

# SUMMARY OF CARES ACT CONNECTIVITY FUNDING STREAMS AND ADDITIONAL PROGRAMS<sup>1</sup>

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RURAL AND ECONOMIC DEVELOPMENT		
PROGRAM	AMOUNT	PURPOSE
U.S. Department of Agriculture, Rural Development, Rural Utilities Service, <b>ReConnect Program</b>	\$100 million	For “grants under the pilot program established under section 779 of Public Law 115–141, to prevent, prepare for, and respond to coronavirus, \$100,000,000, to remain available until September 30, 2021: Provided, That at least 90 percent of the households to be served by a project receiving a grant shall be in a rural area without sufficient access to broadband: Provided further, That for purposes of such pilot program, a rural area without sufficient access to broadband shall be defined as 10 Mbps downstream and 1 Mbps upstream, and such definition shall be reevaluated and redefined, as necessary, on an annual basis by the Secretary of Agriculture: Provided further, That an entity to which a grant is made under the pilot program shall not use a grant to overbuild or duplicate broadband expansion efforts made by any entity that has received a broadband loan from the Rural Utilities Service: Provided further, That priority consideration for grants shall be given to previous applicants now eligible as a result of adjusted eligibility requirements.” (Sec. 11004)

<sup>1</sup> The full text of the CARES Act can be found [here](#). Links to pre-CARES Act federal programs are provided in this document, as well as summaries of recently developed, but pre-CARES Act, FCC broadband programs.

<sup>2</sup> This document is a work in progress. Some program requirements are developing and may change. The summaries contained in this document are for general informational purposes only. They are not intended as a comprehensive treatment of the subject matter and they do not constitute legal advice or a legal opinion.

		<p>Minimum buildout requirement is 25/3 Mbps.</p> <p>RUS policy dated April 10, 2020 can be found <a href="#">here</a>.</p> <p><b>Application deadline: <u>April 15, 2020</u>.</b></p>
U.S. Department of Commerce, Economic Development Administration (EDA), <b>Economic Development Assistance Programs</b>	\$1.5 billion	<p>“Pursuant to section 703 of the Public Works and Economic Development Act (42 U.S.C. 3233), for an additional amount for “Economic Development Assistance Programs”, \$1,500,000,000, to remain available until September 30, 2022, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including for necessary expenses for responding to economic injury as a result of coronavirus: Provided, That such amount shall be for economic adjustment assistance as authorized by section 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3149):”</p> <p>Section 209 of the Public Works and Economic Development Act of 1965, 42 USC 3149, provides in relevant part: “On the application of an eligible recipient, the Secretary may make grants for development of public facilities, public services, business development (including funding of a revolving loan fund), planning, technical assistance, training, and any other assistance to alleviate long-term economic deterioration and sudden and severe economic dislocation and further the economic adjustment objectives of this subchapter.” In the past, the EDA has funded construction and technical assistance.</p> <p>A copy of the statute can be found <a href="#">here</a>.</p>
<b>TELEHEALTH</b>		
<b>PROGRAM</b>	<b>AMOUNT</b>	<b>PURPOSE</b>

