Closing the Digital Skills Divide in Virginia: The Payoff for Workers, Business, and the Economy

Virginia DHCD Office of Broadband

June 29, 2023

VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
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Overview

Access

VATI: Virginia Telecommunication Initiative. To date the program has leveraged more than $2 billion to fund broadband infrastructure projects across the Commonwealth, providing access to broadband infrastructure to over 300,000 locations.

LECAP: Line Extension Customer Assistance Program. Designed to support the extension of existing broadband networks to low-to- moderate income residents.

BEAD: Broadband Equity Access and Deployment program. Created by Congress in 2021 IIJA legislation to provide states and territories grants to fund broadband deployment projects.
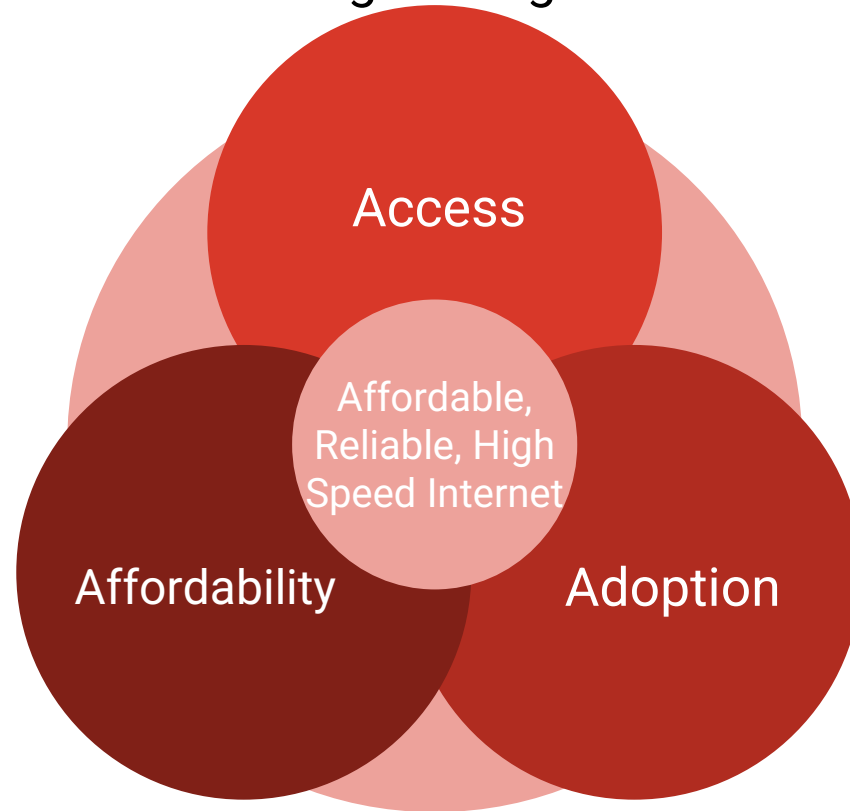
Affordability & Adoption

Digital Opportunity: DHCD received Digital Equity Act Planning Grant funds to develop the Commonwealth Digital Opportunity Plan, which will enable Virginia to address the digital divide beyond access.
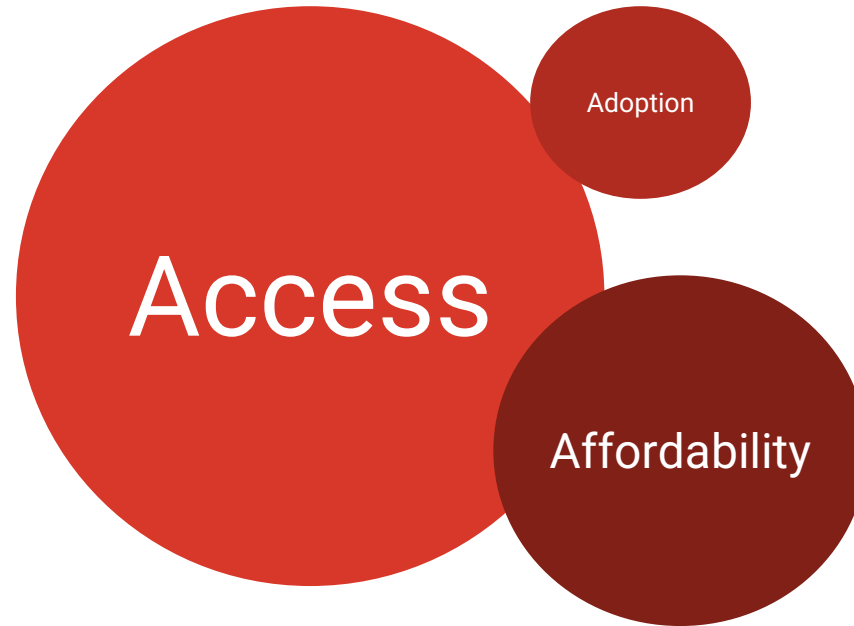
ACP: Affordable Connectivity Program. A subsidy program that provides eligible households with a $30-$75 (tribal) monthly benefit towards the cost of an internet or mobile service plan.

