



COMMONWEALTH OF PENNSYLVANIA  
OFFICE OF THE GOVERNOR

URI Z. MONSON  
SECRETARY  
GOVERNOR'S OFFICE OF THE BUDGET

March 28, 2024

The Honorable Josh Shapiro  
Governor  
Commonwealth of Pennsylvania  
225 Main Capitol Building  
Harrisburg, PA 17120

The Honorable Kim L. Ward  
President Pro Tempore  
Senate of Pennsylvania  
Senate Box 203039  
Harrisburg, PA 17120

The Honorable Joe Pittman  
Majority Leader  
Senate of Pennsylvania  
Senate Box 203041  
Harrisburg, PA 17120

The Honorable Jay Costa  
Democratic Leader  
Senate of Pennsylvania  
Senate Box 203043  
Harrisburg, PA 17120

The Honorable Joanna E. McClinton  
Speaker of the House  
House of Representatives  
House Box 202191  
Harrisburg, PA 17120

The Honorable Matthew D. Bradford  
Majority Leader  
House of Representatives  
House Box 202070  
Harrisburg, PA 17120

The Honorable Bryan Cutler  
Republican Leader  
House of Representatives  
House Box 202100  
Harrisburg, PA 17120

Dear Governor Shapiro and Leaders of the General Assembly:

The Pennsylvania Broadband Development Authority (PBDA) hereby submits its annual report, as mandated by Act 96 of 2021. PBDA has made significant progress in the past year and has several updates to share.

In May 2023, PBDA launched its first competitive grant program, the Capital Projects Fund (CPF) Broadband Infrastructure Program (BIP), a \$200 million competitive grant program aimed at incentivizing broadband deployments in unserved and underserved areas. CPF funds originate from the American Rescue Plan Act (ARPA), administered by U.S. Treasury. PBDA received over 200 BIP applications for proposed projects across all regions of the Commonwealth. Awards are planned for April 2024.

PBDA's second CPF program, the Multi-Purpose Community Facilities Program will grant \$45 million in funds to community organizations seeking to make facility upgrades to spaces that enable digital work, education, and health monitoring functions. Applications for the program are due in April of this year. PBDA anticipates receiving a high volume of applications and will make awards later this year. The third and final CPF grant program will award digital technology devices (i.e. laptops) to community organizations for public use to increase digital literacy and skills. This \$20 million competitive grant program will launch later in 2024.

On June 26, 2023, the National Telecommunications and Information Administration (NTIA) released state allocations for the Broadband Equity, Access, and Deployment (BEAD) program through the Infrastructure Investment and Jobs Act. The funding allocations from NTIA were based on the total number of unserved and high-cost unserved locations in the Commonwealth as compared to the number of unserved and high-cost locations in the other states and territories. Pennsylvania was awarded \$1,161,778,272 in federal BEAD funding, which will be used to expand affordable broadband access in unserved and underserved areas of the Commonwealth.

To meet NTIA's planning requirements, PBDA completed a Five-Year Action Plan that outlines PBDA's goals and strategies for deploying the \$1.16 billion award. The plan was approved by NTIA on October 6, 2023. Two volumes of an Initial Proposal for funding were submitted to NTIA in late 2023. The Initial Proposal is a "first draft" of PBDA's state plan for BEAD grant funding and outlines how Pennsylvania will ensure that every resident has access to reliable and affordable, high-speed broadband internet. Pennsylvania's Volume I was approved by NTIA on February 15, 2024. Volume II is expected to be approved soon. Additional steps in the BEAD planning process include launching a federally required challenge process, releasing program guidelines, and soliciting applications for sub-grantee selection to disburse the available funds. A Final Proposal will detail PBDA's efforts to meet all of the federal requirements and will outline each of the BEAD subgrantees. The Final Proposal is due within one year of the acceptance/approval of Volume II of the Initial Proposal by NTIA.

As part of the Digital Equity (DE) Act, NTIA awarded Pennsylvania a \$1.6 million Planning Grant to prepare for the DE Capacity Grant, which NTIA will allocate to states in 2024. Through the Planning Grant, Pennsylvania successfully launched a robust DE campaign, which included more than 30 community conversation and roundtable events held across the Commonwealth to gather public input on various equity-related topics. A public survey was also administered for additional understanding of constituents' diverse needs and values. This public input was a crucial resource in drafting PBDA's Digital Equity Plan, which was submitted to NTIA in January of 2024. The Plan describes Pennsylvania's digital divide and outlines how PBDA will work to grow digital skills and capacity, particularly for the state's most vulnerable communities.

To prepare for the responsibilities ahead, PBDA grew its office capacity by increasing its staff contingent to 11 full-time employees. It continues to benefit from services and expertise supplied by colleagues within the Department of Community and Economic Development and other Commonwealth agencies. In addition to quarterly Board of Directors meetings, PBDA's four sub-committees (Technical, Outreach & Education, Data & Mapping, and Workforce & Supply

Chain) hold regular public meetings to discuss updates and gain professional input and expertise from members. In 2023, PBDA launched a monthly newsletter to further inform the public of its work and progress, and it released several topic-specific webinars to offer technical support and assistance as potential applicants navigate grant opportunities. PBDA will maintain vigorous public engagement to ensure transparency in the coming year.

2024 is poised to be a critical year in the campaign to close the digital divide in Pennsylvania. I am pleased to say that PBDA is on track, well-prepared, and excited for the challenge. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Uri Monson", with a long horizontal flourish extending to the right.

Uri Monson  
Chairman, Pennsylvania Broadband Development Authority