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# INTERNET FOR ALL

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## Initial Proposal

### State of Missouri - Volume II



U.S. Department of Commerce  
National Telecommunications and Information Administration

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## 2.1 Objectives (Requirement 1)

### **2.1.1 Outline the long-term objectives for deploying broadband; closing the digital divide; addressing access, affordability, equity, and adoption issues; and enhancing economic growth and job creation. Eligible Entities may directly copy objectives included in their Five Year Action Plans.**

Copied from Missouri's Five-Year Action Plan.

#### Goals

*Infrastructure and Availability:* Missouri will connect all Missourians to high quality, affordable broadband irrespective of their location within Missouri.

*Sustainability:* Missouri will build the ecosystem necessary to sustain those connections and ensure that connectivity in Missouri continues to improve beyond the lifetime of current broadband programming.

*Adoption and Impact:* Missouri will reduce digital inequities and ensure all Missourians are able to take full advantage of the opportunities afforded to them by broadband expansion.

#### Objectives

*Broadband Deployment:* In 2019, Missouri's Broadband Plan committed to "prioritize activities to achieve universal access to high-speed Internet, with speeds of at least 100 Megabits per second (Mbps) download and 20 Mbps upload, for all Missouri citizens by 2028" with a related milestone of 25/3 Mbps connections to 95 percent of Missourians by 2025. As of the end of 2022, the FCC National Broadband Map shows reliable 25/3 Mbps service to 84% of Missourians and reliable 100/20 Mbps service to 78% of Missourians.

Missouri was the recipient of several previous funding programs. With the provision that some already existing funding programs with a large footprint in Missouri, including the FCC's Rural Digital Opportunity Fund (RDOF), do not require completion of projects before 2028, Missouri recommits to this goal. In the case that every location cannot be reached by that date, Missouri further commits secure reliable, high-speed broadband internet service or a specific plan to provide service (an identified provider, project, timeline, and source of funding) for every unserved and underserved Missourian within the next five years through the strategies outlined in this Five Year Plan. The Office of Broadband Development (OBD) in the Missouri Department of Economic Development (DED) will document and publish records of these commitments so members of the public can understand the plans for their home or business and to promote accountability for broadband funding agencies, including OBD, and funded providers.

*Sustainability:* Missouri will identify and develop strategies to sustain coverage in areas at risk of losing service beyond the five year window. OBD will track trends in reported broadband data to identify locations losing coverage and locations where coverage has not kept up with evolving demands for broadband connectivity. Missouri will build

an ecosystem beyond OBD and across the non-profit, for-profit, and government sector to continue the work of connecting all Missourians. OBD will attempt to formulate “succession plans,” including identification of a new responsible organization, for OBD activities that are still of value for promotion of connectivity in Missouri (including, for instance, maintenance of relevant datasets, public-facing resources for understanding Missouri’s broadband availability, and technical support resources for broadband stakeholders) that OBD cannot continue to perform in the future due to resource or capacity constraints.

*Broadband Adoption:* Missouri will develop strategies to promote uptake of new and existing broadband options. OBD will aim to achieve adoption rates on future OBD awarded grant-funded projects meaningfully higher than the rate achieved by previous grant programs.

*Digital Equity:* Through the strategies documented in this document and in Missouri’s Digital Equity Plan, Missouri will reduce the relationship between poverty, rurality, and poor broadband access and adoption rates as documented in the American Community Survey, FCC National Broadband Map data about broadband availability, and the 2023 Missouri Internet Survey. Without discounting the importance of home internet access, Missouri will also encourage investments in improved connections for community anchor institutions which often serve as a connection-of-last-resort for otherwise unconnected Missourians. OBD will document baseline broadband availability and need for community anchor institutions across the state, improve the share of community anchor institutions with broadband availability that matches their needs, and publish information about community anchor institutions to ensure Missourians can take full advantage of these resources.

*Affordability:* Missouri will leverage grant funding and other office activities to promote affordable access to the internet across the state of Missouri. Missouri will take measures to increase the share of locations with multiple high-speed, reliable broadband service options, as documented on the FCC National Broadband Map, promoting competition and lowering costs. For unserved and underserved locations where grant funding can subsidize only one new broadband provider, OBD will prioritize funding to providers that make commitments that will ensure broadband availability. Missouri will encourage enrollment in programs that subsidize broadband access for low-income people, including the Affordable Connectivity Program (ACP). Missouri will also create a Middle Class Affordability Plan to make internet more affordable for more Missourians.

*Economic Growth and Job Creation:* Missouri will encourage the creation of a healthy ecosystem of internet service providers capable of sustaining new broadband development using diverse funding streams beyond the lifetime of current broadband grant programs. Missouri will foster the development of a highly-skilled, stable workforce based in Missouri capable of establishing and expanding the state’s broadband infrastructure.

## **2.2 Local, Tribal, and Regional Broadband Planning Processes (Requirement 2)**

**2.2.1 Identify and outline steps that the Eligible Entity will take to support local, Tribal, and regional broadband planning processes or ongoing efforts to deploy broadband or close the digital divide. In the description, include how the Eligible Entity will coordinate its own planning efforts with the broadband planning processes of local and Tribal Governments, and other local, Tribal, and regional entities. Eligible Entities may directly copy descriptions in their Five-Year Action Plans.**

See Section 2.3 for Missouri's combined narrative regarding Requirements 2 and 4.

## **2.3 Local Coordination (Requirement 4)**

**2.3.1 Text Box: Describe the coordination conducted, summarize the impact such impact has on the content of the Initial Proposal, and detail ongoing coordination efforts. Set forth the plan for how the Eligible Entity will fulfil the coordination associated with its Final Proposal.**

Inserted from Five-Year Action Plan with minor additions.

### **Stakeholder Engagement Process**

OBD (OBD) has conducted significant stakeholder engagement since the inception of OBD and over the course of preparation for the BEAD program. During the planning phase of both the BEAD program and DEA our office has remained transparent and available to our stakeholders. Our stakeholder engagement process includes communication, collaboration, and coordination across diverse groups of stakeholders, including all covered populations as outlined in the DEA Notice of Funding Opportunity. Covered populations were reached in several different ways including listening sessions, informational meetings, a Missouri internet survey, and state cohorts which are described in more detail below. The Regional Planning Commissions and St. Louis County Library system were tasked with creating regional lists of stakeholders, especially those that are classified as a covered population for outreach efforts from OBD.

The local coordination parameters outlined in the BEAD NOFO were considered throughout the planning process and OBD's stakeholder engagement efforts including:

1. Full geographic coverage;
2. Meaningful engagement and outreach to diverse stakeholder groups;
3. Utilization of multiple awareness and participation mechanisms and different methods to convey information and outreach;
4. Establishment, documentation, and adherence to clear procedures to ensure transparency; and
5. Outreach and engagement of unserved and underserved communities, including historically underrepresented and marginalized groups and/or communities.

The following sections describe how OBD incorporated and will continue to incorporate, the local coordination parameters in their efforts.

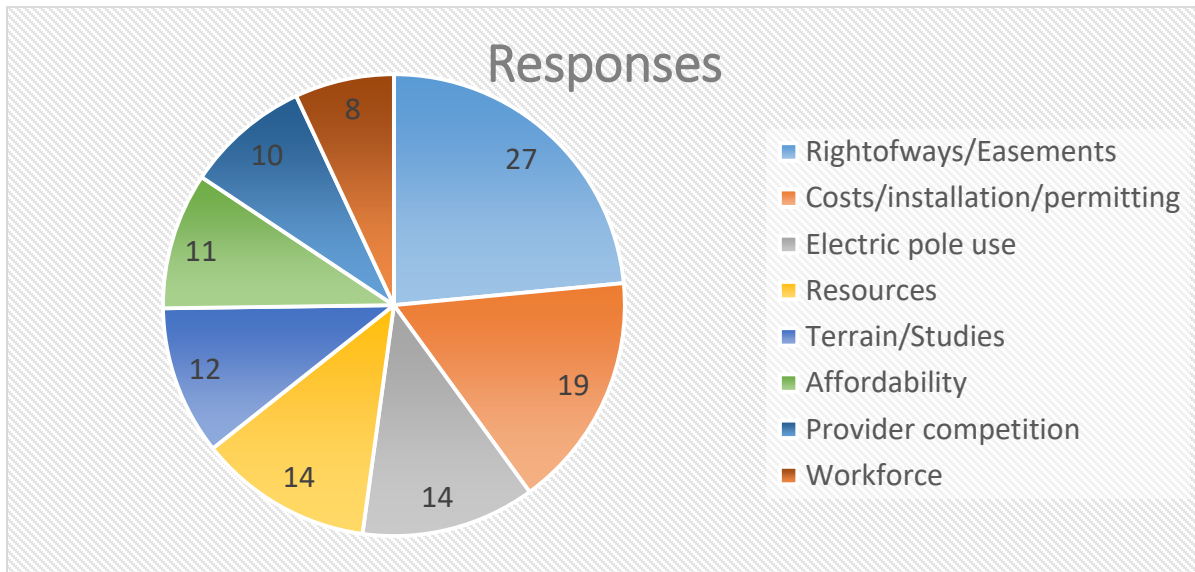
**In-person regional meetings/listening sessions/informational sessions**

Our office partnered with the Regional Planning Commissions and the St. Louis County Library system, as well as the University of Missouri system to engage stakeholders within their region of the state by means of sending emails, phone calls, flyers, and connecting with local businesses and organizations to ensure our correspondence is reaching as many citizens around the state. This allowed for a complete geographic coverage of the state. Without strong partnerships like these OBD would not have had as robust of an outreach campaign.

The Regional Planning Commissions and the St. Louis County Library hosted and promoted in-person regional engagement meetings. In October and November 2022 OBD conducted their first round of listening sessions across the state. These sessions allowed stakeholders to have their voices heard about what the challenges and barriers are on a regional basis. We split the time at the meetings between the BEAD program and the DEA. The first part of these meetings was a presentation on the BEAD program where we shared maps and statistics on a regional basis and information from the Notice of Funding Opportunity. The second part was a presentation on the Digital Equity Act. At the end of each part we opened the meeting for discussion and encouraged attendees to share their experiences about access, affordability, and adoption of the internet. We offered a virtual and phone in option for those who may not have been able to attend in-person. During these 23 listening sessions we heard from over 625 Missourians in the 19 regions of the state. Stakeholders we heard from include, but are not limited to: citizens, local government representatives & elected officials, Internet Service Providers, electric coops, CWA, Farm Bureau, USDA, digital inclusion organizations, libraries, schools, banks, chambers of commerce, health care entities, Regional Planning Commissions and University of Missouri Extension.

The findings of these listening sessions are vital to the state receiving federal funding for the expansion of Internet service and the support of digital equity services and programs to connect all Missourians. OBD asked the same prompt questions at all locations to spark conversation. The data below was aggregated into themes based on responses from each of the locations. Key takeaways about the challenges and barriers to broadband and digital inclusion from these meetings include the following.

What one thing could federal, state, or local government do to remove roadblocks to expanding Broadband infrastructure in your communities? (Examples, workforce, terrain, lack of providers, right of way access, cost to construct)?



Data from fall 2022 regional engagement listening sessions.

What should providers know to better address local government needs?

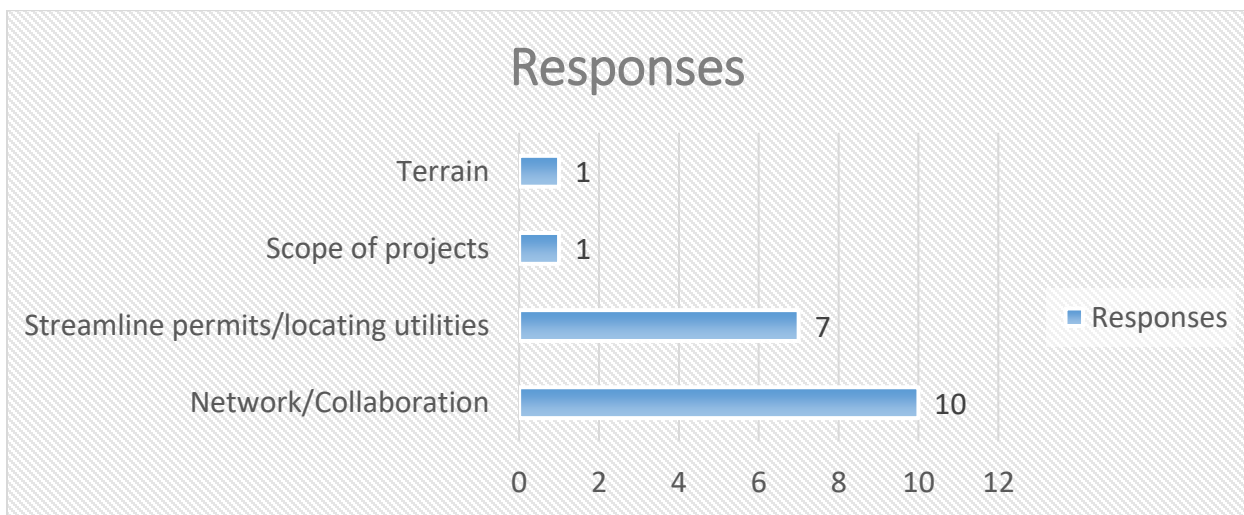


Figure 1: Data from fall 2022 regional engagement listening sessions.

What commitments can local governments make to ease the process of getting projects underway?

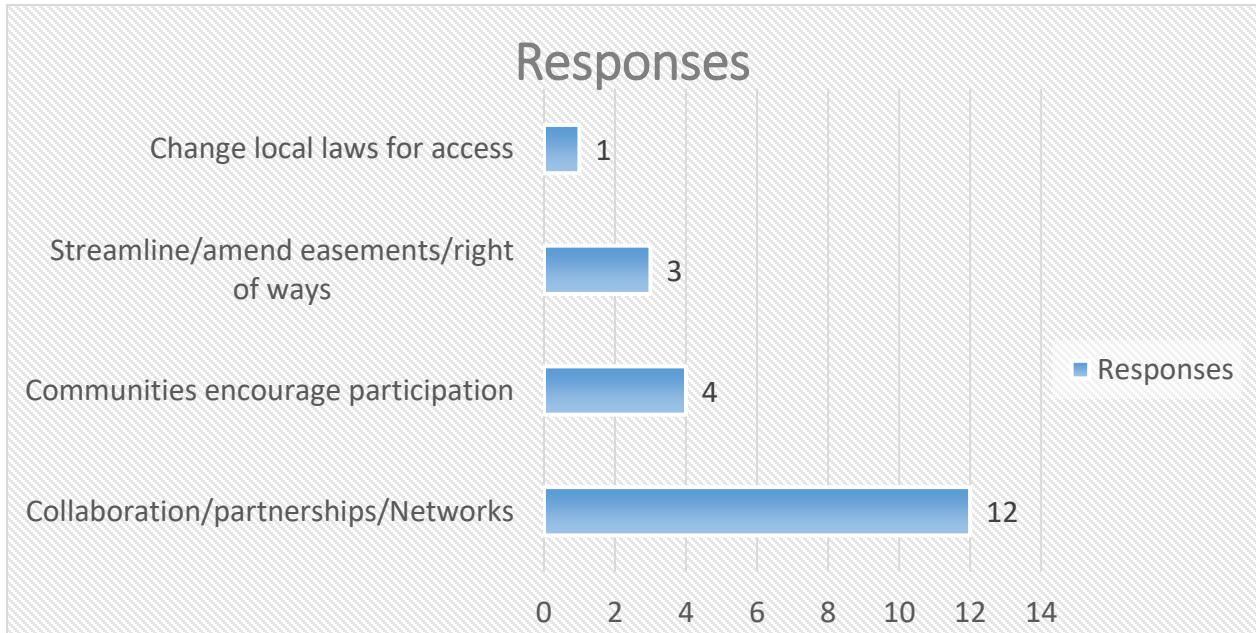


Figure 2: Data from fall 2022 regional engagement listening sessions.

What resources are there in the community to address workforce shortages?

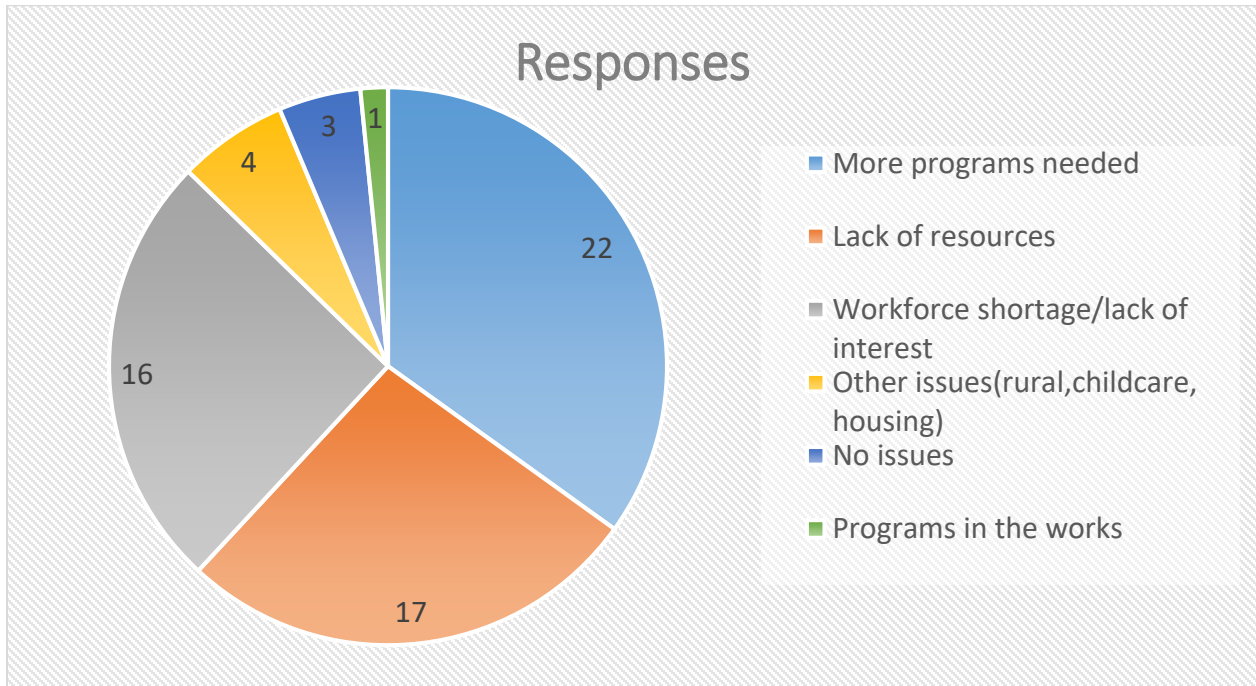


Figure 3: Data from fall 2022 regional engagement listening sessions.



What services are currently being offered to provide access and devices to community members?

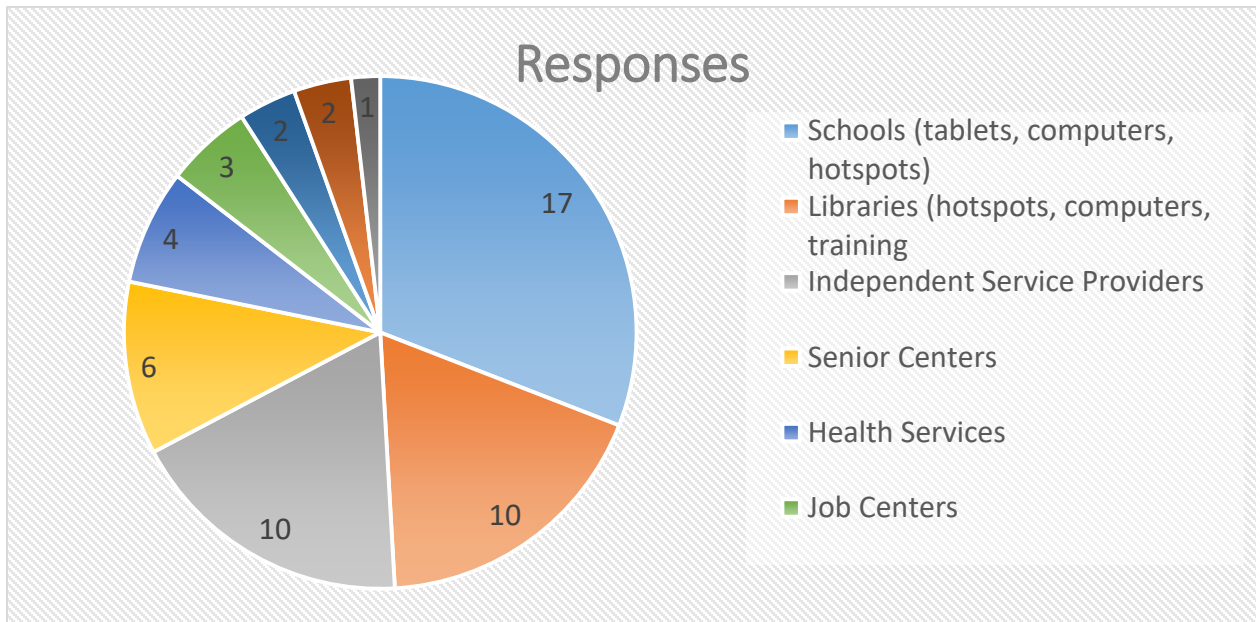


Figure 4: Data from fall 2022 regional engagement listening sessions.

