H6 Canada (519) 570-4800