<p>Federal Communications Commission (FCC), <b>COVID-19 Telehealth Program</b></p>	<p>\$200 million</p>	<p>“For an additional amount for ‘Salaries and Expenses’, \$200,000,000, to remain available until expended, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including to support efforts of health care providers to address coronavirus by providing telecommunications services, information services, and devices necessary to enable the provision of telehealth services during an emergency period, as defined in section 1135(g)(1) of the Social Security Act (42 U.S.C. 1320b–5(g)(1)): Provided, That the Federal Communications Commission may rely on the rules of the Commission under part 54 of title 47, Code of Federal Regulations, in administering the amount provided under the heading in this Act if the Commission determines that such administration is in the public interest.”</p> <p>Funds intended to help health care providers provide connected care services to patients at their homes or mobile locations in response to the COVID-19 pandemic. The Program will provide immediate support to eligible health care providers responding to the COVID-19 pandemic by fully funding their telecommunications services, information services, and devices necessary to provide critical connected care services until the program’s funds have been expended or the COVID-19 pandemic has ended.</p> <p>The FCC is encouraging participants to focus requests for funding on <u>“high-risk and vulnerable patients to the extent practicable.”</u></p> <p>FCC Report and Order dated April 2, 2020 can be found <a href="#">here</a>.</p> <p>FCC Guidance issued April 8, 2020 can be found <a href="#">here</a>.</p> <p>Categories of <u>eligible health care providers</u> can be found in 47 USC 254(h)(7)(B), where “health care provider” is defined to mean:</p> <ul style="list-style-type: none"> <li>(i) post-secondary educational institutions offering health care instruction, teaching hospitals, and medical schools;</li> <li>(ii) community health centers or health centers providing health care to migrants;</li> <li>(iii) local health departments or agencies;</li> <li>(iv) community mental health centers;</li> </ul>
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		<p>(v) not-for-profit hospitals;  (vi) rural health clinics;  (vii) skilled nursing facilities (as defined in section 395i-3(a) of title 42); and  (viii) consortia of health care providers consisting of one or more entities described in clauses (i) through (vii).</p> <p>Examples of <u>services and devices</u> that COVID-19 Telehealth Program applicants may seek funding for include:</p> <ul style="list-style-type: none"> <li>• Telecommunications Services and Broadband Connectivity Services: Voice services, and Internet connectivity services for health care providers or their patients.</li> <li>• Information Services: Remote patient monitoring platforms and services; patient reported outcome platforms; store and forward services, such as asynchronous transfer of patient images and data for interpretation by a physician; platforms and services to provide synchronous video consultation.</li> <li>• Internet Connected Devices/Equipment: tablets, smart phones, or connected devices to receive connected care services at home (e.g., broadband enabled blood pressure monitors; pulse-ox) for patient or health care provider use; telemedicine kiosks/carts for health care provider site.</li> </ul> <p>Eligible health care providers that purchased telecommunications services, information services, and/or devices in response to the COVID-19 pandemic after <u>March 13, 2020</u> may apply to receive funding support through the COVID-19 Telehealth Program for eligible services purchased on or after March 13, 2020. In addition, COVID-19 Telehealth Program support will be available to eligible health care providers for services that require monthly <u>recurring charges</u>, such as broadband connectivity or remote patient monitoring services, through <u>September 30, 2020</u>. Red light rule (delinquent debts) waived.</p> <p><b>Application window opened on <u>April 13, 2020</u>.</b> Applications accepted on a rolling basis until the funds are expended or the pandemic has ended.</p> <ul style="list-style-type: none"> <li>• To date, the Program has funded 30 health care providers in 16 states for a</li> </ul>
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		<p>total of \$13.7 million in funding. (Awards so far have ranged from about \$46K to \$1 million. The FCC has an unofficial cap of \$1 million per award.)</p> <p><u>Filed applications</u> can be found on the FCC’s Electronic Comment Filing System (ECFS) under docket 20-89. A link to ECFS can be found <a href="#">here</a>.</p>
<p>Federal Communications Commission (FCC), <b>Connected Care Pilot Program</b></p>	<p>Universal Service Fund (USF)</p>	<p>Although <u>not</u> a creation of the CARES Act, the FCC’s April 2 order formally establishes the Connected Care Pilot Program, which will make available up to \$100 million over three years to examine how the federal Universal Service Fund (USF) can support telehealth services. It will draw its funding from the federal USF rather than funds appropriated under the CARES Act. Existing USF healthcare connectivity programs do not subsidize devices or at-home telehealth communications services for patients, and almost exclusively fund rural healthcare facilities. Pilot Program funds will be available to medically underserved populations in both rural and non-rural areas.</p> <p>The Pilot Program will partially subsidize eligible healthcare providers’ costs of providing telehealth services, with a particular emphasis on supporting these services for eligible <u>low-income</u> Americans and <u>veterans</u>, even in urban areas. This will be the first USF-funded healthcare program to provide funding on a means-tested basis or based on prior military service.</p> <p>For purposes of the Pilot Program, health care providers can determine whether a patient is considered low-income by determining whether (1) the patient is eligible for Medicaid or (2) the patient’s household income is at or below <u>135% of the HHS Federal Poverty Guidelines</u>.</p> <ul style="list-style-type: none"> <li>• 135% is the same income eligibility threshold used in the FCC’s Lifeline program, a description of which can be found <a href="#">here</a>. (There are categorical eligibility determinants as well; SNAP, e.g.) The HHS Federal Poverty Guidelines can be found <a href="#">here</a>.</li> </ul> <p>The Program will fund 85% of the qualifying costs incurred by eligible health care providers. These costs include: (1) patient broadband Internet access services, (2) health care provider broadband data connections, (3) other connected care</p>