How can we increase adoption\subscription of broadband and digital applications within your community?

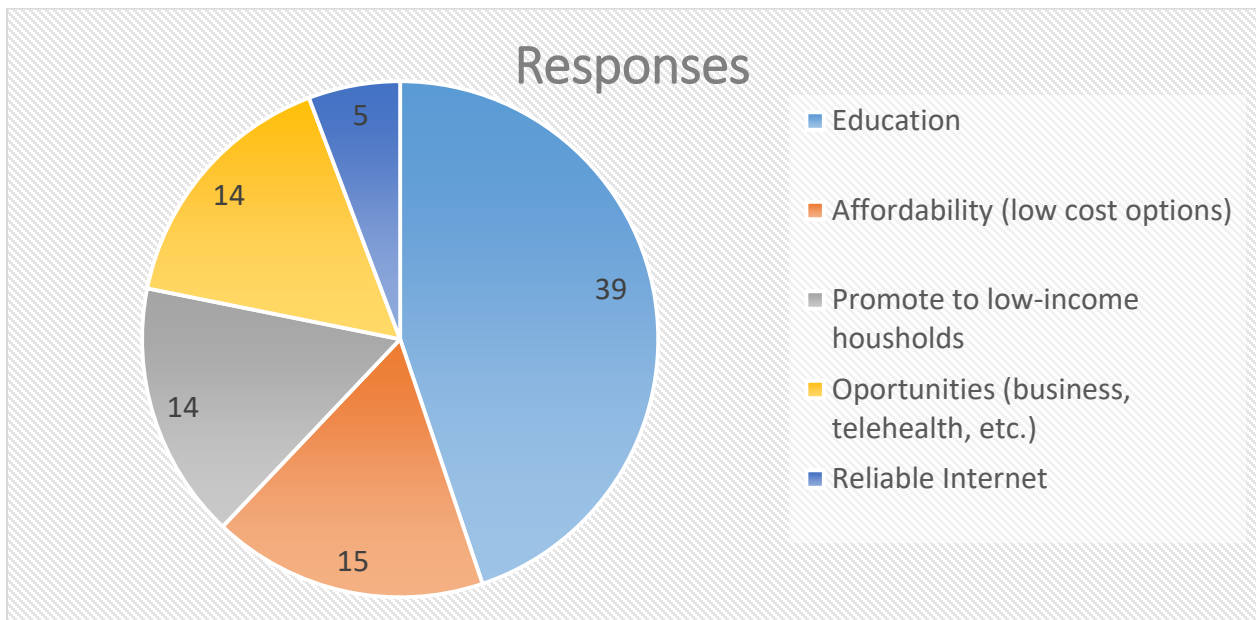


Figure 5: Data from fall 2022 regional engagement listening sessions.

How will we know that we are successfully creating access to Broadband that is accessible and affordable for all citizens of Missouri?

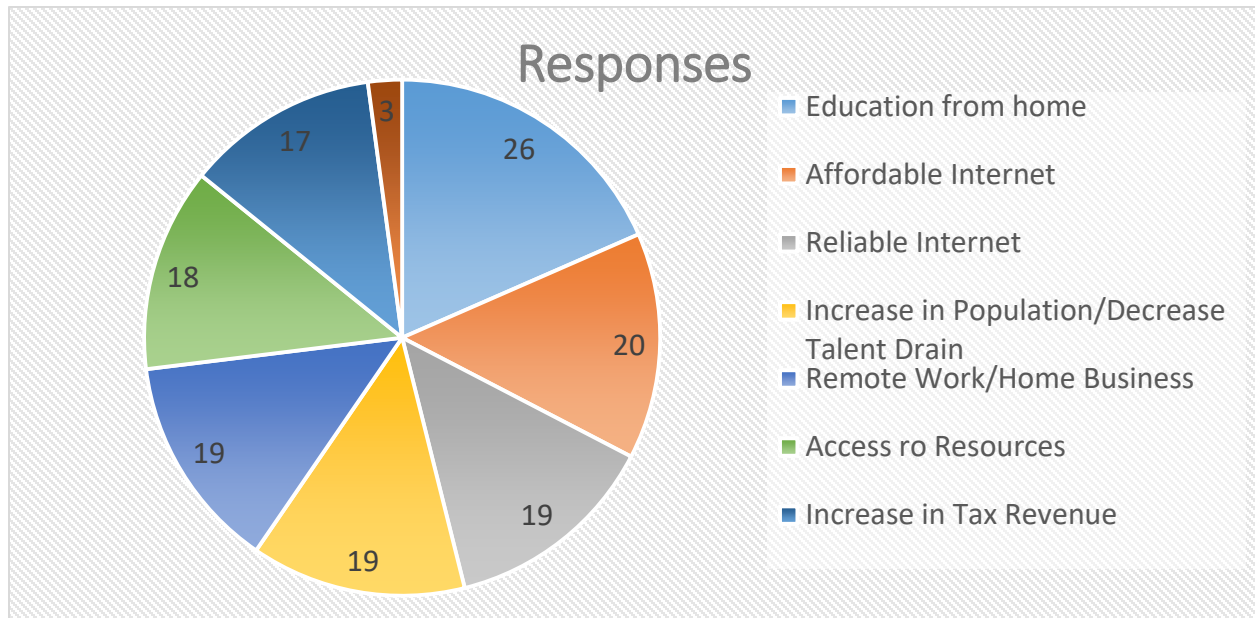


Figure 6: Data from fall 2022 regional engagement listening sessions.

While OBD heard many unique responses across the state, there were also a lot of similarities of the barriers communities are facing and possible solutions to those challenges.

In May and June of 2023 OBD conducted a follow-up round of in-person meetings. These public engagement sessions allowed OBD to present how we incorporated stakeholder input into our plans for BEAD and DEA and share current BEAD eligibility maps based on the counties within each region. It was also an opportunity to update our stakeholders on what to expect in the upcoming months and OBD's timeline for each of the programs. Stakeholders were able to ask questions and have further input on our plans. During our follow-up tour we visited the 19 regions of the state, with 20 separate meetings be held, while hearing from over 400 stakeholders statewide. We again offered the meetings virtually and by phone for anyone who may not have been able to attend in-person.

Promotion of these meetings included correspondence from OBD through email, social media, and monthly stakeholder calls, as well as the Regional Planning Commissions and St. Louis County Library promoting and reaching out to citizens and organizations within their region via virtual and in-person means and University of Missouri Extension offices doing the same.

### Monthly stakeholder calls

OBD hosts monthly stakeholder calls on the last Friday of every month at 1:00 pm. These calls allow OBD to share any updates from what has happened during the month and

what is to come in the next month(s). These calls allow stakeholders to have a chance to ask questions and get a real-time answer. There are typically 50-100 stakeholders on the call every month. The call is virtual, however we do record the call and post it on our website to allow for anyone that may not be able to attend to listen to it. OBD plans to continue these calls during the implementation phase of the BEAD and DEA programs.

### **Targeted audience stakeholder calls**

After our in-person regional engagement sessions, OBD hosted audience specific stakeholder calls to not only hear from target audiences, but to also share information particularly pertaining to that group of stakeholders. To date we have hosted a statewide Internet Service Provider and Workforce Development call where MO 811 and MO Department of Higher Education and Workforce Development (DHEWD) (respectively) presented. We have also hosted regional Digital Equity focused and FCC broadband map challenge process virtual calls with each of the 18 Regional Planning Commissions and the St. Louis County Library. These calls prove to be valuable for OBD to hear what challenges the groups may be facing and adds a chance to present pertinent information to these specific audiences at one time.

### **State, County, and Municipal Agencies & Associations**

OBD has conducted meetings with DHEWD in regards to workforce and training needs. NTIA also hosted a meeting with the Governor's Office and representatives from DHEWD. The Missouri Department of Agriculture (MDA) has also been involved in broadband discussions and other state agencies have helped promote information shared from OBD.

OBD is in frequent contact with the Missouri Municipal League and Missouri Association of Counties. Our Office has provided content for newsletters and magazines published by both.

### **Media Campaign**

In late 2022 OBD conducted a media campaign for the FCC broadband map challenge process. During this campaign OBD ran targeted radio and Facebook ads to encourage Missourians to participate in the challenge process. The radio ad aired 3,659 times during January 1-13, 2023 on rural stations to reach those who may not have access to high-speed internet. The Facebook ad reached 14,768 during the time it was active. OBD also mailed 20,000 postcards to targeted zip codes to encourage Missourians to review the FCC Broadband Availability map to ensure their address appeared on the map and was shown accurately. OBD was intentional about finding media capable of getting the message out to disconnected people to foster community engagement and reach hard to reach populations.

### **Survey**

The 2023 Missouri Internet Survey provides insight into the infrastructure and digital needs of Missourians and will serve as a benchmark for measuring progress as broadband investments are implemented to benefit every corner of the state.

The online survey of 23 questions was developed to collect anonymous input from Missouri adults during the spring of 2023. A review of other internet service and digital capital household surveys informed the development of these questions to ensure important data was collected while the survey remained smartphone-friendly to improve outreach to households without home internet service.<sup>1</sup> A Spanish-language version was also made available. The recruitment material – including a postcard and flyers – and survey were approved by the University of Missouri's Institutional Review Board.

An important aspect of this survey was the need to gather enough representative samples from eight focus populations, designated by the Digital Equity Act, to ensure their feedback could be included in this report. Many of these groups – such as formerly incarcerated individuals – are relatively small populations making it difficult to achieve a high number of random responses. To achieve a sufficient level of responses for these focus populations, several concurrent activities were taken by the University of Missouri and other organizations supporting this effort:

- 80,000 postcards with QR codes were mailed by the University of Missouri to random Missouri households, with oversampling used to increase mailings to zip codes where a higher proportion of focus population households resided.
- Social media outreach from the University of Missouri Extension Program, Missouri Department of Economic Development, Missouri Governor's Office, the Missouri Chamber of Commerce, and other organizations helped tremendously in raising public and media awareness.
- The University of Missouri Extension, regional planning commissions, and several state agencies, notably the Department of Social Services and Corrections, used newsletters and e-mails to raise awareness and to pass along a flyer that could be posted at organizations or stores to increase survey visibility.

This multi-pronged approach was critical to reaching Missourians across the state and resulted in over 8,700 individuals starting the survey with 7,504 completing it (86% completion rate). The large response level provided enough information to report figures for the eight focus populations along with many other sub-populations.

Like many random surveys, the population of respondents rarely mirrors the overall population in terms of age, income, race and education levels. Respondents to this

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<sup>1</sup> A well-designed digital capital survey, created by the Purdue Center for Regional Development and the Southern Rural Development Center, was shared by Dr. Roberto Gallardo and served as an important resource in question development (see [Understanding the Digital Equity Landscape](#) for information on their survey findings).

survey were generally more high-income, older, white, educated, and rural than the overall population (see Exhibit 1).

While the survey response levels for different sub-populations were sufficient for reporting, and focus population outcomes were necessary, weighting was used to adjust the overall respondent percentages to better reflect a survey average representing Missouri's population distribution. Household income weights were used to adjust the survey average which increased the influence of lower-income respondents because their responses typically differed significantly from other populations. Lower-income respondents were also more representative of Missouri's citizens in terms of race and educational attainment.

The survey results are presented under three major themes:

1. Internet Service Access and Adoption

The internet services section asked questions regarding the devices and internet services respondents used at home. It included questions on internet access and adoption, the cost and types of home internet services, willingness to pay for devices and services and home internet challenges.

2. Internet Activities

The internet activities section asked questions about the use of home internet for work or other activities for those with and without internet services. Comparing the activities of respondents with internet access to the desired uses of respondents without access shows where expectations differ from reality.

3. Internet Assistance and Concerns

The internet assistance and concerns section asked questions about internet, device or resource training or assistance interest. Another question asks where respondents would likely go for internet or device assistance. A final question asks about concerns respondents have with internet usage.

## Exhibit 1. Missouri Internet Survey Respondent and Census Distributions

Survey and Census Distributions		
Groups	Survey	Census
<b>Household Income</b>		
Less than \$35,000	18%	28%
\$35,000 to under \$74,999	31%	31%
\$75,000 to under \$99,999	19%	13%
\$100,000 or more	32%	27%
<i>Respondents (N)*</i>	6,022	
<b>Age</b>		
18-34	11%	22%
35-64	59%	38%
65 and over	30%	17%
<i>Respondents (N)*</i>	7,231	
<b>Race or Ethnicity</b>		
White, alone	91%	80%
Non-White	9%	20%
Black or African American, alone	4%	11%
Hispanic, Latino, or Spanish origin	2%	4%
<i>Respondents (N)*</i>	6,930	
<b>Educational Attainment</b>		
High school degree or less	12%	40%
Some college or AA degree	31%	30%
Bachelor's degree or above	57%	31%
<i>Respondents (N)*</i>	7,288	
<b>Area</b>		
Metropolitan Counties	59%	87%
Nonmetropolitan Counties	41%	13%
<i>Respondents (N)*</i>	7,377	
Higher Access: > Half of Served Locations with 25/3+ Mbps	86%	95%
Low Access: < Half of Served Locations with 25/3+ Mbps	14%	5%
<i>Respondents (N)*</i>	7,504	

*\*Respondents who did not give an answer are not shown*

Figure 7: Missouri Internet Survey report Exhibit 1

### Advisory council

OBD of Broadband has formed an advisory council to provide guidance and serve in an advisory capacity throughout the planning process for the BEAD and DEA programs. The advisory council will provide guidance and advice on the compilation of the BEAD 5-year Action Plan, Initial Proposal and Final Proposal as well as the state Digital Equity Plan.

The council members will be asked to:

- Contribute to the state's plan for BEAD funds and efforts to improve the state's broadband infrastructure.
- Contribute to the state's plan for DEA funds and efforts to help Missourians overcome non-infrastructure barriers to getting online.
- Advise the state on policy questions and program design.
- Provide comments on draft policy documents.
- Identify digital connectivity needs across the state and propose tools to address those needs.

- Serve as ambassadors in and beyond their geographic and professional communities, encouraging participation in broadband planning efforts.

OBD plans to convene the Advisory Council two times in person in Jefferson City and several virtual meetings throughout the planning process. Each member will be asked to engage their respective stakeholders and represent their geographic and professional communities and the interests of the public. The Advisory Council is composed of representatives from underrepresented communities.

### **Focus groups**

The University Missouri St. Louis (UMSL) Community Innovation and Action Center conducted a statewide focus group in order to better understand the broadband needs and challenges of Missourians across the state. In order to better use and distribute funding to achieve digital equity in the state of Missouri, it is necessary to understand the barriers Missouri citizens encounter when accessing broadband and how broadband access, or lack thereof, affects their daily lives. These focus groups, along with other data collection methods, allow for a greater understanding of the issues Missourians are facing when it comes to broadband access.

Fourteen focus groups of up to 12 participants were planned. Census data was used to select locations representing demographic and geographic diversity (see full report). Considerations included the region of Missouri (northeast, northwest, southeast, southwest, east central, or west central), whether the location was urban or rural, overall population demographics, and the feasibility of holding a group in each area. Based on this information, towns were chosen from which to recruit. These included: Eminence, Maryville, Clinton, Edina, Kennett, Kansas City, St. Louis (city and county), Columbia, and Springfield. Participants were offered both in-person and online (Zoom) options, so they could choose the participation method that worked best for them. As data emerged regarding participation rates, the team noted that the online option was preferred by many participants. Therefore, as the number of Zoom options increased, the initial list of locations was expanded to include additional cities and towns across the state of Missouri.

Ultimately, there were 20 focus groups in total with the first occurring on May 16, 2023, and the final focus group taking place on July 6, 2023. Of the 20 focus groups, 11 took place on Zoom with 9 occurring in person. The in-person group locations included St. Louis County, Kansas City, Columbia, Kennett, and Eminence. The Zoom groups featured one Spanish-speaking group and included participants from across the state of Missouri which provided for a more balanced sample. See Figure 1 below to see the geographic spread of the participant locations. The average number of participants in attendance at each focus group was 8 to 9 participants with the smallest focus group containing 4 participants and the largest containing 16 participants.

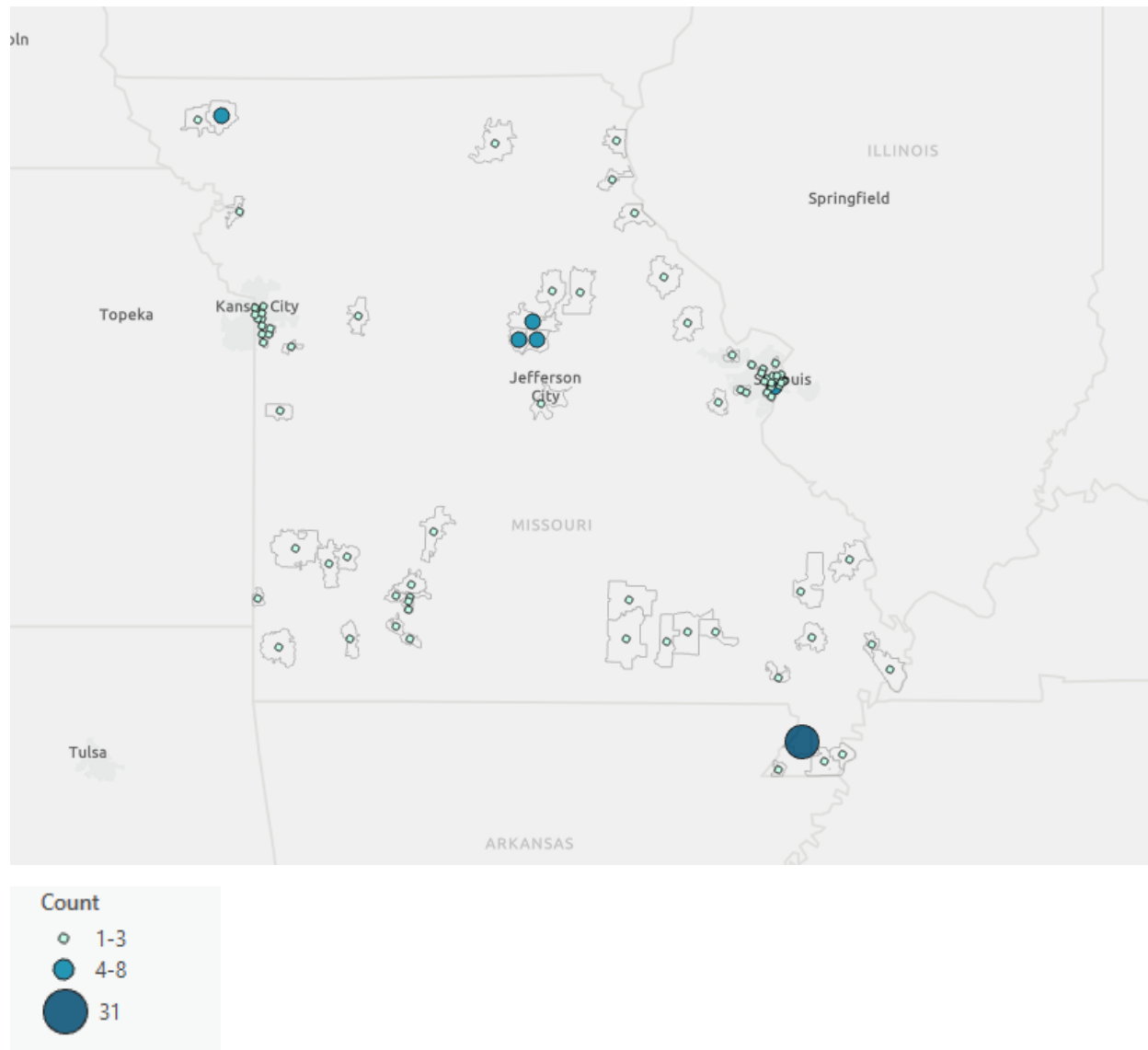


Figure 8: *Missouri Digital Inclusion Asset Mapping: Focus Group Study*

In conclusion the focus group found that aside from the fact that, today, many jobs require the internet, either to connect by phone and check email, or to operate agricultural businesses and small businesses, the vast majority of Missourians need the internet to access assistive technologies, physical and mental health services, public transportation schedules, language translation services, unemployment benefits, job applications, bills and more. Given this, internet access has become a basic necessity.