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Addressing the Digital Divide

Access

Affordable, Reliable, High Speed Internet

Affordability

Adoption

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Addressing the Digital Divide

Access

Adoption

Affordability

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Virginia Telecommunication Initiative Projects & FY23 Awards

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VATI Program Progress to Date

- The VATI Program has allocated over $935 million in state and federal funding.

- Broadband access to over 388,000 locations in 80 cities and counties across the Commonwealth.

- Leveraging over $1.1 billion in match funds from localities and ISPs.

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FY2023 Virginia Telecommunication Initiative Awardees

Locality/Organization	Project Name	Award
Essex County	Essex County VATI 2023	$8,753,009
Southside Planning District Commission	Regional Fiber Broadband Project Phase 2	$8,556,028.84
West Piedmont Planning District Commission	2023 WPPDC East Universal Broadband Project	$8,155,864
Caroline County	VATI 2023 Eastern Caroline	$6,446,000
Shenandoah County	Shenandoah County VATI Broadband Grant Application 2023	$4,936,968
West Piedmont Planning District Commission	2023 WPPDC Pittsylvania County Universal Broadband Project	$3,548,250
Greensville County	Greensville County - Verizon FY23 VATI Project	$2,956,774.80
Orange County	Orange County FiberLync VATI FY23 Project	$2,181,000
Caroline County	VATI 2023 Western Caroline	$2,032,334
Bedford County	Bedford County and Shentel 2023 VATI Grant Application	$1,373,161.74
Floyd County	Floyd County: Extending Fiber Along Private Roads and Apartments	$1,339,387
Chesterfield County	Chesterfield VA VATI 2023 Application	$755,523
Henrico County	Henrico County Universal Broadband Project	$501,620
West Piedmont Planning District Commission	*2023 West Piedmont Planning District Commission West Universal Broadband Project (Letter of Intent)*	*$8,013,600*
	TOTAL:	**$59,549,520.38**

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Broadband Equity, Access, and Deployment Program (BEAD) 101

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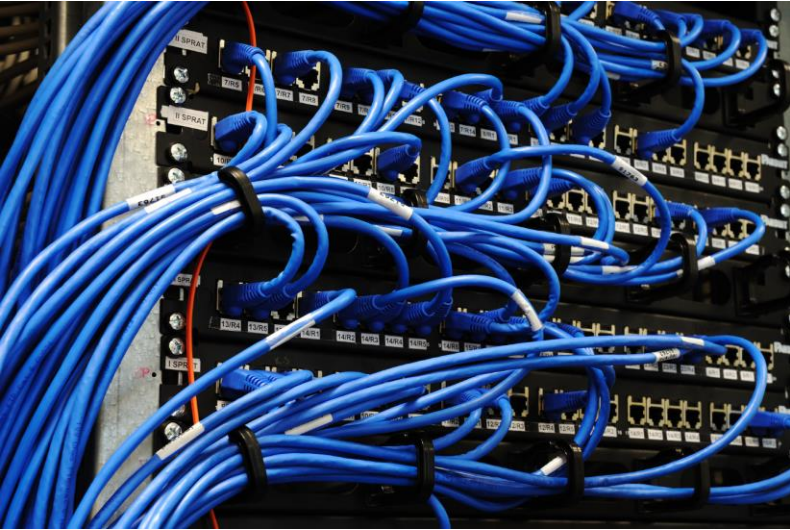*Partners for Better Communities*

BEAD Program: Delivering Universal Broadband Access to Virginians

Since 2017, Virginia has allocated over $935 million in state and federal funding to extend broadband infrastructure to over 388,000 locations in 80 cities and counties across the Commonwealth through the Virginia Telecommunication Initiative (VATI).

