

State of Indiana
Performance Report

Capital Projects Fund
2024 Report

Table of Contents

Executive Summary.....	2
Uses of Funds.....	3
Promoting Equitable Outcomes.....	4
Labor.....	5
Community Engagement.....	5
Appendix A.....	8

Executive Summary

The Next Level Connections (NLC) Broadband Grant Program was created to fund the expansion of broadband infrastructure to areas with limited or no access to internet speeds of at least 25/3 Mbps. Governor Holcomb originally allocated \$100 million toward broadband expansion in 2018, which spurred the development of the NLC program. Three competitive funding rounds of the NLC program have been awarded and a fourth round of awards is currently being finalized.

In the budget bill adopted during the 2021 legislative session, the Indiana General Assembly appropriated \$250 million from the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF) to be used for broadband infrastructure deployment. This action was taken prior to the finalization of the funding amount for the Capital Projects Fund (CPF). The Indiana Office of Community and Rural Affairs (OCRA) and the Indiana Broadband Office (IBO) began the planning for this appropriation using NLC as its program template. In addition, NLC service speed guidelines were targeted for 100 Mbps symmetrical with 100/20 Mbps minimums. Upon the confirmation of its \$203 million allocation from the CPF, Indiana directed that funding source to these broadband deployment efforts. The remaining \$47 million of the state appropriation will be funded from the SLFRF.

The CPF grant plan was submitted to capture the work initiated in the [third round of the NLC program](#) which focused on the unserved and underserved rural areas of the state. The first program plan was approved for \$187 million and resulted in awards of \$168 million with matching provider contributions of \$215 million to serve over 46,000 residential and commercial end users. Round three awards were made to 30 different providers for 121 last mile projects with almost all fiber installations. The second program plan is a continuation of the first as it has the same goals and objectives. The award of the fourth NLC round will exhaust the funding of both program plans as well as the supplement from the SLFRF.

Governor Holcomb has long had a vision for “One Indiana.” This vision contains an interconnected state, not just by roads and bridges, but by internet connectivity, with people, with culture, with the economy, with nature, with trails and more. This cannot happen without reliable broadband infrastructure, and the continuation of the NLC Broadband Grant Program through the incorporation of the CPF and SLFRF. With the completion of the fourth round, the NLC program will have awarded over \$328 million to projects encompassing 88 of the 92 Indiana counties. The total of 235 projects will also leverage an additional \$429 million in funds from provider match for a four-round total investment of \$758 million. This total investment of four rounds of the NLC program will have a great impact as it is able to bring broadband service to over 104,000 Indiana residents.

A map of all four NLC rounds is provided at the end of this report.

Uses of Funds

The State of Indiana received approval for two CPF programs in 2022. Each 1A Broadband Infrastructure Projects program has the same objective: to continue infrastructure deployment for the delivery of affordable and quality broadband service to areas lacking such service with priorities for opportunities to promote work, education and healthcare.

The first program plan (CPF_GP_000191) was approved for \$187 million and is essentially a continuation of the NLC Grant Program started in 2018. The NLC Program is a competitive grant program with the focus of providing financial assistance to internet service providers. These grants are to be leveraged to extend broadband infrastructure and service to unserved and underserved end users. The process begins with eligible applicants submitting a letter of intent (LOI) with the locations they are seeking funding to serve. It includes an address challenge phase prior to the full and competitive application processes. More information on the previous grantmaking process, including guidelines, scoring criteria and applications can be found [here](#).

Eligible grant applicants must be a qualified broadband provider and present evidence for OCRA's review to deem them financially, operationally, and technically sound to build and operate a broadband network.

Once the application process is completed, a [scoring matrix](#) is used. There are both objective and subjective criteria included in the scoring. The major criteria are: 1.) Project Description and Readiness; 2.) Project Impact; 3.) Community Support and Engagement; 4.) Technical Qualifications and Resources; 5.) Economically Disadvantaged Student Household Service Packages; and 6.) Objective Scoring (Speeds, Passings, Match).

The grantee is required to file quarterly progress reports which provide a description of work completed during the period supported by outcome metrics such as number of passings, adoption rate, fabric ID for each awarded address, current status for each project, address level status update, pre and post investment upload and download speed, cost of service, and other information as may be required by OCRA and CPF guidelines received from Treasury for completing the quarterly Project and Expenditure Report. A final report is required upon project completion. This report will include financial documentation, an engineering report, and latency speed verifications from broadband subscribers.