Internet access is not only necessary, but it is critical to achieving equity and inclusivity in Missouri's community, economy, and culture. As illustrated in the previous section, historically disadvantaged groups, too, rely on high-quality and affordable internet access, and need it for all the same reasons mentioned in the previous paragraph. Findings from the 20 focus group discussions across Missouri suggest that rural



communities, low-income households, BIPOC and disabled people are disproportionately impacted by weak, costly, and unreliable internet access.

As this analysis reveals, many participants across the state of Missouri have lost jobs, or missed out on new professional opportunities because their internet access is unreliable and inconsistent. As a result, families and households suffer, small businesses and large ones are hindered, the tourism sector slows, and the Missourian economy slows. Students fell behind during and after the COVID-19 pandemic because they were unable to access their learning materials at home.

On the contrary, when individuals and communities have access to reliable, high-speed internet, the benefits are innumerable. Communities can connect with and support each other, individuals in need can find the resources they need, children and youth can learn and grow up to become educated, civically-engaged, and impactful members of the Missouri workforce and economy.

These focus groups demonstrate the need for improved internet access across Missouri, particularly for underserved populations.

### **Missouri Digital Asset Mapping Tool**

The University of Missouri Center for Applied Research and Engagement Systems (CARES), in partnership with the University of Missouri System Broadband Initiative, integrated and contextualized broadband data to assist OBD in planning for and carrying out statewide broadband expansion efforts.

One of the primary results of those efforts was the construction of a publicly available asset inventory of the resources available to assist Missourians with issues of digital connectivity. CARES designed and developed a dynamic data collection tool to support rolling information capture about broadband-related resources. A Qualtrics survey was developed to capture digital assets. The Missouri Digital Asset Map (MoDAM) aims to collect assets and attributes such as digital literacy programs, basic and advanced computer classes, locations of public computers, organizations or programs that distribute hotspots, public Wi-Fi services, libraries, one-on-one technical assistance centers, and adult/workforce education programs, to not only assist in statewide planning, but to also assist public consumers in connecting to digital resources in and around their communities.

### **Ongoing stakeholder engagement and feedback mechanisms**

As OBD has been working on these major processes of stakeholder engagement there have been other means of outreach happening in tandem. OBD sends out regular emails with updates to our broadband stakeholder listserv that currently has over 1,300 subscribers and other listservs housed within the Department of Economic Development. OBD has a webpage dedicated to the "Connecting All Missourians" initiative that is updated frequently to keep our stakeholders up to date. This is a central location for all project information, timelines, and activities. Our email [broadband@ded.mo.gov](mailto:broadband@ded.mo.gov) is monitored daily as well as our phone number 573-526-1028.

DED also has social media platforms that are utilized to share updates and information. OBD has partners that are willing to push information to their respective audience, including the University of Missouri Extension, state librarian, Regional Planning Commissions, and many other organizations that are included in Local Coordination Tracker for this effort. RPCs and others utilize local advertisement, flyers, in-person events, and word of mouth to share updates and information on a local basis.

To further ensure critical input during the planning process the Initial and Final Proposals will be posted for a 30 day public comment period. There will be short surveys stakeholders will be able to answer, along with being able to email and call our office to provide comment.

OBD will host a statewide Connecting All Missourians Broadband Stakeholder Summit in early November 2023. The BEAD Initial Proposal and state Digital Opportunity Plan will be posted for public comment during this period of time. Our Office will have printed copies of the plans and will allow time for public to provide feedback during this summit. The agenda will consist of several panel discussions including workforce development, Rights-of-Way, and other outside voices. Guest panelists will include, but are not limited to: CWA, DHEWD, contractor, MoDOT, MO811, Railroad representative, and others.

OBD will continue to engage with key stakeholders and reach out to those groups that have not yet been fully engaged.

**2.3.2 Describe the formal tribal consultation process conducted with federally recognized Tribes, to the extent that the Eligible Entity encompasses federally recognized Tribes. If the Eligible Entity does not encompass federally recognized Tribes, note "Not applicable."**

Not Applicable.

## **2.4 Deployment Subgrantee Selection (Requirement 8)**

### **2.4.1 Describe a detailed plan to competitively award subgrants to last-mile broadband deployment projects through a fair, open, and competitive process.**

BEAD subgrants<sup>2</sup> will be awarded through a four stage process: a pre-qualification period, a Request for Information process for drawing project areas, and two rounds of applications and awards.

#### **A. Pre-Qualification**

OBD will require applicants that plan to apply for BEAD funding to participate in a pre-qualification process to determine their eligibility for the program and collect information that will be required of every applicant. By gathering this information before Round One of the application process begins, the process of submitting and reviewing applications during the course of the program can be simplified and focused on substantive elements of the proposal.

#### **B. Request for Information Process**

A request for information (RFI) process will be used to solicit information about the territory in which providers plan to apply for BEAD funding. Providers will be asked to indicate areas of the state in which they plan to apply for BEAD funding to extend service to every BEAD-eligible home, business, and community anchor institution using end-to-end fiber networks. These submitted areas will be used to create application areas in which any eligible provider can apply for funding through the two round application process. Cases in which the submitted service areas of two providers overlap, for instance, would become three application areas: an application area where the only applicant was Provider A, an application area where the only applicant was Provider B, and a third area where both Provider A and B applied. Both providers would therefore be able to apply for their entire desired territory, with the application area generated by the overlap awarded on a competitive basis. This process is described in detail in section 2.4.6 of this document.

#### **C. Round One**

Applicants will be permitted to submit a Round One application for each application area they propose to serve. Awarded Applicants will be required to bring service to every BEAD-eligible location (including unserved locations, underserved locations, unserved or underserved units in partially served multi-unit locations, and community anchor institutions with service of less than 1 Gbps/1Gbp) in their submitted application areas.

##### **1. Maximum BEAD Outlay**

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<sup>2</sup> OBD uses the terms "subgrant" and "subgrantee" in this document as it is used in the template provided by NTIA. OBD notes, however, that it expects awardees under this proposal to be "subrecipients" and the award will be a "subaward" as those terms are used in the Uniform Guidance, 2 CFR part 200.

OBD will assign a maximum BEAD subsidy for each application area before each round of application opens that is sensitive to the context-specific construction costs and is consistent with the extension of service to every BEAD-eligible location using Missouri's BEAD allocation. In other words, a maximum BEAD cost will be associated with each application area so that, if every application area in the state were awarded at the maximum possible outlay, the total BEAD outlay associated with those awards would not be greater than Missouri's available BEAD funding. This cap will control spending in Round One and Round Two to ensure that excessive early awards do not exhaust funding before a commitment is found for every location.

The cap will generally be set at a multiple of the Costquest Associates (CQA) modeled cost for the eligible locations in the application area. As an illustration, if the modeled cost to serve every eligible location in the state were two-thirds of Missouri's allocation, OBD might set each application area's maximum price at the modeled cost to serve the locations in the application area multiplied by 1.5. In this instance, this model is not being used as an estimate of the amount of money a given project should cost. Instead, the modeled cost allows OBD to make reasonable estimates as to the relative prices of different projects and make decisions about the share of the BEAD allocation that could reasonably be allocated to a given project without putting other projects at a disadvantage. In general, OBD expects projects to come in significantly below the maximum for several reasons:

- (a) Projects will be scored based on the portion of the maximum value they request, incentivizing applicants to reduce their requested cost.
- (b) Modeled costs (which will themselves be significantly lower than the cap) are based on Greenfield costs, while at least some applicants will be able to take advantage of existing infrastructure.
- (c) The maximum applies to the BEAD outlay, not the total projects cost. In most cases the BEAD outlay will not be the only funding associated with the project. A 25 percent match (the minimum under the program) would further increase the gap between the requested BEAD outlay and the cap.

Despite this, there will be cases where cost-drivers not captured by the model may make it impossible to propose a project for a given application area under this maximum. The overall undershoot in Round One will allow OBD to recalculate a higher maximum in Round Two: every project funded at less than its "share" of the total BEAD allocation will generate funding that can be used to proportionately increase the cap for application areas in Round Two. Incremental increases in the maximum will allow OBD to fund these unexpectedly high cost locations as lower-cost locations are accounted for.

## 2. Treatment of Non-Fiber Projects

During Round One OBD will accept applications that plan to use any combination of Reliable Broadband technologies, as defined by the BEAD NOFO. Based on the applications received, OBD will set a preliminary extremely high cost per location threshold (EHCPLT) above which non-fiber-to-the-premises projects can be funded in

Round One. The threshold in round one is preliminary in the sense that it may be lowered in Round Two as necessary to secure projects for every remaining location.

OBD will issue an advisory notice before Round One begins indicating the likely range in which the preliminary EHCPLT will fall, based on the modeled investment needed to serve Missouri's BEAD-eligible locations using fixed wireless and fiber and the expected value of each type of network based on location cost modeling by CQA. Only in cases where the cost per eligible location of every fiber proposal above the minimum funding threshold is above the preliminary EHCPLT will non-fiber projects be scored competitively against fiber and non-fiber projects and potentially be awarded funds.

### 3. Best and Final Offer Process (BAFO) for Competitive Applications

When two or more applications are received for the same application area, OBD will notify all applicants that the application area will be scored competitively. Immediately following the notification, OBD will open a short window in which:

1. The two applicants with the lowest requested BEAD outlay will be allowed to submit a "best-and-final-offer" in which they may reduce the BEAD outlay requested for the competitive application. This competitive mechanism will incentivize providers to offer better value for money as they participate in the BEAD program. Only allowing the two applicants with the lowest BEAD outlay to participate in this process is intended to disincentive a strategy of submitting generally uncompetitive proposals in order to secure high BEAD outlay in uncompetitive areas and modifying the proposals downward using the best and final offer process when necessary to compete for funding. Applicants employing this strategy would run the risk of being scored at that uncompetitive outlay if more than two applicants submitted proposals.
2. All applicants in the competitive area will be required to indicate whether they would wish to withdraw applications in other application areas should the competitive application areas be awarded to another provider. In cases where the competitive application area is awarded to another provider, the provider's applications in the application areas they indicated were dependent on the competitive application area will be treated as withdrawn for the purposes of the first round of scoring and awards. This indication will not be a factor in the scoring or award decision for the competitive area. This mechanism acknowledges situations in which the business case for a project depends on receiving funding to serve neighboring areas and allows for quick resolution of cases where the results of the competitive scoring process make related applications no longer viable.

### 4. Minimum Scoring Threshold

OBD will award funding in Round One only to applications that achieve a minimum score of 125 points. This threshold will allow applicants flexibility to consider trade-offs between different elements of their application while preserving the broadband

office's ability to seek alternatives in application areas where an award to the only Round One applicant would clearly represent a poor investment of BEAD funds.

#### 5. Sub-round for Application Areas with No Applications

After the primary window for Round One applications has closed OBD will announce a list of application areas with no funding proposals and invite applications for funding to serve these application areas during a short window constituting a sub-round of application Round One. While the rules structuring Round One will continue to apply through this sub-round, this window will allow applicants to submit proposals for application areas where the results of Round One indicated competition will be limited. Providers that wait to submit proposal until this sub-round is under way would risk another applicant submitting a proposal for the area in the main round, precluding applications in the sub-round or Round Two. Inclusion of this sub-round advances the goal of achieving universal service and minimizing costs to the BEAD program by encouraging providers to submit applications, where possible, under the Round One price ceiling.

#### 6. Maximum Award Amounts for a Single Provider

Applicants may not apply for more than \$500 million in funding in Round One. In cases where awards to a single provider above \$500 million are necessary to reach all remaining locations, these applicants can be awarded additional funds in Round Two.

### **D. Round Two**

Before opening Round Two, OBD will evaluate the remaining funds available and the modeled cost of service to the remaining unserved and underserved locations (including units in multi-dwelling buildings) and community anchor institutions. On the basis of this evaluation, OBD will make a series of determinations that will structure Round Two.

1. OBD will review the remaining application areas and determine if changes need to be made to make it more likely that every eligible location in the state is part of an application area that receives a proposal for funding. This may include modifying application areas, combining application areas, or creating new application areas.
2. OBD will determine whether there is likely to be enough funding remaining to extend service to every remaining unserved location in the state, to every underserved location in the state, and to every community anchor institution in the state with service less than 1 Gbps/1 Gbps, based on the amount of funds awarded in Round One, the number of locations remaining, and the modeled cost of service to those locations.
  - (a) If there is not enough funding to reach every unserved location, OBD will separate application areas consisting only of underserved locations and eligible community anchor institutions in Round Two. These application

areas would be applied for separately from each other and awarded only if funds remain after grants are awarded for every unserved location.

(b) If it appears likely that remaining funds are sufficient to serve all unserved locations and some but not all underserved locations, OBD will create separate application areas for community anchor institutions with service of more than 100 Mbps/20 Mbps. These application areas would be applied for separately from each other and awarded only if funds remained after grants were awarded for every unserved and underserved location.

3. The maximum available BEAD outlay for each application area will be adjusted to reflect the number of remaining eligible locations after Round One awards are accounted for, the likely cost of extending service to the remaining locations, the amount of BEAD funding available after Round One, and cost trends visible in the Round One applications and awards. In order to ensure the funds available in Round Two are sufficient to reach the remaining locations, OBD will not consider applications that request more than the maximum price for the application area.

4. OBD will issue an advisory notice about the likely level at which the final EHCPLT will be set (see "treatment of non-fiber projects" below).

#### 1. Best and Final Offer Process (BAFO) for Competitive Applications

When two or more applications are received for the same application area, OBD will notify all applicants that the application area will be scored competitively. Immediately following the notification, OBD will open a short window in which:

1. The two applicants with the lowest requested BEAD outlay will be allowed to submit a "best-and-final-offer" in which they may reduce the BEAD outlay requested for the competitive application. This competitive mechanism will incentivize providers to offer better value for money as they participate in the BEAD program. Only allowing the two applicants with the lowest BEAD outlay to participate in this process is intended to disincentive a strategy of submitting generally uncompetitive proposals in order to secure high BEAD outlay in uncompetitive areas and modifying the proposals downward using the best and final offer process when necessary to compete for funding. Applicants employing this strategy would run the risk of being scored at that uncompetitive outlay if more than two applicants submitted proposals.

2. All applicants in the competitive area will be required to indicate whether they would wish to withdraw applications in other application areas should the competitive application areas be awarded to another provider. In cases where the competitive application area is awarded to another provider, the provider's applications in the application areas they indicated were dependent on the competitive application area will be treated as withdrawn



for the purposes of the second round of scoring and awards. This indication will not be a factor in the scoring or award decision for the competitive area. This mechanism acknowledges situations in which the business case for a project depends on receiving funding to serve neighboring areas and allows for quick resolution of cases where the results of the competitive scoring process make related applications no longer viable.

#### 1. No Minimum Scoring Threshold for Round Two

In Round Two there will be no minimum scoring threshold, though OBD will continue to deny applications that fail to meet gating requirements associated with the BEAD program in Missouri (see sections 2.4.11-17).

#### 2. Sub-round for Application Areas with No Applications

After the primary window for Round Two applications has closed, OBD will announce a list of application areas with no funding proposals and invite applications for funding to serve these application areas during a short window constituting a sub-round of application Round Two. While the rules structuring Round Two will continue to apply through this sub-round, this window will allow applicants to submit proposals for application areas where the results of previous rounds of applications indicate that competition will be limited. Providers that wait to submit proposals until this sub-round is under way would risk another applicant submitting a proposal for the area in the main round, precluding applications in the sub-round.

#### 3. Treatment of Non-Fiber Projects

During Round Two, OBD will continue to accept applications that plan to use any combination of Reliable Broadband technologies, as defined by the BEAD NOFO. Based on the applications received during Round Two, OBD will set a final EHCPLT above which non fiber-to-the-premises projects can be funded in Round Two. The final EHCPLT will be set at a level that allows OBD to fund a project for all remaining locations. This final EHCPLT will be set no higher than preliminary EHCPLT used in Round One, meaning that no application area will be funded using non-fiber technology below the final extremely-high cost per location threshold.

OBD will issue an advisory notice before Round Two begins indicating the figure used for the preliminary EHCPLT in Round One and the likely range in which the final EHCPLT will fall, based on the modeled investment needed to serve Missouri's BEAD-eligible locations using fixed wireless and fiber and the expected value of each type of network based on location cost modeling by CQA.

### **E. Direct Negotiations & Additional Rounds**

OBD has endeavored to design a process that will secure a commitment for service to every location in two rounds before the date set by NTIA for submission of Missouri's final proposal. The process outlined above contains several points at which OBD will be able to identify locations with a lower likelihood of receiving applications and troubleshoot to identify a solution.

If OBD's efforts do not secure a viable application for all eligible locations over the course of these two rounds, OBD may determine that the best way to secure commitments is to engage in direct negotiations with identified potential providers to identify a funding package that will make a project serving the remaining locations viable. OBD will use the information gained from the projects it was able to fund, cost modeling for the remaining locations, and research about context-specific local barriers to determine a reasonable estimate against which to measure funding proposals.

If OBD determines, based on the number and cost of remaining locations at the end of Round Two, that the most appropriate way to award remaining locations is an additional round of grant funding, OBD will hold another round. If the process of securing commitments for every location requires more time than allowed for the preparation of Missouri's Final Proposal, OBD will seek an extension through the process outlined in the BEAD NOFO.

**2.4.2 Describe how the prioritization and scoring process will be conducted and is consistent with the BEAD NOFO requirements on pages 42 – 46.**

In each round of funding described in section 2.4.1, projects will be scored using the following metrics. The result of this scoring process will be used to determine (a) if the project is over the minimum awardable score and (b) which project should be awarded if multiple projects are submitted for the same application area.

**A. Priority Broadband Project Scoring**

Per the BEAD NOFO, NTIA has determined that “Priority Broadband Projects” are those that use end-to-end fiber-optic architecture. Missouri will score Priority Broadband Projects based on the criteria set forth in the BEAD NOFO for such projects, as follows.

**Primary Criteria for Scoring Priority Broadband Projects**

The BEAD NOFO requires that minimal BEAD outlay, affordability of a 1 Gbps/1 Gbps plan on funded networks, and fair labor practices be weighted most heavily when evaluating BEAD proposals.

1. Minimal BEAD Outlay

For each defined application area in each funding round, OBD will set a ceiling for the amount of BEAD funding available. This ceiling will be calculated to be consistent with the cost of extending service to every remaining BEAD-eligible location in the State of Missouri if every application area were to be funded at the ceiling and will be adjusted after the end of Round One to account for eligible locations awarded and BEAD funding awarded during Round One. It will be set as a multiple of the modeled Greenfield investment to build a network to all of the eligible locations in the application area as estimated by CQA. The ceiling would therefore be higher for locations where higher investment is expected to be necessary. Applicants will be awarded points for applying for minimal BEAD outlay based on the percent of the maximum BEAD outlay the applicant requests for the application area. The formula used scales upwards as the percent of outlay approaches the maximum—it “costs” an application one point to use the first 10 percentage points of possible BEAD funding and 19 to use the last 10 percentage points. While no application would score 100 percent by this metric (by requesting no funding), locations requiring minimal subsidies could achieve scores very close to 100 points.

$$\text{Score} = 100 - \text{percent of outlay requested}]^2 / 100$$

Percent of maximum outlay requested	Points Awarded
10 percent	99 points
20 percent	96 points
30 percent	91 points
40 percent	84 points
50 percent	75 points
60 percent	64 points
70 percent	51 points

80 percent	36 points
90 percent	19 points
100 percent	0 points

BEAD NOFO: "The total BEAD funding that will be required to complete the project, accounting for both total projected cost and the prospective subgrantee's proposed match (which must, absent a waiver, cover no less than 25 percent of the project cost), with the specific points or credits awarded increasing as the BEAD outlay decreases."

To accommodate investments that mitigate the effects of natural hazards, the costs (capped at 5%) of identified mitigation measures in areas subject to an initial hazard screening (see section 2.11.1) will not count toward the percent of maximum outlay requested.

4. Affordability

Applicants will be required to disclose the prices they will offer locations on BEAD funded networks through the BEAD period of performance, inclusive of the cost of installation, equipment rental, and any other charges required to receive service. The affordability metric will be based off the price offered for a 1 Gbps/1 Gbps plan. Applicants will be awarded points equal to the difference between this price and \$100.