The Infrastructure Investments and Jobs Act included $42.5 billion for state broadband deployment programs under the BEAD Program (Broadband Equity, Access, and Adoption). Specific planning requirements are attached to these funds. Funds will be distributed through a formula allocation.

These funds, along with continued investment by the Governor and General Assembly in VATI, position Virginia to be the first large state nationally to obligate funds to provide broadband access to all unserved locations. If funds remain beyond this effort, priorities under broadband affordability and adoption can be explored.
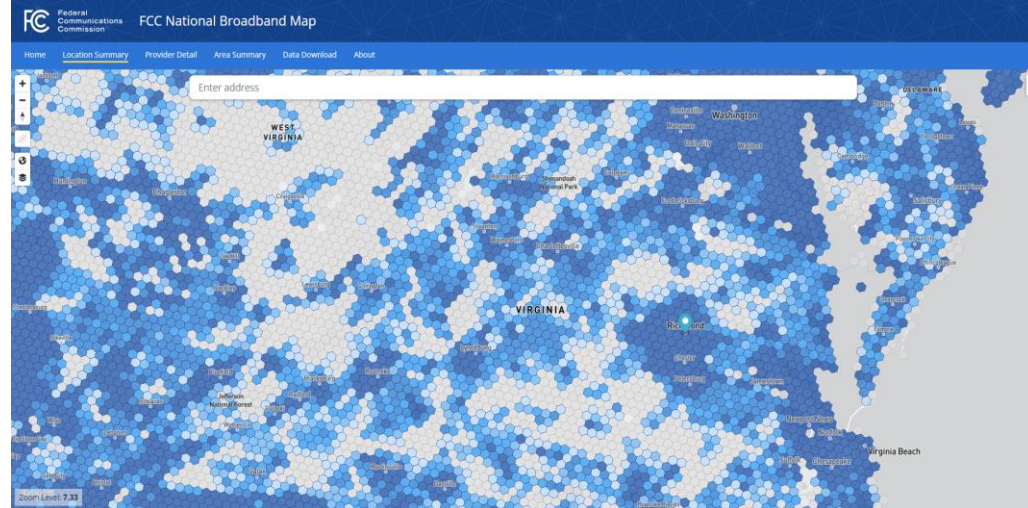
Infrastructure and Investment Jobs Act (IIJA)
Broadband Equity, Access and Deployment Program

