



CONNECT ILLINOIS

Initial Proposal Volume 2

Broadband Equity, Access, and Deployment (BEAD)

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Illinois
Department of Commerce
& Economic Opportunity
OFFICE OF BROADBAND
JB Pritzker, Governor



UNIVERSITY OF ILLINOIS SYSTEM

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Introduction

Illinois Office of Broadband has drafted the following document to meet the requirements for Volume 2 of the Broadband Equity, Access, and Deployment (BEAD) Initial Proposal:

- **Requirement 1** – Outline of long-term objectives for deployment, equity, economic growth, and job creation
- **Requirement 2** – Identification and outline supporting and coordinating with local, Tribal, and regional in planning and ongoing deployment efforts.
- **Requirement 4** – Description and certification of local coordination
- **Requirement 8** – Detailed description of deployment subgrantee selection, including:
 - Description of subgrantee selection and scoring approach
 - Definition of project area units which can be selected by providers for inclusion into applications
 - Description of how universal coverage will be insured in subsequent funding rounds
 - The process for identifying Extremely High Cost Per Location Threshold and how process will be used in subgrantee selection,
 - Description of how Illinois will ensure prospective subgrantees meet minimum requirements outlined in the BEAD NOFO
- **Requirement 9** – Description of fair and open non-deployment subgrantee selection
- **Requirement 10** – Description of initiatives that implement without making a recipient a subgrantee and reasoning
- **Requirement 11** – Description of how Illinois will integrate labor standards and projections into requirements of prospective subgrantees
- **Requirement 12** – Description of how Illinois and subgrantees will ensure an available, diverse, and highly skilled workforce.

- **Requirement 13** – Description and certification how Illinois will recruit, use, and retain minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms.
- **Requirement 14** – Identification of steps to reduce costs and barriers to deployment.
- **Requirement 15** – Description of Illinois climate threats and proposed mitigation methods.
- **Requirement 16** – Description of low-cost service options and middle-class affordability plan and certification that all subgrantees will participate in the Affordable Connectivity Program or any successor program.
- **Requirement 17** – Description of the planned use of the 20 percent of total funding allocation and certification that Illinois will adhere to BEAD program requirements, if any.
- **Requirement 18** – Description of Illinois Office of Broadband’s regulatory approach, identifying which laws will or will not be waived.
- **Requirement 19** – Certification of Illinois’ intent to comply will requirements of BEAD program and description of subgrantee accountability procedures.
- **Requirement 20** – Description of the Illinois middle-class affordability plan.

The Illinois Office of Broadband published Volume II of the BEAD Initial Proposal for public comment from September 29, 2023, to October 31, 2023. A high-level summary of the comments received during the public comment period and how they were addressed is provided in this document.

Illinois will incorporate any guidance received from the National Telecommunications and Information Association (NTIA) into this draft to ensure compliance with BEAD requirements.

Objectives (Requirement 1)

Req 2.1.1 Text Box: 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.

As suggested by BEAD Initial Proposal guidance, the following section is directly copied from the Five-Year Action Plan¹.

Illinois' goals and objectives for broadband deployment and digital equity are aligned to its three core vision statements:

- a. Ensure universal access to high-speed broadband that is affordable, reliable, and fully scalable.
- b. Leverage new and existing resources for adoption through targeted digital inclusion strategies and sustainable broadband equity outcomes.
- c. Empower all Illinoisans to utilize and participate fully in an increasingly digital economy and society.

This section aligns to the Strategy and Objectives section (2.3) of the Illinois State Digital Equity Plan, hereinafter known as the "IL SDEP." Table 1 below details the objectives the state hopes to achieve by implementing either the Five-Year Action Plan or the IL SDEP. The Five-Year Action Plan is expected to focus on broadband deployment and infrastructure, while the IL SDEP is expected to focus on activities related to digital equity and on the implementation of digital equity and inclusion programming across Illinois.

¹ [CONNECT ILLINOIS](#) Five-Year Action Plan, Aug 2023

Table 1: Illinois' Goals and Objectives for Broadband Deployment and Digital Equity

Goal	Objective	KPI	Baseline	2030 target	Area ²
A1. By 2030, ensure universal access to affordable, reliable, fully scalable high-speed internet service of at least 100/20 Mbps for all Illinois residences and businesses	A1a. All Illinoisans have access to at least 100/20 Mbps reliable high-speed internet by 2030.	# unserved IL BSLs	~235K BSLs (6%) ³	0 (0%)	Broadband Access
		# underserved IL BSLs	~132K BSLs (3%) ⁴	0 (0%)	Broadband Access
	A1b. All Illinoisans have access to at least 100/20 Mbps fully scalable high-speed internet by 2030.	% IL BSLs with access to fiber	35% ⁴	95%	Broadband Deployment
	A1c. All Illinoisans have access to at least 100/20 Mbps affordable high-speed internet by 2030. ⁵	% IL BSLs with access to at least one affordable internet plan (less than \$50/month) ⁶	77% ⁷	100%	Broadband Affordability
	A1d. All Illinoisans have access to at least 100/100 Mbps fully	% IL BSLs with access to 100/100 Mbps	42% ⁸	80%	Broadband Deployment

² [Five-Year Action Plan Guidance](#)

³ Combines the underserved and served BSLs in Illinois; FCC Broadband Maps accessed Jun 8, 2023

⁴ FCC Broadband Maps accessed Jun 8, 2023

⁵ To achieve this objective, two things must be true: (1) a provider with an affordable option is present, and (2) consumers must be able to access the service.

⁶ Based on the definition in the [BAC Affordability Study](#) as either \$10/month or \$25/month

⁷ Provider and speed distribution based on FCC Broadband Maps, Nov 2022. Internet price based on secondary research

⁸ Combines the underserved and served BSLs in Illinois; FCC Broadband Maps accessed 2023.

Goal	Objective	KPI	Baseline	2030 target	Area ²
	scalable high-speed internet by 2035.				
A2. By 2030,ensure that every CAI has access to at least 1 Gigabit symmetrical broadband service ⁹	A2a. All Illinois schools, libraries, and public health-related entities have at least 1 Gbps symmetrical broadband service by 2030.	% schools, libraries, and public health-related entities with access to 1 Gbps symmetrical+ internet	To be detailed in Initial proposal	100%	Broadband Access
		% other CAIs with access to 1 Gbps symmetrical+ internet	To be detailed in the Initial proposal	100%	Broadband Access
	A2b. Expanded availability of public Wi-Fi throughout the state	# counties that have access to five public Wi-Fi hotspots	31 ¹⁰	102	Broadband Access

⁹ Based on BEAD NOFO, CAI (“community anchor institution”) means an entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing

¹⁰ Data from the [Drive Up Wi-Fi Hotspots](#) map maintained by the IOB and IBL

Illinois' goals and objectives for broadband deployment and digital equity are aligned to its three core vision statements:

- a. Ensure universal access to high-speed broadband that is affordable, reliable, and fully scalable.
- b. Leverage new and existing resources for adoption through targeted digital inclusion strategies and sustainable broadband equity outcomes.
- c. Empower all Illinoisans to utilize and participate fully in an increasingly digital economy and society.

This section aligns to the Strategy and Objectives section (2.3) of the Illinois State Digital Equity Plan, hereinafter known as the "IL SDEP." Table 2 below details the objectives the state hopes to achieve by implementing either the Five-Year Action Plan or the IL SDEP. The Five-Year Action Plan is expected to focus on broadband deployment and infrastructure, while the IL SDEP is expected to focus on activities related to digital equity and on the implementation of digital equity and inclusion programming across Illinois.

Table 2: Illinois' Goals and Objectives for Broadband Deployment and Digital Equity

Goal	Objective	KPI	Baseline	2030 target	Area 2
B1. Achieve universal digital literacy, including basic awareness of online privacy and cybersecurity, focusing on covered populations	B1a. Improved adoption rates both overall and for each covered population	% difference in broadband adoption between covered and non-covered populations	26pp gap between those with incomes <150% FPL and rest of the population ¹¹	0%	Broadband Adoption, Digital Equity
	B1b. Increased # of Illinoisans using internet-ready devices	% Illinoisans using computer, laptop, or tablet device	74% for computer/laptop computer ¹²	90%	Broadband Adoption, Digital Equity
	B1c. All Illinoisans possess the digital skills required to participate in the digital economy.	% digital literacy rate, overall and for covered populations	To be detailed in the state digital equity plan	90%	Broadband Adoption, Digital Equity
	B1d. Increased number of digital navigator programs	# digital navigator programs offered across the state	To be detailed in the state digital equity plan	102	Broadband Adoption, Digital Equity
	B1e. Increased local government and communities engaged on digital equity topics	# counties with participants in statewide broadband-related programming	38 ¹³	102	Broadband Adoption, Digital Equity

¹¹ ACS 5-Year Estimates Public Use Microdata Sample 2021; additional details in Section 3.4.5.1

¹² Share of Illinoisans over the age of three who responded that they use a desktop computer, laptop, or tablet on the [NTIA Internet Use Survey 2021](#)

¹³ Estimated based on counties with a participating organization in Round 1 or Round 2 of the Illinois Connected Communities or Accelerate Illinois and Broadband Breakthrough

Goal	Objective	KPI	Baseline	2030 target	Area 2
	B1f. Decreased broadband hesitancy due to privacy/cybersecurity concerns	% residents who are very or somewhat often worried about the privacy or security of their personal data	To be detailed in the state digital equity plan ¹⁴	10%	Broadband Adoption, Digital Equity
B2. Ensure that all Illinoisans, including members of covered populations, have access to affordable subscriptions, devices, and tech support	B2a. Increased % of Illinoisan households with access to internet-ready devices	% households with access to desktop or laptop computers	79% ¹⁵	90%	Broadband Adoption, Digital Equity
	B2b. Decreased % of households without enough devices	% households that need more computing devices to allow each member to connect to the internet	To be detailed in the state digital equity plan ¹⁶	10%	Broadband Adoption, Digital Equity
	B2c. Increased enrollment in ACP (Affordable Connectivity Program) among Illinois households	ACP uptake rate	24% ¹⁷	50%	Broadband Affordability

¹⁴ Based on IBL Stakeholder Survey responses to the question, “How often, if at all, have you ever experienced any of the following?”

¹⁵ U.S. Census, [ACS 2021 5-Year Estimates](#)

¹⁶ Data to be collected based on IBL Broadband and Digital Equity Survey question, “Does your household need more computing devices, such as a laptop or tablet computer, to allow each person to connect to the internet as needed?”

¹⁷ Calculated with data from [Estimating participation in the Affordable Connectivity Program \(ACP\)](#), Dec 2022 and [USAC ACP Enrollment and Claims Tracker](#), Dec 2022

Goal	Objective	KPI	Baseline	2030 target	Area 2
B3. Ensure that every student, school, and district within Illinois participates in a sustainable one-to-one initiative	B3a. All IL students and teachers have access to reliable internet and internet-capable devices	% students with access to reliable internet and devices	To be detailed in the state digital equity plan	90%	Broadband Access, Digital Equity
		% teachers with access to reliable internet and devices	To be detailed in the state digital equity plan	90%	Broadband Access, Digital Equity
	B3b. Increased % of IL school districts offering 1 Mbps/student	% IL school districts at 1 Mbps/student	68% ¹⁸	90%	Broadband Access, Digital Equity
	B3c. Increased % of IL school districts providing one device per student by 2030	% IL school districts with a one-to-one program	79.8% ¹⁹	90%	Broadband Adoption, Digital Equity
	B3d. Increased % of IL school districts offering parent/ caregiver training on technology and remote learning	% IL schools offering tech training to parents/ caregivers	85% ²⁰	90%	Broadband Adoption, Digital Equity
B4. Increase the use of broadband services to facilitate aging in place	B4a. Increased % of Illinoisans using internet-ready devices	% Illinoisans over 65 using computer, laptop, or tablet computer	61% computer/ tablet ²¹	80%	Broadband Adoption, Digital Equity

¹⁸ [Connect K-12](#)

¹⁹ [2020 Illinois School District Technology Survey](#), Learning Technology Center of Illinois in collaboration with the Illinois State Board of Education

²⁰ [2020 Illinois School District Technology Survey](#), Learning Technology Center of Illinois in collaboration with the Illinois State Board of Education

²¹ Share of Illinoisans over the age of 65 who responded that they use a desktop computer, laptop computer, or a tablet on the [NTIA Internet Use Survey 2021](#)

Goal	Objective	KPI	Baseline	2030 target	Area 2
	B4b. Illinoisans over 65 possess the digital skills required to participate in society and the digital economy.	% digital literacy rate among the over-60 population	To be detailed in the state digital equity plan	5%	Broadband Adoption, Digital Equity
	B4c. Increased # Illinoisans over 60 participating in the Illinois Care Connections (ICC) program	# Illinoisans over 60 referred and approved for technology bundles	~1,901 ²²	To be detailed in the state digital equity plan	Broadband Adoption, Digital Equity
	B4d. Reduced social isolation and loneliness ²³	% “less lonely” rating among aging participants in the ICC Program	37% ²⁴	90%	Broadband Adoption, Digital Equity
C1. Accelerate the use of digital agriculture applications across rural Illinois	C1a. All farms in IL have access to high-speed internet.	% IL farms with access to internet	90% ²⁵	100%	Economic Growth and Job Creation, Digital Equity
	C1b. Increased implementation of precision agriculture use cases	# farms implementing precision agriculture applications	To be detailed in the state digital equity plan	to be detailed in the SDEP	Economic Growth and Job Creation

²² [A Report on the Illinois CARE Connections Program](#), Aug 2021

²³ Adapted from the Illinois Department of Aging’s [State Plan on Aging FY2022-FY2024](#)

²⁴ Reducing Social Isolation Through Technology: A Report on the Illinois CARE Connections Program, Aug 2021

²⁵ Figures for farms with internet access, from USDA Farm Computer Usage and Ownership, 2021. Note: Speed data not available

Goal	Objective	KPI	Baseline	2030 target	Area 2
C2. Expand broadband- powered opportunities for inclusive workforce development in communities throughout Illinois, with a focus on covered populations	C2a. Scaled education and training programs for skill development for the tech-related occupations	# participants trained for IT occupations	To be detailed in the state digital equity plan	to be detailed in the SDEP	Economic Growth and Job Creation
	C2b. Increased number of Illinoisans that can work from home	% Illinoisans over 15 years old working remotely via the Internet	32% ²⁶	to be detailed in the SDEP	Economic Growth and Job Creation
	C2c. Scaled education and training programs to develop skills for the broadband industry	# participants trained for broadband-related occupations	To be detailed in the state digital equity plan	to be detailed in the SDEP	Economic Growth and Job Creation
C3. Expand access to broadband- powered health- related services for covered populations to provide additional healthcare options to communities throughout Illinois. Services include but are not limited to telehealth, telemetry, and remote surgery.	C3a. Higher utilization of and satisfaction with remote healthcare among prioritized populations	% population that use telehealth	To be detailed in the state digital equity plan	90%	Economic Growth and Job Creation, Digital Equity
		% population satisfied with telehealth	To be detailed in the state digital equity plan	80%	Economic Growth and Job Creation, Digital Equity

²⁶ [Working Remotely via the Internet](#), Age 15+ Persons Who Use the Internet, Nov 2021, NTIA Internet Use Survey

Goal	Objective	KPI	Baseline	2030 target	Area 2
C4. Expand usage of digital manufacturing applications for small businesses and/or develop use cases for intelligent transportation and smart logistics in regions with the most need	C4a. Increased adoption of advanced manufacturing technologies	% manufacturers that currently implement advanced manufacturing technology	36.9% ²⁷	90%	Economic Growth and Job Creation
	C4b. Improved safety and efficiency of transportation infrastructure in Illinois	# intelligent transportation systems (ITS) projects across Illinois ²⁸	To be detailed in the state digital equity plan	To be detailed in the state digital equity plan	Economic Growth and Job Creation
	C4c. Increased adoption of intelligent transportation system (ITS) technology	# pilot programs or projects out of the Illinois Autonomous and Connected Track (I-ACT)	To be detailed in the state digital equity plan	To be detailed in the state digital equity plan	Economic Growth and Job Creation

²⁷ [How Illinois Manufacturers Are Adopting Advanced Technologies: An Insight Report on Automation, Workforce, and Productivity](#), Illinois Manufacturing Excellence Center

²⁸ Intelligent transportation systems can be defined as “the integrated application of sensor, computer, electronics, and communications technologies and management strategies to provide traveler information to increase the safety and efficiency of the surface transportation system,” [Illinois Statewide ITS Strategic Plan](#), 2019

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

Req 2.2.1 Text Box: 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.

As suggested in the BEAD guidance, this section is based on Illinois' Five-Year Action Plan and edited to reflect the latest planning and efforts.

The IOB has undertaken comprehensive stakeholder engagement efforts for broadband deployment programming.

For the creation of the Five-Year Action Plan and the SDEP, the Illinois Office of Broadband's stakeholder engagement process included listening to, understanding, and collaborating with a broad range of broadband and digital equity stakeholders to: (1) assess and understand broadband needs and barriers, (2) inventory and map existing broadband assets, and (3) learn what works and co-create new solutions.²⁹ The IOB aimed to meet four objectives by engaging key stakeholders:

1. Understand the experiences and perspectives of affected groups to inform the BEAD and State Digital Equity plans.
2. Communicate the facts about the forthcoming federal funding opportunity, the work already being done by the Office of Broadband and the Illinois Broadband Lab to progress towards goals, and the work ahead.
3. Enable current partners and build new partnerships with key stakeholders who are committed to the mission of equitable and inclusive broadband access.
4. Build long-term capacity for all impacted communities and key stakeholders support, transparency, and feedback.

Illinois engaged five stakeholder groups based on the groups detailed in the BEAD Notice of Funding Opportunity³⁰ during the stakeholder engagement process: (1) government entities, including local government bodies, regional entities and state agencies; (2) service providers; (3) other private companies, including small businesses; (4) non-profits and community organizations; and (5) residents and the organizations that serve them, with a focus on covered populations.

To identify organizations and entities to target and engage throughout the stakeholder engagement process, the IOB and IBL identified and catalogued their existing partners and supporters throughout the state. These partners and supporters included persons and organizations who have previously engaged with the Illinois Broadband Lab during webinars or existing programming.

²⁹ [Core Team Meeting](#), Jan 2023

³⁰ [Broadband Equity, Access, and Deployment Program Notice of Funding Opportunity](#)

Figure 1: Summary statistics on broadband metrics and covered populations across the 10 regions of Illinois

	Broadband metrics			Share of each covered population as a proportion of total regional population								
	Unservd	Broad-band adoption ¹	Access to devices	Covered pop.	Covered households	Aging	Incarcerated	Veteran	Ind. with disabilities	Ind. with language barrier ²	Racial or ethnic minority	Rural
Northeast	1%	76%	94%	75%	19%	20%	0.2%	3%	10%	23%	48%	8%
Northern Stateline	2%	68%	91%	78%	23%	25%	0.3%	6%	14%	18%	27%	29%
Northwest	8%	83%	91%	91%	20%	27%	1.4%	7%	15%	15%	17%	72%
North Central	8%	87%	92%	78%	20%	23%	0.7%	8%	13%	12%	17%	39%
East Central	8%	85%	92%	85%	25%	21%	0.7%	5%	12%	18%	25%	50%
Central	9%	83%	90%	84%	22%	28%	1.9%	7%	18%	13%	15%	54%
West Central	8%	80%	87%	88%	23%	27%	2.0%	7%	17%	14%	12%	89%
Southeast	24%	58%	90%	97%	24%	28%	2.2%	8%	18%	14%	7%	94%
Southern	23%	49%	87%	98%	27%	28%	2.1%	7%	20%	15%	13%	95%
Southwest	8%	88%	91%	81%	20%	24%	0.9%	8%	14%	14%	22%	44%
Illinois average	5%	72%	93%	78%	20%	22%	0.5%	5%	12%	21%	39%	21%

¹ For broadband adoption and devices access: darkest color indicates lowest proportions, middle color indicates below state average, and light grey indicates above state average
² Includes Black or African American, American Indian and Alaskan Native, Asian, Native Hawaiian and other Pacific Islander, Some other race, Two or more races, and Hispanic populations
 Covered populations excluded: Justice-impacted individuals, LGBTQ+ individuals, women, and rural residents
 Units used for analysis: BSLs: unserved; Households: broadband adoption and access to devices; Individuals: all covered populations
 Source: US Census 2021 ACS 5-Year, FCC Maps, Digital Equity Act Population Viewer ([link](#))

During the stakeholder engagement planning process, the IOB and IBL reviewed distribution of covered populations and broadband metrics (Figure 1) to understand the diversity of Illinois' regions before engagement began. The Northeast and Northern Stateline regions have relatively high proportions of individuals with low rates of English literacy, racial minorities, immigrants, and Indigenous persons. The Southern region has low rates of broadband adoption and device access, as well as relatively high proportions of unserved broadband-serviceable locations (BSLs), individuals with incomes less than 150% of the poverty line, individuals with disabilities, and veterans. The Southeast region has low broadband adoption rates and a relatively high proportion of unserved BSLs, individuals with disabilities, and aging individuals.

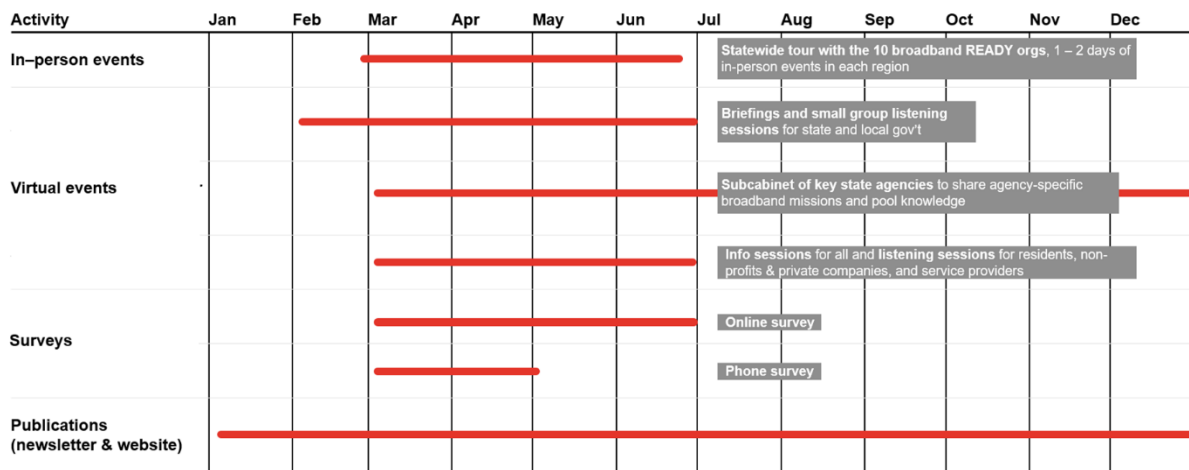
To engage members of these stakeholder groups, Illinois took on a multi-channel stakeholder engagement process that built on existing frameworks within the state (Figure 2). This multi-channel effort began by engaging one-on-one with local legislators and by conducting conversations and briefings on current broadband efforts across Illinois with local government officials. The State of Illinois invested in activities across multiple modalities to facilitate an inclusive stakeholder engagement process that brought in as many stakeholders as possible from covered.