Score = 100 – [monthly price of 1 Gbps/1Gbps plan]

BEAD NOFO: "The prospective subgrantee's commitment to provide the most affordable total price to the customer for 1 Gbps/1 Gbps service in the project area."

5. Fair Labor Practices and Highly Skilled Workforce

Section IV.C.1.e of the BEAD NOFO requires states to collect information about an applicant's records of and plans to comply with federal labor and employment laws. In cases where an applicant does not have three years of experience, the BEAD NOFO requires OBD to allow an applicant "to mitigate this fact by making specific, forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects." (BEAD NOFO pg. 43).

Element	Sub-Element	Scoring
Record of Compliance with Federal Labor and Employment Laws	For subgrantees without three years of experience, scoring sub-elements in this section will be zero.	
BEAD NOFO: "Eligible Entities must give priority to projects based on a prospective subgrantee's	Disclosure of violations	10 points (no violations) 5 points (some violations) 0 points (pattern of violations)

<p>demonstrated record of [ ] compliance with Federal labor and employment laws"</p>	<p>Disclosure of safety records of applicant, contractors and sub-contractors, as reported in OSHA form 300A for the previous three years</p>	<p>10 points (rate of recordable cases notably below industry average)                      5 points (rate of recordable cases near industry average)                      0 points (rate of recordable cases notably above industry average).</p>
<p>Plans for Compliance with Federal Labor and Employment Laws</p>	<p>For subgrantees without three years of experience, scoring sub-elements in this section will be doubled</p>	
	<p>Compliance elements of workforce plan, including "information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network" NOFO pp. 56-57</p>	<p>Scoring of narrative response                      10 points (Reviewers have high confidence in plan for compliance)                      5 points (Reviewers have some confidence in plan for compliance)                      0 points (Reviewers have low confidence in plan for compliance)</p>
	<p>Workplace Safety Committees                       BEAD NOFO: "[Plan for] implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects." NOFO p. 57</p>	<p>Scoring of narrative response                      10 points (Reviewers have high confidence that workplace safety committees will operate effectively)                      5 points (Reviewers have some confidence that workplace safety committees will operate effectively)                      0 points (Reviewers have low confidence that workplace safety committees will operate effectively)</p>

## Secondary Criterion for Scoring Priority Broadband Projects

### 6. Speed to Deployment

OBD will require applicants to disclose information about the sequencing of construction of BEAD projects and award up to 20 points for projects that are completed in a shorter timeframe.

Score = 20 points (deployment within one year of award)

10 points (deployment within two years of award)

5 points (deployment within three years of award)

0 points (deployment within four years of award)

BEAD NOFO: "Eligible Entities must give secondary criterion prioritization weight to the prospective subgrantee's binding commitment to provide service by an earlier date certain, subject to contractual penalties to the Eligible Entity, with greater benefits awarded to applicants promising an earlier service provision date."

## Additional Criteria for Scoring Priority Broadband Projects

### 7. Local Coordination

OBD will release a letter of support template designed to help local governments evaluate proposed projects. Local governments will be asked both to indicate their support for the project in general and their confidence in the applicant's plans to secure permits and complete other coordination with local governments necessary to complete the project. Letters of support submitted using this template from local governments in project areas will be worth as many as 16 points. Projects can earn another 8 points if the local government agrees to contribute meaningful financial resources (e.g., ARPA State and Local Fiscal Relief Funds) to the project.

Score =

+8 points (if local government supports project)

+ 8 points (if local government expresses confidence in plans for coordination)

+ 8 points (if there is local meaningful financial support)

BEAD NOFO: "NTIA encourages Eligible Entities to adopt selection criteria reflecting a prospective subgrantee's support from the local and/or Tribal Government with oversight over the location or locations to be served."

### 8. Equitable Workforce Development and Job Quality

OBD will further score submitted plans to evaluate commitments to investments in Missouri's broadband workforce in order to both improve the delivery of the funded broadband projects and to foster the growth of a highly-skilled, Missouri-based broadband workforce.

Sub-element	Scoring
<p>Training Commitments</p> <p>BEAD NOFO: “[Provision of] Registered Apprenticeships and pre-apprenticeships tied to a Registered Apprenticeship, joint labor management partnerships, and other high-quality, on-the-job training Opportunities.”</p>	<p>Review of narrative submission</p> <p>10 points (Commitment to participate in a registered apprenticeship, pre-apprenticeship tied to a Registered Apprenticeship or joint labor management training partnership)</p> <p>5 points (Commitment to participate in or independently conduct other high-quality, on-the-job training)</p> <p>0 points (No commitments to participation in workforce training programs)</p>
<p>Hiring Commitments</p> <p>BEAD NOFO: “[S]ubgrantees prioritize hiring local workers and have robust and specific plans to recruit historically underrepresented populations facing labor market barriers and ensure that they have reasonable access to the job opportunities created by subgrantees”</p>	<p>Review of narrative submission</p> <p>10 points (Substantial commitments to prioritize hiring of local workers and underrepresented populations)</p> <p>5 points (Some commitments to prioritize hiring of local workers and underrepresented populations)</p> <p>0 points (No commitments to prioritize hiring of local workers and underrepresented populations)</p>
<p>Direct Employment Commitment</p> <p>BEAD NOFO: “The plan for a highly skilled workforce should include... whether the workforce will be directly employed or whether work will be performed by a subcontracted workforce”</p>	<p>10 points (All or a substantial portion of workforce on BEAD projects will be directly employed)</p> <p>5 points (some portion of workforce on BEAD projects will be directly employed)</p> <p>0 points (no commitment for directly employed workforce)</p>

9. Missouri Economic Development

OBD will award additional points to projects that make additional commitments that will contribute to economic development in Missouri beyond (a) the economic development contribution represented by the construction and provision of broadband service and (b) any commitment to local hiring scored as part of the Equity Workforce Development and Job Quality score.

Element	Scoring
<p>Use of BUY MISSOURI Products</p>	<p>4 points (project includes commitments to use of “BUY MISSOURI” approved products in BEAD-funded networks. BUY MISSOURI is a program of the Office of the Lieutenant</p>

	Governor that lists products with 51 percent or more Missouri products)
Use of Missouri-based sub-contractors	4 points (applicant makes commitments to use Missouri-based sub-contractors)

## B. Non-Priority Broadband Project Scoring

For projects not using end-to-end fiber-optic architecture, the following criteria will apply.

To account for the technical scoring required for non-fiber to the premises projects (listed under secondary criteria) while still assigning primary criteria 75 percent of the score,<sup>3</sup> non-primary criteria weighting has been scaled down proportionately.

### Primary Criteria for Scoring Non-Priority Broadband Projects

The BEAD NOFO requires that minimal BEAD outlay, affordability of a 100/20 Mbps plan on funded networks, and fair labor practices be weighted most heavily when evaluating BEAD proposals for non-Priority Broadband Projects.

#### 1. Minimal BEAD Outlay

For each defined application area in each funding round, OBD will set a ceiling for the amount of BEAD funding available. This ceiling will be calculated to be consistent with the cost of extending service to every remaining BEAD-eligible location in the State of Missouri if every application area were to be funded at the ceiling and will be adjusted after the end of Round One to account for eligible locations awarded and money expended during Round One. It will be set as a multiple of the modeled Greenfield investment to build a network to all of the eligible locations in the application area as estimated by CQA. The ceiling would therefore be higher for locations where higher investment is expected to be necessary. Applicants will be awarded points for minimal BEAD outlay based on the percent of the maximum BEAD outlay requested for the application area. The formula used scales the penalty upwards as the percent of outlay approaches the maximum: it “costs” an application one point to use the first ten percentage points of possible BEAD funding and nineteen to use the last ten percentage points. While no application would score 100 percent by this metric (by requesting no funding), locations requiring minimal subsidies could achieve scores very close to 100 points.

$$\text{Score} = 100 - [\text{percent of outlay requested}]^2 / 100$$

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<sup>3</sup> As required by the BEAD NOFO p. 44 n. 68.



Percent of maximum outlay requested	Points Awarded
10 percent	99 points
20 percent	96 points
30 percent	91 points
40 percent	84 points
50 percent	75 points
60 percent	64 points
70 percent	51 points
80 percent	36 points
90 percent	19 points
100 percent	0 points

BEAD NOFO: "The total BEAD funding that will be required to complete the project, accounting for both total projected cost and the prospective subgrantee's proposed match (which must, absent a waiver, cover no less than 25 percent of the project cost), with the specific points or credits awarded increasing as the BEAD outlay decreases."

To accommodate investments that mitigate the effects of natural hazards, the costs of identified mitigation measures in areas subject to initial hazard screening (see section 2.11.1) will not count toward the percent of maximum outlay requested, up to five percent.

### 2. Affordability

Applicants will be required to disclose the prices they will offer locations on BEAD-funded networks through the BEAD period of performance, inclusive of the cost of installation, equipment rental, and any other charges required to receive service. The affordability metric will be based off the price offered for a 100 Mbps/20 Mbps plan. Applicants will be awarded points equal to the difference between this price and \$100.

Score = 100 – [monthly price of 100 Mbps/20 Mbps plan]

BEAD NOFO: "The prospective subgrantee's commitment to provide the most affordable total price to the customer for 100/20 Mbps service in the project area."

### 3. Fair Labor Practices

Section IV.C.1.e of the BEAD NOFO requires states to collect information about applicant's records of and plans to comply with federal labor and employment laws. In cases where applicants do not have three years of experience, the BEAD NOFO requires OBD to allow an applicant "to mitigate this fact by making specific, forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects (BEAD NOFO p. 45)."

Element	Sub-Element	Scoring
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<p>Record of Compliance with Federal Labor and Employment Laws</p>	<p>Disclosure of violations</p>	<p>10 points (no violations) 5 points (some violations) 0 points (pattern of violations)</p>
<p>BEAD NOFO: "Eligible Entities must give priority to projects based on a prospective subgrantee's demonstrated record of and plans to be in compliance with Federal labor and employment laws"</p>	<p>Disclosure of safety records of applicant, contractors and sub-contractors, as reported in OSHA form 300A for the previous three years</p>	<p>10 points (rate of recordable cases notably below industry average) 5 points (rate of recordable cases near industry average) 0 points (rate of recordable cases notably above industry average)</p>
	<p>For subgrantees without three years of experience, scoring elements in this section will be doubled</p>	
<p>Plans for Compliance with Federal Labor and Employment Laws</p>	<p>Compliance elements of workforce plan, including "information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network" and any of the mitigating commitments listed on BEAD NOFO page 43.</p>	<p>Scoring of narrative response 10 points (Reviewers have high confidence in plan for compliance) 5 points (Reviewers have some confidence in plan for compliance) 0 points (Reviewers have low confidence in plan for compliance)</p>
	<p>Workplace Safety Committees</p> <p>BEAD NOFO: "[Plan for] implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects."</p>	<p>Scoring of negative response 10 points (Reviewers have high confidence that workplace safety committees will operate effectively) 5 points (Reviewers have some confidence that workplace safety committees will operate effectively) 0 points (Reviewers have low confidence that workplace safety committees will operate effectively)</p>

## Secondary Criteria for Scoring Non-Priority Broadband Projects

### 4. Speed to Deployment

OBD will require applicants to disclose information about the sequencing of construction of BEAD projects and award up to thirty points for projects that are completed in a shorter timeframe.

Score = 16 points (deployment within one year of award)

8 points (deployment within two years of award)

4 points (deployment within three years of award)

0 points (deployment within four years of award)

BEAD NOFO: "Eligible Entities must give secondary criterion prioritization weight to the prospective subgrantee's binding commitment to provide service by an earlier date certain, subject to contractual penalties to the Eligible Entity, with greater benefits awarded to applicants promising an earlier service provision date"

### 5. Speed of Network and Other Technical Capabilities

Applicants will be awarded points in this category only if the proposed network has the capacity to provide service at this level to every eligible location in the award territory.

Sub-element	Scoring
Speed and Latency	8 points ( $\geq 1000/250$ Mbps & $> 100$ ms) 6 points ( $\geq 400/200$ Mbps & $> 100$ ms) 4 points ( $\geq 200/50$ Mbps & $> 100$ ms) 2 points ( $> 100/20$ Mbps & $> 100$ ms) 0 points ( $= 100/20$ Mbps & $> 100$ ms)
Useful Life	4 points ( $> 10$ years) 2 points ( $> 5$ years)
Scalability	4 points (Technical plan indicates that future updates could move the network into a higher speed tier without requiring additional public funds)

In cases where a mixture of fiber and non-fiber will be deployed to serve a single application area, this score will be calculated according to the following formula, rounded to the nearest whole number:

Score = (Speed and Technical Capabilities Score  $\times$  percent of eligible locations to be served with other technology) + (16  $\times$  percent of eligible locations to be served with fiber)

For instance, a project that served half of its eligible locations with fiber and half with another technology that scored 8 points in this category would receive a total of 12 points [(8 points for Speed and Technical Capability × 50 percent of eligible locations) + (16 × 50 percent of eligible locations)]

BEAD NOFO: “Eligible Entities must weigh the speeds, latency, and other technical capabilities of the technologies proposed by prospective subgrantees seeking to deploy projects that are not Priority Broadband Projects.”

**Additional Criteria for Scoring Non-Priority Broadband Projects**

6. Local Coordination

OBD will release a letter of support template designed to help local governments evaluate proposed projects. Local governments will be asked both to indicate their support for the project in general and their confidence in the applicant’s plans to secure permits and complete other coordination with local governments necessary to complete the project. Letters of support submitted using this template from local governments in project areas will be worth as many as 16 points. Projects can earn another 8 points if local governments agree to contribute meaningful financial resources (e.g. State and Local Fiscal Relief Funds) to the project.

Score =

+6 points (if local government supports project)

+6 points (if local government expresses confidence in plans for coordination)

+6 points (if there is local meaningful financial support)

BEAD NOFO: “NTIA encourages Eligible Entities to adopt selection criteria reflecting a prospective subgrantee’s support from the local and/or Tribal Government with oversight over the location or locations to be served.”

7. Equitable Workforce Development and Job Quality

OBD will further score submitted plans to evaluate commitments to investments in Missouri’s broadband workforce in order to both improve the delivery of the funded broadband projects and to foster the growth of a highly-skilled, Missouri-based broadband workforce.

Sub-element	Scoring
Training Commitments  BEAD NOFO: “[Provision of] Registered Apprenticeships and pre-apprenticeships tied to a Registered Apprenticeship, joint labor management partnerships, and	Review of narrative submission  8 points (Commitment to participate in a registered apprenticeship, pre-apprenticeship tied to a Registered Apprenticeship or joint labor management training partnership)

<p>other high-quality, on-the-job training Opportunities.”</p>	<p>4 points (Commitment to participate in or independently conduct other high-quality, on-the-job training) 0 points (No commitments to participation in workforce training programs)</p>
<p>Hiring Commitments</p> <p>BEAD NOFO: “[S]ubgrantees prioritize hiring local workers and have robust and specific plans to recruit historically underrepresented populations facing labor market barriers and ensure that they have reasonable access to the job opportunities created by subgrantees”</p>	<p>Review of narrative submission</p> <p>8 points (Substantial commitments to prioritize hiring of local workers and underrepresented populations) 4 points (Some commitments to prioritize hiring of local workers and underrepresented populations) 0 points (No commitments to prioritize hiring of local workers and underrepresented populations)</p>
<p>Direct Employment Commitment</p> <p>BEAD NOFO: “The plan for a highly skilled workforce should include... whether the workforce will be directly employed or whether work will be performed by a subcontracted workforce”</p>	<p>8 points (All or a substantial portion of workforce on BEAD projects will be directly employed) 4 points (some portion of workforce on BEAD projects will be directly employed) 0 points (no commitment for directly employed workforce)</p>

8. Missouri Economic Development

OBD will award additional points to projects that make additional commitments that will contribute to economic development in Missouri beyond (a) the economic development contribution represented by the construction and provision of broadband service and (b) any commitment to local hiring scored as part of the Equity Workforce Development and Job Quality score.

Element	Scoring
<p>Use of BUY MISSOURI Products</p>	<p>3 points (project includes commitments to use of “BUY MISSOURI” approved products in BEAD-funded networks. BUY MISSOURI is a program of the Office of the Lieutenant Governor that lists products with 51 percent or more Missouri products)</p>
<p>Use of Missouri-based sub-contractors</p>	<p>3 points (applicant makes commitments to use Missouri-based sub-contractors)</p>

### **2.4.3 Describe how the proposed subgrantee selection process will prioritize Unserved Service Projects in a manner that ensures complete coverage of all unserved locations prior to prioritizing Underserved Service Projects followed by prioritization of eligible CAIs (community anchor institutions).**

OBD anticipates that the funding allocated should be sufficient to extend service to all BEAD-eligible unserved and underserved locations and CAIs under 1 Gbps/1Gbps in the state of Missouri, provided funding is allocated efficiently. When possible, OBD will accept applications to serve all eligible locations in an application area without distinguishing between the types of locations receiving improved service on the theory that adjacent locations of different eligibility types will most efficiently be served by a single new network. If that is not possible, the proposed process includes safeguards to ensure funds are allocated in line with the prioritization required by the BEAD NOFO: (1) all unserved locations; (2) all underserved locations; and (3) all community anchor institutions.

1. **Caps on possible funding for each application area in each round of funding.**

Caps will be used to prevent the exhaustion of funds before every location belonging to all three categories are reached. At a minimum, the caps will be set low enough to ensure that the funding awarded to reach the locations in an application area does not exceed the CQA modeled cost to reach those locations by more than Missouri's available allocation exceeds the modeled cost to serve every location in the state. A lower cap in the first round of grant funding will preserve funding that can be used exclusively to fund higher-priority locations, if necessary, in Round Two. Caps will also tend to be higher for unserved locations, due to the generally higher modeled cost to serve these locations, making projects to serve these locations more attractive.
2. **Restrictions on lower-priority applications, if necessary, in Round Two.** Before opening Round Two, OBD will determine whether there is likely to be enough funding remaining to extend service to every remaining unserved location in the state, to every unserved and underserved location in the state, and to every community anchor institutions in the state with service less than 1 Gbps/1 Gbps, based on the amount of funds awarded in Round One, the number of locations remaining, and the modeled cost of service to those locations.
  - (a) If there is not enough funding to reach every unserved location, OBD will separate application areas consisting only of underserved locations and community anchor institutions in Round Two under 1 Gbps/1Gbps. These application areas would be applied for separately and awarded only if funds remained after grants were awarded for every unserved location.
  - (b) If it appears likely that remaining funds are sufficient to serve all unserved locations and some but not all underserved locations, OBD will create separate application areas for community anchor institutions with service of more than 100 Mbps/20 Mbps. These application areas would be applied for separately and awarded only if funds remained after grants were awarded for every unserved and underserved location.

**2.4.4 If proposing to use BEAD funds to prioritize non-deployment projects prior to, or in lieu of the deployment of services to eligible CAIs, provide a strong rationale for doing so. If not applicable to plans, note "Not applicable."**

Not applicable.

**2.4.5 The proposed subgrantee selection process is expected to demonstrate to subgrantees how to comply with all applicable Environmental and Historic Preservation (EHP) and Build America, Buy America Act (BABA) requirements for their respective project or projects. Describe how the Eligible Entity will communicate EHP and BABA requirements to prospective subgrantees, and how EHP and BABA requirements will be incorporated into the subgrantee selection process.**

In the absence of a waiver granting flexibility, OBD will require compliance with EHP regulations and BABA in its grant agreement with the subgrantee.

OBD will make materials related to EHP and BABA from NTIA, the Department of Commerce, and other relevant agencies available to subgrantees and will assist in fielding questions on these regulations. OBD will review the EHP and Climate Resiliency Preparation Checklist in considering its outreach planning.

OBD will make efforts prior to the opening of the application to engage local agencies as well as state and local stakeholders on best practices of the regulations.

1. Build America, Buy America

To meet the requirements of Build America, Buy America, OBD will ensure items purchased for use in a covered infrastructure project will meet the following criteria:

- (a) Iron and steel used in the project: All manufacturing processes, from the initial melting stage through the application of coatings, occurred in the U.S.
- (b) Manufactured products used in the project: All products are manufactured in the U.S., and the cost of its components that are mined, produced, or manufactured in the U.S. is greater than 55 percent of the total cost of all components, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
- (c) Construction materials used in the project: All manufacturing processes occurred in the U.S.

In order to be BABA-compliant, subgrantees must submit an itemized breakdown of all products and materials that will be used in the project and indicate which are American-made. Any changes to this list of materials must be submitted to OBD before project closeout.

Subgrantees will be prohibited from using BEAD funds to purchase or support any covered communications equipment or service (as defined in Section 9 of the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. § 1608)).