The third round of NLC resulted in awards of \$168 million, with matching provider contributions of \$215 million to serve over 46,000 residential and commercial end users. Grant agreements have been signed with 30 providers for 121 last mile projects with service to the end user. Almost all projects are installing fiber services and are currently projected to be completed by the end of 2024. Providers may reach out for an extension on projects if they have run into unexpected delays which will not allow them to complete project by the current deadline. An extension will be granted if the project provider is in good standing and has provided adequate updates and information explaining the delays. Almost \$58 million have been drawn from the first program plan (CPF_GP_000191) to reimburse providers for third round NLC projects as of June 30, 2024.

A fourth round of the NLC program was [announced](#) in 2023 and will utilize the remaining funds of the first plan (CPF_GP_000191), the \$12.8 million allocation from the second approved CPF plan

(CPF_GP_000315), and \$47 million from the ARPA SLFRF appropriation for a total of \$81 million in available funds for project awards.

For this final round, the IBO used FCC fabric level data to compile a list of unserved and underserved addresses and identified 9,244 addresses that were previously selected for federal and state broadband programs but for various reasons were abandoned. Providers were encouraged to select those addresses for their application to earn additional scoring points. Prior grant award experience and the overall standing of that provider was also taken into consideration for the fourth round of NLC grants. Additionally, some administrative changes were made to improve results and the broadband connection upload and download speed threshold was also increased to 100 /20.

Award processing is nearing finalization and 50 potential projects have been identified. If accepted by the pertinent providers, over 34,000k addresses, including over 9,000 priority addresses, will establish broadband connection to 1 gigabyte symmetrical upload and download speed. Any changes resulting from the acceptance process will be reflected in the 2025 CPR Performance Report.

Promoting Equitable Outcomes

The NLC Grant Program was developed with the intention of helping rural areas that lack access to any broadband infrastructure. Indiana set aside state funding to begin addressing this gap in service, recognizing the digital divide long before the pandemic brought it to the forefront. Areas of critical need were originally identified for the NLC program as areas where internet connections are unavailable, or the only available connections are at actual speeds of 25 Mbps download and 3 Mbps upload or less. That service threshold was increased to 100/20 Mbps minimums after the first two rounds of NLC.

Other criteria taken into consideration in the Round 3 scoring matrix focused on economically disadvantaged student households. Providers that receive these funds are offering packages and price points that meet the unique needs of economically challenged areas were a priority. Upload speeds that reflect unique circumstances such as multiple remote learners or unbundled options at reasonable price points are being provided. These options also earn applicants more points towards a successful award.

To complement information provided from provider's applications and in coordination with the IBO, OCRA relies on the digital inclusion indicators developed by the Purdue Center for Regional Development (PCRD) to better understand the digital equity landscape ([Rural Indiana Stats | Home \(purdue.edu\)](#)). These include a digital distress metric as well as a digital divide index.

A related NLC program but not funded by CPF is the Indiana Connectivity Program (ICP). This tool allows residents and businesses that lack access to broadband service to enter their address to a portal which providers may access and submit bids to provide service. OCRA then evaluates those bids and can make awards to extend service to the identified addresses.

The IBO has also been leading the broadband efforts related to the Infrastructure Investment and Jobs Act. Planning activities have been ongoing for the Broadband Equity Access and Deployment (BEAD) Program.

Other efforts have included the State Digital Equity Planning Grant Program. PCRD has led the digital equity task force whose vision and goals are:

Vision

Indiana residents trust & use innovative connectivity for improved quality of life, resulting in inclusive, resilient, & impactful communities ensuring opportunities for all.

Goal 1: Provide all Hoosiers with universal connectivity that is affordable, accessible, reliable, equitable, and available in public and private spaces to ensure maximum adoption.

Goal 2: Ensure all Hoosiers have access to affordable devices needed to live, work, and thrive along with the education to utilize that technology safely and successfully.

Goal 3: Build digitally resilient and equitable communities by supporting new and existing ecosystems for Hoosier prosperity.

Labor

The disclosure of labor practices is incorporated into the grant process. A separate form documents the grantee's acknowledgements and assurances of labor practices which support high-quality broadband infrastructure projects. A copy of this form is included in Appendix A.

Community Engagement

In 2018, the Lt. Governor's Office created the IBO whose sole function is to be the one stop shop in Indiana government for all things broadband and connect the public, stakeholders, government, and providers. The IBO assists local governments with broadband planning through the creation and support of broadband task forces across the state.

With assistance from several state agencies and leadership associations, IBO has created a 10 step "playbook" [document](#) titled "[Steps to Success](#)." This handbook aims to give communities the tools they need to prepare for broadband services and further their connectivity. The community is encouraged to work through these steps in no particular order as some steps may already be covered in previous local efforts and others may not apply to their locale.