To engage stakeholders from across Illinois, outreach across the following channels was conducted during the development of the Five-Year Action Plan and IL SDEP:

- **In-person events.** Through a statewide listening tour, several stakeholder groups—including residents, non-profits, community organizations, small businesses, and local governments—were invited to participate in in-person listening sessions held within local Illinois communities.
- **Virtual events.** State government agencies were engaged through a working group. The state government’s broadband subcabinet working group, or the State Government Broadband Working Group, was established at the beginning of the stakeholder engagement process. The broadband subcabinet met and will continue to meet regularly to discuss the federal funding opportunity and to engage agency leaders with a stake in closing the digital divide. Local governments also participated in small-group listening sessions. Individual conversations with legislators and local government leaders were hosted by the Director of the IOB. Briefings on the IOB and IBL for local governments’ governing bodies (such as city councils and county boards) were offered as a follow-up to one-on-one conversations. Additionally, virtual listening sessions for key stakeholder groups provided updates on the Office of Broadband’s and Illinois Broadband Lab’s activities and gathered feedback on digital equity and broadband-related experiences. The State hosted at least one virtual listening session for each of the four groups: residents, local organizations, internet service providers, and residents who speak Spanish.
- **Surveys.** The IOB and IBL administered surveys by phone and online. The online survey was available to members of all stakeholder groups so they could report on their experience in deploying, using, and promoting broadband. The phone survey was aimed at Illinois residents, with a goal of 2,500 resident responses. Additionally, the state administered a survey specifically for community anchor institutions (CAIs) to understand their connectivity and how they provide broadband access to the community.

- **Publications.** The new Illinois Broadband Lab website and social media platform were launched to disseminate information about stakeholder engagement efforts and updates on the federal funding application process. Additionally, the bi-weekly “Illinois Broadband Connections” newsletter produced by the Benton Institute in partnership with the Office of Broadband included updates on stakeholder engagement efforts.

Figure 2: The IOB and IBL launched a multi-channel stakeholder engagement process for the drafting of the Five-Year Action Plan and State Digital Equity Plan



Note: current plan as of 02/23/23. Timeline and plan are subject to change.

The express goal of the in-person listening sessions and phone survey was to reach stakeholders that may not have access to broadband currently, as well as to engage residents, non-profits, and community organizations within their communities. In-person outreach was organized to engage the Illinois Department of Commerce’s Economic Development Regions, which cover all 102 counties in the state. To reduce the burden on community organizations and partners, and to build upon existing community infrastructure, the in-person resident and non-profit engagement efforts were planned around the Economic Development Regions in Illinois. In each region, an existing Broadband READY (Regional Engagement for Adoption + Digital Equity) program is housed under the Illinois Broadband Lab. Resident and non-profit engagement events were planned by the Illinois Broadband Lab in partnership with the Broadband READY team, local government representatives, the University of Illinois Extension, and local organizations. Through these partnerships, Illinois built upon existing broadband-related efforts in the community and engaged stakeholders through organizations they were familiar with.

Throughout engagement with various stakeholders, the state noted major concerns, needs, and gaps related to broadband equity throughout the state of Illinois. Additionally, the state recorded existing, ongoing community and local efforts across the state that were related to broadband deployment, access, and equity that contributed to the Five-Year Action Plan. The findings from stakeholder engagement efforts conducted were used as key inputs for the Five-Year Action Plan, the Initial Proposal, and the State Digital Equity Plan.

Req 2.3.1 Text Box: Describe the coordination conducted, summarize the impact such coordination 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.

A. Coordination conducted

From March to June this year, the IOB and Illinois Broadband Lab hosted over 50 listening sessions and town hall meetings in over 20 communities to better understand the challenges that residents, community organizations, and local governments face in accessing reliable internet services. Below is a table summarizing the stakeholder engagement tour.

Table 3: Overview of 10-Region Stakeholder Engagement Tour with planning partners, events, and attendees by region as of June 2023

Region	Dates	Host sites	Number of attendees	Example CAIs and non-profits represented
Southern	3/1 – 3/2	Shawnee Community College, SIU Carbondale	90-100	Agriculture, government representatives; economic development organizations, education non-profits
Southwest	3/15 – 3/16	SIU East St. Louis, Kaskaskia College	90-100	Agriculture, government representatives, local non-elected leaders, education organizations/schools
Southeast	3/22	Effingham Extension Office	30-40	County Farm Bureaus (Richland, Effingham, Clay, and Jasper), Illinois Extension, County Boards (Effingham, Jasper, and Bond), City of Effingham
East Central	4/12 – 4/13	Champaign Farm Bureau, Danville Area Community College	90-100	Parkland College, Champaign County Board, High Speed for Edgar County, Urbana-Champaign Big Broadband Danville Area Community College, high schools
Northeast – City of Chicago	4/19, 5/3, 5/10	City of Chicago – City Hall, Malcolm X College, Steinmetz College Prep High School, Urban League Chicago	170-180	UChicago Internet Equity Initiative, scaleLIT, YMCA of Metro Chicago, Chicago Urban League, Women Employed, The Northwest Center, Teamwork Englewood, Latinos Progresando, Puerto Rican Cultural Center, Southwest Organizing Project, Project Exploration, Literacy Works, ChiCommons LWCA, Black Star Project
Northeast – Aurora, Libertyville, Kankakee, Joliet, Sugar Grove	5/18, 5/24, 5/25, 5/31,	Waubonsee Community College, Lake County Health Department, Kankakee Public Library, Joliet City Council	180-190	City of Aurora IT Department, Waubonsee Community College Faculty, local government representatives, U.S. Department of Commerce employee, NTI Network Technologies
Central – Springfield, Decatur	4/25 – 4/26	Macon County Extension Office, Lincoln Library, Innovate Springfield	110-120	IL Heartland Library System, Heritage Behavioral Health Center, Faith Coalition for Common Good, IMC Illinois Migrant Council, government representatives

Region	Dates	Host sites	Number of attendees	Example CAIs and non-profits represented
West Central - Macomb	5/3	Macomb City Hall	80-90	Rushville Public Library, Western Illinois University, Memorial Hospital, University of Illinois Extension, Catch a Star Learning Center, government representatives
Northern Stateline	5/23	Rockford Public Library, Region 1 Planning Council	10-20	Local government representatives, University of Illinois Extension, UD Department of Commerce
Northwest – Moline, Morrison	5/9 – 5/10	Rock Island Casino, WIU Quad Cities, Morrison Institute of Technology	50-60	Western Illinois University, Henry County Farm Bureau, Highland Community College, government representatives
North Central	5/16 – 5/17	Milner Library, Manual High School, Glen Okay Community Learning Center	110-120	Government representatives, Normal Public Library, Illinois State University, Farm Bureaus (McLean County, Peoria County), Peoria Public School, Manual High School
Statewide	3/14, 4/21, 4/28, Virtual 5/4, 5/9, 5/23		170	Illinois Farm Bureau, Illinois Capital Development Board, Illinois State University, North Park University Library

B. Impact of local coordination

Through the listening tour, the Office of Broadband gathered feedback from residents, community-based organizations, and local officials to inform the drafting of the Five-Year Action Plan, the State Digital Equity Plan, and the Initial Proposal. The following is a summary of some of the feedback received, and its impact on the Initial Proposal drafting:

- Attendees from various regions stated that Internet subscriptions were still unaffordable to them despite existing subsidies, in part due to the high cost of the subscriptions and in part due to the high cost of the devices that are necessary to access the Internet. In response to this, the IOB has adopted the example low-cost service plan supplied by the NTIA, thus ensuring that all providers receiving BEAD funds will offer affordable options to consumers. Additionally, the IOB has assigned substantial weight to affordability in the scoring rubric for subgrantee selection to encourage providers to offer middle-class households affordable plans for high-speed internet.
- Attendees—particularly those living in high-density, residential buildings in Chicago—reported experiencing bandwidth limitations that have interrupted service. In response to this, the IOB included an “area challenge” in the challenge process and adopted the pre-challenge modification, which redesignated served MDUs that are unlikely to have high-speed internet as “underserved.” This change shifted the burden of proof to providers and ensured that the broadband map accurately reflects service availability in MDUs—thus ensuring that unserved locations and undeserved MDUs will be able to receive BEAD funding.
- Attendees from rural areas reported either having no access or access to one provider with unreliable service. The Office of Broadband is aware that certain areas of Illinois—for example, rural areas in Southern and Southeast Illinois—lack broadband infrastructure.³¹ Ensuring that every unserved location is connected via BEAD funds is a top priority for the Office. Therefore, as outlined in Req. 2.4.3 of this Initial Proposal, the IOB plans to (1) increase the reference price in hard-to-serve areas, and (2) award

³¹ [Connect Illinois Five-Year Action Plan](#), Section 3.4.1. Needs and Gaps Assessment, Broadband Deployment

higher points for hard-to-reach locations to encourage providers' participation in these areas.

- Some attendees reported having access only to dated technologies that do not offer speeds high enough for more than one person. As a response, the IOB adopted the DSL modification and redesignated all DSL locations as "underserved" to facilitate the phase-out of legacy copper facilities and to ensure the delivery of "future-proof" broadband service.
- Many attendees emphasized the need for digital learning opportunities and digital skills programs. Although the Office of Broadband does not anticipate having additional BEAD funds left to address this, it intends to use digital equity funds to ensure that digital learning and skills development opportunities are available to Illinois residents.

The state's local coordination efforts have satisfied the local coordination criteria outlined in the BEAD NOFO.

Full geographic coverage. The IOB and IBL conducted the stakeholder engagement tour in all 10 regions in Illinois. In-person listening sessions were hosted in multiple locations in each region to better cover the region and to allow stakeholders from both rural and urban counties to participate. In addition, the IOB and IBL hosted several virtual listening sessions for stakeholders who were unable to attend in person.

Outreach to diverse groups. The IOB and IBL involved all stakeholder groups suggested by the NOFO in developing the Five-Year Action Plan and Initial Proposal.

- **Public-service stakeholders:** During the 10-region stakeholder engagement tour, the Office reached out to local government officials and hosted in-person briefings. The IOB and IBL hosted three virtual sessions for state government agencies. During these sessions, the IOB and IBL provided updates of broadband progress in Illinois, previewed the work to be done, and discussed opportunities for collaboration.
- **Private-sector stakeholders:** The IOB and IBL hosted two virtual listening sessions specifically aimed at private-sector stakeholders. In these sessions, the IOB and IBL introduced upcoming opportunities to close the digital divide in Illinois and then opened the floor for providers and private businesses to ask questions, provide feedback, and voice concerns.

- **Community-serving stakeholders:** The IOB and IBL reached out to a wide range of community-serving stakeholders through their existing listservs and local partner organizations' listservs. The IOB and IBL hosted at least one resident and one community organization listening session in each of the 10 regions. The IOB also hosted briefings with umbrella organizations of community anchor institutions, such as the Illinois Library Association.

Multiple awareness mechanisms. The IOB and IBL used multiple mechanisms to raise awareness and encourage participation among various stakeholder groups.

- **In-person listening sessions.** As outlined in the beginning of this section, the IOB and IBL hosted over 50 in-person listening sessions in local communities across all 10 regions of Illinois.
- **Virtual listening sessions.** The IOB and IBL hosted virtual listening sessions for residents, local organizations, local governments, state agencies, internet service providers, and private businesses.
- **Informational materials.** The IOB and IBL distributed virtual fact sheets and FAQs through many partner organizations, such as the Illinois Library Association and regional broadband READY teams. The Office also distributed printable brochures during the 10-region tour to facilitate dissemination of information among individuals with limited access to digital devices.
- **Surveys.** The IOB and IBL conducted online surveys targeting all stakeholder groups as well as phone surveys targeting residents. In addition, the IOB launched surveys specifically for CAIs and PHAs to understand their particular challenges, barriers, and benefits related to broadband access.³²
- **Publications.** A website and social media platforms for the Illinois Broadband Lab were launched to disseminate information about stakeholder engagement efforts and updates on the federal funding application process.^{33,34} Additionally, the bi-weekly "Illinois

³² [Illinois Broadband Lab All Stakeholder Survey](#)

³³ [Illinois Broadband Lab Official Website](#)

³⁴ [Illinois Broadband Lab Twitter](#), [Illinois Broadband Lab Facebook](#)

Broadband Connections” newsletter produced by the Benton Institute in partnership with the Office of Broadband includes updates on stakeholder engagement efforts.³⁵

Transparency. In all of the state’s local coordination efforts, the IOB and IBL adhered to clear procedures that promote transparency.

- The IOB posted the schedules of all stakeholder engagement events on the IBL website and other relevant websites.^{36,37}
- The IOB periodically reported on broadband efforts to local and community stakeholders through a bi-weekly newsletter.³⁵ The state also published a report on the feedback received from the stakeholder engagement tour.³⁸
- The IOB involved a diverse set of stakeholders, as outlined in the section above on outreach to diverse groups.
- The IOB hosted listening sessions specifically for Spanish-speaking individuals and provided a Spanish option for surveys so that residents who speak only Spanish could voice their broadband concerns.

Underrepresented engagement. The IOB and IBL identified and directly engaged with unserved, underserved, and underrepresented groups in their local coordination efforts.

- IOB and IBL raised awareness in under-represented communities by using several tools, including: 1) conducting analytics to identify unserved, underserved, and under-represented communities in each region; 2) promoting listening sessions through CAIs that directly reach under-represented communities; and 3) holding listening sessions targeted at residents who speak in Spanish, with Spanish translations of the surveys administered.
- The IOB will further engage with under-represented communities through its various stakeholder engagement plans under the State Digital Equity Plan. The IOB will ensure

³⁵ [Illinois Broadband Connections](#), Benton Institute for Broadband & Society

³⁶ [Example of post regarding the listening sessions in Chicago](#). Similar posts were made for all events.

³⁷ [Illinois Broadband Lab Summer Series schedule](#), Illinois Extension on the University of Illinois Urbana – Champaign website

³⁸ [“Statewide Listening Tour Crosses the Finish Line”](#)

that stakeholder engagement events conducted for the Digital Equity Plan are well-coordinated to minimize confusion.

C. Ongoing coordination efforts

Following an ambitious, 54-stop, statewide listening tour, and after drafting the resulting Five-Year Action Plan, the IOB and the Illinois Broadband Lab is conducting ongoing stakeholder engagement activities to deepen the understanding of needs, barriers and interventions that are working; and to update all stakeholders on the latest planning and preparations for the BEAD and Digital Equity programs. For BEAD, the state is undertaking the following:

- **BEAD Challenge Process.** The state is reaching out to relevant participants through multiple channels. Examples include emails to stakeholders, promotion on IBL and IOB websites and social media, a press release, office hours/technical assistance four times per week, weekly webinars, email reminder, phone calls and information sessions, and promotion through the bi-weekly newsletter.
- **Provider engagement.** Meeting the goal of universal broadband access would be impossible without the participation of Illinois' broadband providers. The state is seeking providers' input on broadband mapping in general and BSLs in particular. Future outreach will include: 1) virtual information sessions on BEAD planning, preparations, and processes; 2) publication of rules and a timeline on IOB's website and other relevant websites; 3) Q & A sessions after rules are published to answer stakeholders' additional questions and concerns.
- **Regional stakeholder engagement.** The IBL is inviting past participants in various broadband-related events that it has held over the past four years—including Illinois Connected Communities, Accelerate Illinois, Broadband Breakthrough, and attendees at the afore-mentioned listening tours—to meetings in each of the state's 10 economic development regions. These meetings focus on how local governments, community and statewide organizations, and everyday Illinoisans can engage in broadband mapping, the initial design of the digital equity program, and ongoing opportunities for local coordination, planning, and capacity-building.

In addition, the IOB and IBL is continuing the stakeholder engagement efforts through:

- **The Broadband Advisory Council**, which convenes quarterly. This council includes representatives from various internet service providers, state agency officials and legislators, and certain broadband-related stakeholders. Additionally, the Illinois Office of Broadband is maintaining its State Government Broadband Working Group. Through this group, the State of Illinois is monitoring the implementation of the Five-Year Action Plan to ensure that digital services meet constituents' needs throughout the state.
- The **Illinois Broadband Lab's website** and the **Office of Broadband's newsletters**, which are published in partnership with the Benton Institute for Broadband & Society and are disseminated and updated regularly.

As part of the steady state IOB/IBL operating model for broadband deployment and digital equity, IOB/IBL plans to coordinate across BEAD and DE to conduct ongoing stakeholder engagement. Such activities will include:

- **Interagency Broadband Working Group:** The IOB will bring together stakeholders from state agencies and departments who are impacted by the broadband and digital equity work. This group will weigh in on program design, outreach approach, and broadband needs among anchor institutions.
- **Expanded Regional Engagement:** Building upon existing regional partnerships through the Broadband READY program, the IOB will standup additional regional engagement spaces. These spaces will develop and build community among non-profit and community leaders within each of the 10 economic development regions, allow for the co-design of the state digital equity grant program, and build grant application capacity among potential applicants.
- **Communities of Practice:** The IOB will establish communities of practice, where stakeholders working in the broadband and digital equity space can come together to learn from each other, share best practices, and troubleshoot collectively.
- **Virtual Engagement:** The IOB will continue its bi-weekly newsletter, regular webinar series, email updates, and office hours/technical assistance during grant application windows and other engagement opportunities, like the Challenge Process.

Engagement activities include State Interagency Working Group meetings, developing and building community among non-profit and community leaders within each of the 10 economic development regions, co-designing the state digital equity grant program,

building grant application capacity among potential applicants, regular webinars about upcoming programming and funding opportunities, and bi-weekly newsletter updates.

These spaces will engage representatives from (1) government entities, including local government bodies and state agencies; (2) service providers; (3) other private companies, including small businesses; (4) non-profits and community organizations; and (5) residents and the organizations that serve them.

Through both ongoing virtual engagement (e.g., bi-weekly newsletter, webinars, email updates, technical assistance sessions) and regional in-person engagements (e.g., Broadband READY convening, regional stakeholder engagement events), the IOB will continue to coordinate with relevant stakeholders on local/regional broadband planning activities. Such stakeholders include county and municipal governments, non-profits, community-based organizations, and local/regional-based internet service providers. Coordination includes a combination of outreach and awareness about IOB initiatives and soliciting feedback and input on programs in development.

Req 2.3.1.1 Attachment: As a required attachment, submit the Local Coordination Tracker Tool to certify that the Eligible Entity has conducted coordination, including with Tribal Governments, local community organizations, unions and work organizations, and other groups.

See attachment for the Local Coordination Tracker.

Req 2.3.2 Text Box: 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.

Req 2.3.2.1 Optional Attachment: As a required attachment only if the Eligible Entity encompasses federally recognized Tribes, provide evidence that a formal tribal consultation process was conducted, such as meeting agendas and participation lists.

Not applicable.

Deployment subgrantee selection (Requirement 8)

Deployment Projects Subgrantee Selection Process and Scoring Approach

Req 2.4.1 Text Box: Describe a detailed plan to award subgrants to last-mile broadband deployment projects through a fair, open, and competitive process.

The state of Illinois' plan for Connect Illinois Round 4 contains multiple elements designed to achieve a fair, open, and highly competitive award process with broad participation. Connect Illinois Round 4 also includes rules that fully implement all Sub-granting Accountability Procedures mandated by NTIA, including for disbursement, claw-back rights, subgrantee reporting, and ongoing monitoring.

See 2.4.6 for definitions on Project Area Units, Project Areas, Hard to Serve Project Area Units, and "Must include project area units".

A. Overview of Connect Illinois Round 4

The BEAD subgrantee process will consist of two waves of applications and awards, potentially followed by third wave. During the first wave ("Wave 1"), application must include but are not limited to hard-to-serve locations (see 2.4.6 for description). The second wave ("Wave 2") will include all remaining locations. Based on the percentage of the total BEAD allocation provisionally awarded in the first two waves, the state may conduct a third wave ("Wave 3"). A timetable for the subgrantee process is shown in Table 4 at the end of the subsection.

Request for Information (RFI) for the design of project area units. The state intends to solicit feedback on the design of project area units (PAUs) through an RFI process, which will take place two to three months prior to the start of the subgrantee process. The state will publish a set of preliminary project area units and asks providers to submit (1) any feedback on the project area units, and (2) project areas that they are interested in serving. Based on the feedback, the state will publish the finalized project area units, the hard-to-serve project area units, and corresponding reference cost for each project area unit at least 30 days prior to the start of the subgrantee process.

Preparation for the subgrantee process. Approximate two months prior to the start of the BEAD subgrantee process, the state will begin to receive non-project related application materials from prospective subgrantees. During this window, prospective subgrantees must provide their compliance with labor qualifications (Req 2.7.1 and 2.7.2), and financial qualifications (Req 2.4.11), managerial qualifications (Req 2.4.12), technical qualifications (as detailed in Req 2.4.13), and operational qualifications (Req 2.4.15), and submit qualification for compliance with applicable laws (Req 2.4.14), qualification for providing information on ownership (Req 2.4.16) and other public funding (Req 2.4.17). Prospective subgrantees that have participated in prior rounds of Connect Illinois will only need to submit the documentation that they have not submitted before. The Office of Broadband will publish more guidance when the state opens the window to receive non-project related materials.

Before the start of the subgrantee process, prospective subgrantees will be notified as to whether they have provided all relevant non-project-based information required to further participate in Connect Illinois Round 4. The state highly encourages providers to take advantage of the early submission window to streamline their application process, however, prospective subgrantees can also choose to provide their qualifications during the application period.

Prospective subgrantees will be notified that the window to receive non-project related materials has opened via the following communication channels:

Emails to the Illinois Broadband Connections mailing list

Email to participants of the Connect Illinois grant program

Emails to IOB contact lists, which includes ISPs, non-profits, local governments, and more

Emails to Internet Service Providers and ISP associations

Announcement on the IOB and IBL websites

Subgrantee process, Wave 1. The initial wave of the subgrantee selection process for BEAD will begin after the approval of Volume II of Illinois' Initial Proposal by NTIA or following the completion of the BEAD challenge process and NTIA's approval of the challenge results, or after the publication of the PAUs, hard-to-serve PAUs, and reference cost for each PAU for 30 days, whichever is later. At this point, the Office of Broadband will begin accepting applications³⁹.

Applications during wave 1 must include, but are not limited to, hard-to-serve areas. At the end of the application period, the IOB will process all applications that contain sufficient number of hard-to-serve PAUs (the state will publish more guidance when publishing the hard-to-serve PAUs). Applicants could submit applications for all available PAUs; however, only applications with sufficient number of hard-to-serve PAUs in their project areas will be considered for provisional award at this stage of the subgrantee process. A sufficient number of hard-to-serve PAUs in a provider application will be determined based on the total number and percentage of hard-to-serve PAUs in the state, and percentage of hard-to-serve PAUs that receive applications during wave 1. That determination will be made in a manner that maximizes the likelihood of reaching all unserved and underserved locations in the state. Applicants bidding on PAUs that contain multi-dwelling units (MDUs) will be required to demonstrate how their proposed solutions will connect all units within an MDU. In the case that the state does not have sufficient funds available to fund deployment to all unserved, underserved, and eligible CAI locations, this approach would allow state to prioritize unserved projects first as stated in BEAD NOFO.

Applications will be deconflicted and selected as provisional winners as follows: First, all qualifying applications will be scored using the scoring rubric described below in Req 2.4.2. Next, the state will rank all applications from highest to lowest by score and sequentially choose applications as provisional winners. If a lower-ranking application conflicts with a higher-ranking application, the provider will be notified of the conflict and will have 10 business days to remove the conflicting areas and resubmit their application. Then, the state

³⁹ Exact timeline of the subgrantee process will depend on the timing of NTIA's approval of Initial Proposal Volume 1, the state's challenge process, and NTIA's approval of Initial Proposal Volume 2.

will re-score the lower-ranking application based on the re-submission. The details of the deconfliction process are described in Section 2.4.6 below.

At the end of the deconfliction process, the state will conduct a final review of selected proposals to confirm that the total set of awards to each prospective subgrantee is consistent with the financial, operational, and managerial capabilities submitted in the pre-qualification process. The state will confidentially engage with specific providers, if needed, to confirm or clarify any identified issues and reserve the right to select an alternative proposal if any concerns remain. The state will then publicly announce all provisional winners.

The state will not award any non-priority broadband projects in wave 1. For priority broadband projects, since the state does not have complete information to determine the extremely high cost per location threshold (EHCPLT) at this stage of the process, the state will reserve the right to hold off on awarding applications with high BEAD outlay until wave 2 of the subgrantee process, when the state determines the EHCPLT. After choosing the EHCPLT in wave 2, any provisionally awarded applicants from wave 1 found to be above the threshold will be given the opportunity to amend their applications to come into compliance with the threshold, including the opportunity to adjust the technology of their proposals.