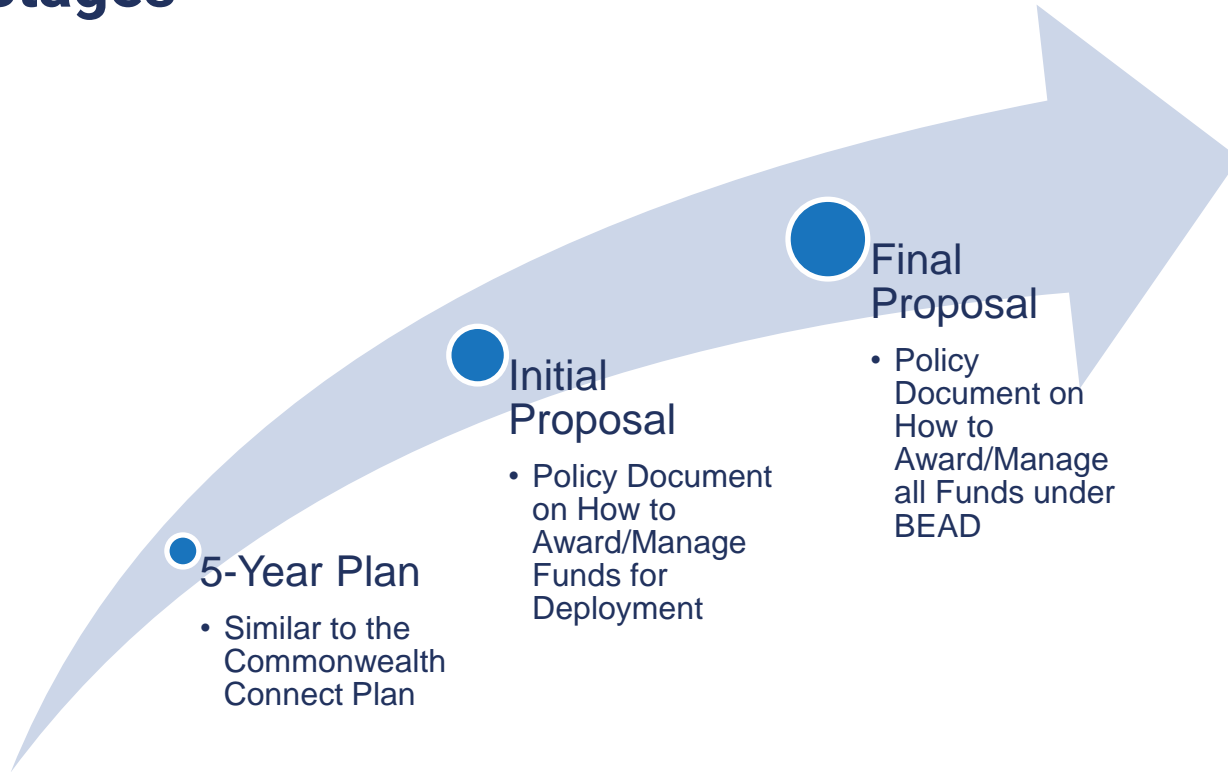- Governor Youngkin has established DHCD as the lead on all IIJA Broadband Programs, including BEAD

- $5M in Planning Funds Received
  - Prepare VATI for BEAD funding
  - Explore workforce development needs
  - Help local governments plan for broadband affordability, adoption needs

- The timing depends on the Notice of Available Amounts and submission of Virginia's Initial Proposal
  - Anticipated allocation date June 30, 2023

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BEAD Funding

- $42.5 billion available nationally

- Formula based on number of unserved locations in each state/territory

- Each state will receive a minimum initial BEAD allocation of $100 million.

- Funding by state announced on/before June 30, 2023.

- FCC unserved locations do not match Virginia mapping data collected through Commonwealth Connection

BEAD Stages

5-Year Plan
- Similar to the Commonwealth Connect Plan

Initial Proposal
- Policy Document on How to Award/Manage Funds for Deployment

Final Proposal
- Policy Document on How to Award/Manage all Funds under BEAD

BEAD Mandated Priorities onto States and Territories in Order

Based on Funding Availability

1st – Reach Unserved Areas, lacking 25/3 internet speeds

2nd - Reach Underserved Areas, lacking 100/20 internet speeds

3rd – Programs that supplement deployment (workforce development)

4th – Connecting Community Anchors and support Broadband Adoption Programs

5th – Other Non-Deployment Uses

These activities can be conducted in tandem, provided anticipated funding can cover all priorities.

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BEAD: Workforce Development

- Ensuring an adequate and reliable workforce for the construction and maintenance of broadband networks is paramount to the long-term successfulness of the Commonwealth's efforts to deploy broadband infrastructure.
- DHCD has partnered with a Workforce Development Program Study Consultant to assess the status of Virginia's workforce needs relative to broadband, as well as to offer data-based recommendations for how to address workforce needs in the BEAD program.
- The results of this consultant's work will inform DHCD's activities related to workforce development in Virginia.

Office of Broadband BEAD Guiding Principles

- Obligate funds and deliver projects to the remaining unfunded unserved locations in the Commonwealth that can be reached through a cost-effective solution

- Implement as many VATI elements into BEAD as possible

- Maintain momentum by accelerating submission of mandated BEAD 5-Year plan and the Initial Proposal

- Conduct robust stakeholder input to develop broadband affordability and adoption programs for Final proposal

Virginia's Digital Opportunity Plan

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Digital Equity Act Overview

Signed into law under the Infrastructure Investment and Jobs Act, the Digital Equity Act (DEA) provides funding for States to identify and address digital opportunity needs for their residents

What Exactly Is Digital Opportunity?