		<p>information services, and (4) certain network equipment (e.g., routers and servers).</p> <p>The FCC’s Report and Order released April 2, 2020 can be found <a href="#">here</a>.</p> <p>The Pilot Program rules will not become effective until approved by the Office of Management and Budget (OMB). The FCC will publish a document in the Federal Register announcing the effective date of OMB approval of the Pilot Program requirements.</p> <p><b>Application deadline is the later of:</b></p> <p style="padding-left: 40px;"><b>(i) 45 days after publication of rules governing the pilot; or</b></p> <p style="padding-left: 40px;"><b>(ii) 120 days after the order’s release (i.e., <u>July 31, 2020</u>).</b></p>
<p>U.S. Department of Health and Human Services, <b>Public Health and Social Services Emergency Fund</b></p>	<p>\$27,014,500 billion</p>	<p>Funds “to remain available until September 30, 2024, <u>to prevent, prepare for, and respond to coronavirus</u>, domestically or internationally, including the development of necessary countermeasures and vaccines, prioritizing platform-based technologies with U.S.-based manufacturing capabilities, the purchase of vaccines, therapeutics, diagnostics, necessary medical supplies, as well as medical surge capacity, addressing blood supply chain, workforce modernization, <u>telehealth access and infrastructure</u>, initial advanced manufacturing, novel dispensing, enhancements to the U.S. Commissioned Corps, and other preparedness and response activities: Provided, That . . .”</p>
<p>U.S. Department of Health and Human Services, <b>Health Resources and Services Administration – Rural Health</b></p>	<p>\$180 million</p>	<p>Funds “to remain available until <u>September 30, 2022, to carry out telehealth and rural health activities</u> under sections <u>330A</u> and <u>330I</u> of the PHS Act and sections <u>711</u> and <u>1820</u> of the Social Security Act <u>to prevent, prepare for, and respond to coronavirus</u>, domestically or internationally: Provided further, That of the funding in the previous proviso, no less than \$15,000,000 shall be allocated to tribes, tribal organizations, urban Indian health organizations, or health service providers to tribes: Provided further, That section 1820(g)(3)(A), section 1820(g)(3)(D) and section 1820(g)(3)(E) of such Act shall not apply to funds in the preceding two provisos: Provided further, That funds appropriated under this heading in this Act may be made available to restore amounts, either directly or through reimbursement, for obligations incurred to prevent, prepare for, and respond to</p>