Three potential outcomes are possible at the end of wave 1 of Connect Illinois Round 4:

1. An application is selected as the provisional winner.
2. An application is not selected and conflicts with a provisional winner. In this case, the provider of the application that is not selected must reduce the application's scope to exclude the conflicting area for participation in the next round.
3. An application is not selected and does not conflict with any provisional winner. In this case, the application will be rolled over to the next round automatically; however, the provider will have the option to refine or withdraw their application prior to wave 2.

At the end of wave 1, the state plans to assess the remaining BEAD funds available and compare it with the reference cost of the remaining project area units. The goal is to form preliminary hypothesis on how likely the state will be able to connect all unserved and underserved locations using BEAD funds under various EHCPLT assumptions. Based on the comparison, the state will establish a scoring threshold for wave 2. The lower the

remaining funds as compared to the total BEAD allocation, the higher the scoring threshold will be.

The state will establish the scoring threshold but will not make it public at the end of wave 1. The state will use the scoring threshold to determine if wave 3 is needed per the following approach: in the evaluation stage of wave 2, if enough applications score above the threshold, the state will make all awards by the end of wave 2. Otherwise, identical to the approach employed in prior Connect Illinois rounds, the state will only award projects that scored above the threshold in wave 2 and rest of the applications will be rolled over for evaluation in wave 3.

Subgrantee process, Wave 2. After the remaining PAUs are published, the Office of Broadband will then begin accepting applications for wave 2. At the end of the submission period, the IOB will process all applications, regardless of their hard-to-serve status. The IOB will also determine the EHCPLT by the process described in Req. 2.4.9. The review process will be completed within five weeks. The state will then announce the scoring threshold, and whether the state will run an additional wave.

In the case that wave 3 is not needed, conflicts in applications will be removed and provisional winners selected in the same way as in wave 1, with one exception: with the EHCPLT determined, the state will only consider the non-priority broadband projects where BEAD outlay per location of fiber projects covering the same area exceeds the EHCPLT, or there is no eligible priority broadband project covering the same area (see Req. 2.4.4, 2.4.9, and 2.4.10 for more details). In parallel, for locations that have received no applications, the state will reach out to providers and subgrantees to directly negotiate incentives to provide coverage (see Req. 2.4.6 for more details).

In case wave 3 is needed, the state will resolve conflicts and award provisional winners the same way as above, with the additional exception that only applications scoring above the threshold will be considered for award in this wave. The state will not conduct direct negotiations with providers and subgrantees until wave 3.

Potential outcomes at the end of wave 2 of Connect Illinois Round 4 could be:

1. A wave 3 is not needed. All applications processed and awards announced.
2. A wave 3 is needed.

- i. For those applications that are selected as the provisional winner. No further action is needed for those applicants.
- ii. For those applications that are not selected due to scoring below the threshold, the applications will be rolled over to the next wave automatically.

Subgrantee process, Wave 3, optional. The state will publish the remaining project area units, the EHCPLT, and the minimal BEAD outlay of applications that are selected as provision winners in the previous two waves. During this period, applicants will have an opportunity to (1) refine their existing applications to revise the BEAD outlay downward and/or provider match upward, and/or (2) refine their existing applications to remove any conflict with project areas of provisional awards and adjust BEAD outlay accordingly, and/or (3) submit new applications. Then, the state will process all proposals, and then run the deconfliction process. In parallel, the state will reach out to providers and subgrantees to directly negotiate coverage for areas that received no bids.

Table 4: Tentative timeline of connect Illinois Round 4

Stage	Duration
Subgrantee process, Wave 1	89 days
Subgrantee process, Wave 2	124 days
Subgrantee process, Wave 3, Optional	108 days

B. Ensuring that the subgrantee process is fair, open, and competitive

Safeguards to ensure that the subgrantee selection process is fair. The Illinois Office of Broadband will establish safeguards against collusion, bias, conflicts of interest, and arbitrary decisions. The IOB will establish clear policies and guidelines that outline the expectations, responsibilities, and procedures for the subgrantee selection process. Templates will be provided to the applicants whenever possible to streamline the application process. Information submitted by applicants will feed directly into scoring through an automated process. The IOB will use a standardized scoring rubric with guidance on calculating points to facilitate an objective evaluation process. Each applicant is required to submit a conflict-of-interest disclosure as part of the standard application package. Participation in the subgrantee process is contingent upon a review of the conflict-of-interest disclosure. Merit reviewers will be required to sign an ethics and confidentiality agreement certifying no collusion. The state will not publicly post any information on the subgrantee's interest to safeguard against collision. In addition, the IOB will maintain records of all evaluations, communications, and decisions.

Safeguards to ensure that the subgrantee selection process is open. The IOB will give adequate public notice to all potential subgrantees so that a wide variety of potential applicants may participate. Specifically, the IOB will post a public notice with detailed guidance for 30 calendar days prior to the BEAD subgrantee selection process. Throughout the two processes, the IOB will host periodic virtual information sessions to address providers' questions and to issue clarifying guidance if needed. The IOB will ensure that the information and virtual sessions are accessible to all providers.

Safeguards to ensure that the subgrantee process is competitive. The IOB does not believe that any of its current evaluation criteria are competitively biased; however, the IOB will use the public comment period of the Initial Proposal Volume II to ensure that the proposed evaluation criteria do not favor one type of provider over another.

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

The below steps for prioritization and scoring will be applied in all Waves of the subgrantee process. Note, in Wave 1, only applications whose proposed project area meets the hard-to-serve project area units (see section 2.4.6 for a detailed description of hard-to-serve project area units) “sufficient number” threshold will be eligible for a provisional award (see section 2.4.1 for a description of how “a sufficient number of hard-to-serve PAUs” will be determined). Given that the state will not have an EHCPH for Wave 1, in Wave 1 the state will not make any provisional awards for non-priority broadband projects. Illinois plans to follow the BEAD guidance for prioritization as outlined below.

- If **only one** application (1) constitutes a Priority Broadband Project, (2) satisfies all other requirements set out in the BEAD NOFO with respect to subgrantees, and (3) is within the Extremely High Cost-Per-Location Threshold in a location or set of locations, the application will be the default winner, unless the state requests—and the Assistant Secretary grants—a waiver allowing the state to select an alternate project.
- If **two or more** applications (1) constitute a Priority Broadband Project, (2) satisfy all other requirements set out in the BEAD NOFO with respect to subgrantees, and (3) are within the Extremely High Cost-Per-Location Threshold in a location or set of locations, the IOB will apply the scoring rubric / selection criteria shown in Req 2.4.2.1, which can be used for priority broadband projects.
- If **no applications** (1) constitutes a Priority Broadband Project, (2) satisfies all other requirements set out in the BEAD NOFO with respect to subgrantees, (3) is within the Extremely High Cost-Per-Location Threshold in a location or set of locations, and if competing projects that are not Priority Broadband Projects cover the same locations or area, the IOB will apply the scoring rubric / selection criteria shown in Table 5 in Req 2.4.2.1, which can be used for non-priority broadband projects.

As described in section 2.4.1, Wave 1 seeks to ensure that the hardest-to-serve project area units are incorporated into applications (which can be along with more desirable project area units) and receive provisional awards first. In Wave 2, the EHCPLT will be leveraged to seek to extend the reach of broadband funds as far as possible to project area units across the state that did not receive applications in Wave 1. Wave 3 will be employed as needed, to seek either more cost competitive applications or additional applications for all remaining locations. Wave 3 may involve targeted refinements to PAUs, reference costs, and provider negotiations to drive toward covering all unserved, underserved locations and CAIs.

The Office of Broadband will provide a submission template to streamline the scoring process. Using the template, applicants will submit all requested information (such as the dollar amount to serve all unserved locations and underserved locations, the amount of matching funds, or the price offered for different speeds).

Req 2.4.2.1 Attachment: As a required attachment, submit the scoring rubric to be used in the subgrantee selection process for deployment projects. Eligible Entities may use the template provided by NTIA or use their own format for the scoring rubric.

A. Scoring rubric of Connect Illinois Round 4

Table 5: Scoring Table for Connect Illinois Rd 4 Rubric

BEAD criteria	Weighting	Description
Minimal BEAD program outlay: non-state match	20%	More points will be assigned to the degree of nonstate match over 30%, as a greater nonstate match signifies more “skin in the game” and therefore financial risk assumed by the applicant. See subsection B below for more details.
Minimal BEAD program outlay: financial need with respect to reference cost	30%	Points will be assigned based on how much the application’s required BEAD outlay deviates from the reference cost published by the state. More points will be assigned to applications with lower BEAD outlay compared to the reference cost. See subsection C below for more details.
Affordability	15%	Applicants will be scored based on the price they offer for either 1Gbps/1Gbps or 100/20Mbps: 1Gbps/1Gbps for priority broadband projects and 100/20Mbps for other broadband projects. See subsection D below for more details.
Fair Labor Practices	15%	Applicants will be scored based on their demonstrated record of and plans to be in compliance with federal labor and employment laws and submission of a project labor agreement. See subsection E for more details.
Sum of primary criteria	80%	
Speed to deployment	3%	Points for enforceable deployment plans faster than 48 months. See subsection F for more details.
Speed of network and technical capabilities	4%	Points based on performance levels and scalability networks. See subsection G below for more details.
Open access and use of existing network	3%	Points based on subgrantee’s provision of open access and use of existing network. See subsection H for more details.
Local coordination: evidence of community support	5%	Points based on degree of breadth and depth of community support for the project. See subsection I for more details.

Local coordination: verified financial commitment from community	5%	Points based on financial investment by community members and organizations. See subsection I for more details.
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Sum of Secondary and Optional criteria	20%
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B. Minimal BEAD program outlay: non-state match (20%)

Similar to scoring in previous Connect Illinois grant rounds, more points will be assigned to the degree of nonstate match over 30%, as a greater nonstate match signifies more “skin in the game” and therefore financial risk assumed by the applicant.

Table 6: Scoring Table for Nonstate Matching Funds Provided

Percent of eligible project costs covered by nonstate match	Points
60% or more	20
55 – 59.9%	17
50 – 54.9%	14
45 – 49.9%	11
40 – 44.9%	8
35 – 39.9%	5
30 – 34.9%	2
Less than 30%	0

C. Minimal BEAD program outlay: financial need with respect to reference cost (30%)

Points will be assigned based on how much the application’s required BEAD outlay deviates from the reference cost published by the state. As stated in response to Req 2.4.1, the state will publish the reference cost for each PAU under both fiber and non-fiber technology prior to the start of the subgrantee process. Reference cost will be based on CQA’s NPV estimation, assuming greenfield buildout. The reference cost of a project area is calculated as the sum of the reference cost of the PAUs under the respective technology. More points will be assigned to applications with lower BEAD outlay compared to the reference cost.

See Table 7 below for the scoring method used to assess the potential deviation of financial needs from reference cost. Since the IOB has not used a reference cost in prior Connect Illinois grant rounds, the range of deviation for which the state is awarding points—from 0% to 200% of the reference cost—may not accurately reflect the situation in Illinois. Before the start of either wave of the subgrantee process, the IOB may adjust the alignment between percentage deviation and points allocated. The adjustments will be announced before the start of each application window.

Table 7: Scoring table for financial need with respect to reference cost

Application's BEAD outlay as a percentage of reference cost	Points
0 – 19.9%	30
20 – 39.9%	27
40 – 59.9%	24
60 – 79.9%	21
80 – 99.9%	18
100 – 119.9%	15
120 – 139.9%	12
140 – 159.9%	9
160 – 179.9%	6
180 – 199.9%	3
200% or more	0

D. Affordability (15%)

Providers will be scored based on the price they offer and the type of project. The reference price is determined based on broadband pricing in Illinois, which the state believes is driven by more Illinois-specific data than a nation-wide benchmark, including the FCC Urban Rate survey. See Req 2.13.1 for more details on analysis of pricing and affordability. The reference price will scale each year with the consumer price index.

Table 8: Affordability scoring for reference price and weight⁴⁰

#	Speed tier	Type of Project	Monthly reference price
A	1G/1G	Priority Broadband Projects	\$100
B	100/20 Mbps	Other Last-Mile Broadband Deployment Projects	\$30

Based on the speed tier listed in the Table 8, providers will be awarded points based on the difference between their price and the reference price. The calculation will work as follows:

Any application that offers the listed speed or above **for less than the monthly reference price** will receive an **upward adjustment** to the baseline score of 7.5:

Score = $7.5 + 7.5 * [(reference\ price - commitment\ price) / reference\ price]$, up to a maximum of 15 total points. In other words, additional points will be awarded based on the percentage of the commitment price below the reference price.

Any application that offers the listed speed or above **for more than the monthly reference price** will receive a **downward adjustment** to the baseline score of 7.5:

Score = $7.5 - 7.5 * [(commitment\ price - reference\ price) / reference\ price]$, down to a minimum of 0 points. In other words, points will be subtracted based on the percentage of the commitment price above the reference price. By this calculation, if the commitment price is 200% above the reference price, the application will receive no points for this speed tier.

⁴⁰ The reference price is determined based on broadband pricing in Illinois, which the state believes to be a better reference than a nation-wide benchmark. Kindly review the Connect Illinois Five-Year Action Plan for more details on analysis of pricing and affordability.

E. Fair Labor practices (15%)

Up to 15 points will be awarded based on (1) the submission of a project labor agreement (PLA) that is compliant with federal labor and employment laws; (2) no prior violations of compliance with federal labor laws; and (3) demonstrated commitments to future compliance with federal labor laws. New entrants with no prior record of compliance will receive full points on (2). See table 9 for Fair Labor practices scoring criteria and Req 2.7.1 for specific information that subgrantees will be required to provide and how the state will evaluate the information. Additionally, see Req 2.7.2 for labor standards that the state will make mandatory.

Table 9: Scoring for Fair Labor practices

Fair labor practices scoring sub-criteria	Points
Submission of a Project Labor Agreement (PLA)	7
No prior violations of compliance with federal labor and employment laws	5
Forward-looking commitment, with claw back provision in case of future non-compliance	3

F. Speed to deployment (3%)

Points will be awarded to applicantes that could demonstrate that the project will be complete within two years of receiving funds. The state will require a schedule and timeline of activities.

Table 10: Soring for speed to deployment.

Construction completion date	Points
Construction completed within two years	3
Construction completed within four years	0

G.Speed of network and technical capabilities (4%)

Providers will be scored based on the best available speed after build, as described below in Table 10.

Table 11: Scoring for speed of network and technical capabilities.

Best available speed and maximum latency after build	Points
100/20 Mbps, 100 ms	0
100/100 Mbps, 100 ms	2
1Gbps /1 Gbps, 100 ms	4

H. Open access and use of existing network (3%)

The IOB supports the provision of open access wholesale last-mile broadband service for the life of the subsidized networks, on fair, equal, and neutral terms to all. Points will be awarded based on the submission of the following:

- (a) Clear description of wholesale services offered and associated rates
- (b) Evidence of retail ISP partners (e.g., signed commitments or contracts)
- (c) Evidence of publicly available open access policy (e.g., screenshots of website listing)

Providers will be awarded 3 points if they submit qualifying evidence for all three categories of evidence listed above; providers will be awarded 2 points if they submit qualifying evidence for two out of the three categories; providers will be awarded no point on open access otherwise.

I. Local coordination: evidence of community support and verified financial commitment from community (10% combined, 5% each)

The state's evaluation of the evidence of community support will be similar to its evaluation in Connect Illinois, Round 3. Factors for consideration include (a) degree of "personalized" letters that reflect a broad spectrum of community members, (b) degree to which project fits into an existing community strategic plan, (c) recent survey that covers broad spectrum of community with statistically meaningful results regarding level of need, gaps, and project support, (d) evidence of community outreach efforts to gauge interest in project, and (e) other community feedback that shows compelling need and project support.

(e) Community feedback is defined by letters of support and input from: community members, local governments, non-profits, neighborhoods, employers, small businesses, CAIs, and other members of the community where a project is proposed.

The state's evaluation of verified financial commitment from community will also be similar to its evaluation in Connect Illinois, Round 3. Factors for consideration include (a) the degree of financial contribution from community-based members and institutions; (b) in-kind

resource commitments from community-based members and institutions; and (c) evidence to support verification of pledge.

J. Differences between the scoring rubric of Connect Illinois Round 4 and prior rounds of Connect Illinois

The IOB seeks to maintain continuity of the Connect Illinois grant rounds but recognizes the need to adhere to the NTIA BEAD guidelines. As such, the IOB has deliberately used some of the existing scoring criteria from previous grant rounds but has adjusted them to meet BEAD requirements. Table 12 below shows the crosswalk between BEAD requirements and the Connect Illinois Round 3 scoring criteria.

Table 12: Crosswalk between the scoring rubric of Connect Illinois Round 4 (BEAD) and Connect Illinois Round 3

Category	CI Rd 4 criteria (only criteria based on CI Rd 3 included)	CI Rd 3 criteria ⁴¹
Priority	Minimal BEAD program outlay	B1. Degree of Non-State Match B2. Demonstration of Financial Need ⁴²
	Affordability	G1. Range of Service Packages G2. Price Points
Secondary	Speed of network & technical capabilities	A1. Broadband Impact E1. Network Capacity and Scalability
Optional	Open access	D3. Leveraging Existing Resources and Operating Assets G4. Open Access, Wholesale Offerings
	Local/Tribal Coordination	C1. Evidence of Community Support C2. Verified Financial Commitment from Community

⁴¹ [Connect Illinois Round 3 NOFO](#), Page 8

⁴² Criteria name updated to “financial need with respect to reference cost” to reflect the addition of reference cost in scoring.

Req 2.4.3 Text Box: 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.

The Illinois Office of Broadband is strongly committed to prioritizing Unserved Service Projects over Underserved Service Projects so that all unserved locations will receive coverage before underserved locations are addressed. Note that all eligible CAIs alongside unserved and underserved locations are part of the core deployment obligation for subgrantees. And should funding not be available to reach all CAIs (assuming a mix of fiber and fixed wireless, given the analysis described in section 2.5.1), the state reserves the right to require all provisionally awarded applicants to remove funding requests specifically for connecting CAIs from their applications.

As such, the IOB designed the grant process to ensure that applications focusing on unserved service projects, especially those in persistence poverty areas, are prioritized. Outlined below are strategies the IOB adopted to maximize the number of unserved locations included in applications.

1. **Designating hard-to-serve locations.** As discussed in the response to Req. 2.4.1, before beginning the subgrantee process, the IOB will designate a set of as hard-to-serve project area units based on (1) the proportion of unserved BSLs, (2) past providers' interest, (3) outcomes of previous grant rounds (i.e., Connect Illinois R1 and R2, RDOF), and (4) poverty level of the county. This delineation will allow the IOB to provide special considerations to these areas, which include:
 - a. Potentially setting a higher reference cost for hard-to-serve project area units to incentivize provider participation.
 - b. Evaluating project areas that include a sufficient number of hard-to-serve project area units in wave 1 of the subgrantee process.⁴³ As described in the response to Req. 2.4.1, Connect Illinois Rd 4 will consist of three waves of applications and

⁴³ Detailed rules on participation of Wave 1 will be published when the IOB post PAU and hard-to-serve PAU for public review.

awards. In the first wave of the process, only applications that include project area units with mostly unserved locations, high number of hard-to-serve locations based on historic provider interest, and located in counties with persistent poverty will be considered for funding.

2. **Group together unserved locations with less provider interest, as indicated in previous Connect Illinois rounds, with locations that require less subsidy, to form project area units:** Based on the information acquired from past grant rounds (i.e., Connect Illinois Rd 1 & Rd 2 & Rd 3, RDOF), the IOB will have preliminary knowledge of locations that may not be included in any provider applications. To decrease the likelihood that these locations remain stranded in the subgrantee process, the IOB may group them with nearby, more popular locations to form project area units. This step is intended to encourage providers to extend coverage to ensure all unserved locations are covered.

However, if after pursuing all these steps, not all unserved or—if applicable—all underserved locations have been covered by an awarded subgrant, the state will engage in additional outreach to existing providers and/or new subgrantees to close these remaining coverage gaps. The strategies on how the IOB will engage with prospective subgrantees is described in the response to Req. 2.4.7.

To recap how the “hard to serve” PAU design choice supports reaching all unserved, please see the rationale below:

As described in section 2.4.1, wave 1 seeks to ensure that the hardest-to-serve project area units are incorporated into applications (which can be combined with more desirable project area units) and receive provisional awards first. In wave 2, the EHCPLT will be leveraged to seek to extend the reach of broadband funds as far as possible to project area units across the state that did not receive applications in wave 1. After choosing the EHCPLT in wave 2, any provisionally awarded applicants from wave 1 found to be above the threshold will be given the opportunity to amend their applications to come into compliance with the threshold, including the opportunity to adjust the technology of their proposals. Wave 3 will be employed as needed, to seek either more cost competitive applications or additional applications for all remaining locations. Wave 3 may involve targeted refinements to PAUs, reference costs, and provider negotiations to drive toward covering all unserved, underserved locations and CAIs.

Req 2.4.4 Text Box: 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.

Req 2.4.5 Text Box: 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.

The Illinois Office of Broadband is committed to ensuring that subgrantees use the BEAD funds to purchase services, goods, products, and materials produced and offered in the United States, thereby using taxpayer dollars to fuel job creation, boost economic resilience, and empower local businesses.⁴⁴ To ensure compliance with the Build America, Buy America Act (BABAA), the IOB will communicate the requirements stipulated in the BABAA to all applicants in the Connect Illinois Rd 4 NOFO under “Administrative and National Policy Requirements.”^{45,46} The IOB will highlight the following key points as stipulated by the BEAD NOFO:

- a. All iron, steel, and manufactured products (including but not limited to fiber-optic communications facilities) and construction materials used in the project or other eligible activities must be produced in the United States unless a waiver is granted.
 - i. The NTIA has established criteria to prioritize products targeted for onshoring⁴⁷:
 - A. Strategically important technologies—like those that ensure the security, integrity, and reliability of network data—should be produced in America.
 - B. If a product’s domestic manufacturing line can be scaled quickly, it should be produced in America.

⁴⁴ [Build America, Buy America Act](#), Internet for All

⁴⁵ Infrastructure Investment and Jobs Act of 2021, Division G, Public Law 117-58, 135 Stat. 429 (November 15, 2021)

⁴⁶ [Build America, Buy America Factsheet and FAQ](#), Office of Management and Budget

⁴⁷ [NTIA BABA requirements](#), Internet for All, Aug. 22, 2023

- C. If a product—like the fiber-optic cable so critical to deploying high-speed Internet networks in communities throughout the country—comprises a significant portion of the overall network spend, it should be produced in America.
- ii. The NTIA has determined that providers may onshore the eligible products, as several companies have already announced plans to open or expand fiber-optic cable and electronics manufacturing operations here in America (e.g., Corning, CommScope, and Prysmia).⁴⁸
- iii. However, the NTIA acknowledges that some circumstances may require a non-availability waiver for certain pieces of broadband equipment. (For example, some chips may not be available in time to meet BEAD Program construction timelines.) To address such circumstances, the NTIA has issued a draft “limited and targeted, general applicability, nonavailability Build America, Buy America” waiver for the Broadband Equity Access and Deployment Program. The waiver lays out a strict approach to enforcing rules that protect and create American jobs.⁴⁹
- iv. The policies in the waiver ensure that close to 90% of BEAD funding spent on equipment will be spent on equipment manufactured in the United States.
- v. The waiver aims to⁵⁰:
 - A. Incentivize the domestic production of specific manufactured products based on strategic prioritization criteria, including network and data security, which will directly expand American job opportunities.
 - B. Promote broad participation in the BEAD Program.
 - C. Ensure that BEAD Program awardees have access to the manufactured products necessary to fulfill their obligations under the program.
 - 1. Allow funding recipients to continue to provide economic opportunities through innovation and timely deployment of broadband infrastructure, which is known to expand job opportunities.

