



COVID-19 Missouri Response: Emergency Broadband Investment Program

March 1, 2020 – November 30, 2020

Guidelines and Scoring Process

Application cycle opens on Tuesday, September 8, 2020, and closes at Noon CDT on Thursday, September 17, 2020.

Introduction to the Emergency Broadband Investment Program

The State of Missouri is providing up to \$2 million in grants to reimburse providers that have expanded, or plan to connect, high-speed internet (25 Megabits per second / 3 Megabits per second or greater) to new subscribing residents in unserved or underserved areas in response to the COVID-19 pandemic. The Missouri Department of Economic Development (DED) will administer and facilitate the reimbursement program for broadband providers that expand service in order to directly benefit qualified households, including those households: 1) that meet one of the categories identified as a vulnerable population, 2) with a Missouri resident on telework status, and 3) with a student resident (pre-school through higher education). The **Emergency Broadband Investment Program** will be technology-neutral and open to all broadband providers in good standing with the State of Missouri and meeting program guidelines. The program was developed using the federal law, guidance, and frequently asked questions from section 601(a) of the federal Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

Applications will be reviewed immediately upon submission by DED using the following criteria and point values. DED will also assess the regional diversity of the grant requests. These evaluation criteria reflect information provided in the grant application. To ensure that an application receives the best score possible, it should include comprehensive responses and all requested attachments. Applications may also be subject to a challenge process to ensure that CARES Act resources are deployed only as necessary and not for areas already adequately serviced.

DED reserves the right to revise these program guidelines to conform to CARES Act guidance issued during the grant period or as it otherwise deems prudent in its sole discretion.

Eligible Applicants

Applicants eligible for grant awards include:

- Corporations, or their affiliates, registered in this state;
- Incorporated businesses or partnerships in this state;
- Limited liability companies registered in this state;
- Nonprofit organizations registered in this state;
- Political subdivisions; and
- Rural electric cooperatives organized under chapter 394 of the Revised Statutes of Missouri (RSMo) and the broadband affiliates of these rural electric cooperatives.

Prior to participating in this grant program, successful applicants must execute a program agreement with DED outlining the program details, requirements, and state and federal terms and conditions.

In order to accommodate the challenge process outlined in these guidelines, applicants should understand that DED will provide a copy of any application to an interested party.

Eligible Areas

Grant funds can only be used to pay for costs associated with deployment of broadband to unserved and underserved areas as defined in section 620.2450 RSMo.

- An unserved area is a project area without access to wireline or fixed wireless broadband internet service with speeds of at least 10 Megabits per second (Mbps) download and 1 Mbps upload.
- An underserved area is a project area that currently has a minimum of 10 Mbps download and 1 Mbps upload, but does not yet achieve 25 Mbps download and 3 Mbps upload (i.e., has speeds between 10/1 and 25/3 Mbps download/upload).
- Proposed service areas are required to be contiguous and all encompassing. "Donut holes" to avoid served areas will not be permitted.
- The most recent available data from FCC Form 477 (June 2019) will be used to determine existing available broadband service. Information obtained during the challenge process may also be used to determine service levels.

Ineligible Areas

- Connections made for addresses within served census blocks are not eligible for reimbursement, in accordance with FCC Form 477 (June 2019) or based on information obtained during the challenge process. Instead, only new connections to qualifying households currently within unserved or underserved census blocks will be considered for reimbursement.
- Expenditures for which providers have or will receive other public financial assistance (grants, loans, or subsidies) to deploy broadband for the households from the FCC (Connect America Fund, Universal Service Fund), USDA (ReConnect or other broadband programs), Delta Regional Authority, the Missouri Broadband Grant Program, or any other federal, state, or local funding that has been awarded are not eligible to receive support through this program.

Challenge Process

As a precautionary measure to avoid overbuilding, DED shall publish on its Emergency Broadband Grant website by the close of business on Friday, September 18, 2020 the proposed projects' unserved and underserved areas, and the proposed broadband internet speeds for each application submitted. DED shall provide a copy of any application to an interested party.

The following challenge process steps will be followed to evaluate the proposed project areas:

- Broadband providers challenging an application's project area will have three business days (September 21-23, 2020) and must submit the following prior to 5:00 p.m. CDT on Wednesday, September 23, 2020 to broadband@ded.mo.gov:
 - A letter including or accompanied by substantial and competent evidence demonstrating that the challenging provider is providing high speed internet of at least 25 Mbps / 3 Mbps,
 - Mere statements, absent substantiation, will not be sufficient to sustain a challenge,
 - An affidavit from the challenging provider attesting to the truth of the statements in its challenge, and
 - Documentation of the challenging provider's current broadband offerings and speeds.

