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# BROADBAND UPDATE FOR TEXAS

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Broadband Equity, Access, and Deployment (BEAD) Program

# **BEAD ACT**

- Authorized by the Infrastructure Investment and Jobs Act in 2021.
- BEAD Program provides states with federal funding to help expand high-speed internet access and use.
- Texas was allocated \$3.3 billion to support infrastructure deployment, mapping, and adoption, including planning and capacity-building.

### 87<sup>th</sup> Legislature

- HB5 creates the Broadband Development Office (BDO)
- The BDO lives within the comptroller's office for the purpose of closing the digital divide in Texas by establishing an official statewide plan for expanding access. The 87th Legislature appropriated \$5 million to the comptroller to administer the program. In addition, the American Rescue Plan Act has allocated \$500.5 million to Texas for broadband expansion, while the Infrastructure Investment and Jobs Act will allocate at least \$100 million.

- SB 1238 (Sen. Nichols) amends the Government Code. This legislation provides updated policy and guidance for the BDO to administer the program more efficiently. More specifically, the bill:
  - Updates the definition of “broadband service” to include latency.
  - Pivots the state broadband map from depicting areas eligible for available funding to an analysis tool depicting unserved and underserved locations.
  - Removes the program’s technology-neutral requirement and adds in a preference for end-to-end fiber optic technology while providing exceptions if the use of an alternative technology is proposed for a high-cost area or may be deployed at a lower cost.
  - Clarifies that only *existing* federal funding commitments to expand broadband will disqualify locations from funding.
  - Removes the prohibition on internet service providers that don't submit data to the BDO from applying for funding.
  - Requires awardees to submit deployment plans for prior awarded federal funds to the BDO.

### House Bill 9, by Rep. Trent Ashby

- Allows state voters to decide whether to allocate \$5 billion to improve broadband services in underserved areas of the state. HB 9 also creates a “Broadband Infrastructure Fund,” and gives the Texas comptroller and the PUC authority to allocate money from it for various purposes.
- Permissible allocations from the fund would include those for broadband mapping efforts, updating the state’s broadband plan, expanding community outreach efforts, bolstering the state’s pole replacement fund, and providing matching funds for federal money provided by the Broadband Equity, Access and Deployment (BEAD) Program.

### HJR 125 (Rep. Ashby)

- Approved by voters in November 2023, amended the constitution to create the Broadband Infrastructure Fund (BIF) , which provides \$1.5 billion in state dollars to fund broadband and emergency telecommunications infrastructure projects in Texas.
- The BIF will expire on Sept. 1, 2035, and any unexpended or unobligated funds will be transferred to the General Revenue Fund immediately before the expiration date.

### **Senate Bill 1238 (Sen. Nichols) and House Bill 2662 (Rep. Ashby)**

- Similar but not identical bills that pertain to the Broadband Development Office. The bills address threshold speed for broadband service, re-classify designated areas and add criteria for the Broadband Development Office regarding the grant awards, low-interest loans, and other financial incentives for broadband infrastructure projects.

## SB 2119 (Sen. Schwertner)

- Tasks the BDO with providing broadband data to the Public Utility Commission of Texas to assist the commission in creating a map displaying areas in the state receiving broadband and Universal Service Funds.

## SB1211 (Sen. Nichols)

- Streamlines the permitting process for fiber projects by exempting communication facilities from notice requirements when digging trenches on state and local public land. This legislation effectively reduces bureaucratic hurdles, paving the way for faster deployment of fiber infrastructure.

## HB 3260 (Rep. K. Bell)

- authorizes the Texas Workforce Commission (TWC) to provide partial reimbursement to employers for training costs as apprentices reach specific milestones during their training and employment. Additionally, the bill mandates the TWC to develop Texas-specific guidelines for the program. Funding for broadband apprenticeship initiatives will be sourced from the Broadband Infrastructure Fund

### SB 1405 (Sen. Nicols)

- Implements important reforms aimed at improving broadband access across the state. It redefines "unserved" areas on the state map by aligning with federal standards and specifically incorporates public schools and community anchor institutions that lack gigabit service. The bill also streamlines the Broadband Development Program, allowing for a wider range of funding options, including contracts. Additionally, it establishes a process for rescinding funds from awardees who cause damage to private property.
- The bill shifts the mapping responsibility by permitting the state to utilize the Federal Communications Commission's National Broadband Map dataset and eliminates sales tax on internet access. Finally, it broadens the scope of qualifying broadband grants for tax purposes and abolishes the Governor's Broadband Development Council.