⁴⁸ [NTIA BABA requirements](#), Internet for All, Aug 22, 2023

⁴⁹ [Limited General Applicability Nonavailability Waiver of the Buy America Domestic Content Procurement Preference as Applied to Recipients of Broadband Equity, Access, and Deployment Program](#), Department of Commerce

⁵⁰ [BEAD Build America, Buy America Waiver Request for Comment](#), NTIA, Aug 22, 2023

2.Support the timely development of critical domestic infrastructure.

- b. Details on the waiver policy will be communicated to prospective subgrantees once the waiver’s public comment period closes and the policy is finalized by the Department of Commerce.⁵¹
- c. In determining whether a product is produced in America, subgrantees must use the definitions included in Section 70912 of the Build America, Buy America Act, which states that a manufactured product is considered to be produced in the United States if: (i) the product was manufactured in the United States and (ii) the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
- d. In addition to the provisions above, subgrantees may not use BEAD funding 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).
- e. The Infrastructure Act expressly prohibits subgrantees from using BEAD funding 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.

The IOB will incorporate the requirements of the Build America, Buy America Act into the subgrantee selection process by including them in contract negotiation records, grant agreement terms and conditions, and grant-monitoring program requirements. Webinars and programming that cover information about the BABAA requirements will also be conducted.

Any application that does not show intent to abide by BABAA or explicitly violates the requirements will not be considered for BEAD funding.

The Illinois Office of Broadband will also ensure that subgrantee projects’ potential environmental impact is analyzed as required by, and to ensure compliance with, the

⁵¹ [Limited General Applicability Nonavailability Waiver of the Buy America Domestic Content Procurement Preference as Applied to Recipients of Broadband Equity, Access, and Deployment Program](#), Department of Commerce

National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 et seq.) and the National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 et seq.) for Eligible Entity applications and awardee projects as well as other eligible activities seeking funding under the BEAD Program. The IOB will communicate requirements stipulated in the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 et seq.) to all applicants in the Connect Illinois Rd 4 NOFO, under “Administrative and National Policy Requirements.” The IOB will highlight the following key points as stipulated by the BEAD NOFO:

- a. Projects or other eligible activities containing construction and/or ground-disturbing activities must submit all required environmental documentation to the state with their applications, which also must describe how they will comply with applicable environmental and national historical preservation requirements.
- b. It is Illinois’ subgrantees’ responsibility to obtain all necessary federal, state, and local governmental permits and approvals necessary for the proposed work to be conducted.
- c. Projects are expected to be designed to minimize potential adverse impacts on the environment.
- d. Additional information may be required after an application is accepted for funding. (For example, additional environmental compliance information may be needed for the agency to assess any impacts that a project or other eligible activity may have on the environment.)

The IOB will cooperate with NTIA in identifying feasible measures to reduce or avoid any identified adverse environmental impacts of subgrantees’ proposed projects or other eligible activities.

The IOB will incorporate the requirements of the National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 et seq.) and National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 et seq.) into the subgrantee selection process by including them in contract negotiation records, grant agreement terms and conditions, and grant-monitoring program requirements. Webinars and programming that provide information about regulations will also be conducted.

Any application that explicitly violates the EHP regulations will not be considered for BEAD funding.

Last-Mile Broadband Deployment Project Areas

Req 2.4.6 Text Box: 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.

The following terms are defined for the purposes of this Initial Proposal:

- **“Project area units (PAU)”** are a collection of unserved and underserved locations and CAs that will be eligible for inclusion in a provider application. Prospective subgrantees cannot break up a project area unit into a smaller collection of unserved and underserved locations and CAs. Project area units will not overlap and will collectively contain all unserved and underserved locations and CAs in the state. Only unserved and underserved locations without an enforceable commitment will be included in PAUs.
- **“Hard-to-serve project area units”** are project area units that meet at least one of the following criteria:
 1. Have a high proportion of unserved BSLs
 2. Contain a large proportion of BSLs that have had little provider interest in prior Connect Illinois grant rounds or federal grant rounds (e.g., RDOF) or outcomes of previous grant rounds (i.e., Connect Illinois Rd 1, Rd 2, and Rd 3; RDOF)
 3. Are in Persistent Poverty Counties⁵²
 4. Are in High-Cost Areas (HCA)

⁵² “Persistent Poverty Counties” means any county, including county equivalent areas in Puerto Rico, that has had 20% or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses and the 2011–2015 5- year data series available from the American Community Survey of the Bureau of the Census. Three counties (Alexander, Jackson, and Pulaski County) are categorized as persistent poverty county in 2023 according to [ACS data](#).

The IOB will publish the list of hard-to-serve project area units before the subgrantee process commences. Additionally, Project areas consisting of only PAUs in HCA will be considered for exemption from the minimum 25 percent matching funds requirement.

- **“Project area”** is a set of project area units that applicants propose to serve in a subgrantee application. Applicants may pick any number of project area units to form a project area but cannot use any fractional project area unit. Project area units within a project area are not required to be contiguous.

“Must-include project area units” are project area units within a provider application that the applicant has identified as the PAUs necessary to make the project area viable.

Applicants must select which project area units are “must-include” project area units when they submit their application. In the deconfliction process, applicants whose application’s must-include project area units conflict with a provisional winner’s project area will have the option to withdraw their application.

The key considerations that guide the design of project area units include:

1. Grouping together clusters (high density) of unserved and underserved locations, in reasonable total count to encourage providers of all sizes to participate.
2. Keeping the distance between any two locations in a PAU to max of 5 miles to support typical infrastructural deployment constraints.
3. **Avoiding natural features / impediments** (e.g., rivers, lakes), that hinder contiguous build out.
4. Creating a final set of PAUs with a total count in the low thousands, to ensure the process can be managed efficiently.

To design the PAUs, IOB plans to take the following steps:

1. **BSLs will be algorithmically grouped into PAUs**, subject to the max 5-mile distance between any 2 BSLs in a PAU constraint
2. The PAUs will then be defined by the Hex-8 spatial indexing overlay to create a standardized mapping.

3. The initial PAU map will then be adjusted to account for natural features (i.e., rivers).
4. Provider feedback on preliminary PAUs will be solicited during a non-binding RFI process (and provider feedback will be kept confidential). Feedback will include:
 - Non-binding/optional feedback regarding provider interest on each PAU
 - Ways the initial PAUs could be adjusted to increase likelihood of provider bids and reaching the goal of universal coverage
5. Feedback will be de-identified, and utilized in aggregate in a manner that seeks to maximize the participation and competitiveness of the subgrantee selection process.

As outlined in the grant timeline in the response to Req. 2.4.1, the state will publish a set of project area units for the subgrantee process. As part of their applications, providers can identify collections of PAUs for their desired project area(s). Within their applications, providers are required to submit a set of “must-include” project area units (see definition of “must-include project areas” above).

Deconfliction. The IOB intends to run a similar deconfliction process for all waves of the subgrantee process. Following the submission of applications in each wave, the IOB will process the applications and run the following deconfliction process:

- a. The IOB will rank all applications by score, considering non-Priority Broadband Projects if (1) there is no Priority Broadband Project in the same area, or (2) there is no Priority Broadband Project in below the EHCPLT in the same area. Given that all applications will be assessed using the NTIA approved scoring rubrics with the NTIA approved prioritization process, and the scores are “like-for-like” comparisons.
- b. The application with the highest score among applications in the pool will be chosen as the provisional winner.
- c. For applications that conflict with the project area of the provisional winner, if the conflicting area overlaps with the must-include area, the applicants will have the option to withdraw their applications. Otherwise,

- i. If overall cumulative conflict is less than 10% of the BSLs in the original application, the state will directly de-scope the application, using the reference cost as a guidance (i.e., the state will take out the conflicted locations, and scale the BEAD outlay by the ratio of reference cost of the conflicting locations to reference cost of the whole project area)
 - ii. If the overall cumulative conflict is more than 10%, the state will inform applicants to revise their applications to include only non-conflicting project areas. Remaining deconflicted applications will be re-scored based on the non-conflicting area only.
- d. The state will iterate through steps (b) to (c) until all applications are processed.

Req 2.4.7 Text Box: 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 IOB has designed the grant process to encourage providers to submit applications for all unserved and underserved locations. Responses to Req. 2.4.1 and 2.4.3 outline the strategies that the IOB has in place to ensure universal coverage for the state.

However, if the state still does not receive applications to serve all eligible locations, the IOB will:

1. **Directly negotiate with providers.** The IOB will reach out to providers in close proximity to the locations and/or subgrantees that the state has determined to be best positioned to provide coverage to these locations. As a tool for conducting these negotiations, the IOB will refer to the CQA per-location NPV and Total Investment data when assessing the reasonableness of proposed terms for expanding coverage.
2. **Subdivide project area units.** The state may divide project area units into smaller subdivisions which may be applied for separately.

3. **Offer more inducements to serve eligible locations.** If the state has any unawarded BEAD funds, the IOB may consider raising the funding levels above the minimum 25% match requirement, assuming NTIA will grant a waiver if the area is not a High-Cost Area. The IOB may also use state funds to provide additional subsidies to providers.

Locations that do not receive applications despite the modified rules and inducements will be posted online to maintain transparency and to ensure that all interested parties are aware.

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

Not Applicable.

Extremely High Cost-Per-Location Threshold

Req 2.4.9 Text Box: 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 operational costs for the lifespan of the network.

The Illinois Office of Broadband plans to use the following process to identify an extremely high cost-per-location threshold (EHCPLT).

The IOB will:

1. Run Wave 1 of the subgrantee process, through which the state will receive applications for project areas and make provisional awards to applications that include sufficient hard-to-serve areas and meet other state-defined criteria for wave 1. The state will not provisionally award any non-priority broadband projects in wave 1. Additionally, the state

will reserve the right to hold off on awarding applications with high BEAD outlay until wave 2 of subgrantee process, when the state determines the EHCPLT.

2. Start the wave 2 of the subgrantee process to receive applications for all remaining locations. Once the submission period closes, and the state receives applications for all eligible locations, the IOB will begin to determine the EHCPLT.
3. The state will then determine the EHCPLT according to the following process:
 - i. Estimate the total BEAD outlay by summing:
 - A. Applications for priority broadband projects;
 - B. Non-priority broadband BEAD outlay when only non-priority broadband applications have been submitted;
 1. Estimated BEAD outlay when there are no applications for a location.
 - ii. To determine the total BEAD outlay for the locations that received priority broadband applications, the IOB will run the deconfliction process (described in the response to Req. 2.4.6) and the make preliminary provisional awards (described in the response to Req. 2.4.2), making reasonable assumptions as to how the BEAD outlay per location would increase due to reduced economies of scale.
 - iii. To determine the total BEAD outlay for the locations that only received non-priority broadband applications, the IOB will run the deconfliction and award processes internally on non-priority broadband applications, making reasonable assumptions as to how the BEAD outlay per location would increase due to reduced economies of scale.
 - iv. The IOB will estimate the total BEAD outlay for the locations that have not received applications based on several data sources, such as the reference costs for priority and non-priority broadband projects and past provider responses. The estimated BEAD outlay will range from the estimated BEAD outlay for non-priority broadband to the estimated BEAD outlay for priority broadband.
4. Sum the BEAD outlay from the above steps to estimate the total BEAD outlay
 - i. If the total BEAD outlay is less than the current available BEAD funding (BEAD funding minus what is awarded to provisional winners in Wave 1), the IOB will set the EHCPLT to be higher than the highest per location fiber cost from all applications.

- ii. If the BEAD outlay exceeds the available BEAD funding, the state must stipulate the EHCPLT to optimize the funding (by allowing non-priority broadband projects instead of priority broadband projects in some cases, for example) to fall within the stipulated boundaries. The process for defining this threshold is described below:
 - A. For all projects where a priority and non-priority broadband application exists, the IOB calculates the delta between the non-priority broadband project BEAD outlay and the priority broadband project BEAD outlay and ranks the projects by the size of the delta.
 - B. Starting with projects with the largest delta, the state replaces the priority broadband project BEAD outlay with the non-priority broadband project BEAD outlay and calculates the resulting total BEAD outlay to connect all eligible locations. This process is repeated for the other projects until the total BEAD outlay to connect all eligible locations falls within the boundaries of the available BEAD funding.
- 5. Using the steps above, the state will have determined an extremely high cost-per-location threshold. The state will select a priority broadband project if below the threshold, and the state may select a non-priority broadband project if above the threshold to stay within the funding boundaries. Any provisionally awarded applicants from wave 1 that are above the threshold will be given the opportunity to amend their applications to come in compliance with the threshold, including the opportunity to adjust the technology of their applications.

The state will reserve the right to adjust the above approach with the goal of connecting all eligible locations in the state while maximizing fiber coverage.

Req 2.4.10 Text Box: 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.6.b of the BEAD NOFO. The response must describe:

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

- B. The plan for engaging subgrantees to revise their proposals and ensure locations do not require a subsidy.
- C. The process for selecting a proposal that involves a less costly technology and may not meet the definition of Reliable Broadband.

A. The process for declining a subgrantee proposal that exceeds the cost of an alternative technology.

As described in the response to Req. 2.4.9 above, if the BEAD outlay to serve a location falls above the EHCPLT, the IOB may consider a non-priority broadband project for that location. However, if non-priority applications are not available, or if the IOB views a priority application as more favorable, the IOB reserves the right to award the priority broadband project and may use the available state funding to achieve this purpose.

B. The plan for engaging subgrantees whose applications exceed the EHCPLT to revise their proposals.

If a successful priority broadband application is at risk of being rejected in favor of a less appealing, non-priority broadband application because the BEAD outlay exceeds the EHCPLT, and if the state is conducting “Wave 3” of the subgrantee process, the IOB will give providers the opportunity to revise their funding requests to fall below the EHCPLT in “Wave 3”. If successful, the state will have reduced the subsidy required for the location while selecting the preferred technology per NTIA guidance.

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

The IOB may select a non-reliable solution if it is the best available solution given the funding available (that is, if there are no priority broadband /non-priority broadband applications below the EHCPLT). The state will evaluate non-reliable solutions on a case-by-

case basis after the completion of both waves of application and negotiations with providers. As described in Req. 2.4.1, 2.4.2, 2.4.9, the review and selection process of applications will strictly follow the prioritization framework specified by the BEAD NOFO, with priority broadband project receiving highest priority, non-priority reliable project next, and unreliable broadband project receiving lowest priority.

Deployment Subgrantee Qualifications

Req 2.4.11 Text Box: 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 response 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.

- 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).
- c. Detail how the Eligible Entity will require prospective subgrantees to submit audited financial statements.
- 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.

The Illinois Office of Broadband is committed to ensuring that prospective subgrantees deploying network facilities meet the minimum qualifications for financial capability, as outlined in the BEAD NOFO.

- a. The IOB will require prospective subgrantees to certify that they are financially qualified to meet the obligations associated with a project, that they will have available funds for all project costs that exceed the amount of the grant, and that they will comply with all program requirements, including service milestones. The IOB will disburse funding to subgrantees only upon completion of the associated tasks, and each prospective subgrantee must also 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 IOB authorizes additional disbursements.
- b. 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), the IOB will require prospective subgrantees to submit a letter from a bank that meets eligibility requirements consistent with those set forth in 47 C.F.R. § 54.804(c)(2).⁵³ In accordance with NTIA guidance and the NTIA conditional programmatic waiver. In the letter, the bank will commit to issuing 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

⁵³ Rural Digital Opportunity Fund Order, 35 FCC Rcd at 773-77, Appx. C.

and conditions of the Eligible Entity's model letter of credit. Prior to entering into any subgrantee agreement, each prospective subgrantee shall obtain an irrevocable standby letter of credit, which shall be acceptable in all respects to the IOB and in a value of no less than 25 percent of the sub-award amount. At this step, the subgrantee must obtain an actual letter of credit in place of the bank's commitment to issue a letter of credit, which is required during the application process. To ensure that smaller providers can meet the requirement above, the IOB, as recommended by the BEAD NOFO, will adopt rules under which, upon verification that the subgrantee has met optional or required service milestones, a subgrantee may obtain a new letter of credit or renew its existing letter of credit so that it is valued at a lesser amount than originally required by the Eligible Entity. In no event, however, shall the letter of credit have a value of less than 25 percent of the sub-award amount. In addition to the letter of credit, a prospective subgrantee is required to provide 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. Additionally, the state will adopt the conditional programmatic waiver of the letter of credit obligation as described in NTIA's Notice of Programmatic Waiver.⁵⁴

- c. The IOB will require subgrantees to submit financial statements from the prior fiscal year that are audited by an independent certified public accountant. If the potential subgrantee has not been audited during the ordinary course of business, in lieu of submitting audited financial statements it must submit unaudited financial statements from the prior fiscal year, with a certification that it will provide financial statements from the prior fiscal year that are audited by an independent certified public accountant as soon as it is made available to the subgrantee.
- d. The IOB will not approve any grant for deploying or upgrading network facilities unless it determines that the documents submitted to it demonstrate the prospective subgrantee's financial capability with respect to the proposed project.
- e. The IOB will require prospective subgrantees to submit business plans and related analyses that substantiate the sustainability of the proposed project. These can be

⁵⁴ [Notice of Programmatic Waiver](#), NTIA.

provided as pro forma statements or analyses that include current cash flow and balance sheet projections, as well as at least three years of operating costs and cash flow projections after the targeted completion of the project.

The IOB will incorporate these requirements into the subgrantee selection process by including them in contract negotiation records, grant agreement terms and conditions, and grant-monitoring program requirements. Webinars and programming that offer information about subgrantee qualifications will also be conducted.

Any application that does not meet the minimum qualifications for financial capability, as outlined on pages 72-73 of the BEAD NOFO, will not be considered for BEAD funding.

Req 2.4.11.1 Optional Attachment: As an optional attachment, submit application materials related to the BEAD subgrantee selection process, such as drafts of the Requests for Proposals for deployment projects, and narrative to crosswalk against requirements in the Deployment Subgrantee Qualifications section.

Req 2.4.12 Text Box: 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 response 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.
- b. Detail how it will require prospective subgrantees to provide a narrative describing their readiness to manage their proposed project and ongoing services provided.

The Illinois Office of Broadband is committed to ensuring that prospective subgrantees deploying network facilities meet the minimum qualifications for managerial capability, as outlined in the BEAD NOFO.

The Illinois Office of Broadband will require prospective subgrantees to submit resumes for all key management personnel and any necessary organizational chart(s) detailing all parents, subsidiaries, and affiliates.

Each prospective subgrantee must also provide a narrative describing the prospective subgrantee's readiness to manage a broadband services network. This narrative should describe the experience and qualifications of key management for undertaking this project, its experience undertaking projects of similar size and scope, recent and upcoming organizational changes including mergers and acquisitions, and relevant organizational policies.

The IOB will not approve any grant for deploying or upgrading network facilities unless the submitted documents demonstrate the prospective subgrantee's managerial capability for the proposed project.

The IOB will require prospective subgrantees to provide timely updates if any changes are made to the above required documents (such as changes to the organizational structure or key personnel).

The IOB will incorporate these requirements into the subgrantee selection process by including them in contract negotiation records, grant agreement terms and conditions, and grant-monitoring program requirements. Webinars and programming that offer information about subgrantee qualifications will also be conducted.

Any application that does not meet the minimum qualifications for financial capability, as outlined on pages 73-74 of the BEAD NOFO, will not be considered for BEAD funding.

Req 2.4.13 Text Box: 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 response 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 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.
- b. 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.

The Illinois Office of Broadband is committed to ensuring that prospective subgrantees deploying network facilities meet the minimum qualifications for technical capability, as outlined in the BEAD NOFO.

The Illinois Office of Broadband will require prospective subgrantees to submit certification that they are technically qualified to complete and operate the project and are capable of carrying out the funded activities competently, to include using an appropriately skilled and credentialed workforce (see Section IV.C.1.e of BEAD NOFO).

The IOB will require prospective subgrantees to submit a network design, diagram, project costs, build-out timeline, and milestones for project implementation. They must also submit a capital investment schedule showing a complete build-out and the initiation of service within four years of the date on which they received the subgrant—all certified by a professional

engineer—stating that the proposed network can deliver broadband service that meets the performance requirements of all locations served by the project.

The state will not approve any grant for deploying or upgrading network facilities unless the materials submitted demonstrate the prospective subgrantee’s technical capability for the proposed project.

The IOB will incorporate these requirements into the subgrantee selection process by including them in contract negotiation records, grant agreement terms and conditions, and grant-monitoring program requirements. Webinars and programming that offer information about subgrantee qualifications will also be conducted.

Any application that does not meet the minimum qualifications for financial capability as outlined on page 74 of the BEAD NOFO will not be considered for BEAD funding.

Req 2.4.14 Text Box: 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 response 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 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.
- 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.

The Illinois Office of Broadband is committed to ensuring that prospective subgrantees deploying network facilities meet the minimum qualifications for compliance with applicable laws, as outlined in the BEAD NOFO.

The IOB will require prospective subgrantees to demonstrate that they are capable of carrying out funded activities competently and in compliance with all applicable federal, state, territorial, and local laws.

To ensure that a subgrantee complies with occupational safety and health requirements, subgrantees must permit workers to create worker-led health and safety committees with whom management will meet upon reasonable request. Resources such as the Illinois Department of Labor's On-Site Safety and Health Consultation Program are available for prospective subgrantees to use.⁵⁵

The IOB will incorporate these requirements into the subgrantee selection process by including them in contract negotiation records, grant agreement terms and conditions, and grant-monitoring program requirements. Webinars and programming that offer information about subgrantee qualifications will also be conducted.

Any application that does not meet the minimum qualifications for financial capability as outlined on page 74 of the BEAD NOFO will not be considered for BEAD funding.

Req 2.4.15 Text Box: 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 response may reference those to outline alignment with requirements for this section. The response must:

⁵⁵ [On-Site Safety & Health Consultation Program](#), Illinois Department of Labor

- 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.
- 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 their application submission or that they are a wholly owned subsidiary of such an entity and attest to and specify the number of years the prospective subgrantee 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.
- 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.
- 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.

The Illinois Office of Broadband is committed to ensuring that prospective subgrantees deploying network facilities meet the minimum qualifications for operational capability as outlined in the BEAD NOFO.

The IOB will require prospective subgrantees to certify that they possess the operational capability to complete and operate the project by submitting the documents below:

- a. Prospective subgrantees 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 their application, or that are wholly owned subsidiaries of such an entity, must submit a certification that attests to these facts and specifies the number of years the prospective subgrantee or its parent company has been operating.
- b. If the prospective subgrantee has provided a voice and/or broadband service, it must certify that it has filed Commission Form 477s and the Broadband DATA Act submission on time, if applicable, as required during this period, and otherwise has complied with the commission's rules and regulations. Alternatively, a prospective subgrantee should explain any pending or completed enforcement action, civil litigation, or other matter in which it failed to comply or was alleged to have failed to comply with the commission's rules or regulations.
- c. Prospective subgrantees that have operated only an electric transmission or distribution service must submit qualified operating or financial reports that they have 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. (Acceptable submissions for this purpose will be the Rural Utilities Service [RUS] Form 7, Financial and Operating Report Electric Distribution; the RUS Form 12, Financial and Operating Report Electric Power Supply; the National Rural Utilities Cooperative Finance Corporation [CFC] Form 7, Financial and Statistical Report; the CFC Form 12, Operating Report; the CoBank Form 7; or the functional replacement of one of these reports. See Rural Digital Opportunity Fund Order, 35 FCC Rcd at 719, n. 202.)

- d. Prospective subgrantees that are new entrants to the broadband market must provide evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities. Such evidence may include resumés from key personnel; project descriptions and narratives from contractors, subcontractors, or other partners with relevant operational experience; or other comparable evidence.

The IOB will not approve any grant for deploying or upgrading network facilities unless the submitted documents demonstrate the prospective subgrantee's operational capability for the proposed project.

The IOB will incorporate these requirements into the subgrantee selection process by including them in contract negotiation records, grant agreement terms and conditions, and grant monitoring program requirements. Webinars and programming that offer information about subgrantee qualifications will also be conducted.

Any application that does not meet the minimum qualifications for financial capability as outlined on pages 74-75 of the BEAD NOFO will not be considered for BEAD funding.