Additionally, the IBO administers the Indiana Broadband Ready Communities Program ([BBRC](#)) This is a certification program where communities and local jurisdictions take actions and make commitments to reduce barriers for broadband investment, signaling to the telecommunication industry they are ready and eager for partnership; notably the NLC Broadband Grant Program. Interest in the BBRC program has flourished over the last two years, as the need for access has become even more critical. We now have over 86 BBRC certified communities or counties, making them even more attractive for provider investment and NLC applications.

The Broadband Ready Certification Program, housed within the IBO, is a designation that signals to the telecommunication industry that a community has taken steps to reduce barriers to broadband investment. By completing and agreeing to selected requirements, the community essentially agrees to work as efficiently and diligently as possible with the service provider.

One step in the BBRC process involves the selection of a community single point of contact. Just as IBO acts as the State's single point of contact for all broadband matters within Indiana state government, these community contacts are tasked with connecting an inquiring provider or resident with the correct individual/office to assist them.

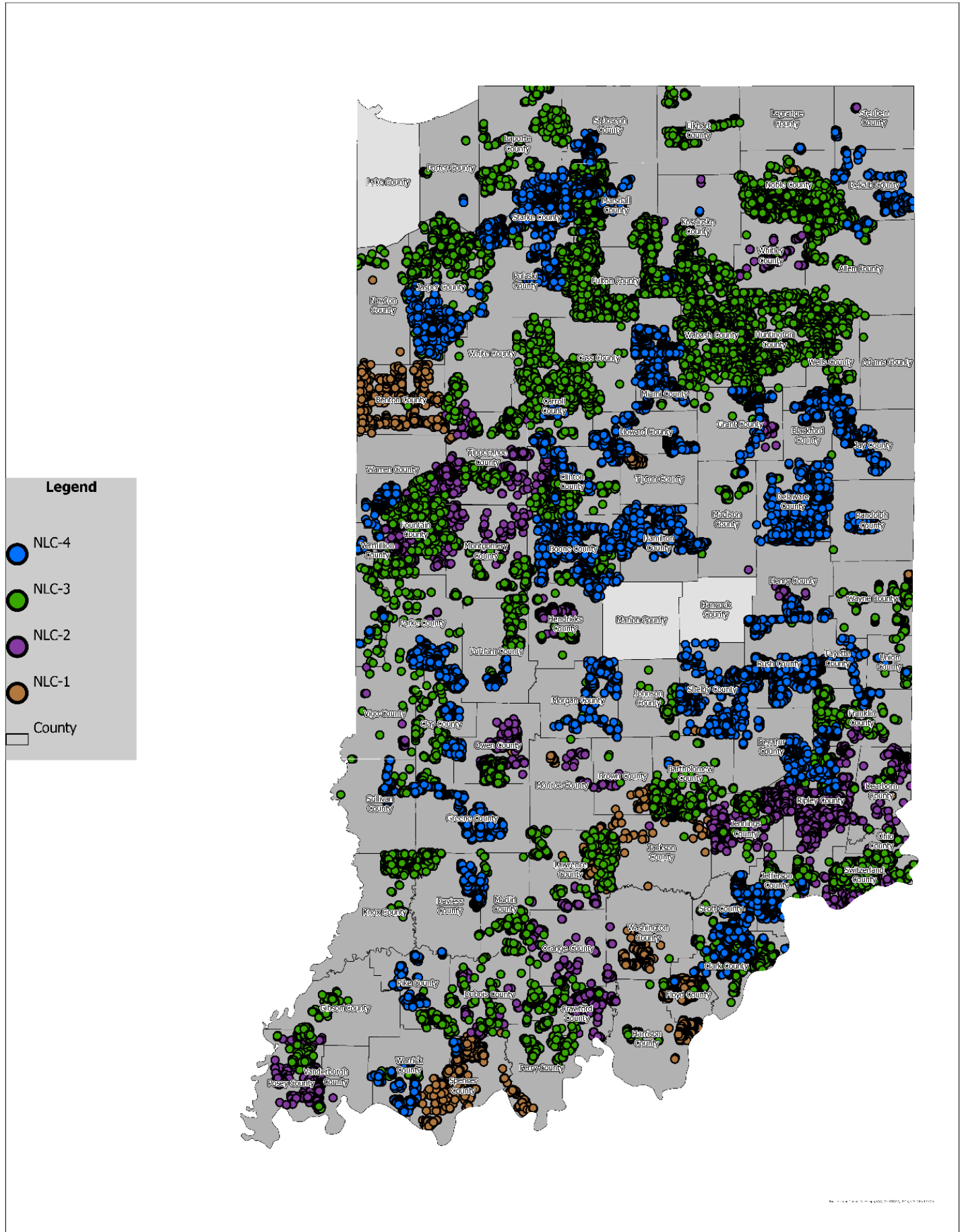
Other steps in the BBRC process include accepting all permits, and signatures electronically as well as reviewing permit requests and on-site construction updates in a timely manner.