	<p>coronavirus, domestically or internationally, prior to the date of enactment of this Act: Provided further, That for the purposes of any funding provided for fiscal year 2020 for the Health Centers Program pursuant to section <u>330</u> of the PHS Act (42 U.S.C. 254b), maintaining or increasing health center capacity and staffing levels H. R. 748—283 during a public health emergency related to coronavirus shall be deemed a cost of prevention, diagnosis, and treatment of coronavirus:”</p> <p><u>Section 330</u> of the Public Health Service (PHS) Act (42 USC 254b) establishes the Health Center Program. It gives the Bureau of Primary Health Care the authority to make grant awards to eligible entities and outlines the requirements that health centers must meet in order to be eligible for these awards. Health center look-alikes are also subject to these requirements. A copy of the statute can be found <a href="#">here</a>.</p> <p><u>Section 330A</u> of the PHS Act (42 U.S. Code § 254c) establishes rural health care services outreach, rural health network development, and small health care provider quality improvement grant programs. The purpose of this section is to provide grants for expanded delivery of health care services in rural areas, for the planning and implementation of integrated health care networks in rural areas, and for the planning and implementation of small health care provider quality improvement activities. <u>Grants cannot be used for construction</u>. A copy of the statute can be found <a href="#">here</a>.</p> <p><u>Section 330I</u> of the PHS Act (42 U.S. Code § 254c–14) establishes telehealth network and telehealth resource centers grant programs. Provides grants to support telecommunications technologies, which are defined as technologies relating to the use of electronic information, and telecommunications technologies, to support and promote, at a distance, health care, patient and professional health-related education, health administration, and public health. In the case of a project involving a telehealth network, <u>grant funds may not be used to purchase or install transmission equipment</u>. A copy of the statute can be found <a href="#">here</a>.</p> <p><u>Section 711</u> of the Social Security Act (42 U.S.C. 912) establishes the Office of Rural Health Policy. Advises the Secretary and helps to administer grants and provide a clearinghouse for rural health care administration. A copy of the statute can be</p>
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		<p>found <a href="#">here</a>.</p> <p><u>Section 1820</u> of the Social Security Act (42 U.S.C. 1395i–4) establishes the Medicare rural hospital flexibility program, which provides support to critical access hospitals for quality improvement, quality reporting, performance improvements, and benchmarking; designating facilities as critical access hospitals; and the provision of rural emergency medical services. A copy of the statute can be found <a href="#">here</a>.</p>
Department of Veterans Affairs (VA), Information Technology, Telemental Health Services for Isolated Veterans	\$2.15 billion	<p>For “Information Technology Systems.” Funds “to remain available until September 30, 2021, <u>to prevent, prepare for, and respond to coronavirus</u>, domestically or internationally, including related impacts on health care delivery.”</p> <p><u>Also</u>, the Secretary of Veterans Affairs may enter into short-term agreements or contracts with telecommunications companies to provide <u>temporary, complimentary or subsidized, fixed and mobile broadband services for the purposes of providing expanded mental health services to isolated veterans</u> through telehealth or VA Video Connect during a public health emergency.</p> <p>In this section, “telehealth” means the use of electronic information and telecommunications technologies to support and promote long-distance clinical health care, patient and professional health-related education, public health, and health administration; and “telecommunications technologies” include videoconferencing, the internet, streaming media, and terrestrial and wireless communications.</p> <p>(2) VA VIDEO CONNECT.—The term “VA Video Connect” means the program of the Department of Veterans Affairs to connect veterans with their health care team from anywhere, using encryption to ensure a secure and private session.</p> <p>Funding source for these services is unclear.</p>
U.S. Department of Agriculture, Rural Development, <b>Distance Learning and Telemedicine (DLT) Program</b>	\$25 million	<p>“Funds remain <u>available until expended, to prevent, prepare for, and respond to coronavirus</u>, domestically or internationally, for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 950aaa et seq.”</p>