Req 2.4.16 Text Box: 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 response 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 C.F.R. § 1.2112(a)(1)-(7).

The Illinois Office of Broadband is committed to ensuring that prospective subgrantees deploying network facilities meet the minimum qualifications for providing information on ownership, as outlined in the BEAD NOFO.

The Illinois Office of Broadband will require prospective subgrantees to provide ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7).⁵⁶

The prospective subgrantees are required to fully disclose the following:

1. List the real party or parties with interest in the applicant or application, including a complete disclosure of the identity and relationship of those persons or entities that directly or indirectly own and/or control the applicant.
2. List 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. List, 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. List, in the case of a general partnership, the name, address, and citizenship of each partner and their share or interest participation in the partnership.
5. List, 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. List 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. If the ownership percentage of 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.
7. List 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. (For example, if Company A owns 10 percent of Company B, the applicant, and 10 percent of Company C, then Companies A

⁵⁶ [§ 1.2112 Ownership disclosure requirements for applications](#), Code of Federal Regulations

and C must be listed on Company B's application, wherein C is an FCC licensee and/or license applicant.)

In addition to the information required above, each prospective subgrantee claiming eligibility for small business provisions or a bidding credit for rural service providers shall disclose the following:

1. On its application to participate in competitive bidding—that is, the short-form application (see 47 CFR 1.2105):
 - i. List the names, addresses, and citizenship of all officers, directors, affiliates, and other controlling interests of the applicant as described in § 1.2110, and, if a consortium of small businesses or very small businesses, the members of the conglomerate organization.
 - ii. List any FCC-regulated entity or applicant for an FCC license in which any controlling interest of the applicant owns a 10 percent or greater interest or a total of 10 percent or more of any class of stock, warrants, options or debt securities. 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.
 - iii. List all parties with which the applicant has entered into agreements or arrangements for the use of any of the spectrum capacity of any of the applicant's spectrum.
 - iv. List separately and in aggregate the gross revenues, computed in accordance with § 1.2110, for each of the following: the applicant, its affiliates, its controlling interests, and the affiliates of its controlling interests. If a consortium of small businesses, list the members of the consortium.
 - v. If claiming eligibility for a bidding credit for rural service providers, provide all information to demonstrate that the applicant meets the criteria for such credit as set forth in § 1.2110(f)(4).
 - vi. If applying as a consortium of designated entities, provide the information in paragraphs (b)(1)(i) through (v) of this section separately for each member of the consortium.
2. As an exhibit to an application for a license, authorization, assignment, or transfer of control:

- i. List the names, addresses, and citizenship of all officers, directors, and other controlling interests of the applicant, as described in § 1.2110.
- ii. List any FCC-regulated entity or applicant for an FCC license in which any controlling interest of the applicant owns a 10 percent or greater interest or a total of 10 percent or more of any class of stock, warrants, options or debt securities. 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.
- iii. List and summarize all agreements or instruments (with appropriate references to specific provisions in the text of such agreements and instruments) that support the applicant's eligibility as a small business under the applicable designated entity provisions, including the establishment of de facto or de jure control. Such agreements and instruments include articles of incorporation and by-laws, partnership agreements, shareholder agreements, voting or other trust agreements, management agreements, franchise agreements, spectrum leasing arrangements, spectrum resale (including wholesale) arrangements, and any other relevant agreements (including letters of intent), oral or written.
- iv. List and summarize any investor protection agreements, including rights of first refusal, supermajority clauses, options, veto rights, and rights to hire and fire employees and to appoint members to boards of directors or management committees.
- v. List separately and in aggregate the gross revenues, computed in accordance with § 1.2110, for each of the following: the applicant, its affiliates, its controlling interests, and affiliates of its controlling interests. If a consortium of small businesses, list the members of the consortium;
- vi. List and summarize, if seeking exemption for rural telephone cooperatives pursuant to § 1.2110, all documentation to establish eligibility pursuant to the factors listed under § 1.2110(b)(4)(iii)(A).
- vii. List and summarize any agreements in which the applicant has entered into arrangements for the use of any of the spectrum capacity of the license that is the subject of the application.
- viii. If claiming eligibility for a bidding credit for rural service providers, provide all information to demonstrate that the applicant meets the criteria for such credit, as set forth in § 1.2110(f)(4).

The IOB will incorporate these requirements into the subgrantee selection process by including them in contract negotiation records, grant agreement terms/conditions, and grant monitoring program requirements. Webinars and programming that offer information about subgrantee qualifications will also be conducted.

Any application that does not meet the minimum qualifications for financial capability as outlined on pages 75 of the BEAD NOFO will not be considered for BEAD funding.

Req 2.4.17 Text Box: 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 response 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.
- 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.

The Illinois Office of Broadband is committed to ensuring that prospective subgrantees deploying network facilities meet the minimum qualifications for providing information on other public funding as outlined in the BEAD NOFO.

The IOB will require each prospective subgrantee 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, including but not limited to funds provided under: the Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281); the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); the American Rescue Plan of 2021 (Public Law 117-2; 135 Stat. 4); any federal Universal Service Fund high-cost program (such as RDOF and CAF); or any state or local universal service or broadband deployment funding program.⁵⁷

At a minimum, the IOB 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 to be served (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
- f. The matching commitment, if any, provided by the subgrantee or its affiliates.

The IOB will incorporate these requirements into the subgrantee selection process by including them in contract negotiation records, grant agreement terms/conditions, and grant monitoring program requirements. Webinars and programming that offer information about subgrantee qualifications will also be conducted.

⁵⁷ The term “affiliate” shall be defined consistently with 47 U.S.C. § 153(2): an “affiliate” is a person who (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term “own” means to own an equity interest (or the equivalent thereof) of more than 10 percent.

Any application that does not meet the minimum qualifications for financial capability as outlined on pages 75-76 of the BEAD NOFO will not be considered for BEAD funding.

For all qualifications listed in Sections 2.4.11 to 2.4.17 of this Initial Proposal, the IOB is aware that some prospective subgrantees will have submitted some of the required certifications and documents as part of previous Connect Illinois grant rounds. These subgrantees will be moved into an expedited pre-qualification track since the state has already reviewed some of the certifications. The subgrantees that fall into this category will only be required to submit outstanding requirements that have been newly introduced by the BEAD NOFO.

Non-Deployment Subgrantee Selection (Requirement 9)

Req 2.5.1 Text Box: 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.

The IOB does not plan to subgrant for non-deployment activities because, based on prior experience in Rounds 1 through 3 of the Connect Illinois grant program, and due to detailed analysis of the cost to deploy fiber for all unserved and underserved locations in Illinois, IOB does not anticipate having surplus BEAD funds.

Evidence from Connect Illinois, Rounds 1, 2 and 3. Across three rounds of the Connect Illinois Grant program, Illinois has deployed ~\$360M to subsidize provider build to ~46K locations. The roughly \$7,800 subsidy per location is reflective both of the geographic challenges in rural Illinois counties, as well as the relatively high cost of labor. Should the ~\$7.8K cost per pass persist in the BEAD grant rounds, Illinois would have a ~\$800M deficit.⁵⁸

⁵⁸ Connect Illinois Round 1, 2, and 3 data compiled based on awarded applications as of 03/07/2024.

Evidence from an IOB analysis leveraging the NTIA-provided CostQuest cost modeling data.⁵⁹ IOB has conducted the following steps to estimate the costs to connect all unserved and underserved locations in Illinois:

- Identified all unserved and underserved locations in Illinois, as described in the Eligible Entity Toolkit data.
- Identified the subset of those locations with an enforceable federal or state commitment, leveraging additional the Eligible Entity toolkit deduplication data as well as state data from prior Connect Illinois grant rounds.
- Utilized the greenfield fiber NPV costs for each unserved and underserved location without an enforceable commitment.
- Scaled the cost modeling greenfield fiber NPV by 1.5, which is based on an analysis of actual labor rates in broadband deployment projects in Illinois that are subject to prevailing wages in state labor laws.
- Utilizing the steps above, IOB has estimated the cost to connect all unserved and underserved locations in the state with fiber to be ~\$2.5B. Note, the cost to connect CAIs, which would raise the costs, has not been incorporated in this analysis.

Consequent of these two pieces of evidence, IOB does not anticipate having surplus BEAD funds for non-deployment activities.

In the event there are remaining funds after serving all unserved locations, underserved locations and CAIs, the state will revisit a potential subgrant process for non-deployment activities.

⁵⁹ Eligible location compiled based on FCC Broadband Maps as of 01/13/2024, federal enforceable commitment based on NBAM deduplication data (including CAF II, RDOF, USDA ReConnect, Enhanced ACAM, USDA Community Connect, and Telephone Loan Program) as of 01/13/2024, state enforceable commitment data (Connect Illinois Round 1, 2, and 3) compiled as of 02/24/2024, and cost data based on CQA cost data V3, downloaded on 02/27/2024. Labor adjustment based on comparison of previous Connect Illinois labor cost with CQA estimates.

Req 2.5.2 Text Box: 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.

The state does not anticipate having remaining BEAD funds that would enable funding non-deployment activities. See the detailed rationale in section 2.5.1.

In the event there are remaining funds after serving all unserved locations, underserved locations and CAIs, the state will revisit a potential subgrant process for non-deployment activities.

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

The state does not anticipate having remaining BEAD funds that would enable funding non-deployment activities. See the detailed rationale in section 2.5.1.

In the event there are remaining funds after serving all unserved locations, underserved locations and CAIs, the state will revisit a potential subgrant process for non-deployment activities.

Req 2.5.4 Text Box: Describe how the Eligible Entity will ensure prospective subgrantees meet the general qualifications outlined on pages 71-72 of the BEAD NOFO.

The state does not anticipate having remaining BEAD funds that would enable funding non-deployment activities. See the detailed rationale in section 2.5.1.

In the event there are remaining funds after serving all unserved locations, underserved locations and CAIs, the state will revisit a potential subgrant process for non-deployment activities.

Eligible Entity Implementation Activities (Requirement 10)

Req 2.6.1 Text Box: Describe any initiatives the Eligible Entity proposes to implement as the recipient without making a subgrant, and why it proposes that approach.

The IOB will require funds for administrative activities to manage the grant, implementation of the challenge process, and implementation of the subgrantee process. The Illinois Office of Broadband will ensure that administrative and programmatic costs are applied appropriately.

Labor Standards and Protection (Requirement 11)

Req 2.7.1 Text Box: 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:
- b. Must address information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years;
- c. 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
- d. 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.

- e. Prospective subgrantees' plans for ensuring compliance with federal labor and employment laws, which must address the following:
 - 1. How the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:
 - 2. 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
 - 3. 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.

The Illinois Office of Broadband will require applicants to submit the following information during pre-qualification filing window of the competitive subgrantee selection process:

- 1. 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 and all contractors and subcontractors.
 - iii. Should include written confirmation that the prospective subgrantee has disclosed 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.

2. Prospective subgrantees' plans for ensuring compliance with federal labor and employment laws, which must address the following:
 - i. How the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:
 - A. 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.
 - B. 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.
3. Optional certification that a project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with Section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) and the Illinois Project Labor Agreements Act (30 ILCS 571).^{60,61} If certification is included, subgrantees will provide a copy of the project labor agreement. A project labor agreement must:
 - i. Set forth mutually binding procedures for resolving jurisdictional labor disputes and grievances.
 - ii. Guarantee against strikes, lockouts, or similar actions.
 - iii. Ensure a reliable source of labor.
 - iv. Set goals for woman and minority apprenticeship hours.
 - v. Permit the selection of the lowest responsible bidder, regardless of union status.
 - vi. Bind all contractors and subcontractors by including bid specifications in all relevant bid documents.

⁶⁰ [National Labor Relations Act](#), National Labor Relations Board

⁶¹ [Project Labor Agreements Act](#), Illinois General Assembly

- vii. Be signed by a bona fide labor organization. Subgrantees must provide contact information for the bona fide labor organization.

The grantee must maintain sufficient records to substantiate this information upon request.

During the review process, the Illinois Office of Broadband will evaluate the submitted materials and determine whether the information submitted meets all requirements. If all requirements are met, the applicant will receive full scoring credit (15% of total score) for the Fair Labor Practices criteria. If only the first two requirements are met, and the applicant chooses not to submit a project labor agreement, the applicant will receive 8% out of 15% for the Fair Labor Practices criteria.

Req 2.7.2 Text Box: 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.

The IOB is strongly committed to ensuring that subgrantees, contractors, and subcontractors use strong labor standards and protections. The office will make the following labor standards mandatory for all subgrantees. These standards will be listed in the Connect Illinois Rd 4 NOFO under “Administrative and National Policy Requirements.”

Paying prevailing wages and benefits to workers, including compliance with Davis-Bacon, where applicable, and collecting the required certified payrolls. The Illinois Office of Broadband will require that all subgrantees that are awarded grants shall comply with all requirements of the Prevailing Wage Act (820 ILCS 130/0.01 et seq.), including, but not limited to, inserting into all contracts for construction a stipulation that not less than the prevailing rate of wages—as applicable to the project—shall be paid to all laborers, workers, and mechanics performing work under the award, and requiring all bonds of contractors to include a provision that guarantees the faithful performance of such prevailing wage clause as provided by the contract.⁶² Subgrantees will be required to report on their compliance with the Prevailing Wage Act on a monthly basis.

Compliance with Illinois Work Apprenticeship Initiative. For projects estimated to cost \$500,000 or more, apprentices will perform either 10% of the total labor hours actually

⁶² [Prevailing Wage Act](#), Illinois General Assembly

worked in each prevailing wage classification or 10% of the estimated labor hours in each prevailing wage classification, whichever is less.⁶³

Use of local hire provisions. The IOB will require all subgrantees to comply with the Employment of Illinois Workers on Public Works Act (30 ILCS 570/0.01 et seq.) (the “Act”), which provides that, whenever a period of excessive unemployment occurs in Illinois (as defined by the Act), if the subgrantee is using Grant Funds for (1) constructing or building any public works, or (2) performing the clean-up and on-site disposal of hazardous waste for the State of Illinois or any political subdivision of the state, then the subgrantee shall employ at least 90% Illinois laborers on such project.⁶⁴ “Illinois laborers” refers to any person who has resided in Illinois for at least 30 days and intends to become or remain an Illinois resident. Subgrantees may obtain an exception from this requirement by submitting a request and supporting documents certifying that Illinois laborers are either unavailable or are incapable of performing the type of work involved. The certification must:

- a. Be submitted to the grant manager within the first quarter of the Award Term.
- b. Provide sufficient support that demonstrates that the exception is justified.
- c. Be signed by an authorized signatory of the subgrantee.
- d. Be approved by DCEO in consultation with the Illinois Department of Labor.

In addition, every contractor on a public works project or on an improvement or hazardous waste clean-up and on-site disposal project in this state may engage on such work no more than three (or six in the case of a hazardous waste clean-up and on-site disposal project) of the contractor’s regularly employed, non-resident, executive and technical experts.

For projects with a total cost of over \$10 million, the IOB requires subgrantees to provide a certification that the project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with Section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) and the Illinois Project Labor Agreements Act (30 ILCS 571).^{65,66} Subgrantees will provide a copy of the project labor agreement. The project labor agreement must:

⁶³ [Illinois Works Apprenticeship Initiative](#), Illinois Department of Commerce and Economic Opportunity

⁶⁴ [Employment of Illinois Workers on Public Works Act](#), Illinois General Assembly

⁶⁵ [National Labor Relations Act](#), National Labor Relations Board

⁶⁶ [Project Labor Agreements Act](#), Illinois General Assembly

- a. Set forth mutually binding procedures for resolving jurisdictional labor disputes and grievances.
- b. Guarantee against strikes, lockouts, or similar actions.
- c. Ensure a reliable source of labor.
- d. Set goals for woman and minority apprenticeship hours.
- e. Permit the selection of the lowest responsible bidder, regardless of union status.
- f. Bind all contractors and subcontractors by including bid specifications in all relevant bid documents.
- g. Be signed by a bona fide labor organization. Subgrantees must provide contact information for the bona fide labor organization.

The grantee must maintain sufficient records to substantiate this information upon request.

In addition to the outlined stipulations, the IOB recognizes the importance of the remaining labor standards listed in the BEAD NOFO but does not plan to incorporate any of the following items into legally binding commitments:

- a. Use of a directly employed workforce instead of a subcontracted workforce,
- b. Commitments to union neutrality,
- c. Use of labor peace agreements,
- d. Use of an appropriately skilled workforce,
- e. Use of an appropriately credentialed workforce, and
- f. Steps to prevent the misclassification of workers.

Workforce Readiness (Requirement 12)

Req 2.8.1 Text Box: 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 must clearly provide each of the following, as outlined on page 59 of the BEAD NOFO:

- 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.

The State of Illinois has multiple training and apprenticeship programs that prepare workers for jobs in construction, telecommunications, and other fields. Subgrantees may consult with the state to discuss inclusion of programs outside of those detailed below.

- Illinois has over 270 registered **apprenticeship programs** that provide on-the-job training combined with classroom instruction to develop skilled tradespeople in construction and telecommunications.⁶⁷ All apprenticeship programs in Illinois are registered and overseen by the US Department of Labor. The state has a dedicated workforce portal through which residents can access information on existing apprenticeship programs available in counties or regions of Illinois. Construction and

⁶⁷ Obtained from doing a search of “construction” apprenticeship partners in Illinois on the [Apprenticeship Partnership Finder Tool](#), hosted on the official US government Apprenticeship website

telecommunications are highlighted as key industries on the workforce portal's landing page.⁶⁸

- Examples of apprenticeship programs in the construction and telecommunications industries include Southern Illinois JATC Telecommunications Apprenticeship Program, City of Springfield's Electrical Apprentice program, Southern Illinois College Construction Trades Pre-Apprenticeship Program, and Illinois Laborers and Contractors Joint Apprenticeship and Training Program.^{69,70,71,72}
- **Illinois Innovation Network (IIN)** partnered with the Department of Commerce and Economic Opportunity to offer **training and advanced degree programs** through institutions of advanced education and partner organizations such as community colleges. This training and education prepare candidates for high-demand and emerging fields, including broadband and technology. This partnership is part of Illinois' 2020 – 2024 Workforce Innovation and Opportunity State Act Plan.⁷³

The state is further investing through the Department of Commerce and Economic Opportunity (DCEO) to support the development of a highly skilled workforce in Illinois. The DCEO manages the following programs:

- The **State Apprenticeship Expansion Program** funds 16 apprenticeship intermediary programs located in 10 regions in Illinois. The apprenticeship intermediary programs include programs that prepare candidates for building and construction work. One example of the intermediary program related to construction is the ABC—the Illinois Associated Builders and Contractors Association—which serves the Northern Region of the state.⁷⁴
- **Illinois Works Construction Pre-Apprenticeship Program** is a grant program established by the DCEO to fund programs that train under-represented populations in

⁶⁸ [Apprenticeship Illinois](#), Illinois Worknet

⁶⁹ [Southern JATC Telecommunications Apprenticeship Program](#)

⁷⁰ [City of Springfield, Illinois Misty Buscher Electric Apprenticeship](#)

⁷¹ [Southwestern Illinois College \(SWIC\) Construction Trades Pre-Apprenticeship Program](#), SWIC Official Website

⁷² [Illinois Laborers and Contractors Joint Apprenticeship and Training Program Official Website](#)

⁷³ [2022 Illinois WIOA Unified Plan Modification Approved by DOL](#)

⁷⁴ [Illinois Apprenticeship Initiatives](#), Illinois Worknet

the construction and building trades.⁷⁵ In 2022, \$12 million was awarded to 29 programs—including various urban leagues, foundations, and community assistance programs—in six DCEO regions to provide pre-apprenticeship skills training free of charge. An additional \$10 million in funding is being deployed in 2023 to expand the program's network of providers.⁷⁶

The state will ensure that subgrantees support the development and use of a highly skilled workforce that can work safely and effectively by:

- **Requiring compliance with the Illinois Works Apprenticeship Initiative.** Under the Illinois Works Jobs Program Act, The Illinois Works Apprenticeship Initiative is a required program that aims to foster equity in construction jobs. The program applies to public works projects with \$500,000 or more in costs, for which apprentices are to perform 10% of the actual total labor hours worked or 10% of estimated labor hours in each prevailing wage category, whichever is less. Grantees are required to periodically file a report showing compliance with this requirement.⁷⁷
- Compliance with the Illinois Works Apprenticeship Initiative has been required in previous rounds of Connect Illinois, and the IOB has hosted information sessions for providers and other stakeholders specifically on this requirement.^{78,79}
- **Providing incentives for hiring Illinois residents who have participated in pre-apprenticeship programs.** As part of the Illinois Works Jobs Program Act, Illinois Works Bid Credit Program ensures that contractors and subcontractors hire and retain graduates of the Illinois Works Pre-apprenticeship Program. The bid credit program allows contractors and subcontractors to earn bid credits by employing and retaining apprentices who have completed the Illinois Works Pre-apprenticeship Program. Bid credits can be used toward future bids for public works projects contracted by an agency of the state.⁸⁰

⁷⁵ [Illinois Works Pre-Apprenticeship Program](#), DCEO Website

⁷⁶ [Illinois Works Pre-Apprenticeship NOFO 2023](#), Illinois Worknet

⁷⁷ [Section 20 – 20 of the \(30 ILCS 559/\) Illinois Works Jobs Program Act](#), Illinois General Assembly Website

⁷⁸ [Connect Illinois Round 3 NOFO Supplement](#), DCEO Grant Opportunities

⁷⁹ [Prevailing Wage & the Illinois Works Apprenticeship Program event as part of the Illinois Broadband Lab Series](#), U of I Illinois Extension website

⁸⁰ [2023 Illinois Works Pre-Apprenticeship Grantee Manual](#), IL DCEO

- Ensuring that applicants are aware of the right resources on workforce safety and effectiveness during all rounds of Connect Illinois and during stakeholder engagement events. Some of the available resources include:
 - **The Illinois Occupational Safety and Health Administration (IL OSHA)** is a division of the Illinois Department of Labor established to enforce the Occupational Safety and Health Act across state and local government employers. The federal OSHA enforces the Occupational Safety and Health Act across private employers and federal agencies. Both the federal and state OSHA have a mission to ensure safe and healthy working conditions and meet this objective by enforcing safety standards and providing compliance training, outreach, and education to employers and employees. The federal and state OSHA provide free consultation services to employers to help them comply with safety and health standards. Employees may also file complaints against employers who are not abiding by the Occupational Safety and Health Act.^{81,82,83,84}
 - 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 (such as child care, transportation, mentorship, etc.), to attract, train, retain, or transition to meet local workforce needs and increase high-quality job opportunities.

The state recognizes that building stronger partnerships with industries to develop a talent pipeline will drive economic and community prosperity.⁸⁵ Since 2020, the state has been

⁸¹ [Occupational Safety and Health Act](#), Illinois Compiled Statutes on the Illinois General Assembly Website

⁸² [Illinois OSHA](#), Illinois Department of Labor Official Website

⁸³ [Occupational Safety and Health Administration](#), US Department of Labor Official Website

⁸⁴ [Contact Information for OSHA offices in Illinois](#), OSHA Official Government Website

⁸⁵ [Sector strategies](#) of Workforce Innovation and Opportunity Act of Illinois

executing the plans laid out in the 2020 – 2024 Workforce Development Strategic Plan to develop and promote sector-based partnerships by: ⁸⁶

1. **Promoting employer-led sector strategies via technical assistance.** DCEO staff continues to conduct informational sessions on the Illinois Next Generation Sector Strategies Framework and the Talent Pipeline Management System with stakeholders such as business groups, industry groups, and rural economic development professionals, as well as at state and regional events held by the workforce system.
2. **Creating strategies for talent pipeline management (TPM).** The DCEO created six strategies for TPM, the first of which is the formation of regional, sector-based employer collaboratives using its apprenticeship expansion grants. Initial grantees sent a team to a U.S. Chamber Academy for training in implementing the strategies. Regional apprenticeship navigators, economic development teams, and local nonprofits (such as economic developers and chambers) are jointly creating sector partnerships led by business champions to address current and future demands for talent supply. Navigators are responsible for promoting and creating a network that includes, but is not limited to, industry associations, chambers of commerce, community-based organizations, local workforce areas, community colleges, technical schools, and/or school districts.
3. **The DCEO will also promote sector partnerships related to TPM by hosting two TPM academies.** Ten community colleges will participate in the first academy, which will focus on training providers who are currently serving as apprenticeship intermediaries. The second academy will involve stakeholders who are playing a significant role in regional sector partnerships. Case studies from the second academy will be used as best practices for continuing sector partnerships.
4. **Expanding the policy framework to support employer-led partnerships.** The Illinois Workforce Innovation Board (IWIB)'s Business Engagement Committee (BEC) is tasked with expanding the statewide policy framework outlining how state and regional resources can be used to launch, expand, and support employer-led partnerships.⁸⁷
5. **Choosing business champions to lead sector partnership.** The Illinois Workforce Innovation Board (IWIB) is choosing business champions to lead sector partnerships. The business champion will lead a group of Regional Apprenticeship Navigators,

⁸⁶ [WIOA 2020 – 2024 Workforce Development Strategic Plan](#), Illinois Worknet

⁸⁷ [Attachment G: Illinois Sector Partnership Framework](#), Illinois Worknet

Economic Development Teams, and local nonprofits to address current and future demand for talent supply.