Subgrantees are also prohibited from using BEAD funds to purchase or support fiber optic cable and optical transmission equipment manufactured in the People's Republic of China unless a waiver of this requirement is received from the Assistant Secretary of the Department of Commerce. Waivers of the ban on Chinese-made fiber will be based on a demonstration that application of this prohibition would unreasonably increase the cost of or delay the project or other eligible activities.



## 2. Environmental and National Historical Preservation Requirements

Subgrantees will be required to list in their application what past grant management experience/technical capacity they've had which will include whether they have previously have experience with NEPA<sup>4</sup> or NHPA<sup>5</sup>.

Subgrantees will be required to identify and obtain applicable Federal, state and local permits required to complete their project. Responses from subgrantees will be given a higher weight if they are able to demonstrate they've already taken or will take specific steps to secure these permits/work with the Federal, state, or local agency.

Post-award, OBD will gather all information and documentation required for NEPA/NHPA review from the program subgrantees and will review submitted material to ensure it is complete before submitting it to NTIA for NEPA/NHPA review.

Post-award, subgrantees will be required to submit to OBD a draft environmental assessment for the project pursuant to NEPA and documentation of completion of any required consultations under § 106 of the NHPA, both of which must be completed no later than six (6) months after the Federal Award Date, unless a formal request for extension is approved by OBD and the Department of Commerce.

Through the grant agreement with OBD, subgrantees will be required to comply with environmental laws and to provide updates on their progress through the environmental review. Projects and other eligible activities will be required to be designed so that they minimize the potential for adverse impacts on the environment.

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<sup>4</sup> National Environmental Policy Act (42 U.S.C. § 4321 *et seq.*).

<sup>5</sup> National Historic Preservation Act (54 U.S.C. § 300101 *et seq.*).

**2.4.6 Describe how the Eligible Entity will define project areas from which they will solicit proposals from prospective subgrantees. If prospective subgrantees will be given the option to define alternative proposed project areas, describe the mechanism for de-conflicting overlapping proposals to allow for like-to-like comparisons of competing proposals.**

RFI process

OBD will conduct a multi-stage process to allow providers to apply for projects that fit their particular business models and existing infrastructure while accomplishing the BEAD goals of universal broadband coverage and competitive subgrantee selection.

Concurrent with the state challenge process, OBD will allow providers to indicate the areas they intend to apply to serve with fiber-to-the-premises projects using BEAD funds. This process will take place before the conclusion of the challenge process and the final determination of eligible BEAD locations, and the submitted list of locations or polygons will be considered to indicate the locations for which providers plan to apply for service, if they are determined to be eligible at the end of the state challenge process. This request for information (RFI) will be designed to minimize the burden on applicants; RFI submissions will include:

The area or areas the provider plans to apply to serve using BEAD funds as a polygon shapefile. The boundaries of this area may enclose locations not eligible for BEAD funding, but the obligation associated with the award of funding for the resulting application area would only attach to BEAD-eligible locations within the project area, which OBD will identify using the map generated through its challenge process.

Basic pre-qualification information establishing the entities ability to participate in the BEAD program

**Creating comparable project areas**

Based on the results of the RFI process, OBD will subdivide submitted project areas into application areas for the purpose of soliciting and evaluating competitive BEAD applications.

1. Locations where only one project was submitted will be grouped together into one application area consisting of the submitted project
2. Projects that cross county lines will be split so that locations within different counties will be in separate application areas
3. Projects that cross the boundaries of "high-cost areas" indicated by NTIA will be split so that locations within high cost areas are a separate project from locations outside high-cost areas. This will enable OBD to apply a reduced match requirement (when necessary) in these areas (<https://internetforall.gov/program/broadband-equity-access-and-deployment-bead-program/bead-allocation-methodology>)
4. Groups of adjacent locations where multiple providers indicated a plan to apply for BEAD funding to provide service will be grouped so that all location

associated with the same distinct combination of submitted projects constitute a separate application area

5. In cases where these steps result in a single application area consisting of clusters of locations bisected by another application area, those separated clusters will be divided into separate application areas
6. OBD will apply limited edits to the resulting application areas in cases where the rules above generate application areas that are not conducive to a comprehensive, efficient, and fair project selection process. The value of the RFI process lies in the close relationship between the application areas used in the program and the desired service territories of participating providers. In order to preserve this relationship, the modeled cost of locations added to any one project area in stage 6 will not be more than 10 percent of the original value of the application area. These changes may include:
  - a. Distribution of the locations in application areas with a small number of eligible locations into neighboring application areas, reducing the number of application areas providers will need to apply for and the related administrative burden on OBD. This allows OBD to address:
    - i. Small gaps between submitted project areas that would otherwise become separate application areas with a small number of eligible locations
    - ii. Small overlaps of submitted project areas that would otherwise become separate application areas with a small number of eligible locations
    - iii. Similar project areas submitted by different providers with small discrepancies that would otherwise generate small application areas on the edge of the shared territory
  - b. Distribution of locations falling outside any submitted project area that would likely be more cost-effectively served by a submitted project area than any state-designed application area generated in stage 7
7. Areas falling outside of any application area at the end of stage six will be grouped into state-defined application areas. These areas will be subject to additional measures to secure projects as outlined in section 2.4.7.

These application areas will be published before the opening of the first round of applications. This publication will include the service obligation associated with the application area as indicated by the number of eligible locations within the area in each category (unserved and underserved locations, unserved and underserved multi-dwelling units, and eligible community anchor institutions).

Before round two of applications begin, OBD will evaluate the remaining application areas and determine if changes need to be made to (a) reflect the BEAD prioritization of unserved and then underserved locations by, for instance, creating separate application areas consisting only of higher-priority locations that would enjoy a higher priority or (b) to ensure that eligible locations that received no applications in round one are grouped into application areas that are likely to receive bids.

No provider will be required to submit applications for areas they indicated they planned to serve through the RFI process, and applicants that did not participate in the RFI process will be eligible to apply to serve the application areas generated as a result of this process. This process is designed to elicit input from providers on the areas they would like to serve and to allow participating providers to apply for the application areas that make sense for them. The process includes several mechanisms to address “cherry-picking” of locations with low costs of construction and high expected revenues:

1. Limited changes to the boundaries of submitted project areas will distribute a portion of expensive-to-serve locations among more desirable adjacent application areas.
2. Less desirable applications areas will generally have a higher maximum BEAD subsidy, meaning that an application in this area can receive more funding in absolute terms and will score better on the BEAD outlay scoring element than an application that requested the same BEAD outlay in a less expensive project area (see section 2.4.2)
3. In cases where mechanisms one and two do not lead to applications in some application areas, OBD will take further steps to make these areas attractive for applicants (see section 2.4.7)

**2.4.7 If no proposals to serve a location or group of locations that are unserved, underserved, or a combination of both are received, describe how the Eligible Entity will engage with prospective subgrantees in subsequent funding rounds to find providers willing to expand their existing or proposed service areas or other actions that the Eligible Entity will take to ensure universal coverage.**

The structure of OBD's proposed subgrantee selection process allows several points where it will be possible to identify locations at risk of receiving no proposals for service under the BEAD program and take corrective action:

- At the conclusion of the RFI submission window
- At the conclusion of round one of applications
- At the conclusion of round two of applications

**A. After the RFI**

At the conclusion of the RFI window, OBD will identify locations where no provider indicated a plan to apply for BEAD funds to extend service that could not be practically grouped into adjacent application areas without fundamentally changing the nature of the project. These locations will be grouped into separate application areas, and OBD will begin a process to identify a provider or providers that are willing to provide service to these locations.

1. OBD will develop a list of providers that (a) already serve adjacent areas, (b) have funded commitments in adjacent areas, or (c) indicated an interest in applying for BEAD funding. OBD will engage with identified providers, local elected officials and community leaders, and owners of relevant infrastructure in the area to identify the barriers preventing applications and, where possible, identify solutions and a provider willing to submit an application in round 1.
2. In cases where local engagement and model-based cost data suggests that the high cost of construction relative to the potential earning value of the infrastructure is a barrier to serving these locations and the locations are not within one of NTIA's designated high-cost areas, OBD will apply for waivers to reduce match requirements in these application areas under 25 percent.

**B. After Round One**

After all round one applications are submitted, OBD will identify application areas where no eligible application for funding was received.

1. OBD will indicate the areas that received no applications and open a short sub-round allowing applications for these areas.
2. OBD will review the characteristics of the remaining locations with no application and will consider adjustments to the extremely high cost per location threshold necessary to attract non-priority broadband project proposals for these areas.
3. OBD will apply for waivers for match requirements for areas with no applications outside of NTIA-designated high-cost locations.

4. OBD will continue the engagement process begun at the conclusion of the RFI process for the remaining locations with no application, with the goal of identifying applicants for round two.

### **C. After Round 2**

After all round two applications are submitted, OBD will identify application areas where no eligible application for funding was received.

1. OBD will indicate the areas that received no applications and open a short sub-round allowing applications for these areas.
2. OBD will determine whether to seek flexibility from NTIA to conduct additional funding rounds.
3. OBD will enter direct negotiations with identified potential providers with any remaining award areas with the goal of finding terms that would enable the provider to serve the area.

**2.4.8 Describe how the Eligible Entity intends to submit proof of Tribal Governments' consent to deployment if planned projects include any locations on Tribal Lands.**

Missouri does not have federally recognized Tribal lands.

**2.4.9 Identify or outline a detailed process for identifying an Extremely High Cost Per Location Threshold to be utilized during the subgrantee selection process. The explanation must include a description of any cost models used and the parameters of those cost models, including whether they consider only capital expenditures or include the operational costs for the lifespan of the network.**

As explained in sections 2.4.1 and 2.4.10, OBD will issue several advisory figures and a preliminary Extremely High Cost Per Location Threshold (EHCPLT) before a final EHCPLT is set after Round Two applications are received. OBD will set the preliminary and final EHCPLT and related advisory figures to allow for the use of alternate technologies, when appropriate, in two situations:

1. Cases where the cost of a priority broadband project at a given location so exceeds the cost of a network built with another technology that the benefits of deploying fiber to these locations are overwhelmed by the larger number of lower-cost locations that could have been connected with this funding.
2. Cases where the high costs of maintaining a fiber network to every location in an application area and low expected revenue generation means that the application area will not be attractive for an end-to-end provider even if the entire cost of building the network was paid by the BEAD program (*i.e.*, the location would have a negative net present value even if capital expenditures were zero). In some but not all of these cases networks employing delivery technologies other than fiber to reach some or all locations may be more financially sustainable and therefore represent better value for network users.

OBD will draw upon three sources of cost information to identify a figure that captures these locations:

1. CQA cost modeling, which provides estimates of the net present value and total investment associated with fixed wireless and fiber deployment to each fabric location;
2. Cost data from actual applications to provide expanded broadband service through recent broadband funding programs, including OBD's NTIA Broadband Infrastructure Program awards and OBD's ARPA-funded Missouri Broadband Infrastructure Program; and
3. The funding requests associated with applications for funding in preceding rounds of the BEAD grant program. For instance, before setting the preliminary threshold governing Round One awards OBD will have access to Round One applications and associated funding requests; before setting the final threshold governing Round Two awards OBD will have access to Round One and Round Two applications.

These sources will be used to refine the EHCPLT over the course of the BEAD program.

**Pre-Round One Advisory Figures**

Before opening Round One applications, OBD will issue an advisory figure below which the EHCPLT is unlikely to fall. This advisory figure will be based on CQA cost modeling



and the costs of previous state, federal, and local broadband programs. This figure will allow applicants considering non fiber-to-the-premises networks to identify application areas where these networks are more likely to be considered for funding. To allow for imprecisions in the cost model and systematic differences between BEAD costs and costs associated with earlier grant programs, OBD's notice will allow for a wide range of possible values at this stage.

### **Preliminary EHCPLT**

Once OBD receives applications for funding in Round One, OBD will have a better sense of the locations where cost-effective fiber-to-the-premises networks are unlikely to be funded under the BEAD program. OBD will examine application areas where non fiber-to-the-premises networks were proposed and (a) no fiber-to-the-premises networks were proposed or (b) there was a large discrepancy in cost between a fiber-to-the-premises application. OBD will compare the modeled cost of these locations to the modeled costs of locations where competitive fiber-to-the-premises projects were proposed in Round One to determine whether the location is likely to receive a more competitive fiber-to-the-premises proposal in Round Two. OBD's preliminary EHCPLT will be set to capture applications areas meeting conditions (a) and (b) where OBD determines that more competitive priority broadband proposals are unlikely to be received in Round Two based on the pattern of applications in Round One.

### **Pre-Round Two Advisory Figures**

Before applications open for Round Two, OBD will publish a new advisory figure indicating the range in which the final EHCPLT is likely to be set. This lower bound will be adjusted downward from the pre-Round One advisory figures if the applications filed and awarded in Round One indicate that OBD will not be able to reach all unserved locations, underserved locations, and community anchor institutions before exhausting its allocation without funding additional projects that incorporate non-fiber service.

### **Final EHCPLT**

OBD will set the final EHCPLT after scoring all priority and non-priority broadband projects submitted in Round Two. The final EHCPLT will be set at a level such that grants can be awarded to the maximum possible number of eligible locations before exhausting the state's allocation. In other words, if the cost of awarding priority broadband projects for every location exhausts the state's allocation, OBD will calculate the EHCPLT such that enough lower-cost non-priority broadband projects are considered and awarded to bring the funding required back under level of the available allocation. If no viable applications were submitted for some application areas during Round Two, OBD may set the EHCPLT to reserve a portion of Missouri's allocation to fund these locations through subsequent grand rounds or direct negotiations with candidate providers.

**2.4.10 Outline a plan for how the Extremely High Cost Per Location Threshold will be utilized in the subgrantee selection process to maximize the use of the best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.7.b of the BEAD NOFO.**

The EHCPLT will be used by OBD to ensure that every eligible location in the state will be associated with a project that will bring it improved broadband service. In the interest of not ruling out any technological approach before the full picture of broadband availability is clear, OBD will not set a final EHCPLT until the completion of Round Two of BEAD applications. These applications will disclose the figure for the EHCPLT that will allow service to every eligible location within the budget set by Missouri's BEAD allocation. OBD will allow and encourage submission of applications using any technology meeting NTIA's definition of Reliable Broadband at every stage in the BEAD process.

**A. Describe the process for declining a subgrantee proposal that exceeds the threshold where an alternative technology is less expensive.**

*Preliminary EHCPLT*

After Round One applications have been received, a preliminary EHCPLT will be set using the process laid out in section 2.4.9. In cases where every priority broadband project submitted for an application area costs more than this value and a submission using an alternate technology costs less, OBD will consider funding non-priority broadband projects for the application area. These projects will be scored using the prioritization and scoring rules for non-priority broadband projects laid out in 2.4.2 and will be awarded only if the non-priority broadband project scores higher than all other projects for the area.

In application areas where both priority broadband projects and non-priority broadband projects were submitted, the per-location cost of the lowest-cost priority broadband project will be used to determine if the cost to serve the area is over the preliminary EHCPLT and non-wireless projects should be scored. If there are no priority broadband applications for the area, the average CQA modeled cost for fiber service to eligible locations in the area will be used.

Setting a preliminary EHCPLT near the upper end of the potential EHCPLT values will give OBD and applicants a more complete picture of the application areas available during Round Two by removing application areas where the results of Round One indicate a non-priority broadband project should be awarded. Because this value of the EHCPLT will not be final, non-priority broadband applications that were not considered for funding in Round One could be considered for funding in Round Two based on a lower final value for the EHCPLT. Applicants proposing non-priority broadband projects will be allowed and encouraged to carry their applications over into Round Two.

*Final EHCPLT*

After Round Two applications have been received, a final EHCPLT will be set using the process laid out in section 2.4.9. This value will be no higher than the value of the preliminary EHCPLT, so that any application area awarded to a non-priority broadband project based on the value of the preliminary EHCPLT will also be above the final EHCPLT and would have been awarded to the same applicant had the final EHCPLT been in effect at the time.

In cases where every priority broadband projects submitted for an application area costs more than this value, OBD will consider funding non-priority broadband projects for the application area. If no priority broadband projects were proposed, the average CQA modeled cost of fiber service to the eligible locations will be used. These projects will be scored using the prioritization and scoring rules for non-priority broadband projects laid out in 2.4.2 and will be awarded only if the non-priority broadband project scores higher than all other submissions for the application area.

In cases where no priority broadband projects submitted for an application area in Round Two cost less than the final EHCPLT, OBD will treat the application area as above the EHCPLT and award the funding to the highest scoring non-priority broadband project.

**B. Describe the plan for engaging subgrantees to revise their proposals and ensure locations do not require a subsidy.**

Priority broadband project applicants will have the opportunity to reduce their costs as part of the best-and-final-offer process. If this reduction brings the cost below the value of the preliminary or final EHCPLT applications for the area will be scored on that basis.

**C. Describe the process for selecting a proposal that involves a less costly technology and may not meet the definition of Reliable Broadband.**

If no proposal meeting the definition of Reliable Broadband can be identified for some application areas over the course of Round One, Round Two, or subsequent rounds and direct negotiation as necessary, OBD will include in its Final Proposal a plan to open a direct support program to help individuals in eligible locations in accessing available service not defined as Reliable Broadband, potentially including unlicensed fixed wireless and low-earth orbit satellites.

## Deployment Subgrantee Qualifications

**2.4.11 Minimum Financial Capability.** Describe how the Eligible Entity will ensure prospective subgrantees deploying network facilities meet the minimum qualifications for financial capability as outlined on pages 72-73 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity may reference those to outline alignment with requirements for this section. The response must:

- A. Detail how the Eligible Entity will require prospective subgrantees to certify that they are qualified to meet the obligations associated with a Project, that prospective subgrantees will have available funds for all project costs that exceed the amount of the grant, and that prospective subgrantees will comply with all Program requirements, including service milestones. To the extent the Eligible Entity disburses funding to subgrantees only upon completion of the associated tasks, the Eligible Entity will require each prospective subgrantee to certify that it has and will continue to have sufficient financial resources to cover its eligible costs for the Project until such time as the Eligible Entity authorizes additional disbursements.**

During the application process, each applicant will be required to certify that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project in compliance with state and Federal regulations.

If debt financing will be obtained, applicants will be required to submit letters of commitment to demonstrate the willingness of the financial institution to provide the funding required to complete the project.

DED will also examine an applicant's past management of federal funds. DED will consider an applicant's proposed approach to ensuring compliance with all federal fund requirements. This will include an assessment of the applicant's skills, knowledge, and experience in managing federal funds.

OBD will also take into account the financial burden from managing federal broadband awards (e.g., CAF,<sup>6</sup> RDOF<sup>7</sup>, ReConnect) an applicant has taken on throughout the country in considering the financial wherewithal and technical capacity of an eligible entity.

Subgrantees will be required to establish and maintain records, including financial documents, sufficient to enable OBD to determine whether the subgrantee has complied with the terms of its agreement with the state, and to assist OBD in meeting its recordkeeping requirements.

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<sup>6</sup> Connect America Fund.

<sup>7</sup> Rural Digital Opportunity Fund.

**B. Detail how the Eligible Entity plans to establish a model letter of credit substantially similar to the model letter of credit established by the FCC in connection with the Rural Digital Opportunity Fund (RDOF).**

Subgrantees will be allowed to begin ground disturbing activities (upon clearance of the EHP reviews) but the state's grant agreement will not be fully executed until an irrevocable standby letter of credit or performance bond for no less than 10% of the awarded grants funds is submitted to OBD (see [BEAD Letter of Credit Waiver](#)). Under the rules of the BEAD Letter of Credit Waiver a letter of credit worth less than 25 percent of project costs and a performance bond for less than 100 percent of project costs can only be used as surety for projects where:

“(a) The Eligible Entity issues funding on a reimbursable basis consistent with Section IV.C.1.b of the NOFO;

(b) Reimbursement is for periods of no more than six months; and

(c) The subgrantee commits to maintain a letter of credit or performance bond in the amount of 10% of the subaward until it has demonstrated to satisfaction of the Eligible Entity that it has completed the buildout of 100 percent of locations to be served by the project or until the period of performance of the subaward has ended, whichever occurs first”

OBD's projects will meet these standards.

During the application process but before the OBD grant agreement is fully executed, prospective subgrantees using a letter of credit as their form of surety will be required to submit a letter from a bank that meets eligibility requirements consistent with those set forth in 47 CFR § 54.804(c)(2) committing to issue an irrevocable standby letter of credit, in the required form, to the prospective subgrantee. The letter shall at a minimum provide the dollar amount of the letter of credit and the issuing bank's agreement to follow the terms and conditions of OBD's letter of credit template.