Finally, the IBO works with these leadership groups and anchor institutions to promote the OCRA NLC grant program, ICP, and federal subsidy programs like EBB/ACP as well as engaging institutions on digital training and adoption education opportunities.

Constituent service is also a major component of the IBO's mission. As the single point of contact, IBO handles all constituent calls and meetings, traveling hundreds of miles each year, meeting with Hoosiers in need of broadband related assistance. Interacting directly with the public is critical to helping inform IBO and OCRA of the areas of need and facilitating communication between service providers and residents.

Due to the timing of NLC rounds 3 and 4, the IBO and OCRA engaged in extensive public outreach in the development of the five-year Broadband Plan required by BEAD. Indiana received approval of its BEAD proposal from the National Telecommunications and Information Administration (NTIA) in July 2024. These Capital Project Funds will serve as a bridge as the IBO transitions to this long-term plan.

NLC rounds 1-4



Appendix A



**Indiana Office of Community & Rural Affairs
Next Level Connections (NLC) Program
Labor Standards & Civil Rights Certifications**



OCRA NLC Form #

Section 1: Grantee Information			
1. Grantee Name	2. Award/Grant #	3. Award Amount	4. Grant Agreement #
5. Program Contact Name, Title	6. Program Contact Email	7. Program Contact Phone #	
Section 2: Grantee's Statement of Exemption to Davis Bacon & Related Acts			
Check the box and initial to whichever statement applies to the award.			
Funding Status		Statement & Certification	
<input type="checkbox"/> Award is less than \$5,000,000 and no additional federal funds will be contributed as match toward this project.		Grantee certifies the award is less than \$5M and not subject to Davis Bacon & Related Acts pursuant to Appendix A, Section (b)5 of the U.S. Treasury Compliance & Reporting Guide for States, Territories, and Freely Associated States, as amended. However, grantee acknowledges the project is subject to the Contract Work Hours & Safe Standards Act (CWHSSA) and will comply with it and all other applicable federal, state, and local labor laws and regulations.	
<input type="checkbox"/> Award is \$5,000,000 or greater, and/or additional federal funds will be contributed as match toward this project.		Grantee certifies the project is \$5M or greater and/or other federal funds are being contributed as match toward this project. Therefore this award is subject to Davis Bacon & Related Acts pursuant to Appendix A, Section (b)5 of the U.S. Treasury Compliance & Reporting Guide for States, Territories, and Freely Associated States, as amended. Grantee further acknowledges the project is subject to the Contract Work Hours & Safe Standards Act (CWHSSA) and will comply with it and all other applicable federal, state, and local labor laws and regulations.	
Initial _____			
Section 3: Grantee's Commitment to Strong Labor Standards & Acknowledgements			
Review and check the boxes for each statement below. Initial after all boxes have been checked.			
<input type="checkbox"/> Grantee states its commitment to strong labor standards in order to promote effective and efficient delivery of high-quality infrastructure and services while also supporting to the economic recovery through employment opportunities for workers.		<input type="checkbox"/> Grantee affirms it will, where and whenever practicable, prioritize employers (including contractors and subcontractors) without recent violations of federal and state labor and employment laws in order to minimize project disruptions and delays.	
<input type="checkbox"/> Grantee affirms it will, where and whenever practicable, prioritize procurement decisions for employers (including contractors and subcontractors) who can demonstrate their workforce meets high safety and training standards and who prioritize hiring of local workers and/or workers from historically disadvantaged communities.		<input type="checkbox"/> Grantee acknowledges and affirms that regardless of Davis Bacon's applicability to the award, all contracts in excess of \$100,000 made by the Grantee, its subrecipient, and/or its contractors and subcontractors shall include a provision for compliance with certain provisions of the Contract Work Hours & Safety Standards Act, 40 U.S.C. 3702 – 3704, as supplemented by 29 CFR Part 5.	
Initial _____			
Section 4: Grantee's Civil Rights Assurances & Statement of Compliance			
Review and check the boxes for each statement below. Initial after all boxes have been checked.			
<input type="checkbox"/> Grantee provides its assurance that it will not deny benefits or serves, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI), 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 C.F.R. part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 C.F.R. part 28; Age Discrimination Act of 1975, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 C.F.R. part 23. Grantee acknowledges it may be required to periodically submit data for post-award compliance reviews.			
Initial _____			
Section 5: Acceptance of Above Commitments, Assurances, & Certifications			
Signature X		Printed Name	Date