6. **Promoting sector-based business services and employer initiatives.** One of the BEC's priorities is to engage the Illinois business community in developing regional, industry-led sector partnerships. It will do so through the Industry Working Group, a work group of the BEC that seeks to create a network of sector-based champions to assist in business outreach in targeted industries.

Additionally, to promote sector-based partnerships specifically for broadband-related industries, the state is considering:

- Establishing a telecommunications sector partnership using the Talent Pipeline Management Framework.
- Encouraging business champions from the broadband industry to become more involved as IWIB members and in leading sector partnerships.

Lastly, the state intends to promote wraparound services. Illinois has 22 federally funded local workforce areas, representing every Illinois county and touching each of the state's 10 economic development regions. These programs provide wraparound supports for disenfranchised populations including unemployed or underemployed adults, individuals who lost their job through no fault of their own, and 16 to 24-year-olds who belong to historically marginalized or underrepresented populations in the workforce, such as those who grew up in foster care, justice-impacted individuals, and those in poverty. Supportive Services for these populations include the following barrier-reducing supports: childcare, funding for education, and stipends for uniforms, equipment, books, and any other items needed for successful completion of pre-apprenticeship or apprenticeship programs. Illinois Works offers similar supportive services. DCEO is working to support co-enrollment in programs to allow participants to receive supportive services and follow-up in the year following their placement. Their progress is tracked through the Illinois Work Net system.

Looking forward, IOB anticipates high demand for the skills required for broadband deployment, as they align with high-growth infrastructure industries like clean energy. With that, IOB will partner and align with DCEO and statewide workforce initiatives to grow the universe of trained and certified workers. We'll do this by lowering barriers to entry and enabling participation for historically underrepresented groups, such as justice-impacted

residents. IOB will also facilitate universal, sustainable competencies that can applied to broadband work and beyond.

Examples of wraparound services throughout the state are included below:

Table 13. Examples of wraparound services in Illinois

Organization	Program	Description
Illinois Department of Human Services	Comprehensive Community Based Youth Services (CCBYS)	Increase family reunification/preserve and stabilize families; and to divert or minimize involvement in the child welfare and/or juvenile justice systems.
Illinois Department of Human Services	Redeploy Illinois	To decrease juvenile incarceration through the creation of evidence-based community programs that maintains public safety and promotes positive outcomes for youth.
Illinois Department of Human Services	Westside Health Authority - Community Wellness Project	Provide coordinated non-clinical, in-home wellness visits, case management, and crisis intervention services as well as make referrals for wraparound support services to the target population. The populations targeted include Seniors, Single parent households, 1st time pregnant females, Returning Citizens to the community (Adults and youth returning from secure confinement), and high risk disengaged youth (youth ages 16-24 that are not employed or enrolled in school), and low-income family/households.
Illinois Department of Healthcare and Family Services	Pathways to Success	Program for Medicaid enrolled children under the age of 21 in Illinois who have complex behavioral health needs and could benefit from additional support. The program provides access to an evidence-informed model of intensive care coordination and additional home and community-based services.
Illinois Department of Children & Family Services	Bethany for Children & Families	Serving Rock Island, Henry, Mercer, and Whiteside counties, Bethany's Wraparound staff works daily to help families acquire healthy habits, learn appropriate relationship skills, and stay together.

Illinois Department of Children & Family Services	High Fidelity Wraparound	Serves individuals and families with open DCFS cases in Madison and St. Clair County. Provides a comprehensive and holistic method of supporting individuals, within the child welfare system, who are experiencing complex behavioral, emotional, or mental health challenges.
Illinois Department of Children and Family Services	Conscience Community Network High Fidelity Wraparound	Serves counties in the Northern (Lake, Kane, DuPage, Will) and Central regions (Champaign, Coles, Douglas, Moultrie, Shelby). Coordinate and facilitate (or co-facilitate with the caseworker) monthly Family Team Meetings to collaboratively discuss needs, strategies, and ensure alignment on the plan of care amongst informal support systems (such as family, friends, and fictive kin), and the varying formal supports (such as caseworker, therapist, and service providers) working with the enrolled child/youth.
Illinois Department of Children and Family Services / Conscience Community Network	Dually Involved Youth Project	Improves outcomes for youth who are involved with both the child welfare and juvenile justice systems by supporting the coordination of their care and providing important new services.
Springfield Urban League	Wee Grow	Provides childcare before and after Head Start /Early Head Start hours (regular school care) and is open throughout the summer, when traditional Head Start is not in session.
Youth Services Network (state-licensed child welfare agency)	Various Programming (i.e., Counseling and Case Management, Early Intervention, Homeless Services, Juvenile Justice and Crisis Intervention, School Based, and Pass-Through Funding)	YSN addresses issues by providing psychotherapy, counseling, play therapy, case management, employment training, tutoring, mentoring, recreation, life skills training, and Wraparound facilitation. All staff are trained in trauma treatments, cultural diversity, and program-specific requirements.
The Puerto Rican Cultural Center (community-based, grassroots,	Workforce development training and employment services	The education initiative supports youth in becoming lifelong learners and provides wrap-around services to get students from Pre-K to higher education. Since there are many obstacles that youth confront in the education system, so our programs take into account the social/emotional needs of our

educational, health and cultural services organization)	youth and their support systems, we offer bilingual and culturally informed programming, affordable child care, counseling, work readiness development, and employment opportunities.
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- 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.

Promotion of available, good-quality jobs across the state. In the WIOA Visioning Retreat for drafting the next “Unified State” plan, participants discussed the challenges of evaluating the quality of employers in the workforce system. The required federal performance measures often indicate success but do not include any nuances about job quality. The group proposed creating a public “good list” of Illinois employers, which will include jobs that have been vetted in providing apprenticeships and effective training to workers.

Developing strategies to strengthen on-ramps into broadband. As individual regions in Illinois draft regional and local plans describing how they will implement the Workforce Innovation and Opportunity Act, the state will encourage them to develop strategies for strengthening on-ramps into broadband.⁸⁸

Engagement with labor organizations and community-based organizations. The state will continuously engage with labor organizations and community-based organizations to incorporate the worker’s voice into the planning and implementation process in the following ways:

⁸⁸ [2022 WIOA Regional and Local Planning](#), Illinois Worknet

- **Inclusive membership in the Illinois Workforce Innovation Board (IWIB).** The IWIB includes leaders from state, business, industry, labor, education, and community-based organizations with the goal of evaluating and meeting the workforce needs of Illinois' employers and workers. Over half of the IWIB must be made up of business representatives. Membership categories include Governor and General Assembly appointments; state agencies; chief elected officials from cities and counties; labor organizations; youth activities representatives; workforce training representatives and education, including adult education; vocational rehabilitation; employment security; and other institutional representatives.⁸⁹ The IWIB convenes employers and community partners at the state, regional, and local levels to promote economic growth through these partnerships and to ensure alignment between education and workforce service.⁹⁰
- **Continuous stakeholder engagement for the development of the Unified State Plan.** To develop the Unified State Plan, the IWIB convenes all relevant programs, required partners, and stakeholders.⁹¹ Stakeholder engagement for the development of the next State Plan is expected to start in December 2023 and to run through 2024. The state and IWIB will undertake the stakeholder engagement process every two years when drafting or modifying the Unified State Plan.

The IOB will work closely in partnership with the IWIB, BEC, and DCEO to engage labor organizations and community-based organizations in incorporating the worker's voice into the planning and implementation process.

Looking forward, IOB anticipates high demand for the skills required for broadband deployment, as they align with high-growth infrastructure industries like clean energy. With that, IOB will partner and align with DCEO and statewide workforce initiatives to grow the universe of trained and certified workers. We'll do this by lowering barriers to entry and enabling participation for historically underrepresented groups, such as justice-impacted residents. We'll also facilitate universal, sustainable competencies that can applied to broadband work and beyond.

⁸⁹ [WIOA State Plan Common Elements](#), 2020-2023

⁹⁰ [2020-2022 IWIB Strategic Plan](#)

⁹¹ [Illinois Workforce Innovation Board](#), Illinois WorkNet

- d. TA 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.

The state has multiple programs to ensure that job opportunities are available to a diverse pool of workers. The main six are listed below:

- **The Illinois Works Jobs Program Act** is a statewide initiative to ensure that all Illinois residents have access to state capital projects and careers, particularly in the construction industry and building trades. The goal is to provide contracting and employment opportunities to historically underrepresented populations, including women, people of color, and veterans.⁹²
- **The Illinois Minority and Female Building Trades Act** requires that all construction apprenticeship programs in Illinois submit a report to the Illinois Department of Labor concerning the race, gender, ethnicity, and national origin of apprentices participating in their programs. The Illinois Department of Labor produces a report on their findings by March 31st of each year.⁹³
- **The Illinois Innovation Net (IIN)** provides training focusing on the inclusivity of lived experiences and ensures that students from diverse backgrounds—including Black and Indigenous people, people of color (BIPOC), and returning citizens—have access to this training.⁸⁶
- **The Commission on Workforce Equity and Access** was established by the governor in 2021 to create a vision for an equitable workforce system.⁹⁴ The commission has a User-Stakeholder Experience Working Group to recommend human-centered design improvements with a focus on equity and serving the needs of workers and vulnerable youths.⁹⁵
- **The Re-entry Employment Service Program (RESP)**, administered by the Illinois Department of Employment Security (IDES), assists Illinois residents in overcoming

⁹² [Illinois Works Pre-apprenticeship Program 2023 Grantee Manual](#), IL DCEO

⁹³ [State construction – Minority and Female Building Trades Act](#), Illinois Department of Labor

⁹⁴ [Commission on Workforce Equity and Access](#), Illinois.gov

⁹⁵ [Governor JB Pritzker's Commission on Workforce Equity & Access](#)

barriers to employment that result from conviction or arrest.⁹⁶ Assistance from RESP includes career development counseling and referrals to job readiness workshops, which provide instruction in writing resumés and undergoing interviews, for example. RESP also offers incentives in the form of tax savings to employers who hire ex-offenders.⁹⁷

- **The Chicago Women in Trades** and the state of Illinois were awarded \$1.3 million by the Tradeswomen Building Infrastructure grant to support the creation of equity plans and their adoption and increase women’s inclusion and equity in construction industry jobs. Funds will also allow Illinois to evaluate state and local workforce development programs for diversifying the clean energy and construction workforce.⁹⁸

To further ensure that a diverse pool of workers has access to job opportunities created by the BEAD program and other broadband funding programs, the Illinois Office of Broadband will encourage applicants to submit plans to conduct targeted outreach to populations—including but not limited to women and people of color—that have traditionally been underrepresented in broadband and information technology jobs. In the next phase of the stakeholder engagement process, the Office of Broadband will coordinate with local community organizations, worker organizations, and workforce planning agencies to make certain that a diverse set of stakeholders knows about and participates in the opportunities created by the BEAD program.

⁹⁶ [Illinois Re-Entry Employment Service Program](#), IDES Official Website

⁹⁷ [Document on Tax Credits for ex-felons](#) adopted from information taken from the Illinois Department of Revenue

⁹⁸ [US department of labor awards \\$1.3M grant to state of Illinois to accelerate gender equity, inclusion in infrastructure workforce](#), U.S. Department of Labor

Req 2.8.2 Text Box: Describe the information that will be required of prospective subgrantees to demonstrate a plan for ensuring that the project workforce (including contractors and subcontractors) 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.

As outlined in Section 2.8.1, the IOB will require subgrantees to periodically file a report showing compliance with the Illinois Works Apprenticeship Initiative. In addition, the IOB will require participants in Connect Illinois with projects that cost over \$10 million to certify that they have a project labor agreement that a) has a reliable source of skilled and experienced labor and b) sets goals for minority and woman apprenticeship hours, in addition to other requirements. Subgrantees that cannot certify having such a project labor agreement must submit a project workforce continuity plan that details, among other things, a) how the subgrantee will ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to execute high-quality, timely construction throughout the project, and b) whether workers on the project will receive wages and benefits that secure an appropriately skilled workforce in a local or regional labor market.⁹⁹

The IOB will also require all subgrantees to indicate in their applications:

- 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.
- Whether or not the workforce they employ will be unionized
- Whether or not the workforce will be directly employed or subcontracted

⁹⁹ [Project Labor Agreements Act](#), Illinois Compiled Statutes on the Illinois General Assembly Website

- The entity with which the proposed subgrantee plans to contract and subcontract in carrying out the proposed work.

If the project workforce or any of the subgrantee's, contractor's, or subcontractor's workforce is not unionized, the IOB will require that the subgrantee also provide for 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 relevant training, depending on title and work) indicating whether a robust, in-house training program with established requirements is tied to certifications and titles.
 - ii. Information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.

The IOB will ensure that all potential applicants are informed of these requirements through stakeholder engagements.

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

Req 2.9.1 Text Box: 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.

A. Inclusion of minority businesses and woman-owned business enterprises (WBEs)

Inclusion of WBEs, MBEs and other businesses owned by marginalized groups in the state's business operations and workforce has been a strategic priority enacted through multiple processes in Illinois over the last 30 years.¹⁰⁰ One of the employed strategies for the inclusion of MBEs and WBEs was the creation of the Commission on Equity and Inclusion (CEI) through the passage of the Commission on Equity and Inclusion Act (CEI). The CEI was created to expand access to state contracts for minorities, women, persons with disabilities, and veterans.¹⁰¹ The CEI oversees the Business Enterprise Program (BEP), which uses multiple processes to ensure that MBEs and WBEs are recruited, used, and

¹⁰⁰ [The current version of the Business Enterprise Act was an amendment in 1989 that expanded the provisions on inclusion of MBEs, WBEs and businesses owned by people with disabilities in the \(30 ILCS 575/\) Business Enterprise for Minorities, Women, and Persons with Disabilities Act](#), Illinois Compiled Statutes on the Illinois General Assembly Website

¹⁰¹ [State of Illinois Commission on Equity and Inclusion \(CEI\) "About" Page](#), CEI Official Website

retained whenever possible.¹⁰² Participation in BEP is required for subgrantees of Connect Illinois. The multiple processes BEP employs are aligned with the affirmative steps listed in Section VII.D.7 of the NOFO.

- **Certification process of MBEs and WBEs.** The BEP certifies businesses owned by minorities, women, and persons with disabilities that meet the following requirements: (1) 51% ownership by a minority, woman, or person with a disability; (2) 51% control by a minority, woman, or person with a disability; 3) ownership by a US citizen or legal permanent-resident alien, and (4) annual gross sales of less than \$150 million. The BEP Certification is valid for seven years for MBEs and WBEs.¹⁰³ The certification will allow MBEs and WBEs to be listed in the CEI BEP Diversity Management System, a searchable database of certified BEP vendors. The BEP Diversity Management System increases the visibility of MBEs and WBEs and thus expands opportunities for bidding on state contracts with BEP goals. This directory is used and recognized by state procurement officials, prime vendors, and municipalities and organizations in Illinois.¹⁰⁴
- **Inclusion process for MBEs and WBEs in state contracts.** In addition to the CEI Act, Illinois passed The Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575), which established two aspirational goals for state contracts: 1) not less than 20% of the total dollar amount of state construction contracts may be awarded to businesses owned by minorities, women, and persons with disabilities; and 2) beyond the 20% goal for state construction contracts, not less than 30% of the total dollar amount of state construction contracts shall be awarded to businesses owned by minorities, women, and persons with disabilities.¹⁰⁵ Connect Illinois Rd 4 will require compliance with this act for grantees who have received grant awards of \$250,000 or more, with the DCEO and the Capital Development Board ensuring compliance.⁷⁸
- **Compliance monitoring and data tracking.** The BEP has a compliance monitoring division that oversees prime contractors and subcontractors. Prime contractors and subcontractors are required to register and use BEP's Diversity Contract Monitoring

¹⁰² [State of Illinois Commission on Equity and Inclusion Home page](#)

¹⁰³ [BEP Certification Overview](#), CEI Official Website

¹⁰⁴ [CEI BEP Diversity Management System](#), CEI Website

¹⁰⁵ [30 ILCS 575 /0.01 \(from Ch. 127, par. 132.600\)](#); Business Enterprise for Minorities, Women and Persons with disabilities Act, Illinois General Assembly

System (DCMS). In addition, BEP offers the public an opportunity to file a vendor complaint if they become aware of any irregular or inappropriate activity during the procurement process as it relates to BEP. Through the stakeholder engagement process, the IOB will ensure that all potential subgrantees are informed of the BEP requirements and connected to the right information and resources.

B. Inclusion of labor surplus area firms

The Illinois Department of Unemployment Security updates the list of labor surplus areas every fiscal year.¹⁰⁶ As of the drafting of this report, 10 areas in Illinois have an average unemployment rate at least 20 percent above the average rate for the entire state and thus are categorized as “labor surplus areas.” The IOB will leverage resources through the DCEO and other existing partnerships to increase awareness and accessibility to contracting opportunities for firms in labor surplus areas. The IOB will also ensure that potential subgrantees are informed of LSA firms and connected to the right information.

Req 2.9.2. Check Box: 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:

- a. Placing qualified small and minority businesses and women’s business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women’s business enterprises are solicited whenever they are potential sources;
- c. 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;

¹⁰⁶ [Labor surplus areas in Illinois](#), Illinois Department of Unemployment Security

- d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- e. 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
- f. Requiring subgrantees to take the affirmative steps listed above as it relates to subcontractors.

The Eligible Entity must certify, by checking a box, that it plans to take necessary affirmative steps to ensure MBEs, WBEs, and labor surplus area firms are recruited, used, and retained, when possible.

The Office of Broadband certifies that it will take all necessary affirmative steps to ensure that 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.

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- c. 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
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

- e. 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
- f. Requiring subgrantees to take the affirmative steps listed above as it relates to subcontractors.

Cost and Barrier Reduction (Requirement 14)

Req 2.10.1 Text Box: Identify steps that the Eligible Entity has taken or will take to reduce costs and barriers to deployment. Responses may include but not be limited to the following:

- a. Promoting the use of existing infrastructure;
- b. Promoting and adopting dig-once policies;
- c. Streamlining permitting processes;
- d. Streamlining cost-effective access to poles, conduits, easements;
and
- e. Streamlining rights of way, including the imposition of reasonable
access requirements.

The Illinois Office of Broadband considers the reduction of costs and mitigation of barriers to broadband deployment to be a top priority. Detailed below are the steps the state has implemented to date:

Promoting and adopting “dig-once” policies. The Illinois Dig Once Act, a policy aimed at reducing the scale and number of repeated excavations related to roads, highways, tollways, and expressways for the installation and maintenance of broadband infrastructure and public utilities in rights of way, was approved by the Governor of Illinois on July 28, 2023.¹⁰⁷ This act will provide ready-made, buried conduits that could allow future providers to install fiber more easily and cheaply by threading it through existing conduits.

¹⁰⁷ [Illinois Dig Once Act - SB 1438](#), Illinois General Assembly

Streamlining rights of way and access to easements. The Illinois Office of Broadband recognizes that streamlining rights of way and access to easements is extremely important to providers. The IOB, through the University of Illinois Urbana-Champaign extension, hosts webinar series that bring officials from state organizations—such as Township Officials of Illinois (TOI) and the Illinois Farm Bureau (IFB)—to offer guidance on easements and right-of-way issues.¹⁰⁸ During these sessions, officials and facilitators promote resources that have been created to streamline access requirements. One example is a permit template developed by TOI, IFB, and the Illinois Association of County Engineers.¹⁰⁹ In addition, the IOB may create a webpage that displays a streamlined list of needed permits, contact information for a designated official who can answer inquiries, and information on community/local programs and events.

Promoting the use of existing infrastructure. Building on existing infrastructure helps the State of Illinois to effectively and economically expand broadband access in unserved and underserved communities. Consequently, the state recognizes promoting the use of existing infrastructure as a priority. Illinois benefits from having a robust inventory of the assets needed to close the digital divide. This inventory includes hard assets like the Illinois Century Network, towers, buildings, and utility poles.¹¹⁰ By emphasizing cost efficiency in project applications—that is, assigning 45% of the scoring rubric to minimizing the BEAD outlay—the IOB aims to incentivize providers to maximize the use of current infrastructure assets.

In addition to the already implemented steps above, the IOB plans to do the following:

Streamline the permitting process. The Illinois Office of Broadband will work closely with partners (such as the University of Illinois extension) to provide technical assistance through online postings and informational sessions. This step will help to simplify the permitting process for providers and will ensure that questions or concerns are addressed in promptly and effectively.

One best practice in helping local communities to become "broadband-ready" is a certification program. Accordingly, the IOB plans to support interested local governments in

¹⁰⁸ [Illinois Broadband Lab Summer Webinar Series](#)

¹⁰⁹ [Township/County Utility Permit](#)

¹¹⁰ [Connect Illinois Five Year Action Plan](#)

promoting broadband preparation and potential certifications so that counties may be certified as “broadband-ready.” If this best practice is adopted, the IOB will have the following duties:

- Publishing a comprehensive guide on all permits required for broadband projects
- Partnering with state and local government offices, administrative bodies, and relevant departments to enable timely permit approvals
- Facilitating coordination among local, state, and federal agencies on activities related to application approval and permit issuance for broadband projects.

To be certified as broadband-ready, counties should adopt several best practices:

- Providing a dedicated point of contact to manage all inquiries, coordination, and issues related to broadband projects
- Committing to review and decide on all permit applications within 20 business days of submission
- Ensuring that required inspections will be scheduled and completed promptly based on construction timelines
- Enabling all necessary forms, applications, and documents to be submitted and signed electronically for efficiency.

Climate Assessment (Requirement 15)

Req 2.11.1 Text Box: 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.

A. Initial hazard screening of vulnerable areas

The state of Illinois has developed an initial hazard screening process. The counties listed in Table 10 below have been identified as vulnerable to current and projected weather and climate-related risks. The analysis will be reviewed annually to add updated information, and a full screening analysis will be completed every five years.

The IOB refers to the Draft 2023 Illinois Natural Hazard Mitigation Plan published by the Illinois Emergency Management Agency (IEMA) to identify vulnerable counties.¹¹¹ The Illinois 2023 Natural Hazard Mitigation Plan was developed in accordance with the recent guidance by the Federal Emergency Management Agency (FEMA) and with the involvement of multiple stakeholders. Pages 127 to 132 of the Draft 2023 Illinois Natural Hazard Mitigation Plan determined the overall risk ranking level of 18 hazards for all counties in Illinois, based on their current population, past hazard occurrence, exposure of population, population growth, severity of impact, and social vulnerability.¹¹² Counties were assigned an overall hazard risk ranking of very low, low, medium, high or very high. The IOB classifies **the counties most vulnerable** to a particular hazard as those that have an overall risk ranking of “high” or “very high” risk. High- or very high-risk counties have a high or very high current population, more than 20 past occurrences of hazards from 1996 to 2021, more than 15% of population affected by past hazards, a projected population increase by 2030, more than \$10,000,000 in infrastructure damage or five fatalities due to a hazard, and a high

¹¹¹ [Draft 2023 Illinois Natural Hazard Mitigation](#)

¹¹² [Draft 2023 Illinois Natural Hazard Mitigation](#), page 127

social vulnerability to a hazard. Table 13 summarizes the counties that were categorized as high-risk or very high-risk.