OBD will provide a letter of credit template to subgrantees that will be substantially similar to the model letter of credit established by the FCC for its RDOF program.<sup>8</sup>

As also required in the BEAD NOFO p. 73, a prospective subgrantee shall provide with its letter of credit an opinion letter from legal counsel clearly stating, subject only to customary assumptions, limitations, and qualifications, that in a proceeding under Title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the “Bankruptcy Code”), the bankruptcy court would not treat the letter of credit or proceeds of the letter of credit as property of the winning subgrantee's bankruptcy estate under Section 541 of the Bankruptcy Code.

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<sup>8</sup> *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 773-77, Appx. C. available at <https://www.fcc.gov/document/fcc-launches-20-billion-rural-digital-opportunity-fund-0>

During the application process but before the OBD grant agreement is fully executed, prospective subgrantees using a performance bond as a form of surety will be required to submit a letter from a company holding a certificate of authority as an acceptable surety on federal bonds as identified in the Department of Treasury Circular 570 committing to issue a performance bond to the prospective subgrantee. The letter shall at a minimum provide the dollar amount of the performance bond. Prior to entering into any subgrantee agreement, each prospective subgrantee will be required to obtain a performance bond, acceptable in all respects to the Eligible Entity and in a value of no less than 10 percent of the subaward amount.

**C. Detail how the Eligible Entity will require prospective subgrantees to submit audited financial statements.**

OBD will review financial statements to assess the applicant's financial wherewithal to complete the proposed project as a part of the application process.

As OBD has done with previous grant programs, an applicant will be required to provide the most recent quarter's financial statements, and three previous fiscal years of financial statements (indicated if any supplied are audited). Financial statements need to include: balance sheets, income statements, and statement of cash flows.

For the project, applicants will be required to provide pro forma financial statements, including income statement and statement of cash flows to demonstrate sustainability of the project after the grant award.

**D. Detail how the Eligible Entity will require prospective subgrantees to submit business plans and related analyses that substantiate the sustainability of the proposed project.**

Applicants will be required to submit business and marketing plans for service.

Applications will be evaluated on the ability of the project to be sustained beyond the award period. Applicants will need to provide pro forma financial information, market projections, and business plans to demonstrate the applicant's financial ability to maintain the infrastructure over time. Project plans will need to describe the applicant's ability to scale the project by integrating advanced services over time.

OBD will review submitted application budgets for reasonableness against the overall project.

Applications will be evaluated on the reasonableness of the budget based on its clarity, level of detail, appropriateness to the proposed technical and programmatic solutions, and the reasonableness of its costs.

Applicants will be notified of the program requirements to submit letters of credit, audited financial statements, and sustainability/ pro forma analyses of a proposed project in advance of the opening of the first application cycle.

Financial materials will be submitted by applications to OBD into a centralized grants review software system for reference throughout the BEAD program.



**2.4.12 Minimum Managerial Capability. Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for managerial capability as outlined on pages 73 – 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity may reference those to outline alignment with requirements for this section. The response must:**

**A. Detail how the Eligible Entity will require prospective subgrantees to submit resumes for key management personnel.**

OBD will provide a template for an eligible entity to list its leadership and ownership information for privately-held companies and not for profit corporations.

The following listing of full legal names (and dates of birth for individuals) would be required before the applicant can proceed to an application cycle:

1. All directors, officers (president, vice-president, secretary, treasurer);
2. Executives (chief executive officer, chief financial officer, or similar position);
3. Members of the management team directly responsible for the operations of the eligible entity with regard to the project if persons other than those in (a) or (b);
4. For privately-held companies, any individuals with at least a ten percent ownership interest in the company; and
5. For privately-held companies that are a wholly- or partially-owned subsidiary of another company or companies, the name of each company with at least a ten percent ownership interest in the company.

Additionally, applications will be required to submit to OBD resumes for all key management personnel and any necessary organizational chart(s) detailing all parent, subsidiaries, and affiliates.

**B. Detail how the Eligible Entity will require prospective subgrantees to provide a narrative describing their readiness to manage their proposed project and ongoing services provided.**

Applications will be evaluated on the experience and expertise of the project management team, the past record of the applicant with projects of a similar size and scope and the applicant's capacity and readiness. This narrative should describe the experience and qualifications of key management relevant to the proposed project. OBD will also take into account the ability and capacity of an applicant based on submission timelines and interaction with OBD in other Missouri programs.

OBD will review this information on the basis of standards developed by OBD based on OBD's experience on past grant programs and determine whether the documents submitted demonstrate the prospective subgrantee's managerial capability with respect to the proposed project. Factors considered in making this determination will include:



1. The extent to which the organization or individuals employed by the organization have experience managing construction projects of similar size, scope, and complexity;
2. The extent to which the organization or individuals employed by the organization have experience managing projects with extensive federal reporting and compliance requirements;
3. The extent to which the organization or individuals employed by the organization have experience managing a broadband services network; and
4. The extent to which the management team demonstrates relevant training and expertise in areas including grant management, construction and management of a broadband services network, and securing the permits necessary for broadband construction.

No one factor will necessarily disqualify an applicant with a limited record in one area. Applicants that demonstrate a sufficient record in another area to give OBD confidence in their ability to deliver the project will still be able to participate in the program. OBD may allow prospective applicants whose initial management submissions did not meet OBD's minimum standards to strengthen this element of their proposal by making additional compensatory commitments in order to participate in the program.

Recent and upcoming organizational changes including mergers and acquisitions of the eligible entity will be reviewed as a component of a due diligence review phase of the application process.

**2.4.13 Technical Capability. Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for technical capability as outlined on page 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity may reference those to outline alignment with requirements for this section.**

OBD will certify that any prospective subgrantee deploying network facilities is examined in depth and they meet the minimum qualifications for technical capability as it has been outlined in the BEAD NOFO. OBD will ask a variety of questions throughout the application to determine whether each project can maintain its viability while complying with the program requirements. In order to submit a grant application in our program, prospective subgrantees will be required to provide our office with the information relevant to technical capability that is listed below in subsections A and B.

OBD will communicate the requirements that are listed below in subsections A and B to all the prospective subgrantees before the selection process begins. This will be accomplished by outreach through multiple channels, stakeholder awareness calls, and including these requirements throughout the grant application. OBD will develop standards of technical capabilities that will reflect industry standards and also reflect the BEAD NOFO. OBD may refer to the National Society of Professional Engineers and the Missouri Division of Professional Registration, so that its outreach methods for these requirements of technical capability reach prospective professionals that would be providing the certification.

**A. Certification of Technical Qualification. The response must detail how the Eligible Entity will require prospective subgrantees to certify that they are technically qualified to complete and operate the Project and that they are capable of carrying out the funded activities in a competent manner, including that they will use an appropriately skilled and credentialed workforce.**

Prospective subgrantees must submit certification to OBD that they are technically qualified to complete and operate the project and that they are capable of carrying out the funded activities in a competent manner, including that they will use an appropriately skilled and credentialed workforce (BEAD NOFO; Section IV.C.1.e). The documentation that must be provided to OBD by the prospective subgrantee includes, but is not limited to:

1. Documentation of current licensing with governing bodies to operate in Missouri;
2. Attestation of current Missouri licensing for any engineers who certify design, diagrams, timelines, and project costs, etc.; and
3. Demonstration of a past record of the subgrantee with projects of a similar size and the subgrantee's capacity and shovel-readiness.

**B. Proposed Project Work Plan. The response must detail how the Eligible Entity will require prospective subgrantees to submit a network design, diagram, project costs, build-out timeline and milestones for project implementation, and a capital investment schedule evidencing complete build-out and the initiation of service within four years of the date on which the entity receives the subgrant, all**

**certified by a professional engineer, stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the Project.**

Prospective subgrantees must submit a network design, diagram, project costs, build-out timeline and milestones for project implementation to OBD. Prospective subgrantees must also submit a capital investment schedule evidencing complete build-out and the initiation of services within four years of the date on which the entity receives the subgrant to OBD. All this documentation must be certified by a professional engineer, stating that the proposed network can deliver broadband services that meet the requisite performance requirements to all locations served by the project (BEAD NOFO; Section IV.C.2). The documentation that must be provided to our office by the prospective subgrantee includes, but is not limited to:

1. A detailed project narrative that includes the steps of the capital investment schedule (planning, design, implementation, and operation). This project narrative also needs to include the network design, diagrams, project costs, build-out timeline and milestones that are required by the BEAD NOFO; and
2. Attestation that the proposed network can deliver broadband services that meet the requisite performance requirements to all locations that are served by the project.

**2.4.14 Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for compliance with applicable laws as outlined on page 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity may reference those to outline alignment with requirements for this section.**

- A. The response must detail how the Eligible Entity will require prospective subgrantees to demonstrate that they are capable of carrying out funded activities in a competent manner in compliance with all applicable federal, state, territorial, and local laws.**

OBD will require all applicants to demonstrate they are capable of carrying out funded activities in a competent manner that complies with all applicable federal, state, territorial, and local laws through the application process. Applicants will be required to disclose any recent violations of federal and state labor and employment laws. For entities required to register with the Missouri Secretary of State to do business in the State, a Certificate of Good Standing from the Secretary will be required.

Applications will go through an additional due diligence review step after the main application has been reviewed by OBD staff. Legal professionals will evaluate applicants for lawsuits evidencing any state or federal violations.

OBD will highlight relevant federal, state, territorial, and local laws to prospective applicants prior to the opening of Round One. Subgrantees will be required to certify they will follow the applicable laws.

In the absence of a waiver/flexibility, all subgrantees will be required to follow the Uniform Guidance, 2 CFR §§ 200.317 to .327, with respect to conducting procurement.

OBD will provide materials to subgrantees detailing the procedures and polices needed to stay in compliance with the procurement requirements in the Uniform Guidance of the Subgrantee Selection Primer document.

OBD staff will document these procurement materials and processes as subgrantees move through their project to ensure compliance.

For information on how OBD will review prospective subgrantees' submission of its network design, diagram, project costs, build-out timeline and milestones for project implementation, and a capital investment schedule evidencing complete build-out and the initiation of service within four years of the date on which a subgrantee receives the subgrant see Section 2.4.13.

- B. Detail how the Eligible Entity will require prospective subgrantees to permit workers to create worker-led health and safety committees that management will meet with upon reasonable request.**

OBD will require subgrantees, as well as their contractors and subcontractors, to commit to permit workers to create worker-led health and safety committees. OBD will require applicants to submit plans laying out how they will fulfill this requirement, which will be scored as part of the Fair Labor application scoring element:

1. The mechanisms workers would use to create worker-led health and safety committees; and
2. How committees will be able to raise potential safety concerns and work with management to identify and implement corrective action.

Documentation of compliance will be submitted to OBD for review.

**2.4.15 Minimum Operational Capability.** Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for operational capability as outlined on pages 74 – 75 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity may reference those to outline alignment with requirements for this section. The response must:

- A. Detail how the Eligible Entity will require prospective subgrantees to certify that they possess the operational capability to qualify to complete and operate the Project.**

Applicants will be required to certify that they possess the operational capacity to complete and operate the project through the application process as well as submit further documentation at OBD's discretion. The application process will be overseen by OBD staff under a tiered organizational chart. OBD will utilize a robust, electronic document storage system following guidance from the Grant File Management: Guide & Best Practices document, drawing on experiences from past programs OBD has administered.

Applicants will not be able to enter into a grant agreement with OBD unless it submits documents and certifies sufficient operational capacity with respect to the proposed project.

- B. Detail how the Eligible Entity will require prospective subgrantees to submit a certification that they have provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of its application submission or that it is a wholly owned subsidiary of such an entity, attests to and specify the number of years the prospective subgrantee or its parent company has been operating.**

Applicants that have provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of its application submission or that is a wholly owned subsidiary of such an entity will be required to so certify and specify the number of years the applicant or its parent company has been operating.

- C. Detail how the Eligible Entity will require prospective subgrantees that have provided a voice and/or broadband service, to certify that it has timely filed Commission Form 477s and the Broadband DATA Act submission, if applicable, as required during this time period, and otherwise has complied with the Commission's rules and regulations.**

Applicants that have provided a voice and/or broadband service will be required to certify that it has timely filed Commission Form 477s and the Broadband DATA Act submission, if applicable, as required during this time period and otherwise has complied with the Commission's rules and regulations.

Applicants will be required to submit the data used for their Broadband DATA Act submission to OBD for use in Missouri's state mapping efforts within one week of their submission to the FCC.

- D. Detail how the Eligible Entity will require prospective subgrantees that have operated only an electric transmission or distribution service, to submit qualified operating or financial reports, that it has filed with the relevant financial institution for the relevant time period along with a certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution.**

Applicants that have operated only an electric transmission or distribution service will be required in its grant application submission, to submit qualified operating or financial reports, that it has filed with the relevant financial institution for the relevant time period along with a certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution.

- E. In reference to new entrants to the broadband market, detail how the Eligible Entity will require prospective subgrantees to provide evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities.**

Applicants that are new entrants to the broadband market will be required to provide evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities. Materials acting as evidence includes:

1. Resumes from key personnel indicating relevant experience in the broadband market; and
2. Project descriptions and narratives from contractors, subcontractors, or other partners (if applicable) with relevant operational experience, or other comparable evidence.

**2.4.16 Minimum Ownership Information. Describe how the Eligible Entity will ensure that any prospective subgrantee deploying network facilities meets the minimum qualifications for providing information on ownership as outlined on page 75 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity may reference those to outline alignment with requirements for this section. The response must:**

**A. Detail how the Eligible Entity will require prospective subgrantees to provide ownership information consistent with the requirements set forth in 47 CFR § 1.2112(a)(1)-(7).**

Applicants will be required to provide ownership information consistent with the requirements set forth in 47 CFR § 1.2112(a)(1)-(7). The following information under paragraph (a) will be collected by OBD from applications and reviewed:

1. The real party or parties in interest in the applicant or application, including a complete disclosure of the identity and relationship of those persons or entities directly or indirectly owning or controlling (or both) the applicant;
2. The name, address, and citizenship of any party holding 10 percent or more of stock in the applicant, whether voting or nonvoting, common or preferred, including the specific amount of the interest or percentage held;
3. In the case of a limited partnership, the name, address and citizenship of each limited partner whose interest in the applicant is 10 percent or greater (as calculated according to the percentage of equity paid in or the percentage of distribution of profits and losses);
4. In the case of a general partnership, the name, address and citizenship of each partner, and the share or interest participation in the partnership;
5. In the case of a limited liability company, the name, address, and citizenship of each of its members whose interest in the applicant is 10 percent or greater;
6. All parties holding indirect ownership interests in the applicant as determined by successive multiplication of the ownership percentages for each link in the vertical ownership chain, that equals 10 percent or more of the applicant, except that if the ownership percentage for an interest in any link in the chain exceeds 50 percent or represents actual control, it shall be treated and reported as if it were a 100 percent interest; and
7. Any FCC-regulated entity or applicant for an FCC license, in which the applicant or any of the parties identified in paragraphs (a)(1) through (a)(5) of this section, owns 10 percent or more of stock, whether voting or nonvoting, common or preferred. This list must include a description of each such entity's principal business and a description of each such entity's relationship to the applicant (e.g., Company A owns 10 percent of Company B (the applicant) and 10 percent of Company C, then Companies A and C must be listed on Company B's application, where C is an FCC licensee and/or license applicant).



Information on minimum qualifications for providing information on ownership will be made available prior to the first application cycle. OBD staff will review the submitted ownership information against the requirements in this section and address discrepancies with prospective subgrantees when possible. [See Section 2.4.12].

**2.4.17 Minimum Public Funding Information.** Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for providing information on other public funding as outlined on pages 75 – 76 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity may reference those to outline alignment with requirements for this section. The response must:

- A. Detail how it will require prospective subgrantees to disclose for itself and for its affiliates, any application the subgrantee or its affiliates have submitted or plan to submit, and every broadband deployment project that the subgrantee or its affiliates are undertaking or have committed to undertake at the time of the application using public funds.**

Prospective subgrantees will be required to disclose in a list all broadband deployment projects they are undertaking or have committed to undertake at the time of application submission using public funds. The information they will be required to submit is listed under subsection B of this response.

OBD will consider these outstanding commitments, and assess the applicant's capacity to meet those commitments as well as its BEAD commitments, based on a holistic review of the application and the subgrantee's financial, managerial, technical, and operational capabilities as laid out in the corresponding sections of this document (see section 2.4.11).

- B. At a minimum, the Eligible Entity shall require the disclosure, for each broadband deployment project, of: (a) the speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules), (b) the geographic area to be covered, (c) the number of unserved and underserved locations committed to serve (or, if the commitment is to serve a percentage of locations within the specified geographic area, the relevant percentage), (d) the amount of public funding to be used, (e) the cost of service to the consumer, and (f) the matching commitment, if any, provided by the subgrantee or its affiliates.**

Applicants will be required to submit the following information (some of which will be drawn from the state's broadband map that applicants are expected to use for identifying their proposed project areas):

1. The program from which the public funding for the project is being drawn, including the applicable funding agency (federal, state, or local agency administering the program);
2. The speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules);
3. The technology or combination of technologies to be used to provide service,
4. The geographic area to be covered;
5. the number of unserved and underserved locations committed to serve (or, if the commitment is to serve a percentage of locations within the specified geographic area, the relevant percentage);
6. The total project cost;
7. The amount of public funding to be used;

8. The cost of service to the consumer;
9. The matching commitment, if any, provided by the subgrantee or its affiliates;
10. The matching commitment drawn from different funding sources (e.g., private, local, or federal), including the source of those funds;
11. Required date for project completion;
12. Planned date for project completion (if earlier than the date required under the commitment);
13. Percentage of locations deployed; and
14. Required interim milestones (dates by which a certain portion of the project must be complete).

If a review of notices from major broadband funding agencies by OBD indicates upcoming broadband funding opportunities for which providers could reasonably be expected have “plans to submit” applications during the BEAD pre-qualification period, OBD will identify these programs and require providers to submit the elements of the above available at that stage of the planning process.

OBD will create a template and make it available prior to the opening of Round One on which prospective applicants can list the information required in Section 2.4.17(b). Where possible, OBD will reference datasets published by the applicable funding agency for major broadband funding programs and allow providers to certify that the information gathered there about their commitments is accurate. Applicants will be required to provide further information only if the documentation does not reflect the providers’ understanding of their commitment or if information is omitted.

OBD will review the submitted information against state-maintained and publically-available documentation of broadband funding commitments. In cases of apparent discrepancies, OBD will work with the prospective subgrantee and the applicable funding agency to establish the disputed elements of the commitment.

The information required will include information about latency and the technology used, which will improve OBD’s ability to determine whether the service to be deployed will generally meet the definition of Reliable Broadband Service.

**2.5 Non-Deployment Subgrantee Selection (Requirement 9)**

**2.5.1 Describe a fair, open, and competitive subgrantee selection process for eligible non-deployment activities. Responses must include the objective means, or process by which objective means will be developed, for selecting subgrantees for eligible non-deployment activities. If the Eligible Entity does not intend to subgrant for non-deployment activities, indicate such.**

OBD is not yet able to determine whether it will be able to engage in activities beyond last-mile deployment projects. To the extent that there are funds remaining after a commitment is secured for every BEAD-eligible location, OBD will use the framework proposed in Missouri's Digital Equity Plan for developing and implementing a fair, open, and competitive process for identifying subgrantees capable of overcoming barriers beyond simple lack of broadband availability, including barriers to broadband adoption. Missouri's Digital Equity Plan proposes the creation of grant programs and partnerships using funds available through the Digital Equity Capacity Grant portion of the Digital Equity Act. Available non-deployment BEAD funding would be used to expand the extent and variety of activities funded through this process.

**2.5.2 Describe the Eligible Entity's plan for the following: a. How the Eligible Entity will employ preferences in selecting the type of non-deployment initiatives it intends to support using BEAD Program funds; b. How the non-deployment initiatives will address the needs of residents within the jurisdiction; c. The ways in which engagement with localities and stakeholders will inform the selection of eligible non-deployment activities; d. How the Eligible Entity will determine whether other uses of the funds might be more effective in achieving the BEAD Program's equity, access, and deployment goals.**

OBD is not yet able to determine whether it will be able to engage in activities beyond last-mile deployment projects. If funding is available after every eligible unserved location, underserved location, and community anchor institution is served, OBD will use additional funds to reduce barriers to broadband adoption within the framework laid out by the State of Missouri's Digital Opportunity Plan (MO DEA Plan). OBD will use the additional funding to expand the state-wide partnerships and competitive grant opportunities proposed in the MO DEA Plan. This investment will not duplicate or supplant activities funded through the Digital Equity Act: additional funding through BEAD will allow for funding of new or expanded activity that could not have been funded with DEA funding alone.

