



IMPLEMENTING THE NEW DIGITAL EQUITY ACT

WHAT STATE AND LOCAL SKILLS ADVOCATES NEED TO KNOW

The bipartisan infrastructure law passed by Congress in 2021 included major new investments for states via the Digital Equity Act. Now, as implementation of this powerful \$2.75 billion legislation gets underway, state and local leaders should take advantage of this once-in-a-generation opportunity.

By preparing now, advocates can ensure that their state's digital equity efforts are closely connected to broader education and workforce goals; that they are reaching key populations such as rural communities and people of color; and that they are helping individuals and businesses build resiliency in the face of continued rapid technological change.



WHAT FUNDING IS AVAILABLE?

There are three types of funds that will be released under the Digital Equity Act:

- ▶ **\$60 million** to states for Digital Equity *planning grants* (via formula funding).
- ▶ **\$1.44 billion** in Digital Equity Capacity Grants (also *formula funding*) to states for a range of digital inclusion/equity activities. States will regrant much of this money to local partners.
- ▶ **\$1.25 billion** in Digital Equity *Competitive Grants* to states and other eligible entities (such as nonprofits) for a range of digital inclusion/equity activities.



KEY DATES

SPRING 2022:

Pre-NOFO Technical Assistance Sessions. Get a preview of what you'll need to know from federal National Telecommunications and Information Administration (NTIA) staff. These sessions are designed for state leaders and other advocates who may want to submit proposals to an upcoming Notice of Funding Opportunity (NOFO).

LATE SPRING 2022:

NTIA releases **Notice of Funding Opportunity (NOFO)** for states via Grants.gov. *The NOFO will likely have a 60-day turnaround time.*

EARLY SUMMER 2022:

State **applications** for planning grant funding are due to NTIA.

SUMMER 2022-SUMMER 2023:

State digital equity planning process (12-month period).

SUMMER/FALL 2023 (ANTICIPATED):

NTIA releases formula funding (**State Digital Equity Capacity Grants**) to states, probably via a Notice of Funding Opportunity.

NTIA releases Notice of Funding Opportunity for **Digital Equity Competitive Grants**.

HOW CAN ORGANIZATIONS APPLY FOR THIS FUNDING?

The US Department of Commerce's National Telecommunications and Information Administration (NTIA) will release Notices of Funding Opportunity via the Grants.gov website. Stay informed by subscribing to the NTIA's Broadband USA newsletter. E-mail broadbandusa@ntia.gov to be added to the list.

WHO IS ELIGIBLE TO RECEIVE THE FIRST ROUND OF THIS FUNDING (PLANNING GRANTS)?

State digital equity planning grants will be overseen by an **administering entity** selected by the Governor in each state. This administering entity could be a state agency such as a department of education, department of labor, or broadband office, or it could be another type of entity, as long as it fits the criteria outlined in **Digital Equity Act** Section 60304(b)(2).

WHAT DO STATES NEED TO INCLUDE IN THEIR DIGITAL EQUITY PLANS?

The legislation lists a number of elements that states must include in their Digital Equity Plans. It is anticipated that NTIA will release additional guidance on this topic in its Notice of Funding Opportunity for planning grants in spring/summer 2022. Examples of items that states are required to include are:

- ▶ Identification of barriers to digital equity faced by covered populations in the state.
- ▶ Measurable objectives for documenting and promoting, for each covered population, a variety of factors, including: broadband internet access and affordability; digital device availability and affordability; digital literacy; and the online accessibility and inclusivity of public resources and services.
- ▶ An assessment of how those objectives will impact and interact with (among other factors) the state's economic and workforce development goals, plans, and outcomes.
- ▶ A description of how the state plans to collaborate with key stakeholders in the state.

States are also required to make their draft Digital Equity Plans available for public comment for 30 days. Full details on the statutory requirements can be found in the Digital Equity Act Section 60304(c).

WHAT SHOULD WORKFORCE AND EDUCATION ADVOCATES DO NOW TO PREPARE FOR THIS NEW FUNDING?



1 **Connect with your governor's office** to learn which agency has been selected as the administering entity for your state

2 **Ensure that state officials are aware** of any digital equity work that your organization has already been undertaking

3 Reach out to your state's administering entity to **engage with your state's Digital Equity Planning process**. Provide as much substantive information as you can to ensure that workforce and education perspectives are reflected in the input your state receives. (*For ideas, refer to the [State Digital Equity Scorecard](#), [The New Landscape of Digital Literacy](#) report, and the [States Leading the Way on Digital Equity](#) blog post, as well as the "Recommended Resources" section of this fact sheet.*)

4 **Build collaborative relationships with digital inclusion advocates** to develop a shared vision for digital equity in your state that includes digital skills. (See "Recommended Resources" for ideas.)