		<p><b>Application deadline: <u>July 13, 2020</u>.</b></p> <p>Federal regulations can be found <a href="#">here</a>.</p> <p>USDA Stakeholder Announcement, April 14, 2020, can be found <a href="#">here</a>. “While the CARES Act requires these funds be used to prevent, prepare for, and respond to coronavirus, <i>the agency believes that all DLT projects already serve that purpose</i>. As a result, while not required, applicants are encouraged to identify specific ways in which their application addresses COVID-19.”</p> <p>Eligible applicants include most entities that provide education or health care through telecommunications, including:</p> <ul style="list-style-type: none"><li>Most State and local governmental entities</li><li>Federally-recognized Tribes</li><li>Non-profits</li><li>For-profit businesses</li><li>Consortia of eligible entities</li></ul> <p>Grant-only funds awarded through a nationally competitive process. 15% match required (not from another federal source).</p> <p>Grant funds may be used for:</p> <ul style="list-style-type: none"><li>Acquisition of eligible capital assets, such as:<ul style="list-style-type: none"><li>Broadband transmission facilities</li><li>Audio, video and interactive video equipment</li><li>Terminal and data terminal equipment</li><li>Computer hardware, network components and software</li><li>Inside wiring and similar infrastructure that further DLT services</li></ul></li><li>Acquisition of instructional programming that is a capital asset</li><li>Acquisition of technical assistance and instruction for using eligible equipment</li></ul>
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## EDUCATION

PROGRAM	AMOUNT	PURPOSE
U.S. Department of Agriculture, Rural Development ( <u>See DLT Program</u> above under Telehealth)	See above	See above
U.S. Department of Education, <b>Education Stabilization Fund</b>	<p style="text-align: center;">\$30.75 billion</p> <p style="text-align: center;">(Of this amount, approximately \$58.07 million to Vermont)</p>	<p>Funds “to remain available through September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally”</p> <ul style="list-style-type: none"> <li>• <u>Governor’s Emergency Education Relief Fund</u> (VT’s allocation is \$4.5 million)</li> </ul> <p>Funds may be used to:</p> <p>(1) provide emergency support through grants to local educational agencies that the State educational agency deems have been most significantly impacted by coronavirus to support the ability of such local educational agencies to continue to provide educational services to their students and to support the on-going functionality of the local educational agency;</p> <p>(2) provide emergency support through grants to institutions of higher education serving students within the State that the Governor determines have been most significantly impacted by coronavirus to support the ability of such institutions to continue to provide educational services and support the on-going functionality of the institution; and</p> <p>(3) provide support to any other institution of higher education, local educational agency, or education related entity within the State that the Governor deems essential for carrying out emergency educational services</p>

		<p>to students for authorized activities described in section 18003(d)(1) of this title or the Higher Education Act, the provision of child care and early childhood education, social and emotional support, and the protection of education-related jobs.</p> <p>Any funds not awarded within 1 year of receipt must be returned and reallocated to another state.</p> <ul style="list-style-type: none"> <li>• <u>Elementary and Secondary School Emergency Relief Fund</u> (VT's allocation is \$31.15 million)</li> </ul> <p>90% to local education agencies</p> <p>Funds may be used for “purchasing educational technology (including hardware, software, and connectivity) for students who are served by the local educational agency that aids in regular and substantive educational interaction between students and their classroom instructors, including low-income students and students with disabilities, which may include assistive technology or adaptive equipment.”</p> <p>Any Funds not awarded within 1 year of receipt must be returned and reallocated.</p> <ul style="list-style-type: none"> <li>• <u>Higher Education Emergency Relief Fund</u> (VT's allocation is \$22.42 million)</li> </ul> <p>Funds may be used for technology costs associated with a transition to distance education and grants to students for technology</p>
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**DIGITAL INCLUSION**

PROGRAM	AMOUNT	PURPOSE
Institute of Museum and Library Services (IMLS)	\$50 million	<p>Funds “to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, including grants to States, territories and tribes to expand digital network access, purchase internet accessible devices, and provide technical support services: Provided, That any matching funds requirements for States, tribes, libraries, and museums are waived for grants provided with funds made available under this heading in this Act.”</p> <p>IMLS announced on April 13, 2020 that the first \$30 million will be allocated to states based on population. Funds will be distributed through the State Library Administrative Agency. Vermont’s share estimated to be <u>\$56,384</u></p> <p>IMLS announcement can be found <a href="#">here</a>.</p>