**A. How the Eligible Entity will employ preferences in selecting the type of non-deployment initiatives it intends to support using BEAD Program funds**

OBD will employ preferences in line with the preferences used for awarding of DEA Capacity Grant funding as laid out in the MO DEA Plan.

**B. How the non-deployment initiatives will address the needs of residents within the jurisdiction**

Non-deployment BEAD funding will be used to address the needs of residents identified in the MO DEA Plan in terms of inability to afford internet service or internet-capable devices and limited opportunities for digital skills training.

**C. The ways in which engagement with localities and stakeholders will inform the selection of eligible non-deployment activities**

Non-Deployment BEAD funding will be guided by the coordinated stakeholder engagement conducted in the preparation of the MO DEA Plan and the BEAD Five-Year Plan, the feedback gathered during the MO DEA Plan comment period, and additional opportunities for stakeholder engagement as the MO DEA Plan is implemented.

**D. How the Eligible Entity will determine whether other uses of the funds might be more effective in achieving the BEAD Program's equity, access, and deployment goals**

The framework laid out in the MO DEA Plan allows for many different potential approaches that would contribute to achieving the goals of BEAD program. The open and competitive process for awarding funding under the MO DEA Plan will allow a broad range of actors to propose different potential uses of funding. OBD will be flexible

in terms of its proposed use of non-last-mile deployment BEAD funding if subsequent stakeholder engagement suggests a particular approach is likely to be more effective.

**2.5.3 Describe the Eligible Entity's plan to ensure coverage to all unserved and underserved locations prior to allocating funding to non-deployment activities.**

OBD is not yet able to determine if Missouri will have sufficient BEAD funds to fund non-deployment activities. The subgrantee selection process laid out in section 2.4.1 indicates how OBD will allocate funding to projects with eligible deployment locations in the state of Missouri between publication of the state's Initial and Final Proposal. If this process does not secure commitments for every eligible unserved and underserved location in the state of Missouri, OBD will not propose non-deployment activities in its Final Proposal.

**2.5.4 Describe how the Eligible Entity will ensure prospective subgrantees meet the general qualifications outlined on pages 71 – 72 of the NOFO.**

OBD is not yet able to determine if Missouri will have sufficient BEAD funds to fund non-deployment activities. OBD will align the process designed to award non-deployment BEAD funds with the process used to award Digital Equity Act Capacity funds through an open and competitive process. Through this process, OBD will ensure that subgrantees:

1. Can carry out activities funded by the subgrant in a competent manner in compliance with all applicable federal, state, and local laws.

To meet this requirement OBD will review evidence of a subgrantee's previous compliance with legal requirements while executing activities with a similar scope of legal responsibility as the activities proposed by the subgrantee, their proposed approach to legal compliance, and the team members proposed team members with compliance responsibilities. Where necessary, OBD will include provisions designed to ensure and encourage legal compliance into a binding grant agreement. OBD will issue awards only if the provider accepts these elements of the grant agreement, and if the review of submitted evidence leaves OBD with confidence the applicant will be able to comply with applicable laws in a competent manner

2. Have the financial and managerial capacity to meet the commitments of the subgrantee under the subgrant, the requirements of the Program and such other requirements as have been prescribed by the Assistant Secretary or the Eligible Entity?

To meet this requirement OBD will review evidence of a subgrantee's previous performance while executing activities with a similar demands on managerial and financial capacity as the activities proposed by the subgrantee, the size and experience of their staff, and basic information about their budget. OBD will issue awards only if the review of submitted evidence leaves OBD with confidence the applicant will have the capacity to meet their financial and managerial obligations under the award.

3. Have the technical and operational capability to provide the services promised in the subgrant in the manner contemplated by the subgrant award.

To meet this requirement OBD will review evidence of a subgrantee's previous performance while executing activities with a similar technical and operational demands as the activities proposed by the subgrantee, the size and experience of their staff, and information about their plan for service delivery. OBD will issue awards only if the review of submitted evidence leaves OBD with confidence the applicant will have the necessary technical and operational capability to meet their obligations under the award.



## **2.6 Eligible Entity Implementation Activities (Requirement 10)**

### **2.6.1 Describe any initiatives the Eligible Entity proposes to implement as the recipient without making a subgrant, and why it proposes that approach.**

OBD proposes to implement limited initiatives without making a subgrant. These include activities already under way or planned using existing funding streams that will need to be continued over the course of the BEAD program: grant management for OBD-administered broadband programs, implementation of the state challenge process, implementation of the subgrantee selection process, broadband availability mapping and associated data collection, and continuing public engagement around the BEAD program, including documentation and public notification of BEAD commitments and progress on BEAD-funded networks and outreach associated with efforts to secure BEAD projects for unawarded areas. Because OBD is already responsible and has existing funding to begin or continue carrying out these activities, it is the best situated agency to continue these activities over the lifetime of the BEAD program.

## 2.7 Labor Standards and Protection (Requirement 11)

**2.7.1 Required Application Information.** Describe the specific information that prospective subgrantees will be required to provide in their applications and how the Eligible Entity will weigh that information in its competitive subgrantee selection processes. Information from prospective subgrantees must demonstrate the following and must include information about contractors and subcontractors:

- A. Prospective subgrantees' record of past compliance with federal labor and employment laws, which:**
- i. Must address information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years;**
  - ii. Should include a certification from an Officer/Director-level employee (or equivalent) of the prospective subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors; and**
  - iii. Should include written confirmation that the prospective subgrantee discloses any instances in which it or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.**

Missouri will require submission of several elements that speak to "Prospective subgrantees' record of past compliance with federal labor and employment laws." New entrants without three years of broadband experience will have the opportunity to mitigate their lack of record through an increased weight assigned to forward-looking commitments. OBD will require from each prospective subgrantee:

1. Disclosure of violations of state and federal labor law on broadband projects over the previous three years by applicants, contractors, and sub-contractors;
2. Certification from an Officer/Director-level employee (or equivalent) evidencing consistent past compliance with federal labor and employment law by the subgrantee, as well as contractors and subcontractors; and
3. Certification that the prospective subgrantee discloses any instances in which it or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws, for the preceding three years.

OBD will examine this information and assign a score based on the violations disclosed (10 points for no violations, 5 points for some violations, and 0 points for a pattern of violations).

4. Copies of OSHA form 300A for establishments associated with the subgrantee's broadband deployment activity over the previous three years.

OBD will assign the application a score based on a comparison of the submitted rate of "recordable cases" and the industry average (10 points if notably below, 5 points if near, 0 points if notably above). Institutions exempt from submitting form

300A will be asked to disclose any workplace incidents reported to OSHA because it resulted in “a fatality, in-patient hospitalization, amputation, or loss of an eye.”

**B. Prospective subgrantees’ plans for ensuring compliance with federal labor and employment laws, which must address how the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:**

**i. Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network; and**

**ii. How the subgrantee will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.**

Missouri will evaluate an applicant's plans for compliance with federal labor law. Applicants will submit:

1. A plan for compliance with federal and state labor law, including “information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network” as well as any commitments listed on BEAD NOFO page 43.

The submitted information will be evaluated and scored by OBD reviewers on the basis of the confidence it provides in the applicant's ability to comply with federal labor law (10 points for high confidence, 5 points for some confidence, and 0 points for no confidence)

2. A plan for “implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.”

The submitted information will be evaluated and scored by OBD reviewers on the basis of the confidence it provides that the committee's will be able to operate effectively (10 points for high confidence, 5 points for some confidence, and 0 points for low confidence)

**2.7.2 Describe in detail whether the Eligible Entity will make mandatory for all subgrantees (including contractors and subcontractors) any of the following and, if required, how it will incorporate them into binding legal commitments in the subgrants it makes:**

- a. Using a directly employed workforce, as opposed to a subcontracted workforce;**
- b. Paying prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, where applicable, and collecting the required certified payrolls;**
- c. Using project labor agreements (i.e., pre-hire collective bargaining agreements between unions and contractors that govern terms and conditions of employment for all workers on a construction project);**
- d. Use of local hire provisions;**
- e. Commitments to union neutrality;**
- f. Use of labor peace agreements;**
- g. Use of an appropriately skilled workforce (e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded);**
- h. Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure); and**
- i. Taking steps to prevent the misclassification of workers**

Missouri does not intend to make any of these labor standards and protections mandatory for subgrantees. Missouri will consider commitments to any of these labor standards and protections as part of its evaluation of the subgrantee's forward-looking plans to comply with federal and state labor law (the "Fair Labor Standards" element of BEAD project scoring). The scoring weight assigned to "Equitable Workforce Development and Job Quality" will also help to promote high-quality jobs on BEAD projects.

## 2.8 Workforce Readiness (Requirement 12)

**2.8.1 Describe how the Eligible Entity and their subgrantees will advance equitable workforce development and job quality objectives to develop a skilled, diverse workforce. At a minimum, this response should clearly provide each of the following, as outlined on page 59 of the BEAD NOFO:**

Missouri plans to advance these workforce objectives through weighting of scoring elements related to Equitable Workforce Development and Job Quality in its scoring of grant applications

**A. A description of how the Eligible Entity will ensure that subgrantees support the development and use of a highly skilled workforce capable of carrying out work in a manner that is safe and effective**

Missouri will ensure subgrantees support the development and use of a highly skilled workforce capable of carry out work in a manner that is safe and effective by:

1. Allowing and encouraging use of BEAD deployment funds for “workforce development, including Registered Apprenticeships and pre-apprenticeships, and community college and/or vocational training for broadband-related occupations to support deployment, maintenance, and upgrades.”
2. Scoring applications on the basis of commitments to invest and participate in workforce training
3. Encouraging the development of a high-skilled workforce based in the State of Missouri by scoring applications on their commitment to hiring local workers
4. Promoting safety by scoring subgrantees based on their safety records and plan for implementation of workplace safety committees.

**B. A description of how the Eligible Entity will develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, unions and worker organizations, and community-based organizations that provide relevant training and wrap-around services to support workers to access and complete training (e.g., child care, transportation, mentorship), to attract, train, retain, or transition to meet local workforce needs and increase high-quality job opportunities;**

Missouri will develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, unions and worker organizations, and community-based organizations to meet local workforce needs and increase high-quality job opportunities by:

1. Continuing to engage with stakeholders among these groups to identify, promote, and encourage collaboration on opportunities to engage in partnerships to meet workforce needs, including opportunities that can be funded with BEAD dollars associated with last-mile broadband deployment projects
2. Awarding the highest possible score for the workforce training element for applicants that participate in a registered apprenticeship, pre-apprenticeship

tied to a Registered Apprenticeship or joint labor management training partnership

3. Awarding higher scores on the hiring commitment element of BEAD applications based on plans to participate in effective partnerships

**C. A description of how the Eligible Entity will plan to create equitable on-ramps into broadband-related jobs, maintain job quality for new and incumbent workers engaged in the sector; and continually engage with labor organizations and community-based organizations to maintain worker voice throughout the planning and implementation process; and**

Missouri will plan to create equitable on-ramps into broadband-related jobs, maintain job quality for new and incumbent workers engaged in the sector; and continually engage with labor organizations and community-based organizations to maintain worker voice throughout the planning and implementation process by:

1. Continuing to engage with stakeholders, including employers, workers organizations, and communities about the opportunities represented by employment through the BEAD program
2. Scoring applications based on commitments to directly employ all or some of the workforce on broadband projects
3. Scoring applications based on commitments to prioritize hiring of local workers and workers from populations historically underrepresented in broadband

**D. A description of how the Eligible Entity will ensure that the job opportunities created by the BEAD Program and other broadband funding programs are available to a diverse pool of workers.**

Missouri will ensure that the job opportunities created by the BEAD Program and other broadband funding programs are available to a diverse pool of workers by:

1. Scoring applications based on training commitments that will allow new workers to enter the broadband industry;
2. Scoring applications based on commitments to prioritize hiring of local workers and workers from populations historically underrepresented in broadband; and
3. Requiring compliance with applicable civil rights and nondiscrimination laws.

**2.8.2 Describe the information that will be required of prospective subgrantees to demonstrate a plan for ensuring that the project workforce will be an appropriately skilled and credentialed workforce. These plans should include the following:**

- a. The ways in which the prospective subgrantee will ensure the use of an appropriately skilled workforce, e.g., through Registered Apprenticeships or other joint labor management training programs that serve all workers;**
- b. The steps that will be taken to ensure that all members of the project workforce will have appropriate credentials, e.g., appropriate and relevant pre-existing occupational training, certification, and licensure;**
- c. Whether the workforce is unionized;**
- d. Whether the workforce will be directly employed or whether work will be performed by a subcontracted workforce; and**
- e. The entities that the proposed subgrantee plans to contract and subcontract with in carrying out the proposed work.**

**If the project workforce or any subgrantee's, contractor's, or subcontractor's workforce is not unionized, the subgrantee must also provide with respect to the non-union workforce:**

- a. The job titles and size of the workforce (FTE positions, including for contractors and subcontractors) required to carry out the proposed work over the course of the project and the entity that will employ each portion of the workforce;**
- b. For each job title required to carry out the proposed work (including contractors and subcontractors), a description of:**
  - i. Safety training, certification, and/or licensure requirements (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications, titles; and**
  - ii. Information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.**

In line with requirements in the BEAD NOFO, applicants will be required to submit:

1. Their plans to ensure use of an appropriately skilled workforce, including:
  - (a) Participation or plans to participate in Registered Apprenticeships or other joint labor-management training programs that serve all workers; and
  - (b) Participation or plans to participate in other relevant training opportunities;
2. The steps that will be taken to ensure that all members of the project workforce will have appropriate credentials, including:
  - (a) Appropriate and relevant pre-existing occupational training, certification and licensure; and
  - (b) Plans to conduct occupational training, certification, and licensure to fill gaps in the existing workforce

3. Whether the workforce is unionized;
4. Whether the workforce will be directly employed or whether work will be performed by a subcontracted workforce in whole or in part and, if so, the portion of the workforce that will be subcontracted; and
5. The entities that the proposed subgrantee plans to contract and subcontract with in carrying out the proposed work and the above information for those contractors and subcontractors.

If the project workforce or any subgrantee's, contractor's, or subcontractor's workforce is not unionized, the subgrantee must also provide with respect to the non-union workforce:

1. The job titles and size of the workforce (FTE positions, including for contractors and subcontractors) required to carry out the proposed work over the course of the project and the entity that will employ each portion of the workforce;
2. For each job title required to carry out the proposed work (including contractors and subcontractors), a description of:
  - (a) Safety training, certification, and/or licensure requirements (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications, titles; and
  - (b) Information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.

These plans will be reviewed as part of OBD's review of the Fair Labor Standards and Equitable Workforce Development scoring elements as well as OBD's review of the whether the applicant has the minimal capabilities to participate in the BEAD program.



## **2.9 Minority Business Enterprises (MBEs)/ Women's Business Enterprises (WBEs)/ Labor Surplus Firms Inclusion (Requirement 13)**

### **2.9.1 Describe the process, strategy, and the data tracking method(s) the Eligible Entity will implement to ensure that minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms are recruited, used, and retained when possible.**

Over the course of the program, OBD will ensure that minority businesses enterprises (MBEs) and women-owned business enterprises (WBEs) are recruited, used, and retained when possible. Missouri does not have any labor surplus areas and the state will not prioritize policies designed to identify and encourage applications from labor surplus area firms.

Applicants will be asked to certify and provide evidence of whether it is a MBE or WBE and whether it would use MBEs or WBEs as contractors. OBD will record and store this data. Plans and commitments related to use of MBE and WBE as contractors will be a scoring element for BEAD applications.

### ***Stakeholder Engagement***

From 2022-2023, OBD carried out a robust stakeholder engagement tour around the state to spread awareness of the program and collect input from a diverse variety of stakeholder groups.

As part of these efforts, OBD engaged with (and will continue to) numerous entities that deal with MBEs and WBEs including:

1. Hispanic Chamber of Commerce
2. Historically Black Colleges and Universities (HBCUs) such as Harris-Stowe State University
3. OBD maintains a list of digital equity affiliated organizations it regularly sends updates to.
4. Minority-led non-profits
5. Missouri Office of Equal Opportunity (Maintains a directory of MBEs and WBEs. OBD will pass announcements pertaining to the grant application cycle as well as awarded project areas to OBD to distribute among its directory.)

OBD additionally plans to hold a Pre-Qualification period ahead of Round One to alleviate burdens on OBD and eligible applicants. This period will be beneficial to MBEs and WBEs in establishing what eligible entities are interested in applying.

**2.9.2 Certify that the Eligible Entity will take all necessary affirmative steps to ensure minority businesses, women’s business enterprises, and labor surplus area firms are used when possible, including the following outlined on pages 88–89 of the BEAD NOFO:**

- Yes, OBD, DED, and the State of Missouri hereby certify it will do the following:
1. Place qualified small and minority businesses and women's business enterprises on solicitation lists;
  2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
  3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
  4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
  5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
  6. Requiring subgrantees to take the affirmative steps listed above as it relates to subcontractors.

## **2.10 Cost and Barrier Reduction (Requirement 14)**

### **2.10.1 Text Box: Identify steps that the Eligible Entity will take to reduce costs and barriers to deployment.**

The Missouri Office of Broadband Development will identify the steps that the Eligible Entity will take to help reduce costs and barriers for deployment. To help reduce costs and barriers related to BEAD projects the Office of Broadband Development has conducted research over the course of several months over the issues facing organizations involved in broadband deployment. After conducting this research, along with interviewing numerous stakeholders, government entities and other third parties the following responses will help reduce costs and barriers for future projects. Responses may include but not be limited to the following:

#### **Improved Communication**

Respondents reported that widespread miscommunication between the parties involved could lead to substantial delays in permitting and permissions required to proceed with broadband expansion projects. To facilitate clearer lines of communication, OBD plans to gather and publicize reliable contacts for BEAD applicants and other stakeholders involved in the permitting process.

#### **Gain Certification from Missouri 811**

To help ensure that there are fewer accidents and that safer digging / excavation is practiced in these projects, the Office of Broadband Development will require employees of subgrantees and their contractors / sub-contractors with relevant responsibilities on BEAD projects to take the *Missouri 811 Missouri Damage Prevention Awareness Training Course*. OBD will require subgrantees, their contractors and sub-contractors to document completion of the course by their employees and submit the documentation to OBD.

#### **Flagging and Marking**

A major problem that is facing broadband deployment when it comes to construction for these projects is flagging and marking for underground utilities. The Office of Broadband plans to require all BEAD subgrantees and their contractors and sub-contractors to use Missouri 811 online portal to request markings or flagging of underground utilities. This online process will help schedule and streamline the markings / flagging process, which will reduce the burden of BEAD projects on Missouri 811 and help the construction of these projects start sooner.

#### **Streamlining Permitting**

A major issue that the Office of Broadband has discovered, is that the companies involved in broadband are having trouble with obtaining permits from third parties (i.e. Federal, State, Local Governments and Railroads). The Office of Broadband will work with subgrantees to understand these requirements and encourage them to begin the process of securing permits early in the process of applying for BEAD funding. On the ends of those who grant the permits, the Office of Broadband will work with local governments to communicate best practices for streamlining their permitting process. With these wait times cut on the permitting process, construction can start sooner.

### **Documentation and Communication of BEAD Commitments**

Conversations with various stakeholders on broadband deployment processes, including railroads, local governments, and Missouri 811 have indicated that information about the location of planned BEAD projects and their general timeline for construction could help these agencies allocate resources and reduce the burden posed by surges in demand associated with BEAD projects. OBD will document relevant information about BEAD-funded broadband projects and communicate them to these stakeholders to enable improved planning and responsiveness

## 2.11 Climate Assessment (Requirement 15)

**2.11.1 Describe the Eligible Entity's assessment of climate threats and proposed mitigation methods. If an Eligible Entity chooses to reference reports conducted within the past five years to meet this requirement, it may attach this report and must provide a crosswalk narrative, with reference to page numbers, to demonstrate that the report meets the five requirements below. If the report does not specifically address broadband infrastructure, provide additional narrative to address how the report relates to broadband infrastructure. At a minimum, this response must clearly do each of the following, as outlined on pages 62 – 63 of the BEAD NOFO:**

- a. Identify the geographic areas that should be subject to an initial hazard screening for current and projected future weather and climate-related risks and the time scales for performing such screenings;**
- b. Characterize which projected weather and climate hazards may be most important to account for and respond to in these areas and over the relevant time horizons;**
- c. Characterize any weather and climate risks to new infrastructure deployed using BEAD Program funds for the 20 years following deployment;**
- d. Identify how the proposed plan will avoid and/or mitigate weather and climate risks identified; and**
- e. Describe plans for periodically repeating this process over the life of the Program to ensure that evolving risks are understood, characterized, and addressed, and that the most up-to-date tools and information resources are utilized.**

In order to better identify evolving natural hazards that could put BEAD-funded broadband infrastructure at risk OBD contracted with the University of Missouri System for a report, which is attached as Optional Attachment 2.11.1.1 (2.11.1.1 Report).