The National Telecommunications and Information Agency (NTIA) has identified **3 key pillars** that underpin digital opportunity:

Accessible, Affordable Internet

Digital Skills

Access to Connected Devices

What Does the DEA Do?

The DEA allocates **$2.75 Billion** to establish three main grant programs:

1. State Digital Equity Planning Grant | $60 Million
Formula Grant for States to develop Digital Opportunity Plans

This work

2. State Digital Equity Capacity Grant Program | $1.44 Billion
Formula Grant for States to implement Digital Opportunity Plans

3. Digital Equity Competitive Grant Program | $1.25 Billion
Competitive Grant for other entities to advance digital equity

How Will Digital Opportunity Funds be Used?

While official guidance is forthcoming, it is expected that the State Digital Capacity Grant Program could be used to support range of programs:

- **Digital literacy training**
- **Streamlining digital services**
- **Small business support**
- **Device lending programs**
- **Digital navigator programs**
- **Promoting existing resources**

Digital Equity Act – State Planning Grant Program: What is at Stake?

The Commonwealth Digital Opportunity Plan presents a generational opportunity to provide Virginians with the digital capacity necessary to be a full participant in society.

What are the 'industry' best practices in this new and evolving space?

1. Engaging with the experts
2. Bringing community members, those with lived experiences into the decision-making process
3. Sustainable solutions
4. Looking to the future

What else should be on this list?

Digital Equity:
"the condition in which all individuals and communities have the information capacity needed for full participation in our society, democracy, and economy."

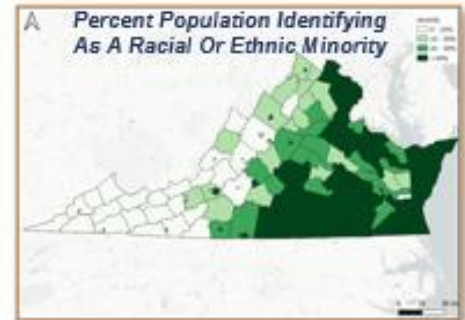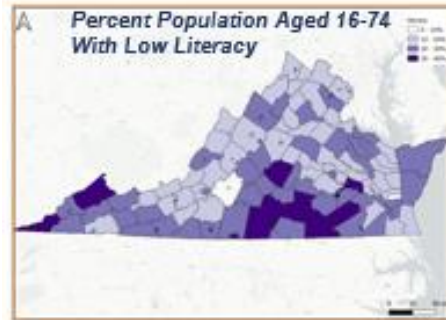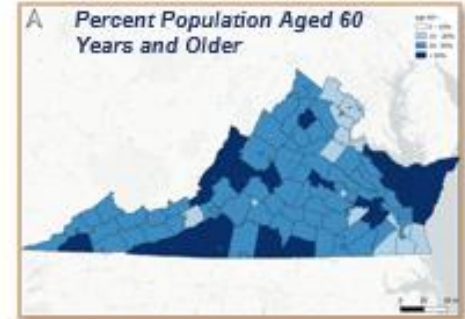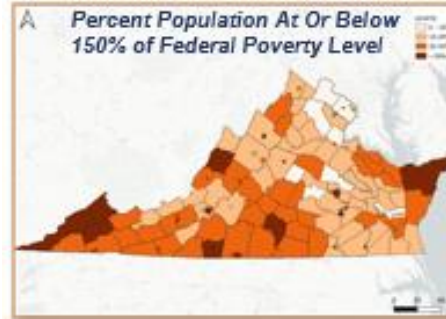*The National Digital Inclusion Alliance*

Internet
Having access to internet that is **affordable, sufficient, and reliable** to obtain necessary resources and both download and contribute content online.

Digital Skills & Tech Support
The knowledge and skills required to use the equipment, applications, and internet effectively with training and support provided in **a culturally appropriate manner.**

Devices
The computers and accessories necessary to **be productive, create content, and participate** (homework, job application, reading, etc.).

Applications & Services
Including diverse users in the design and rollout of services while considering placement, outreach, training, user controls, privacy, universal design, and language.