**GENERAL CARES ACT FUNDING – COULD POTENTIALLY BE USED FOR CONNECTIVITY**

PROGRAM	AMOUNT	PURPOSE
State of Vermont, <b>Coronavirus Relief Fund</b>	\$1.25 billion	<p>CARES Act specifies eligible expenses are those that:</p> <ul style="list-style-type: none"> <li>(1) are necessary expenditures incurred due to the public health emergency with respect to COVID–19;</li> <li>(2) were not accounted for in the budget most recently approved as of March 27, 2020 for the State or government; and</li> <li>(3) were <i>incurred</i> during the period that begins on March 1, 2020, and ends on December 30, 2020.</li> </ul> <p>Department of Treasury Guidance can be found <a href="#">here</a>.</p>

**PRE-CARES ACT BROADBAND FUNDING PROGRAMS**

US Department of Commerce, NTIA – BroadbandUSA – 2020 Guide to Federal Broadband Funding Programs can be found [here](#).

This database summarizes 57 federal broadband programs, spanning 14 federal agencies with billions of dollars for broadband grants, loans, and other resources. These federal programs provide funding for industry, state and local governments, schools, libraries, small businesses, and other community institutions that are interested in expanding broadband access. The funding includes direct grants, loans, indirect support, and discounts. Applicants can search for programs by agency, program purpose, and eligible recipients. A number of programs offer grants and loans for targeted populations and specific regions of the country. **Note: Does not include CARES Act programs/appropriations.**

PROGRAM	AMOUNT	PURPOSE
Federal Communications Commission (FCC), <b>Rural Digital Opportunity Fund</b>	\$20.4 billion	<p>Purpose is to fund high speed (at least 25/3 Mbps) fixed broadband in high cost, rural areas at rates reasonably comparable to urban areas. Intended to subsidize over 10 years the best network for the budget based on technology neutral service tiers, which are weighted based on speed, usage, latency.</p> <p>FCC’s Report and Order, adopted January 30, 2020, can be found <a href="#">here</a>.</p> <p>Money will be distributed in two phases through reverse auctions (companies bid a percentage of the reserve price):</p> <ul style="list-style-type: none"> <li>• Phase I (\$16 billion; Auction 904) – <b>auction starts October 22, 2020.</b> <ul style="list-style-type: none"> <li>* Will target census blocks wholly unserved by 25/3 Mbps based on Form 477 data.</li> <li>* Areas not eligible for support include those census blocks which have been identified as having been awarded funding through the ReConnect Program, or awarded funding through other similar</li> </ul> </li> </ul>

		<p>federal or state broadband subsidy programs to provide 25/3 Mbps or better service. As explained by the FCC, “this is consistent with our overarching goal of ensuring that finite universal service support is awarded in an efficient and cost-effective manner and does not go toward <u>overbuilding</u> areas that already have service.” <u>FCC will consult with USDA/RUS and exclude the portions of any census blocks from eligibility that are substantially overlapped by a ReConnect awardee as of a date certain.</u></p> <ul style="list-style-type: none"> <li>* According to the list of preliminary eligible areas released on March 17, VT has 24,631 eligible locations.</li> <li>* FCC interactive maps (coverage area; eligible locations; reserve price) can be found <a href="#">here</a>.</li> <li>• Phase II (\$4.4 billion) will cover locations in census blocks that are partially served (i.e., census blocks where some locations lack access to 25/3 Mbps broadband using the granular, precise broadband mapping data being developed in the FCC’s Digital Opportunity Data Collection), as well as locations not funded in Phase I.</li> </ul>
<p>Federal Communications Commission (FCC), <b>5G Fund for Rural America</b></p>	<p>\$9 billion</p>	<p>Proposed program to distribute up to \$ 9 billion for next generation wireless broadband connectivity in rural America.</p> <p>FCC adopted the Notice of Proposed Rulemaking on April 23, 2020, which can be found <a href="#">here</a>.</p> <p>FCC is seeking comment on, among other things, two approaches to the competitive reverse auction: (1) hold auction in 2021 based on current data; or (2) delay auction until at least 2023 when have better data under the FCC’s Digital Opportunity Data Collection.</p>