High wind events and flooding were identified as the potential natural hazards that could put buried and aerial broadband infrastructure at risk (2.11.1.1 Report pg. 5). The resulting report found decreases in wind speeds and extreme wind events over the course of the study period and an increase in precipitation and extreme precipitation events in some seasons (2.11.1.1 Report pg. 60). The report concludes that “the results indicate that Missouri’s broadband infrastructure is at a greater risk of precipitation change, extreme precipitation events, and potential surface flooding compared to the changes in the surface wind speed” (2.11.1.1 Report pg. 60). On this basis OBD will focus its response on this question on the risk posed to broadband networks by surface flooding.

OBD will require initial hazard screening for locations within Special Flood Hazard Areas (SFHA) identified by the Federal Emergency Management Agency. OBD believes the applicants responsible for the construction and operation of these networks will be best-positioned to determine climate risks and appropriate mitigation measures, since they will be motivated to protect their investments in BEAD networks. This screening will consist of: (a) identification of the hazards, if any, associated with the project to serve locations in SFHAs; and (b) identification of the mitigation measures, if any, necessary to preserve network integrity in the case of flooding and costs associated with those

mitigation measures. OBD will exempt costs associated with these mitigation measures from the calculation of the BEAD outlay scoring element, up to five percent of the maximum value assigned to the location in the award round. This will allow applicants to take mitigation measures without disadvantaging themselves relative to other projects applying to serve the same project area.

Possible mitigation measures include location of facilities vulnerable to flooding outside of flood zones, water-proofing of facilities, redundancy built into the network, or routing of important trunks of the network away from high-risk areas.

Before submitting Missouri's BEAD Final Proposal, OBD will conduct a review of evolving natural hazards that could put Missouri's broadband infrastructure at risk and issue updated recommendations for any further measures to harden Missouri's broadband infrastructure against these hazards. This cadence was chosen so that OBD will be able to conduct the update at the latest feasible point within the "life of the program." Placing the update near the end of the "life of the program" will allow OBD to take advantage of experience gained through the construction and operation of BEAD networks and improved understanding of evolving natural hazards.

## 2.12 Low-Cost Broadband Service Option (Requirement 16)

**2.12.1 Describe the low-cost broadband service option(s) that must be offered by subgrantees as selected by the Eligible Entity, including why the outlined option(s) best services the needs of residents within the Eligible Entity's jurisdiction. At a minimum, this response must include a definition of low-cost broadband service option that clearly addresses the following, as outlined on page 67 of the BEAD NOFO:**

- a. All recurring charges to the subscriber, as well as any non-recurring costs or fees to the subscriber (e.g., service initiation costs);**
- b. The plan's basic service characteristics (download and upload speeds, latency, any limits on usage or availability, and any material network management practices);**
- c. Whether a subscriber may use any Affordable Connectivity Benefit subsidy toward the plan's rate; and**
- d. Any provisions regarding the subscriber's ability to upgrade to any new low-cost service plans offering more advantageous technical specifications**

The IIJA and the BEAD NOFO require Missouri to define a low-cost option or options available to end-users of BEAD networks that are eligible to participate in the Affordable Connectivity Program (ACP). The option(s) must "provide the exact cost of the low-cost broadband service option, or the state/territory derived formula based on objective economic data to be used." This obligation continues over the life of the asset. OBD will look to upcoming guidance from NTIA when defining a low-cost option(s) in relation to the BEAD program.

The household broadband survey conducted by the University of Missouri as part of the BEAD planning process asked Missourians without internet service to characterize their monthly willingness to pay within bands of possible prices. Seventeen percent of Missourians indicated a willingness to pay less than \$10; the median response fell within the \$25-\$40 band. If an ACP subsidy is applied to NTIA's "strongly encouraged" model low-cost option the resulting cost to the consumer would be \$0; if the funding for the ACP is not extended, however, the resulting \$30 per month charge would fall squarely within this median band. A \$30 per month standard would mean that the median ACP eligible household in Missouri would pay roughly 1 percent of its income for broadband, should ACP not be extended.<sup>9</sup> A threshold of 2 percent of monthly household income is sometimes used as a measure of broadband affordability; \$30 represents less than 2 percent of the monthly income of four-fifths of ACP-eligible Missouri households.<sup>10</sup>

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<sup>9</sup> OBD calculation is based on the Public Use Microdata Sample of the 2016-2021 5-year American Community Survey of the U.S. Census. ACP-eligibility is estimated based on a methodology used by the Institute for Local Self-Reliance to create its ACP Dashboard ([acpdashboard.com](http://acpdashboard.com)). Households were treated as ACP-eligible if they received one of several benefit programs tracked by the ACS or had a household income less than 200 percent of the poverty line. Applying this standard, the median income of an eligible household is \$33,590.

<sup>10</sup> "Is Broadband Affordable for Middle-Class Families?" Pew Charitable Trusts. [pewtrusts.org/en/research-and-analysis/articles/2023/08/30/is-broadband-affordable-for-middle-class-families](https://www.pewtrusts.org/en/research-and-analysis/articles/2023/08/30/is-broadband-affordable-for-middle-class-families)

In addition to the service subsidy portion of the ACP, some providers also participate in the optional device portion of ACP, which allows consumers that spend between \$10 to \$50 to purchase a laptop, tablet, or desktop computer to receive an additional \$100 toward the cost of that device through the provider. A small portion of Missouri's broadband providers participate in this program.

OBD offers two low cost service options:

1. An option for providers that choose not to participate in the device portion of ACP (Service Option 1); and
2. An alternate pricing arrangement (Service Option 2) for providers that participate in the device portion of ACP. The higher price of this service option reflects the additional benefit it offers to consumers (in the form of a subsidized device) and the additional cost for providers of sourcing the devices and administering the program.

OBD understands that prescriptive pricing requirements pose a challenge for the business case of projects in expensive areas. For this reason, OBD is adopting a flexible approach in terms of its overall Middle Class Affordability Plan, awarding providers additional points for affordability commitments but not prescribing given pricing levels.

### **Service Option 1**

1. This proposed service option:
2. Costs \$30 per month or less, inclusive of all taxes, fees, and charges with no additional non-recurring costs or fees to the consumer or no more than the subsidy available through ACP or successor programs, should that subsidy increase to greater than \$30 a month;
  - (a) Allows the end user to apply the Affordable Connectivity Benefit subsidy to the service price;
  - (b) Provides the greater of (1) typical download speeds of at least 100 Mbps and typical upload speeds of at least 20 Mbps, or the fastest speeds the infrastructure is capable of if less than 100 Mbps/20 Mbps or (2) the performance benchmark for fixed terrestrial broadband service established by the Federal Communications Commission pursuant to Section 706(b) of the Communications Act of 1934, as amended;
  - (c) Provides typical latency measurements of no more than 100 milliseconds; and
  - (d) Is not subject to data caps, surcharges, or usage-based throttling, and is subject only to the same acceptable use policies to which subscribers to all other broadband internet access service plans offered to home subscribers by the participating subgrantee must adhere;
3. In the event the provider later offers a low-cost plan with higher speeds downstream and/or upstream, permits Eligible Subscribers that are subscribed to a low-cost broadband service option to upgrade to the new low-cost offering at no cost;



4. Subgrantees are required to participate in ACP or any successor program, and Eligible Subscribers that are eligible for a broadband service subsidy can apply the subsidy to the proposed service option.
5. Subgrantees will be required to post the terms of the low-cost option and any other pricing commitments made as part of the BEAD program and include the low-cost option alongside other pricing options in a transparent manner. Subgrantees should understand that OBD will also document and publicize pricing commitments associated with BEAD-funded networks.

### **Service Option 2**

1. This proposed service option:
  - (a) Costs \$50 per month or less, inclusive of all taxes, fees, and charges with no additional non-recurring costs or fees to the consumer, as long as the device subsidy portion of ACP is available, or \$30 a month or less if the device portion is not available;
  - (b) Allows the end user to apply the Affordable Connectivity Benefit subsidy to the service price and allows the end user to participate in the device portion of ACP;
  - (c) Provides the greater of (1) typical download speeds of at least 100 Mbps and typical upload speeds of at least 20 Mbps, or the fastest speeds the infrastructure is capable of if less than 100 Mbps/20 Mbps or (2) the performance benchmark for fixed terrestrial broadband service established by the Federal Communications Commission pursuant to Section 706(b) of the Communications Act of 1934, as amended;
  - (d) Provides typical latency measurements of no more than 100 milliseconds; and
  - (e) Is not subject to data caps, surcharges, or usage-based throttling, and is subject only to the same acceptable use policies to which subscribers to all other broadband internet access service plans offered to home subscribers by the participating subgrantee must adhere;
2. In the event the provider later offers a low-cost plan with higher speeds downstream and/or upstream, permits Eligible Subscribers that are subscribed to a low-cost broadband service option to upgrade to the new low-cost offering at no cost;
3. Subgrantees are required to participate in ACP or any successor program, and Eligible Subscribers that are eligible for a broadband service subsidy can apply the subsidy to the proposed service option.
4. Subgrantees will be required to post the terms of the low-cost option and any other pricing commitments made as part of the BEAD program and include the low-cost option alongside other pricing options in a transparent manner. Subgrantees should understand that OBD will also document and publicize pricing commitments associated with BEAD-funded networks.

## 2.13 Middle-Class Affordability Plans

**2.13.1 Describe a middle-class affordability plan that details how high-quality broadband services will be made available to all middle-class families in the BEAD-funded network's service area at reasonable prices. This response must clearly provide a reasonable explanation of how high-quality broadband services will be made available to all middle-class families in the BEAD-funded network's service area at reasonable prices.**

Beyond the low-cost plan for eligible participants documented in section 2.12.1, OBD's general mechanism for making affordable broadband available to middle-class families in BEAD-funded networks is the heavy weight assigned to the NTIA-mandated affordability metric (cost of 1 Gbps/1Gbps service) incorporated into scoring of competitive BEAD proposals. This scoring incentivizes providers to offer lower prices while allowing intelligent trade-offs with other considerations, including the viability of the business case of the network in high-cost areas.

OBD will require providers to submit non-promotional pricing information for all packages offered on BEAD networks, not just 1 Gbps/1 Gbps plans. OBD will further promote affordability and accountability within the BEAD program by documenting pricing information and commitments associated with particular awards and awarded locations and providing tools members of the public can use to identify the commitments relevant to their addresses.

**2.14 Use of 20 Percent of Funding (Requirement 17)**

**2.14.1 Describe the Eligible Entity's planned use of any funds being requested, which must address the following:**

- a. If the Eligible Entity does not wish to request funds during the Initial Proposal round, it must indicate no funding requested and provide the rationale for not requesting funds.**
- b. If the Eligible Entity is requesting less than or equal to 20 percent of funding allocation during the Initial Proposal round, it must detail the amount of funding requested for use upon approval of the Initial Proposal, the intended use of funds, and how the proposed use of funds achieves the statutory objective of serving all unserved and underserved locations.**
- c. If the Eligible Entity is requesting more than 20 percent (up to 100 percent) of funding allocation during the Initial Proposal round, it must detail the amount of funding requested for use upon approval of the Initial Proposal, the intended use of funds, how the proposed use of funds achieves the statutory objective of serving all unserved and underserved locations, and provide rationale for requesting funds greater than 20 percent of the funding allocation.**

In line with NTIA guidance, OBD plans to request 100 percent of its funding upon the approval of Missouri's Initial Proposal. A limited amount of this funding will be used to implement OBD's state challenge process and grant administration activities. OBD is requesting 100 percent of funding at this stage in order to give increased confidence to potential BEAD applicants that the funds will be available to the state to fund BEAD projects, which should promote participation in the BEAD program. Transfer of the funds to the state will also facilitate BEAD planning by the State of Missouri and BEAD applicants.

**2.14.2 Financial Data Entry: Enter the amount of the Initial Proposal Funding Request. If not requesting initial funds, enter '\$0.00.'**

OBD is requesting 100% of funding for its Initial Proposal Request of \$1,736,302,708.39

**2.14.3 Certify that the Eligible Entity will adhere to BEAD Program requirements regarding Initial Proposal funds usage. If the Eligible Entity is not requesting funds in the Initial Proposal round and will not submit the Initial Proposal Funding Request, note "Not applicable."**

Yes, OBD, DED, and the State of Missouri hereby certify that they will adhere to BEAD Program requirements regarding Initial Proposal funds usage.

**2.15 Eligible Entity Regulatory Approach (Requirement 18)**

**2.15.1 a. Disclose whether the Eligible Entity will waive all laws of the Eligible Entity concerning broadband, utility services, or similar subjects, whether they predate or postdate enactment of the Infrastructure Act that either (a) preclude certain public sector providers from participation in the subgrant competition or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer.**

**b. If the Eligible Entity will not waive all such laws for BEAD Program project selection purposes, identify those that it will not waive (using the Excel attachment) and their date of enactment and describe how they will be applied in connection with the competition for subgrants. If there are no applicable laws, note such.**

Missouri has no such state laws. Although § 392.410.7 of Missouri's Revised Statutes states "no political subdivision of this state shall provide or offer for sale, either to the public or to a telecommunications provider, a telecommunications service or telecommunications facility used to provide a telecommunications service for which a certificate of service authority is required" from the Missouri Public Service Commission, the statute then states, "Nothing in this subsection shall restrict a political subdivision from providing telecommunications services or facilities . . . for Internet-type services." § 392.410.7(5) RSMo. Several municipal utilities in Missouri currently provide broadband service, either on their own or through a public-private partnership with an internet service provider.

**2.16 Certification of Compliance with BEAD Requirements (Requirement 19)**

**2.16.1 Certify the Eligible Entity's intent to comply with all applicable requirements of the BEAD Program, including the reporting requirements.**

Yes, OBD, DED, and the State of Missouri hereby certify that they intend to comply with all applicable requirements of the BEAD Program, including the reporting requirements.

**2.16.2 Subgrantee Accountability Procedures. Describe subgrantee accountability procedures, including how the Eligible Entity will, at a minimum, employ the following practices outlined on page 51 of the BEAD NOFO:**

**A. Distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow the Eligible Entity to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize);**

Subgrantees will be required to follow the applicable Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, set forth at 2 CFR part 200.

Reimbursement requests may be submitted monthly and must include supporting documentation for the costs incurred.

Requests for reimbursement must be submitted only by a person authorized to submit a request according to the subgrantee's internal control processes. A form will be provided by OBD for the subgrantee to designate who is authorized to submit requests for reimbursements.

In addition to reimbursement of costs, subgrantees will receive an 85% reimbursement for the eligible costs submitted each month; the remaining 15% reimbursement will be available upon completion of the final inspection and grant closeout.

Staff will ensure that all funds disbursed are eligible under Subpart E of the Uniform Guidance, Cost Principles, including the requirement that costs be reasonable ( CFR § 200.404). The State will also ensure federal guidance is binding on subgrantees, such that restrictions in the BEAD NOFO, Commerce Financial Assistance Standard Terms and Conditions, specific terms in the grant agreement between Missouri and Commerce, or other documents issued by Commerce flow through to the subgrantee. The grant agreement between OBD and each subgrantee will include remedies for noncompliance substantially similar to those in 2 CFR § 200.339, which include withholding payments.

**B. The inclusion of clawback provisions (i.e., provisions allowing recoupment of funds previously disbursed) in agreements between the Eligible Entity and any subgrantee;**

OBD is housed within the Missouri Department of Economic Development (DED), and DED is required by § 620.017 RSMo to include in its agreements with grant recipients (among others) "the financial obligation of the party if the requirements of the agreement are not met". DED has implemented clawbacks in its agreements for years, and included clawback provisions in its ARPA Broadband Infrastructure subaward agreements. In its recent federally funded broadband agreements, DED has added return of program funds as a penalty for breach (in addition to those in 2 CFR § 200.339, discussed in Section A). Should OBD or Commerce determine that costs are disallowed, DED ensures it can look to the subgrantee for repayment in order to protect Missouri taxpayers.

**C. Timely subgrantee reporting mandates; and**

Reporting requirements from the subgrantee to OBD will be included in the grant agreement with subgrantees, and subgrantees also agree to comply with any later-added reporting requirements established by Commerce/NTIA.

Deadlines will be put in place for subgrantees to submit information to OBD prior to NTIA's deadlines. This will be covered by language in the grant agreement. Subgrantees will be sent reminders to submit information.

**D. Robust subgrantee monitoring practices.**

OBD will monitor a project to evaluate the subgrantee's compliance with federal statutes, regulations, and the terms of the subaward agreement, and will take prompt action when instances of noncompliance are identified.

Monitoring and oversight may be in the form of site visits or desk reviews. OBD will notify subgrantees in advance of any site visits. OBD is given express authority under § 620.2468 RSMo for such site inspections.

OBD will submit all required reports to NTIA.

OBD will provide subgrantees with all available resources from NTIA on monitoring and reporting requirements as well as materials generated by OBD with the purpose of providing clarification on the state's requirements.

In addition an OBD staff member will be assigned to monitor each project, managing a case load of BEAD funded projects. These staff members will be responsible for monthly desk visits with the subgrantee as well as quarterly calls with all subgrantees in the program.

Project expenditures and funds reimbursed will be tracked on a subgrantee basis in a centralized software system that will house all relevant tracking information on a subgrantee's project.

The grant agreement will require subgrantees to establish and maintain records, including financial documents, sufficient to enable OBD to determine whether a subgrantee has complied with the terms of the grant agreement, and to assist OBD in meeting its recordkeeping requirements. Such records may include, but are not limited to:

1. Records sufficient to permit, as stated in 2 CFR 200:
  - (a) The preparation of reports required by general and program-specific terms.
  - (b) The tracing of funds to a level of expenditures adequate to establish that such funds have been used according to federal statutes, regulations, and the terms of the state's agreement.
2. Records allowing OBD to establish and demonstrate that the applicable requirements of 2 CFR part 200 are met with respect to the project.

Subpart F – Audit Requirements of Uniform Guidance, implementing the Single Audit Act, shall apply to each subgrant unless the subgrantee is a for-profit entity.



**2.16.3 Certify that the Eligible Entity will account for and satisfy authorities relating to civil rights and nondiscrimination in the selection of subgrantees.**

Yes, OBD, DED, and the State of Missouri hereby certify that they will account for and satisfy authorities relating to civil rights and nondiscrimination in the selection of subgrantees.

**2.16.4 Certify that the Eligible Entity will ensure subgrantee compliance with the cybersecurity and supply chain risk management requirements on pages 70 - 71 of the BEAD NOFO to require prospective subgrantees to attest that:**

Yes, OBD, DED, and the State of Missouri hereby certify that they will ensure subgrantee compliance with the following cybersecurity and supply chain risk management requirements are met.

**Cybersecurity**

1. The prospective subgrantee has a cybersecurity risk management plan (the plan) in place that is either:
  - (a) Operational, if the prospective subgrantee is providing service prior to the award of the grant; or
  - (b) Ready to be operationalized upon providing service, if the prospective subgrantee is not yet providing service prior to the grant award.
2. The plan reflects the latest version of the National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1) and the standards and controls set forth in Executive Order 14028 and specifies the security and privacy controls being implemented.
3. The plan will be reevaluated and updated on a periodic basis and as events warrant.
4. The plan will be submitted to OBD prior to execution of the BEAD grant agreement. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to OBD within 30 days.

**Supply Chain Risk Management (SCRM)**

1. The prospective subgrantee has a SCRM plan in place that is either:
  - (a) Operational, if the prospective subgrantee is already providing service at the time of the grant; or
  - (b) Ready to be operationalized, if the prospective subgrantee is not yet providing service at the time of grant award;
2. The plan is based upon the key practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800-161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented;
3. The plan will be reevaluated and updated on a periodic basis and as events warrant; and
4. The plan will be submitted to OBD prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to OBD within 30 days. OBD must provide a subgrantee's plan to NTIA upon NTIA's request.

## **2.17 Volume II Public Comment**

**2.17.1 Describe the public comment period and provide a high-level summary of the comments received during the Volume II public comment period and how they were addressed by the Eligible Entity. The response must demonstrate:**

- a. The public comment period was no less than 30 days; and**
- b. Outreach and engagement activities were conducted to encourage feedback during the public comment period.**

Public comment closes Dec. 15, 2023