Table 14: Counties at high or very high risk for each hazard¹¹²

Weather or climate hazard	Counties at high risk	Counties at very high risk
Drought	Champaign, Coles, De Witt, Jackson	None
Earthquake	None	None
Cold Wave	Champaign, Coles, Cook, De Witt, Winnebago, Kane, Jackson, Kankakee, St. Clair, Will	None
Heat Wave	Alexander, Bond, Brown, Coles, Champaign, De Witt, Fayette, Franklin, Jefferson, Kane, Kankakee, Madison, Marion, Massac, Perry, Pope, Pulaski, Saline, Union, Wabash, Wayne, Williamson, Winnebago	Cook, Jackson, St. Clair
Coastal Flooding	None	Cook
Dam/Levee Failure	None	None
Flash Flooding	Carroll, Cass, Christian, De Witt, Douglas, Ford, Grundy, Henry, Jackson, Jefferson, Jo Daviess, Kankakee, Lawrence, Madison, Marion, Marshall, McDonough, Perry, Rock Island, Saline, Schuyler, St. Clair, Stephenson, Union, Vermilion, Wayne, Williamson	Champaign, Clay, Coles, Cook, DuPage, Franklin, Fulton, Kane, Knox, La Salle, Lake, Macon, McLean, Morgan, Peoria, Sangamon, Tazewell, Will, Winnebago, Woodford
Riverine Flooding	Alexander, Champaign, Coles, Cook, De Witt, Douglas, Franklin, Gallatin, Kane, Kankakee, La Salle, Lawrence, Madison, McDonough, McHenry, Peoria, Pope, Pulaski, Rock Island, Saline, Stephenson, Tazewell, Union, Vermilion, Wabash, Wayne, Woodford	Jackson, Massac, St. Clair, Winnebago
Landslide	None	None
Mine Subsidence	La Salle, St. Clair	None
Pandemic	Champaign, Coles, De Witt, Jackson, Kane, Kankakee, La Salle, St. Clair, Winnebago,	None

Hail	DuPage, Fayette, Franklin, Fulton, Henderson, Jackson, Jefferson, Johnson, Kane, Knox, Lake, Lawrence, Logan, Macon, Macoupin, Madison, Marion, Massac, McDonough, McHenry, Morgan, Moultrie, Ogle, Peoria, Perry, Pope, Pulaski, Rock Island, Saline, Schuyler, St. Clair, Stephenson, Union, Vermilion, Wabash, Warren, Wayne, Will, Williamson, Winnebago	Douglas, Kankakee, La Salle, Sangamon
Lightning	None	None
Wind	Alexander, Bond, Boone, Brown, Bureau, Cass, Clay, Coles, De Witt, Douglas, DuPage, Fayette, Gallatin, Grundy, Hardin, Henry, Kane, Kankakee, Knox, Lake, Lawrence, Logan, Macon, Madison, Marion, McDonough, McHenry, McLean, Mercer, Morgan, Ogle, Peoria, Perry, Pope, Pulaski, Rock Island, Saline, Sangamon, Schuyler, Stephenson, Tazewell, Union, Wabash, Warren, Wayne, Will	Champaign, Cook, Franklin, Jackson, Jefferson, Massac, St. Clair, Vermilion, Williamson, Winnebago
Tornado	Bond, Boone, Christian, Clinton, Douglas, DuPage, Fayette, Grundy, Henry, Iroquois, Jefferson, Kane, Knox, Lake, Livingston, Logan, Marion, Massac, McHenry, McLean, Morgan, Ogle, Peoria, Randolph, Rock Island, Schuyler, Union, Wabash, Warren, Wayne, Williamson, Winnebago	Champaign, Coles, Cook, De Witt, Fulton, Jackson, Kankakee, La Salle, Macon, Madison, Sangamon, St. Clair, Tazewell, Vermilion, Will, Woodford
Wildfire	None	None
Ice Storms	Champaign, De Witt	None
Winter Storms	Bond, Boone, Brown, Cass, Champaign, Christian, Clay, Coles, Cook, De Witt, Douglas, DuPage, Fayette, Franklin, Hardin, Jackson, Jefferson, Kane, Kankakee, Knox, La Salle, Lake, Lawrence, Macon, Macoupin, Madison, Marion, McDonough, McHenry, Morgan, Ogle, Peoria, Perry, Rock Island, Saline, Sangamon, Schuyler, St. Clair, Stephenson, Union, Vermilion, Wabash, Warren, Wayne, Will, Williamson, Winnebago	Alexander, Massac, Pope, Pulaski

B. Weather and climate hazards with the most impact

The IOB has identified six weather and climate hazards that require the highest urgency in preparation and response based on the following: 1) more than 30% of counties in Illinois are at “high” or “very high” risk of being affected by these hazards, and 2) the state has incurred a billion dollars or more in overall losses and/or high costs in cumulative property damages over the years:

1. **Flooding.**¹¹³ Flooding is the most common hazard that occurs in the US. The 2023 Draft of the Illinois Natural Hazard Mitigation Plan identifies 36 counties in Illinois as being at high risk and 23 counties as being at very high risk for coastal, riverine, and flash flooding.¹¹² According to the Illinois Emergency Management Agency (IEMA), since 1981, 99 of the 102 counties in Illinois have been declared at the time as major disaster areas due to flooding. In addition, flooding has cost the state between five and ten billion dollars, which accounts for 18.1% of the total cost of billion-dollar disasters in the state from 1980 to 2023.¹¹⁴ The Nature Conservancy reports that 41 counties in the state of Illinois are projected to experience a rise in flood risk of more than 5% from 2020 to 2050 (in terms of flood damage in 2020 US dollars).¹¹⁵
2. **Severe storms.** Severe storms are typically defined to include wind, hail, and tornadoes. All counties in Illinois are susceptible to severe storms. The NOAA has determined that severe storms have played a significant role in billion-dollar disasters in Illinois. From 1980 to 2023, they have cost the state between 20 to 50 billion dollars, which is 43% of the total costs of billion-dollar disasters in the state.¹¹⁴ The Nature Conservancy has projected an increase in annual precipitation throughout Illinois, which is likely to increase the number of severe storms in the state.^{111,115}
 - a. **Wind.** Illinois averages around 860 reports of wind and large hail annually. The 2023 Draft of the Illinois Natural Hazard Mitigation Plan has identified 46 counties as being at high risk and 10 counties at extremely high risk for the effects of

¹¹³ Includes coastal flooding, flash flooding, and riverine flooding.

¹¹⁴ [NOAA Illinois summary for Billion Dollar Weather and Climate Disasters](#)

¹¹⁵ Chapter 2 of [An Assessment of the Impacts of Climate Changes in Illinois](#) by The Nature Conservancy, 2021

wind.¹¹¹ Since 1996, wind has caused \$648,035,400 in damages to property in the state.¹¹⁵

- b. **Hail.** The 2023 Draft of the Illinois Natural Hazard Mitigation Plan has identified 40 counties as being at high risk and four counties as being at extremely high risk for the effects of hail. Since 1996, hail has caused \$219, 512, 600 in property damages in the state.¹¹¹
- c. **Tornadoes.** The 2023 Draft of the Illinois Natural Hazard Mitigation Plan has identified 32 counties as being at high risk and 16 counties at very high risk of being affected by tornadoes. Since 1996, tornadoes have caused three billion dollars in property damage, making tornadoes one of the costliest hazards to the state.¹¹¹
- d. **Winter storms.** On average, Illinois experiences around 24.6 winter storm events per year. At least 50% of counties in Illinois are at risk of experiencing winter storms, with 47 identified as being at high risk and four at extremely high risk.¹¹² In addition, winter storms typically have a significant impact on the state. They are classified by the NOAA as a billion-dollar disaster, having cost the state around two to five billion dollars—accounting for 4.4% of the total cost of billion-dollar disasters in Illinois—from 1980 to 2023.¹¹⁴

C. Weather and Climate Risks to New Infrastructure and Mitigation Measures

Based on research conducted using the links provided by the NTIA, the IOB believes that all climate risks mentioned above present risks to new infrastructure funded by the BEAD program. The impact of each weather and climate risk on broadband infrastructure and proposed mitigation strategies are summarized in Table 14 below.

Table 15: Weather and climate risk to new infrastructure and proposed mitigation plan

Weather and climate risk	Risk to new infrastructure	Proposed mitigation strategy
Flooding	Could damage buried and underground plant, central office, and CPE	Selection of a technology platform suitable to the region's climate risks, reliance on alternative siting of facilities
Severe storms – Hail	Could pose some risk to aerial plant and exposed CPE	Prompt restoration of service in the event of an outage
Severe storms – Wind	Could pose some risk to aerial plant and exposed CPE	Prompt restoration of service in the event of an outage
Severe storms – Tornado	Could damage aerial plant, exposed CPE, and central office equipment	Use of established plans and processes to deal with extreme weather-related risks
Winter storms	Could pose some risk to aerial plant, buried plant, and exposed CPE	Use of established plans and processes to deal with extreme weather-related risks Prompt restoration of service in the event of an outage

For subgrantees with applications in the high-risk or extremely high-risk counties cited above, the Illinois Office of Broadband will require providers to submit a proposed mitigation strategy that considers the IOB's perspective on mitigation approaches and either accepts that perspective or provides alternate approaches to mitigating risks. These proposed mitigation strategies will be reviewed as part of each application. The IOB will also require providers to submit an emergency response plan and communication strategy to ensure timely, effective response to extreme weather events.

D. Periodic plan review

Throughout the program, the Illinois Office of Broadband will repeat the above screening process every 10 years using the latest resources and information. This review will ensure that evolving risks are understood, characterized, and addressed, and that the latest tools and information are applied.

Req 2.11.1.1 Optional Attachment: As an optional attachment, submit any relevant reports conducted within the past five years that may be relevant for this requirement and will be referenced in the text narrative above.

The IOB will attach the Draft 2023 Illinois Natural Hazard Mitigation Plan.

Low-Cost Broadband Service Option (Requirement 16)

Req 2.12.1 Text Box: 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 state intends to adopt the low-cost broadband service option defined below and outlined in the BEAD NOFO and in Figure 8 of the BEAD Initial Proposal Guidance.¹¹⁶

¹¹⁶ [BEAD Initial Proposal Guidance](#), Requirement 16.

1. The proposed service option:

- a. Costs \$30 per month or less, inclusive of all taxes, fees, and charges, with no additional non-recurring costs or fees to the consumer, including subscribers who reside on Tribal Lands;
- b. Allows the end user to apply the Affordable Connectivity Benefit subsidy to the service price;
- c. Provides the greater of (a) 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 (b) 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
- f. 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
- g. A subgrantee may adjust the price of its low-cost service offering once a year based on the Producer Price Index according to the U.S. Bureau of Labor Statistics.
- h. The State is willing to consider waivers to the \$30 low-cost service option, such that subgrantees may modify the low-cost service offering to be up to \$40/month.

An applicant's proposed modification must:

- (1) Not exceed \$40
- (2) Include evidence demonstrating how the modification would support project sustainability based on the business case. The State will evaluate the impact of the following factors on project sustainability:

- Linear density of the project area
- Overall broadband adoption rates
- Estimated degree of households eligible for the low-cost service option and average revenue per user (ARPU)
- Cost structure for recurring operating expenses

The State will review evidence with consideration for how the factors above contribute to an unsustainable business case with the \$30 low-cost option. The State will then compare the metrics to benchmark data for the State, based on prior Connect Illinois grant rounds.

2. Subgrantees are required to participate in the Affordable Connectivity Program or any successor program, and Eligible Subscribers that are eligible for a broadband service subsidy can apply the subsidy to the proposed service option
 - a. Should the ACP or any successor program expire or fail to be established, the proposed service option described in (1) will remain as described above.

Req 2.12.2 Check Box: Certify that all subgrantees will be required to participate in the Affordable Connectivity Program or any successor program.

Yes, the Illinois Office of Broadband will require all subgrantees to participate in the Affordable Connectivity Program or any successor program.

Use of 20 Percent of Funding (Requirement 17)

Req 2.14.1 Text Box: 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 / 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 / underserved locations, and provide rationale for requesting funds greater than 20 percent of the funding allocation.

Illinois' allocation is \$1,040,420,751.50. The state is requesting an allocation of 100% of the funds remaining which are \$1,035,420,751.50. The state intends to use the BEAD funding on deployment activities, administrative costs, and programmatic expenses. The state requests 100% of the funding to provide budget certainty to the provider community, increasing the volume of participants and leading to a more competitive application process. As described in Section 2.4, the state will run a BEAD compliant subgrantee process, which will inform the use of BEAD funding on deployment activities. See the Connect Illinois Final Proposal for more details.

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

Illinois will request \$1,035,420,751.50.

Req 2.14.3 Check Box: 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."

The state of Illinois and IOB certifies that they will adhere to the BEAD Program requirements regarding Initial Proposal funds usage.

Eligible Entity Regulatory Approach (Requirement 18)

Req 2.15.1 Text Box:

- 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.

The IOB is not aware of any laws in Illinois 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 participating 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.

Req 2.15.11 Optional Attachment: As a required attachment only if the Eligible Entity will not waive laws for BEAD Program project selection purposes, provide a list of the laws that the Eligible Entity will not waive for BEAD Program project selection purposes, using the Eligible Entity Regulatory Approach template provided.

Not applicable.

Certification of Compliance with BEAD Requirements (Requirement 19)

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

The state of Illinois will comply with all applicable requirements of the BEAD Program, including the reporting requirements.

Req 2.16.2 Text Box: 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);
- b. The inclusion of clawback provisions (i.e., provisions allowing recoupment of funds previously disbursed) in agreements between the Eligible Entity and any subgrantee;
- c. Timely subgrantee reporting mandates; and
- d. Robust subgrantee monitoring practices.

A. Distribution of funding to subgrantees on a reimbursable basis

Distribution of funding to subgrantees under Connect Illinois Rd 4 will occur on a fixed award subgrant basis, following the latest NTIA guidance.

B. Inclusion of clawback provisions

The IOB will work with the state's legal team to include clawback provisions in Connect Illinois Rd 4 will to allow for recoupment of funds previously disbursed based on performance (i.e., effective, timely broadband deployment, continuing to offer low-cost service options for the useful life of the assets, meeting reporting deadlines, providing accurate deployment data, and fulfilling all additional BEAD requirements such as broadband speeds, compliance with fair labor practices).

C. Timely subgrantee reporting mandates

Connect Illinois Rd 4 will implement following reporting regime (identical to previous rounds of Connect Illinois), which is in compliance with the BEAD requirements:

Periodic Performance Report (PPR) and Periodic Financial Report (PFR). Subgrantees will be required to submit at least on a quarterly basis both the PPR and PFR to their assigned grant manager. The first set of reports is to cover the first three months after the awards begins. Pursuant to 2 CFR 200.328, PFR's shall be submitted no later than 30 calendar days following the period covered by the report. Grantees will also be required to submit a final closeout report within 45 calendar days following the end of the period of performance.

Project Reporting. Grantees will be required to submit regular reports to document the progress of the project as part of the grant requirements. These reports include but are not limited to:

- Projected/actual construction start date (month/year);
- Projected/actual initiation of operations date (month/year);
- Location (for broadband, geospatial location data);

- Speeds/pricing tiers to be offered, including the speed/pricing of its affordability offering;
- Technology to be deployed;
- Miles of fiber;
- Cost per mile;
- Cost per passing;
- Number of households (broken out by households on Tribal lands and those not on Tribal lands) projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload;
- Number of households with access to minimum speed standard of reliable 100 Mbps symmetrical upload and download;
- Number of households with access to minimum speed standard of reliable 100 Mbps download and 20 Mbps upload;
- Number of institutions and businesses (broken out by institutions on Tribal lands and those not on Tribal lands) projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, in each of the following categories: business, small business, elementary school, secondary school, higher education institution, library, healthcare facility, and public safety organization
 - a. Specify the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps symmetrical upload and download; and
 - b. Specify the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps download and 20 Mbps upload.
- For projects with total projects costs over \$10 million:
 - a. Grantee may provide a certification that a project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) and the Illinois Project Labor Agreements Act (30 ILCS 571). Grantee will provide a copy of the project labor agreement. A project labor agreement must

- Set forth mutually binding procedures for resolving jurisdictional labor disputes and grievances;
 - Guarantee against strikes, lockouts, or similar actions;
 - Ensure a reliable source of labor;
 - Set goals for woman and minority apprenticeship hours;
 - Permit the selection of the lowest responsible bidder, regardless of union status;
 - Bind all contractors and subcontractors through the inclusion of bid specifications in all relevant bid documents; and
 - Be signed by a bona fide labor organization. Grantee will provide contact information for the bona fide labor organization.
- b. Grantee must maintain sufficient records to substantiate this information upon request.
- c. If the Grantee does not provide such certification, Grantee must provide a Project Workforce Continuity Plan, detailing:
- How the Grantee will ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure high-quality and timely construction throughout the life of the project;
 - How the Grantee will minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the project;
 - How the Grantee will resolve jurisdictional labor disputes and grievances;
 - How the Grantee will provide a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities;
 - How the Contractor will ensure that the lowest responsible bidder is chosen for the project;
 - How the Grantee will ensure that all contractors and subcontractors are bound by the Project Workforce Continuity Plan;
 - Whether workers on the project will receive wages and benefits that secure an appropriately skilled workforce in the context of a local or regional labor market;
 - Whether the project prioritizes local hires; and
 - Whether the project has a Community Benefit Agreement, with a description of any such agreement.

D. Robust subgrantee monitoring practices

Connect Illinois Rd 4 will also implement the same monitoring requirements as previous rounds which comply with BEAD requirements. Subgrantees will be subject to fiscal and programmatic monitoring visits by the DCEO in accordance with 2 CFR 200.337. Monitoring will occur subsequent to selection and will verify the provider's reported milestones. They will be required to have an open-door policy allowing periodic visits by Department monitors to evaluate the progress of the project and provide documentation upon request of the monitor. Program staff will also maintain contact with participants and monitor progress and performance of the contracts. The IOB will retain the option to modify grants based on performance.

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

The state of Illinois will account for and satisfy authorities relating to civil rights and nondiscrimination in the selection of subgrantees.

Req 2.16.4 Check Box: 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:

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; and
4. The plan will be submitted to the Eligible Entity prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity 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 the Eligible Entity prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days. The Eligible Entity must provide a subgrantee's plan to NTIA upon NTIA's request.

The state of Illinois will ensure subgrantee compliance with the cybersecurity and supply chain risk management requirements on pages 70 - 71 of the BEAD NOFO.

Middle Class Affordability (Requirement 20)

Req 2.13.1 Text Box: 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.

Offering middle-class households affordable, high-quality broadband service is a priority for the Illinois Office of Broadband.

In Illinois, the middle-class income ranges from \$48,136 to \$144,410, based on Pew Research Center's definition of "middle-class" as households with annual incomes that are two thirds to twice the median household income, which, according to the ACS 2021 survey, is \$72,205 per year.^{117,118}

According to the Broadband Commission for Sustainable Development (BCSD), a threshold of 2% of monthly income is considered affordable for a broadband plan.¹¹⁹ This amounts to a monthly broadband cost of \$100 -\$290 per household that is deemed affordable. As such, the reference price of \$100 for symmetrical 1 Gbps service and \$30 for 100/20Mbps have been designated as within the price range considered to be affordable for middle-class households.

¹¹⁷ [Middle-class Calculator](#), Pew Research Center, Jul 2020

¹¹⁸ [Illinois Annual Income](#), ACS 1-Year Estimate, 2021

¹¹⁹ [The State of Broadband: Broadband as a Foundation for Sustainable Development](#), BCSD, Sep 2019

The middle-class affordability plan will include the following¹²⁰:

Assigning especially high weights to selection criteria relating to affordability and evaluating providers based the price they offer for a variety of speed tiers. As detailed in Req. 2.4.2.1 of this Initial Proposal, affordability will comprise 15% of the scoring criteria. Providers will be scored based on the price they offer for either 1G/1G or 100/20Mbps: 1G/1G with a reference price at \$100 for Priority Broadband Projects, 100/20Mbps with a reference price at \$30 for Other Last-Mile Broadband Deployment Projects.

Requiring providers receiving BEAD funds to offer the low-cost broadband service option as outlined int the BEAD NOFO.

Establishing a regime of continued monitoring and public reporting to ensure that high-speed internet connections are affordable for middle-class households in Illinois. The Illinois Office of Broadband plans to require subgrantees to report prices for various speed levels. The office has identified some best practices for establishing a regime of continued monitoring and public reporting:

1. **Project reporting requirement.** As part of the grant process, the state will include a clause that requires internet service providers (ISPs) to report their full prices (without discounts and including fees and other charges) and speed levels for all offered speeds to the Illinois Broadband Office on a semi-annual basis.
2. **Data collection.** A platform where ISPs can submit data on a semi-annual basis, as agreed.
3. **Public reporting.** A user-friendly website to publicly report the verified data and to publish and present the data clearly for consumers to access.
4. **Data validation.** A mechanism that enables consumers to directly challenge published prices and speeds on the website.
5. **Data update.** A system to ensure that the data is collected on time and regularly updated, such as automated email reminders.
6. **Transparency and accessibility.** Publicizing the website through social media, press releases, and community outreach programs.

¹²⁰ [BEAD NOFO Section IV.C.2.i.c](#), Middle-class affordability plan

The office may work in partnership with local organizations and institutions, such as the University of Chicago, to execute the above best practices.

Volume II Public Comment

2.17.1 Text Box: Describe the public comment period and provide a high-level summary of the comments received during the Volume I 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.

The IOB's public comment period for both volumes of the Connect Illinois Initial Proposal commenced on September 29, 2023, and was held through October 31, 2023.

Outreach and engagement activities were conducted to encourage feedback during the public comment period:

- **Publication on the IOB's website:** Both volumes of the Initial Proposal and the eligible CAI list have been posted publicly on the IOB's website under "Federal Broadband." A link to provide comments on both volumes of the Initial Proposal is prominently displayed on the page.
- **Outreach through "Introduction to the Challenge Process" webinar:** The IOB hosted two webinars in October to introduce the BEAD challenge process. The webinar summarized how the state defines community anchor institutions and the state's plan for the challenge process (contingent on NTIA's approval). Participants were encouraged to view the latest draft of the initial proposal and to submit feedback during the public comment period.
- **Outreach through the Illinois Broadband Connection newsletter:** The IOB publicized the Initial Proposal public comment period in its bi-weekly newsletter. All subscribers to the newsletter received a notification with details on how to participate in the public comment period.

- **Email to partnering organizations using listserv:** The IOB reached out to partners and past participants in the stakeholder engagement process to publicize the public comment period.

A total of **36 comments** from the public were received during the public comment period. A high-level summary of the comments received and the IOB's response is provided below.

The "Connect Illinois Initial Proposal, Volume 2 Public Comment Draft" will be referred to as the "IL IP Vol. 2 draft."