Digital Equity Act: Covered Populations

Covered Populations

- Individuals living in households below 150% of the federal poverty level;
- Aging individuals;
- Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility;
- Veterans;
- Individuals with disabilities;
- Individuals with a language barrier, including individuals who—
  - Are English learners; and
  - Have low levels of literacy
- Individuals who are members of a racial or ethnic minority group; and
- Individuals who primarily reside in a rural area

81.1% of Virginians are amongst covered populations.

Percent Population At Or Below 150% of Federal Poverty Level

Percent Population Aged 60 Years and Older

Percent Population Aged 16-74 With Low Literacy

Percent Population Identifying As A Racial Or Ethnic Minority

State Planning Grant Program: Regional Digital Opportunity Plans & Other Activities
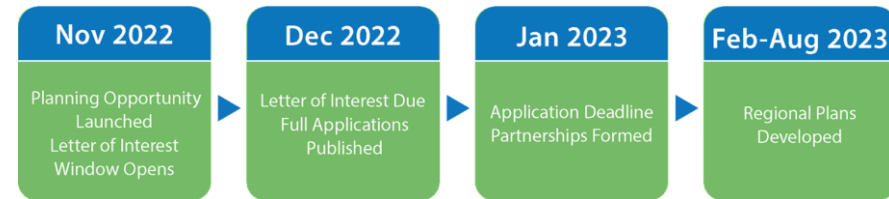
- DHCD is sub-awarding Planning Grant funds to CAAs for the development of Regional Digital Opportunity Plans - CAAs will:

  - Engage with local **stakeholders**,
  - Conduct **needs assessments**
  - Deploy **Virginia Digital Opportunity Survey**
  - **Identify D.O. barriers** in their region
  - **Develop solutions** for covered populations.

- Takeaways from Regional Digital Opportunity Plans will inform the recommendations of our Commonwealth Digital Opportunity Plan, used to access implementation grant funding.

Key Activities and Outcomes for Regional Digital Opportunity Plans

- Recommended Actions
- Regional Digital Opportunity Plans
- Stakeholder Engagement
- Assessment of Needs

Development Timeline for Regional Digital Opportunity Plans

Nov 2022	Dec 2022	Jan 2023	Feb-Aug 2023
Planning Opportunity Launched Letter of Interest Window Opens	Letter of Interest Due Full Applications Published	Application Deadline Partnerships Formed	Regional Plans Developed

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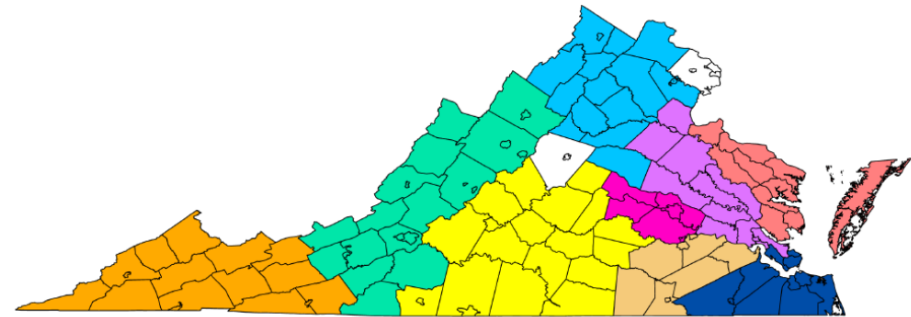*Partners for Better Communities*

Regional Digital Opportunity Plans - Regions

- 9 Projects totaling $500,000 in planning funds
- Plans due August 1, 2023
- Localities undergoing a current planning effort are not included

Virginia Digital Opportunity Plan
Regional Digital Opportunity Plans with Community Action Agencies

Legend:
- Locality's Own Plan
- Bay Aging
- Improvement Association
- HRCAP
- CAPUP
- Williamsburg and James City County
- People inc.
- SERCAP
- CAPSAW
- People Inc.

Digital Opportunity Case Study Pilot Program

- DHCD is awarding small grants (around $10k each) to organizations already working to close the digital divide
- These grants fund organizations to conduct pilot projects addressing gaps in broadband access, affordability or adoption
- Selected organizations will develop case studies that provide key takeaways and examples of successful digital opportunity programs for inclusion in the Commonwealth Digital Opportunity Plan.

Thank You!

Questions & Answers

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Take the Virginia Digital Opportunity Survey:
https://www.dhcd.virginia.gov/digital-opportunity

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