- Create and maintain an accurate map depicting broadband availability at each broadband serviceable location in Texas.
- Establish a long-term, statewide plan that addresses strategies and goals for expanding access to and further adoption of broadband service.
- Design, build and run an efficient, compliant and competitive grant program to award grants or other financial instruments for the deployment of broadband technologies and opportunities across the state.
- Set and adjust standards for service in terms of speed, latency, reliability and resilience, while prioritizing fiber projects where possible to promote a future-ready broadband network.
- Identify and engage in outreach to communities in need through collaboration and input from state and local governments, communities and industry.
- Increase access to affordable broadband service offerings and address barriers to broadband access.
- Achieve universal access and quality of service to provide all Texans the opportunity to participate in the digital economy.

- **\$500.5 M** - American Rescue Plan Act Capital Projects Fund (“ARPA-CPF”)
- **\$3.3B** - Infrastructure Investment and Jobs Act (“IIJA”)
- **\$1.5B** - **HB 9 (88<sup>th</sup> Texas Legislature)** - contingent on voter approval of constitutional amendment in the November election

## What is “Broadband?”

- Broadband speeds are defined by the rate at which data is downloaded and uploaded, measured in megabits per second (Mbps).

## Key terms

- **Download speed:**  
The rate at which data is transferred from the internet to your device, essential for activities like streaming and browsing.
- **Upload speed:**  
The speed at which data is sent from your device to the internet, which is important for sending files and participating in video calls.
- **Speed labels:**  
Internet speeds are often labeled using a format like 25/3 Mbps, which indicates a download speed of 25 Mbps and an upload speed of three Mbps.
- **Latency:**  
The time it takes for data to travel from one point to another over the internet. Lower latency means quicker responses.

## Service Availability

- Various broadband speed categories help define internet availability for locations, including homes, businesses, and community anchor institutions. Knowing whether a home or business is served, unserved, or underserved helps the BDO identify communities in need of support.

### Served locations:

- At least one internet service provider (ISP) offers broadband at speeds of 100/20 Mbps or higher.

### Unserved locations:

- No ISP offers broadband with a minimum speed of 25/3 Mbps.

### Underserved locations:

- At least one ISP offers broadband, but speeds are below the 25/3 Mbps minimum threshold.
- You can use the [Federal Communications Commission's \(FCC\) National Broadband Map](#) to find a location's service category.

## Types of Technology:

- Fiber Optic Broadband
- Fixed Wireless Broadband
- Low Earth Orbit (LEO) Satellite
- Digital Subscriber Line (DSL)
- Cable Broadband
- 5G Home Internet

## From the 2022 Texas Broadband Plan:

*“Texas faces a monumental task: Connecting over 1 million households to high-speed broadband, improving connectivity for over 5.6 million households, improving affordability of broadband for 3.6 million households and assisting 3.8 million Texans with digital literacy challenges. This plan is a foundation upon which the Texas Legislature, the BDO and other stakeholders can build actionable programs.”*

## Texas Broadband Pole Replacement Program

The [Pole Replacement Program](#) is supported by \$75 million, which was transferred from the Broadband Infrastructure Fund (BIF) to the Texas Pole Replacement Fund. The program aims to speed up rural broadband deployment by reimbursing a portion of eligible pole replacement costs. Eligible participants can receive reimbursements per pole, ranging from 50 percent of eligible costs to \$5,000, whichever is less. The [Texas Broadband Pole Replacement Program Dashboard](#) provides detailed information regarding the administration and availability of program funds in real time.

## Texas Middle Mile Program

- The BDO has allocated up to \$200 million from the state's BIF to award grants to fund projects for the construction and improvement of middle-mile infrastructure across Texas. The [Texas Middle Mile \(TMM\) Program](#) aims to strengthen network resiliency, support open-access networks to increase affordability for end-users, and improve high-speed internet access by reducing the cost of connecting unserved or underserved areas to the internet backbone.

## Broadband Infrastructure Fund (BIF)

In November 2023, Texas voters passed Proposition 8, which created the BIF to improve broadband access and services in the state. With an initial investment of \$1.5 billion, the BIF will fund 9-1-1 services and upgrades, support the Texas Broadband Pole Replacement Program and provide matching funds for the federal Broadband Equity, Access, and Deployment (BEAD) Program. Other uses of the fund being considered include tackling broadband and digital opportunity issues by building regional capacity, and connecting locations such as community anchor institutions and multi-dwelling units. The fund will be in effect from 2024 to 2035.