Table 16: Summary of public comments received on Initial Proposal Volume II

Category	Summary of public comments	IOB response
Requirement 8 – Detailed description of deployment subgrantee selection		
<i>Subgrantee process A) Fair, open, competitive process</i>		
Pre-qualification submission	<ol style="list-style-type: none"> 1. Open the pre-qualification window ahead of the grand rounds. (<i>Frontier</i>) 2. Simplify all pre-application materials for providers. (<i>WISPA</i>) 	<ol style="list-style-type: none"> 1. The comment is consistent with the state plan. 2. The comment is consistent with the state plan.
Eligible participants	<ol style="list-style-type: none"> 1. Provide an explicit definition of “eligible entity.” (<i>Comed, West Monroe</i>) 2. Provide an explicit definition of “subgrantee”; clarify whether the state’s definition is the same as BEAD NOFO’s definition. (<i>Comed, West Monroe</i>) 	<ol style="list-style-type: none"> 1. “Eligible entity” is defined as the state of Illinois. 2. The state will use BEAD NOFO’s definition of “subgrantee.”
Structure of the subgrant process	<ol style="list-style-type: none"> 1. Combine Wave 1 and Wave 2 application processes so that providers may reach both unserved and underserved locations in one project. (<i>USTelecom</i>) 	The current approach allows providers to reach both unserved and underserved locations in one project. Applicants will be qualified to participate in Wave 1 if their project area contains a sufficient number of hard-to-serve locations.
Application period	<ol style="list-style-type: none"> 1. Extend the application period to at least 20 business days. (<i>Mercury Broadband</i>) 2. Submit a waiver to NTIA for a one-year timeline to complete application rounds and reviews so that providers have more time to review project areas. (<i>Brightspeed</i>) 	<ol style="list-style-type: none"> 1. Pending NTIA approval, the application period will last two to four weeks. 2. The state plans to abide by the requirements of BEAD NOFO and to complete the subgrant process within one year.
Awards	<ol style="list-style-type: none"> 1. Deem all awards as fixed amount subawards. (<i>USTelecom</i>) 	Fixed-amount subawards currently are not allowed within the BEAD framework. Should that change, The state will consider incorporating them.

Subgrantee process B) Prioritization

Technology preference	<ol style="list-style-type: none"> 1. Indicate whether fiber build-out is preferred for underserved/unserved locations. (<i>Frontier</i>) 2. Do not adopt a “fiber-only” policy for broadband projects. (<i>WISPA</i>) 	<ol style="list-style-type: none"> 1. The state is abiding by the requirements of the BEAD NOFO and guidance, which define priority broadband projects as follows: “NTIA has determined that ‘Priority Broadband Projects’ are those that use end-to-end fiber-optic architecture” (BEAD NOFO, page 42). 2. Same as above.
Middle-mile projects	<ol style="list-style-type: none"> 1. Detail specific guidelines or provisions related to middle-mile infrastructure. (<i>Comed</i>) 	<p>The State of Illinois is adopting the definition and guidelines outlined in the BEAD NOFO. According to the NOFO, middle-mile infrastructure (A) means any broadband infrastructure that does not connect directly to an end-user location, including a community anchor institution; and (B) includes: (i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links. An “Unserved Service Project” or “Underserved Service Project” may include Middle Mile Infrastructure in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of a project providing service to an unserved location, underserved location, or eligible CAI.</p>
Last-mile projects	<ol style="list-style-type: none"> 1. Clarify the state’s definition of “last-mile projects” in light of the detailed definition used by BEAD NOFO. (<i>Comed</i>) 	<p>The State of Illinois is adopting the definition outlined in the BEAD NOFO. According to the NOFO, last-mile broadband deployment projects include:</p> <ol style="list-style-type: none"> 1. Construction, improvement, and/or acquisition of facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings. 2. Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements.

		<ol style="list-style-type: none"> 3. Deployment of internet and Wi-Fi infrastructure within an eligible multi-family residential building. 4. Engineering design, permitting, and work related to environmental, historical, and cultural reviews. 5. Personnel costs, including salaries and fringe benefits for staff and consultants providing services directly connected to the implementation of the BEAD Program (such as project managers, program directors, and subject matter experts). 6. Network software upgrades, including, but not limited to, cybersecurity solutions. 7. Training for cybersecurity professionals who will be working on BEAD-funded networks. 8. 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.
CAI funding eligibility	<ol style="list-style-type: none"> 1. Prioritize 1 Gbps service to all Illinois public libraries. (RAILS, Illinois State University, PrairieCat, The Ames Library, Resident in Chicago, River Forest Public Library) 	<ol style="list-style-type: none"> 1. Prioritizing unserved and underserved locations before CAIs is a BEAD requirement per NTIA.
Back-up signal source	<ol style="list-style-type: none"> 1. Address the need for a robust and resilient back-up timing signal source. (Critical Infrastructure Resilience Institute at the University of Illinois) 2. Use BEAD grant funding to expand the access of Nationwide Integration of Timing Resiliency for Operation. (<i>NITRO</i>) 	The state maintains that using deployment funds for back-up timing is not an eligible use of BEAD funds.
Planned services	<ol style="list-style-type: none"> 1. Prioritize awards to ISPs that submit a minimal bid for areas they are building or plan to build (if the state decides not to allow for planned builds still under construction). (<i>Brightspeed</i>) 	The state has not yet determined whether this approach is feasible within Illinois rule-making.

Subgrantee process C) Scoring

Minimal BEAD outlay scoring	<ol style="list-style-type: none"> 1. Clarify the calculation of reference cost. (<i>Brightspeed, IBCA</i>) 2. Reduce weighting of both minimal BEAD categories to 20%. (<i>Laborers' International Union</i>) 3. Increase weighting of minimal BEAD category to 35%. (<i>WISPA</i>) 	<ol style="list-style-type: none"> 1. The reference cost of each project area unit (PAU) will be published when the state releases the PAUs prior to the grant process. Example of the minimal BEAD outlay scoring: <ul style="list-style-type: none"> • Provider X applies for Area Y, with a reference cost of \$5 million. Provider X asks for \$7 million in BEAD outlay and reports a total cost of \$14 million. • The provider's match rate is \$7 million/\$14 million = 50%. The provider will receive 14 points for "Minimal BEAD Outlay: non-state match." • The provider's BEAD outlay is 140% of the reference cost; hence the provider will receive 9 points for "Minimal BEAD Outlay: financial need with respect to reference cost." 2. The state has reviewed the comment and decided not to adopt the suggestion. 3. The state has reviewed the comment and decided not to adopt the suggestion.
Affordability scoring	<ol style="list-style-type: none"> 1. Revise affordability scoring to be consistent with NTIA guidance; remove lock-in price scoring. (<i>Brightspeed, AT&T, USTelecom</i>) 2. Revise speed tiers to be more inclusive of fixed-wireless access (FWA) or alternative technologies. (<i>Uscellular</i>) 3. Clarify inclusion of consumer contract and penalties when breached. (<i>Frontier, Mercury Broadband</i>) 4. Score applicant prices against the FCC's urban broadband and national affordability benchmarks. (<i>USTelecom, AT&T, Frontier, CTIA</i>) 5. Rely on Affordable Connectivity Program (ACP) participation or a compatibility test to meet BEAD's affordability requirements. (<i>USTelecom</i>) 	<ol style="list-style-type: none"> 1. The state will revise scoring to include only 100/20 Mbps and 1/1Gpbs to be consistent with NTIA guidelines. 2. Inclusion of 100/20 Mbps and 1/1Gpbs speed tiers is based on NTIA requirements. 3. The state plans to follow the NTIA/BEAD guidance, which appears to prohibit additional penalties. 4. The reference price is determined based on broadband pricing in Illinois, which the state believes to be a better reference than a nation-wide benchmark. Kindly review the Connect Illinois Five-Year Action Plan for more details on analysis of pricing and affordability. 5. The state does not feel that this suggestion is in line with BEAD's stated goals. 6. The state does not feel that this suggestion is in line with BEAD's stated goals.

	6. Revise scoring so as not to be on a sliding scale. (<i>USTelecom</i>) 7. Revisit the weight assigned to affordability and/or reduce affordability scoring criteria to 10%. (<i>Frontier, WISPA</i>) 8. Focus on 100/20 Mbps symmetrical speed requirements instead of 100/100. (<i>WISPA</i>) 9. Include some price flexibility for providers. (<i>USTelecom, AT&T</i>) 10. Prioritize proposals that improve affordability. (<i>EducationSuperHighway</i>)	7. The state has reviewed the comment and decided not to adopt the suggestion. 8. Per BEAD NOFO, NTIA requires the inclusion of 100/20 Mbps in the state's affordability scoring criteria. 9. The state's proposed approach is consistent with past approaches taken in Connect Illinois grant rounds. Accordingly, the state plans to mandate pricing stability for at least three years. 10. The comment is consistent with the state's plan.
Fair Labor Practices scoring	1. Increase the weighting of Fair Labor Practices criteria to 15%. (International Brotherhood of Electrical Workers, Laborer's International Union) 2. Award additional points to applicants that will sub-contract installation work or commit to hiring additional full-time employees. (Laborers' International Union)	1. The state has increased the weighting of Fair Labor Practices to 15%. 2. The state believes that the stated labor standards and protections are sufficiently strong.
Speed-to-deployment scoring	1. Increase the weight of speed-to-deployment scoring criteria and provide additional detail. (<i>IBCA, WISPA, Brightspeed</i>) 2. Expand the "speed of network and technical capabilities" criteria to extend beyond speed (to include technical support and optimized spectrum design) and award additional points to applicants with superior network management practices. (<i>EducationSuperHighway</i>)	1. The current scoring rubric and the relative weighting reflects Illinois's priorities for broadband deployment. 2. Same as above.
Open Access scoring	1. Remove or decrease the weight of Open Access scoring criteria. (<i>USTelecom, Brightspeed, CITA, IBCA, AT&T, WISPA</i>)	1. The state has reduced the weight assigned to Open Access scoring to balance the overall scoring required for the minimal BEAD outlay,

	<ol style="list-style-type: none"> 2. Prioritize last-mile broadband projects that comply with Open Access. (<i>INCOMPAS</i>) 3. Clarify what is meant by “provision of open access and use of existing network.” (<i>Mercury Broadband</i>) 	<p>thereby mitigating cost pressures on the state as it pushes toward universal coverage.</p> <ol style="list-style-type: none"> 2. See above. 3. In accordance with the BEAD NOFO, the term “open access” refers to an arrangement in which the subgrantee offers nondiscriminatory access to and use of its network on a wholesale basis to other providers seeking to provide broadband service to end-user locations at just and reasonable wholesale rates for the useful life of the subsidized network assets. Specifically for Connect Illinois Round 4 scoring, “provision of open access” is defined as “policies that enable third-party ISPs to purchase wholesale services and serve retail customers,” and “use of existing network” is defined as the “degree to which [a] project leverages existing network and non-network resources.” Both criteria will be evaluated similarly to their evaluation in Connect Illinois, Round 3.
Local coordination scoring	<ol style="list-style-type: none"> 1. Reduce the points assigned to all local coordination criteria. (<i>IBCA</i>) 2. Clarify what is meant by “points based on degree of breadth and depth of community support for project.” (<i>Mercury Broadband, IBCA</i>) 3. Remove “points based on financial investment by community members and organizations” from the scoring criteria. (<i>Mercury Broadband, Brightspeed</i>) 4. Revise criteria to allow other local planning efforts to qualify. (<i>IL Farm Bureau, IL Soybean Association</i>) 5. Remove criteria related to participation in Accelerate Illinois entirely. (<i>WISPA</i>) 	<ol style="list-style-type: none"> 1. The state believes that feedback from local stakeholders is critical and will retain the local coordination criteria in the rubric. 2. The state’s evaluation of the degree of community support will be similar to its evaluation in Connect Illinois, Round 3. Factors for consideration include (a) the degree of financial contribution from community-based members and institutions, (b) in-kind resource commitments from community-based members and institutions, and (c) evidence supporting verification of the pledge. 3. See response to (1) above. 4. The state’s evaluation of community support will be similar to its evaluation in Connect Illinois, Round 3. 5. The state intends to remove criteria related to participation in Accelerate Illinois and will assign 5% each to “evidence of community support” and “verified financial commitment from community” to maintain consistency with Connect Illinois, Round 3.
Overall scoring	<ol style="list-style-type: none"> 1. Award additional points to providers that commit to offer free service during the BEAD performance period. (<i>EducationSuperhighway</i>) 	<p>The current scoring rubric and the relative weighting reflects Illinois’s priorities for broadband deployment.</p>

2. Revise overall scoring criteria to include climate-related concerns and to better enable small to medium ISPs to compete on matching funds, financial needs, pricing, and speed-to-deployment criteria. (*Mercury Broadband, WISPA*)

Subgrantee process D) Project area and deconfliction

Definition of PAU	<ol style="list-style-type: none"> 1. Allow applicants to submit projects that align with their infrastructure and geographic capabilities on a per-location basis. (<i>Frontier, IBCA</i>) 2. Revise PAU grouping to provide more opportunities to fund deployment and non-deployment activities that enable alternative, non-fiber technology options (e.g., FWA). (<i>Uscellular, WISPA</i>) 3. Use the census to track/define PAUs. (<i>Mercury Broadband</i>) 4. Amend the definition of project areas to state that at least 80% of locations in the project area must be unserved or underserved. (<i>AT&T</i>) 5. Provide detail on identification of PAUs and “Extremely High-Cost Locations.” (<i>AT&T, Brightspeed</i>) 6. Clarify whether or not the state will share the CostQuest Associates (CQA) per-location net present value (NPV) and total investment data with the provider. (<i>Mercury Broadband</i>) 	<ol style="list-style-type: none"> 1. The state plans to use project area units, as described in the draft Initial Proposal, so that project proposals may be compared equally. 2. Same as above. 3. The state plans to use a geographical unit of the same approximate scale of a census tract. 4. PAUs are collections of broadband-serviceable locations (BSLs), and project applications must include groups of PAUs. 5. Additional information on PAUs will be provided before the initial grant round begins. The Extremely High-Cost Per-Location Threshold (EHCPLT) will be set in the second wave. Details on the process involved in setting the EHCPLT can be found in Section 2.4 of the draft Initial Proposal. 6. The reference cost per PAU will be published. These reference costs will leverage CQA data. The underlying CQA data is proprietary.
Hard-to-serve PAUs	<ol style="list-style-type: none"> 1. Classify “hard-to-serve PAUs” as falling above the extremely high-cost threshold. (<i>WISPA</i>) 	Subject to NTIA approval, “hard-to-serve PAUs” will be classified according to the definition provided in the draft initial proposal.

	<ol style="list-style-type: none"> 2. Clarify the definition of hard-to-serve areas. <i>(Illinois Electric Cooperative)</i> 3. Classify areas that require migration from subpar technologies as hard-to-serve. <i>(Illinois Electric Cooperative)</i> 	
Treatment of MDUs	<ol style="list-style-type: none"> 1. Require subgrantee proposals for PAUs that include multi-dwelling units (MDUs) to demonstrate how they will connect all units within an MDU. <i>(EducationSuperHighway)</i> 	The state will require subgrantees bidding on PAUs that contain MDUs to demonstrate how their proposed solutions will connect all units within an MDU.
Deconfliction process	<ol style="list-style-type: none"> 1. Handle overlap from a wireless project differently from a wired project in the deconfliction process. <i>(UScellular)</i> 2. Do not require applicants to identify “must-serve” PAUs upfront. <i>(WISPA, ICBA)</i> 	Subject to NTIA approval, the process to handle overlap is described in the draft Initial Proposal. Wired and wireless providers will be treated consistently.
Reference price	<ol style="list-style-type: none"> 1. Publish reference price at a PAU level. <i>(Mercury Broadband)</i> 	The comment is consistent with the state plan.
<i>Subgrantee process E) Process and plan for EHCPLT</i>		
Setting the EHCPLT	<ol style="list-style-type: none"> 1. Set the EHCPLT prior to Wave 1. <i>(UScellular, CTIA)</i> 2. Use historical data to establish a reasonable EHCPLT before the subgrantee selection process. <i>(Frontier, WISPA)</i> 	Subject to NTIA approval, the EHCPLT will be set after receipt of the applications in Wave 2 and will leverage the data on project cost from Wave 1 and 2.
<i>Qualifications A) EHP and BABA</i>		
EHP and BABA requirements	<ol style="list-style-type: none"> 1. Establish a qualified vendor list or require manufacturer certification to meet NTIA’s Build America, Buy America requirements. <i>(Nokia)</i> 2. Support NTIA’s non-availability waiver for specific products. <i>(WISPA, Brightspeed)</i> 	The state plans to use NTIA’s guidance for Environmental and Historic Preservation (EHP) and Build America, Buy America (BABA) requirements, as described in the draft Initial Proposal.

Qualifications B) Financial capabilities

Letter of credit requirement	<ol style="list-style-type: none"> 1. Revise the structure of the letter of credit requirement to demand less capital, modify with NTIA, or request a waiver. (<i>Frontier, Brightspeed, USTelecom, IBCA</i>) 2. Request a waiver from NTIA to allow the state to apply the two-step “financial health” evaluation included in the comment. (<i>AT&T</i>) 3. Provide alternative means for applicants’ demonstrated records of credit-worthiness. (<i>IBCA</i>) 	The state plans to utilize the NTIA guidance and the NTIA conditional programmatic waiver for the letter of credit requirement.
Matching funds requirement	<ol style="list-style-type: none"> 1. Request a waiver of the 25% matching funds requirement. (<i>WISPA</i>) 2. Clarify how “high-cost areas” will be treated in potential waivers of matching-funds requirements. (<i>Brightspeed, CTIA</i>) 	<ol style="list-style-type: none"> 1. The 25% matching funds request is only programmatically waived in the areas designated high-cost by NTIA. Should the need arise, waivers may be requested in the final grant round. 2. Should the need arise, waivers may be requested in the final grant round.

Qualifications C) Technical capabilities

Engineer certification	<ol style="list-style-type: none"> 1. Eliminate requirement for certification by a professional engineer or allow providers to use alternative authorities for certification. (<i>IBCA, WISPA, Brightspeed</i>) 	The state plans to use the NTIA guidance on requirements for certification by a professional engineer.
Evidence of other broadband projects	<ol style="list-style-type: none"> 1. Limit requirement to include only information that is essential to evaluate an ISP’s technical capabilities. (<i>Brightspeed</i>) 	The state plans to use the NTIA guidance on the information required to demonstrate technical capabilities.

Requirement 9 – Fair and open selection of non-deployment subgrantees

Non-deployment activities	<ol style="list-style-type: none"> 1. Incorporate non-deployment activities that address affordability and access within 	The state does not anticipate having remaining funds for non-deployment activities.
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| <p>affordable housing communities. (<i>POAH, WISPA</i>)</p> <p>2. Define “non-deployment activities.” (<i>Comed</i>)</p> | <p>The state plans to follow the NTIA definition of non-deployment activities; however, the state does not anticipate having remaining funds for such activities.</p> |
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Requirement 11 - Integrating labor standards and projections into requirements of prospective subgrantees

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| <p>Labor standards mandate</p> | <ol style="list-style-type: none"> 1. Mandate labor standards related to workforce, union neutrality commitments, labor peace agreements, and prevention of worker misclassification. (<i>International Brotherhood of Electrical Workers</i>) 2. Favor grantees/subgrantees that will employ unionized residents of Illinois. (<i>International Brotherhood of Electrical Workers</i>) 3. Reduce requirement that 90% of the workforce comprise Illinois residents. (<i>USTelecom</i>) 4. Explicitly name Executive Order #11246 – which requires that projects receiving federal assistance strive for equal-opportunity employment – and describe the mechanisms that the Illinois Department of Commerce and Economic Opportunity (DCEO) will use to track compliance. (<i>Chicago Women in Trades</i>) 5. To strengthen accountability, make subgrantees’ Project Labor Agreements (PLAs) public and set agreed-upon goals for the participation of women and minority workers. (<i>Chicago Women in Trades</i>) 6. Require explicit acknowledgement by subgrantee that all construction workers will be paid in compliance with Illinois’s Prevailing Wage Act. (<i>Laborers’ International Union, AT&T</i>) | <p>Illinois is committed to being a strong labor state. Its approach to labor standards and protection, as well as the revisions incorporated based on public comments, reflects that commitment. The weight of fair labor practices in the scoring rubric has been raised to 15%.</p> |
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7. Require PLAs for projects with costs of \$3 million or more. (*Laborers' International Union*)
8. Give a full score to subgrantees with a record of past compliance with federal labor laws and employment laws if non-compliance is not evident. (*Laborers' International Union*)

Requirement 12 – Ensuring an available, diverse, and highly skilled workforce

Workforce readiness	<ol style="list-style-type: none"> 1. Do not isolate the work of BEAD to the Business Engagement Committee of the International Brotherhood of Electrical Workers (IBEW); instead, use the Illinois Workforce Innovation Board (IWIB)'s full scope of work. (<i>Chicago Women in Trades</i>) 2. Use BEAD funding for training/workforce development. (<i>Chicago Women in Trades, Comed</i>) 3. Expand opportunities for apprenticeships in job training programs. (<i>WISPA</i>) 4. Clarify whether subgrantees may consult with the state to include additional programs beyond those listed. (<i>Comed</i>) 	<ol style="list-style-type: none"> 1. The state will use the full scope of IWIB's work. 2. State does not anticipate having remaining funds for non-deployment activities. 3. The state is committed to supporting the development and use of a highly skilled workforce. As outlined in the draft Initial Proposal, The state will collaborate with the DCEO to further invest in apprenticeship programs. 4. Subgrantees may consult with the state to discuss inclusion of additional programs.
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Requirement 13 – Recruiting, using, and retaining minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms

Rules on minority business and women-owned enterprises	<ol style="list-style-type: none"> 1. Request a waiver of requirements. (<i>WISPA</i>) 	Illinois is committed to minority and women-owned businesses and does not plan to request a waiver.
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Requirement 14 – Identifying steps to reduce costs and barriers to deployment

Cost and barrier reduction	<ol style="list-style-type: none"> 1. Detail plan to incentivize providers' use of current assets such as utility poles. (<i>Comed</i>) 	<ol style="list-style-type: none"> 1. A provider will be scored on "provision of open access and use of existing network" similarly to prior Connect Illinois rounds.
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| 2. Take additional steps to streamline regulatory barriers to deployment. (<i>IBCA</i>) | 2. The state will support local communities with best practices in being broadband-ready communities. |
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Requirement 16 – Low-cost service options, middle-class affordability plan, and certification of subgrantees’ participation in the Affordable Connectivity Program or any successor program

Option details	1. Clarify the details of the low-cost service option. (<i>Brightspeed</i>) 2. Restrict the program to focus solely on ACP participation and remove the requirement for \$30 plans. (<i>CTIA</i>) 3. Decline to adopt any affordability proposals that violate the Infrastructure Investment and Jobs Act (IIJA)’s prohibition on rate regulation; leverage ISPs’ existing low-income programs. (<i>ICBA</i>)	1. The state plans to adopt a low-cost service option as recommended by NTIA. See BEAD NOFO for further clarification. 2. The state plans to adopt a low-cost service option as recommended by NTIA. See BEAD NOFO for further clarification. 3. The state plans to adopt a low-cost service option as recommended by NTIA. The state’s affordability scoring does not attempt to regulate rates.
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Requirement 19 – Certification of Illinois’s intent to comply with the requirements of the BEAD program and description of subgrantee accountability procedures

Requirements	1. Standardize the approach to ensuring that the BEAD’s cyber-security and supply-chain risk management (SCRM) requirements are met (<i>Telecommunication Industry Association</i>). Ensure that a subgrantee’s SCS 9001 certification – a standard focused on the information and communications technology (ICT) supply chain created by the Telecommunications Industry Association (TIA) – will satisfy the security requirements of the BEAD NOFO. (<i>Telecommunication Industry Association</i>) 2. Remove semi-annual reporting requirements. (<i>USTelecom</i>)	1. Illinois plans to use the NTIA requirements for cyber-security and SCRM, which rely on NIST standards. 2. The state intends to adopt requirements that are consistent with the BEAD NOFO, which include semi-annual reporting. 3. The state intends to adopt requirements that are consistent with the BEAD NOFO. 4. Per the BEAD NOFO, applicants will be required to provide ownership information. 5. Monitoring will occur subsequent to selection and will verify the provider’s reported milestones.
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3. Require applicants to provide ownership information that is consistent with NOFO requirements. *(IBCA)*
 4. Provide reasonable notice of monitoring requirements. *(ICBA)*
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Requirement 20 – Middle-class affordability plan

All affordability-related comments discussed under scoring address affordability.