- If the challenging provider supplies sufficient evidence of providing at least 25 Mbps / 3 Mbps internet in the proposed project area, the area will be taken under review.
- The applicant shall have three business days following its receipt of the challenging provider's evidence to submit a follow-up to the challenge.
- DED will make a determination in its sole discretion whether to proceed with a modified project area in light of the new information or deny the project.
- An applicant whose project is modified through this process will have an opportunity to accept or decline a grant award encompassing the modified project.
- DED will post on the Emergency Broadband Grant website a list of challenges found to be valid and the project areas affected by those challenges.

Allowable Expenses – Calculating Total Project Cost:

The **Emergency Broadband Investment Program** will reimburse for construction-only expenses in the installation of retail broadband internet service between March 2020 through November 2020, with baseline speeds of 25 Mbps download and 3 Mbps upload in the area proposed to be served. Further, the program is limited to reimbursing expenditures complying with the CARES Act, which includes that the reimbursement must be for necessary expenditures made due to the current COVID-19 public health emergency and expended within the date range established by the program guidelines. Below are inputs to establish the provider's total project cost:

- Construction of broadband facilities;
- Final engineering and construction plans;
- Permitting; and
- Installation.

DED will not reimburse more than 50% of total project cost as stipulated in the project budget.

DED reserves the right to amend the scope of grant awards or partially fund applications. Funding for this project is subject to annual appropriations made by the Missouri General Assembly and approved by the Governor and may be subject to withholding or other restrictions made by the Governor or the Missouri Office of Administration, Office of Budget and Planning.

Ineligible Expenses in Calculating Total Project Cost:

The following items and expenses are ineligible:

- Preliminary engineering and design work in preparation for the grant application;
- General broadband planning not associated with the project area;
- Operational expenses;
- Middle-mile infrastructure only projects; and
- Expenses for any new connection unaccompanied by a new subscription.

Demonstration of Household Eligibility

Providers are required to collect and retain information from each household attesting that the household includes at least one of the following: 1) a resident of a vulnerable population, 2) a resident on telework status, or 3) a student (pre-school through higher education). If the provider is unable to secure an attestation from a qualified household, the provider must present another verifiable and reputable source or combination of sources, subject to DED's sole discretion, to prove that the household is eligible and provide an affidavit attesting to the household's eligibility. If the provider cannot offer documentation as described in this paragraph for each household connection included in a

reimbursement request, the provider will be ineligible to receive reimbursement for each connection with insufficient documentation.

Participating broadband providers will:

- Use the specified **Emergency Broadband Investment Program** customer application form* to obtain an attestation from a household that qualifies for connection under the program guidelines. The attestation must be signed by the household member subscribing to the provider's broadband service and who is 18 years old or older prior to the provider requesting reimbursement for the connection and as a precondition of program funds being dispersed. Customer application forms will be retained by the provider for a period of at least five years from the date of the final reimbursement payment received by the provider for this grant and will be submitted to the Department of Economic Development, Director of Broadband Development or its designee or representatives upon request or upon audit of the completed project build by DED, the State Auditor's Office, the U.S. Treasury, or other authorized state or federal authorities.
- Deploy broadband providing at least 25 Mbps download and 3 Mbps upload speeds using (Fixed Wireless, DSL, Cable, FTTH) technology/technologies to all connections for which the provider applies for **Emergency Broadband Investment Program** funds.

*DED will provide a template for providers to use to verify household eligibility.

A member of a vulnerable population consisting of persons susceptible to COVID-19 due to one of the following:

- Is 65 years of age or older; OR
- Has at least one of the following conditions:
 - Chronic lung disease;
 - Moderate to severe asthma;
 - Serious heart conditions;
 - Immunocompromised;
 - Diabetes;
 - Chronic kidney disease and undergoing dialysis; or
 - Liver disease.

DED reserves the right to amend the list of vulnerable populations susceptible to COVID-19.

Citizens who are required to telework include those working from home because of COVID-19 at the direction of their supervisor to complete job-related functions.

Students include those in pre-kindergarten through grade 12, as well as those enrolled at a higher education institution or post-secondary training program, and who are unable to attend in-person learning or training due to COVID-19.