5 **Educate policymakers, the media, and other stakeholders about what digital skills look like** for businesses and workers in your state, and how a strong, clear vision for digital equity can help all state residents. (See [State Digital Equity Scorecard](#), [The New Landscape of Digital Literacy](#) report and other "Recommended Resources" for ideas.)

6 **Stay in touch with National Skills Coalition** to learn about new developments in digital equity policy, obtain free technical assistance to support your policy advocacy, and connect with other skills advocates working on this issue.

WHEN AND HOW WILL THE FORMULA FUNDING BE RELEASED?

Currently, it's anticipated that NTIA will release state formula funding in Fall 2023, after states have had a full year to develop and submit their Digital Equity Plans. A total of \$1.44 billion over 5 years is available for these state Digital Equity Capacity Grants.

Under the law, the funding formula is as follows: 50% of a state's allocation is determined by the size of the state's total population in comparison to other states, 25% by the size of the state's covered populations in comparison to other states, and 25% by the comparative lack of broadband availability and adoption compared to other states. The term "covered populations" is defined in Digital Equity Act Sec. 60302(8), and includes veterans, people who live in rural areas, people with disabilities, people with low literacy, English learners, and racial and ethnic minorities, among others.

Each state's allocation will be given to the administering entity that was previously identified by the state's governor. That entity will then have authority to distribute funds to local and other partners. It has not yet been determined what process states will follow (such as a Request for Proposals or other mechanism) to disburse this funding.

WHEN AND HOW WILL COMPETITIVE GRANTS BE AVAILABLE?

The Digital Equity Act provides an additional \$1.25 billion over 5 years for Digital Equity Competitive Grants. NTIA has not announced a specific timeline for organizations to apply for these grants. However, the Digital Equity Act statute specifies that "Not later than 30 days after the date on which the Assistant Secretary begins awarding [state formula funds] and not before that date, the Assistant Secretary shall establish in the Department of Commerce the Digital Equity Competitive Grant Program."



WHAT KINDS OF ORGANIZATIONS WILL BE ELIGIBLE FOR COMPETITIVE GRANTS?

The law specifies the types of organizations that will be able to apply directly to NTIA for federal grants under the Digital Equity Competitive Grant program. They are:

- ▶ A political subdivision, agency, or instrumentality of a State, including an agency of a State that is responsible for administering or supervising adult education and literacy activities, or for providing public housing, in the State
- ▶ An Indian Tribe, an Alaska Native entity, or a Native Hawaiian organization
- ▶ A foundation, corporation, institution, or association that is (A) a not-for-profit entity; and (B) not a school
- ▶ A community anchor institution
- ▶ A local educational agency
- ▶ An entity that carries out a workforce development program
- ▶ A partnership between any of the entities described in the preceding list
- ▶ A partnership between – (A) an entity described in any of the preceding list and (B) an entity that – (i) the Assistant Secretary, by rule, determines to be in the public interest; and (ii) is not a school

Note that this list pertains only to federally distributed competitive grants. States may use *different* criteria for their own local distribution of formula funds.

RECOMMENDED RESOURCES

Make use of NSC's free resources for digital skills advocates! Research and policy materials (including charts and graphs that can be used in your own publications) are available [on the NSC website](#).

Particular resources that may be helpful include:

- ▶ Charts and graphs from the [New Landscape of Digital Literacy](#) (slides or full report), which describes the foundational digital skills of US workers ages 16-64.
- ▶ [Boosting Digital Literacy in the Workplace](#) report, which highlights ways that businesses are collaborating with education and workforce development providers to build workers' digital skills, and the public policies that can support this work.
- ▶ [Applying a Racial Equity Lens to Digital Literacy](#) fact sheet, which includes statistics on Black, Latinx, Asian American and Pacific Islander, and immigrant workers' foundational digital skills, as well as adult English learners' digital skills.
- ▶ [Foundational digital skill needs by industry](#) (four fact sheets: [Manufacturing](#); [Retail & hospitality](#); [Health & social work](#); [Construction, transportation & storage](#))

Also check out the NDIA [State Digital Equity Scorecard](#), which has state-by-state data.

CONNECT WITH FELLOW DIGITAL EQUITY ADVOCATES:

[National Digital Inclusion Alliance](#)

[DigitalUS Coalition](#)

[Digital Resilience in the American Workforce](#) (DRAW), a federally funded research project.