## Broadband Workforce Program

- On June 23, 2025, the BDO announced the Building the [Texas Broadband Workforce Grant Program](#) to address the urgent need for a skilled workforce amid significant broadband expansion in the state. With a commitment of up to \$25 million from the BIF, the competitive grant aims to establish tuition-free training programs that equip individuals with the necessary skills to work with fiber optic cabling. The initiative supports both federal and state-funded broadband efforts and emphasizes hands-on learning opportunities, including apprenticeships and paid work experiences. Successful applicants must demonstrate industry knowledge and foster partnerships to ensure job placements for trainees.

## Texas Low-Earth Orbit Satellite Broadband Program

- The LEO Satellite Program, supported by up to \$30 million in BIF funding, was a competitive grant designed to award qualified LEO network providers resources to provide high-speed, low-latency, satellite-based internet access to rural, unserved areas. The BDO issued a Notice of Funding Availability (NOFA) for the program but received no qualified applications. Consequently, the office decided to cancel the solicitation. There is no plan to reissue the solicitation at this time.

# American Rescue Plan Act Capital Projects Fund

- Texas has been allocated \$500.5 million through CPF to fund critical capital projects that enable work, education and health monitoring in response to the COVID-19 pandemic. Administered by the U.S. Treasury with funding directed to the BDO, CPF is intended to address many challenges stemming from the pandemic, especially in rural and low- to moderate-income communities, and help ensure all communities have access to the high-quality modern infrastructure, including broadband, needed to access critical services.
- The BDO will develop and publish an annual report detailing the progress of CPF funding in Texas each year.

## Bringing Online Opportunities to Texas (BOOT)

The [BOOT Program](#) is funded by \$634.8 million in CPF and BIF funds. The program will ensure Texans have the connectivity they need by funding critical broadband infrastructure projects that bring last-mile connectivity to homes and businesses across the state.

## Technical Assistance Program (TAP)

- The BDO used \$6 million in CPF funding to establish TAP, which augments local government and community capacities to prepare for forthcoming state and federal broadband funds.
- Any county in Texas seeking technical assistance was eligible to apply to TAP. Those awarded are being provided with direct access to broadband planning and consulting services at no cost.

- To further serve community needs for accessing high-quality internet, the BDO has partnered with three state agencies to expand broadband access across the state. The office is using CPF funding to support broadband expansion through the following state agency-driven broadband projects.
  - The Texas State Library and Archives Commission’s Infrastructure and Facility Access Improvement Grant Program, which was approved by the U.S. Treasury in June 2023, was awarded \$7.8 million to expand broadband access to libraries throughout the state.
  - The Texas Department of Agriculture’s Texas Rural Hospital Broadband Program, which was approved in September 2023, was awarded \$22.9 million to build the digital capacity of rural hospitals in Texas.
  - The Texas Department of Transportation’s El Paso District Safety Rest Area Broadband Infrastructure Project, which was approved in January 2024, was awarded \$6 million to add to six safety rest areas in West Texas.

### BEAD Program

- Authorized by the IJA, the BEAD Program will use \$3.3 billion in federal funds to support projects that help expand high-speed internet access and use. It supports infrastructure deployment, mapping, and adoption, including planning and capacity-building in state offices. The program is designed to expand internet access to these priority areas:
- Unserved locations (speeds less than 25/3 Mbps).
- Underserved locations (speeds greater than 25/3 Mbps but less than 100/20 Mbps).

### BEAD Program

- Final proposal to NTIA in late October
- Received applications for \$6.4 billion in funding
- Only awarding \$1.3 billion to subgrantees funding projects to connect 243,000 unserved and underserved homes, businesses, and community anchor institutions
- Under the plan, about 123,000 unserved and underserved locations would be connected by end-to-end fiber technology, roughly 66,000 via low-earth orbit satellite and about 54,000 locations through fixed wireless.

### Digital Equity Act of 2021

- Authorized by the IIJA, the DEA of 2021 was designed to fund projects that help ensure Texans have the information technology capacity needed for full participation in our society, democracy and economy by promoting digital advancement projects such as digital literacy and skills training, computer and device access, improving accessibility to online services and integrating internet adoption and affordability strategies into preexisting programs.
- The BDO used \$3.1 million in State Digital Equity Planning Grant funds to develop the Texas Digital Opportunity Plan (TDOP).
- The National Telecommunications and Information Administration allocated Texas \$55.6 allocation from the federal State Digital Equity Capacity Grant Program to implement initiatives laid out in the TDOP. On May 9, 2025, the U.S. Department of Commerce terminated the program.

Questions?

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