Reimbursement and Accountability – PLEASE REVIEW

- Along with the application, applicants must submit a Certificate of Tax Clearance from the Missouri Department of Revenue or evidence that a submission was made prior to the application deadline to obtain the Certificate from the Missouri Department of Revenue.
- Applicants must register as a vendor with the State of Missouri through the [MissouriBUYS](#) web portal.
- If awarded, applicant must execute a program agreement with DED outlining the program details, requirements, and state and federal terms and conditions before being eligible to participate in this grant program.
- Grant fund disbursements will be available at least on a monthly basis for eligible expenses expended.
- Customer application and subscription records for new connections through the grant will be retained by the provider for a period of at least five years from the date of the final reimbursement payment received by the provider for this grant and will be submitted to the Department of Economic Development, Director of Broadband Development or its designees or representatives upon request and/or upon audit of the completed project build by DED, the State Auditor's Office, the U.S. Treasury, or other authorized state or federal

authorities.

- Within 45 days post-construction, the provider must submit a final report outlining the overall project details, documentation of new customers, and speed testing within the project area.
- DED reserves the right to inspect and audit the project for up to one year post-construction.
- If project costs exceed the budget included with the application, grantees will be required to finish the proposed project without an increase in the grant budget.
- Applicants who commit fraud or misrepresentation, or who do not adequately document or retain sufficient documentation, shall be subject to state and federal civil and criminal recourse to the extent permitted by law.

Reimbursement Rate per Qualified Connection

Reimbursements will be made for actual expenditures per connection as shown below.

Broadband Speed (download/upload)	Reimbursement Rate per Qualified Connection (or actual expenditures, whichever is less)
> 25 Mbps / 3 Mbps to < 100 Mbps / 100 Mbps	Up to \$450
> 100 Mbps / 100 Mbps to 1 Gbps / 1 Gbps	Up to \$3,450

The maximum support request cannot exceed 50% of total project cost as stipulated in the project budget.

Selection Criteria and Scoring Categories

75 total points possible

A. Broadband Connections Made During the State of Emergency: 0 to 25 points possible

Broadband Improvements Scoring Table

(Unserviced or underserved total new connections and subscriptions between March 1, 2020 - October 30, 2020)

# of Connections	Speed Now:*	≤10/1 unserved	≤10/1 unserved	≤10/1 unserved	≤10/1 unserved	≤25/3 underserved	≤25/3 underserved	≤25/3 underserved
	Speed After Build:*	25/3	50/10	100/20	1 Gbps/ 30 Mbps	50/10	100/20	1 Gbps/ 30 Mbps
0-50	Points Awarded:	10	12	15	20	8	10	13
51-499		12	15	18	23	10	13	15
500+		15	18	20	25	13	16	18

*The predominant speed within the proposed project area. Speeds are shown as download/upload rates in Mbps except those marked with "Gbps," which indicates gigabits per second.

- **Additional Program Details:** Connections and broadband speed upgrades supported under the program must meet the state speed minimum broadband definition (25 Mbps/3 Mbps).
- Total qualified connections include households with students, telework, and vulnerable populations as defined in these guidelines.

B. Financial Viability: 0 to 20 points possible

DED will assess the ratios and most recent financial statements provided by the applicant for the last three years to evaluate financial health and strength of the provider to deploy, manage, and serve the qualified households in an expedient manner.

Financial Viability Scoring Table

Provider's Financial Viability Ranking	Points
Strong	20
Average	10
Below average	5
Unable to ascertain	0

C. Project Readiness: 0 to 20 points possible

Applicant has completed the application in its entirety and not omitted any attachments required for review.

IMPORTANT: Missing or incomplete items will result in an application being deemed incomplete and such application will not be forwarded to the review team. The following are required to demonstrate project readiness:

- Applicant has submitted **ALL** required documentation listed in the attachments section of the application;
- All budget material is provided in a detailed, yet clearly understandable manner; and
- Evidence that project is ready to begin construction upon award.
- Application includes project work plan, i.e., proposed speed tiers, proposed marketing, and early adoption strategies.

D. Broadband Adoption Assistance: 0 to 10 points possible

Applicant has demonstrated that the necessary broadband adoption strategies will be in place to assist the success of the overall proposed project, including a description of:

- Broadband adoption activities planned for the project;
- A plan to actively promote the adoption of newly available broadband service to the community;
- Provision of technical support or training on how to connect correctly to the new broadband service;
- Digital literacy or online security trainings or events; and
- Whether a low-income broadband assistance program will be offered.