

TITLE 14: COMMERCE
SUBTITLE C: ECONOMIC DEVELOPMENT
CHAPTER I: DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

PART 548
BROADBAND GRANT PROGRAMS

SUBPART A: GENERAL PROVISIONS

10	Section	
11	548.10	Purpose
12	548.20	Definitions
13	548.30	Funding Sources

SUBPART B: CONNECT ILLINOIS GRANT PROGRAM

17	Section	
18	548.35	Program Specific Definitions
19	548.40	Program Description
20	548.50	Eligible Project Activities
21	548.60	Grantee Eligibility Requirements
22	548.70	Administrative Requirements
23	548.80	Allowable Costs

[SUBPART C: BEAD FUNDED CONNECT ILLINOIS GRANTS](#)

27	Section	
28	548.90	Program Specific Definitions
29	548.100	Program Description
30	548.110	Eligible Project Activities
31	548.120	Grantee Eligibility Requirements
32	548.130	Administrative Requirements
33	548.140	Allowable Costs

AUTHORITY: Implementing Section 4-20 of the Broadband Infrastructure Advancement Act [220 ILCS 81], and Section 605-20 of Department of Commerce and Economic Opportunity Law [20 ILCS 605].

SOURCE: Adopted at 47 Ill. Reg. 3710, effective March 3, 2023; amended at 48 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

44 **Section 548.10 Purpose**

45
 46 This part implements the Broadband Infrastructure Advancement Act. Investments in the State's
 47 bridges, roads, rail system, high-speed internet, and electricity are essential to the public safety,
 48 economic viability, and equity of all citizens in every part of Illinois. The persistent digital divide
 49 in Illinois is a barrier to the economic competitiveness in the economic distribution of essential
 50 public services, including health care and education. This digital divide disproportionately
 51 affects communities of color, lower-income areas, and rural areas. The purpose of the Broadband
 52 Infrastructure Advancement Act is to establish in administrative rule the ~~Connect Illinois~~
 53 Broadband Grant ~~Programs~~~~Program~~, creating added certainty in advance of federal funding
 54 available to the State through the American Rescue Plan Act of 2021 ~~and; provided however,~~
 55 ~~that nothing in this Part shall apply or be constructed to apply to any broadband grant application~~
 56 ~~process or broadband project for which any funding is or may be provided by or pursuant to~~
 57 ~~Division F of the federal~~ Infrastructure, Investment and Jobs Act of 2021 (P.L. 117-58).
 58

59 (Source: Amended at 48 Ill. Reg. _____, effective _____)

60
 61 **Section 548.20 Definitions**

62
 63 "ARPA" means the American Rescue Plan Act of 2021, Section 9901, P.L. 117-2,
 64 42 U.S.C. 802.

65
 66 "Broadband" or "Broadband Service" means a mass-market retail service by wire
 67 or radio that provides the capability to transmit data to and receive data from all
 68 or substantially all internet endpoints, including any capabilities that are
 69 incidental to and enable the operation of the communications service, but
 70 excluding dial-up internet access service. (See 47 CFR 8.1(b).) This term also
 71 encompasses any service that the Federal Communications Commission finds to
 72 be providing a functional equivalent of the service described in the previous
 73 sentence or that is used to evade the protections set forth in 47 CFR 8.1.

74
 75 "Broadband DATA Maps" means the maps created by the Federal
 76 Communications Commission under Section 802(c)(1) of the Communications
 77 Act of 1934 (47 U.S.C. 642(c)(1)).

78
 79 "Build Illinois" means the Build Illinois Bond Fund [30 ILCS 105/5.160].

80
 81 ~~"Capital Improvement" means a project with a purpose to physically expand or~~
 82 ~~physically improve upon infrastructure necessary for internet service delivery.~~

83
 84 "DCEO" means the Department of Commerce and Economic Opportunity.

85
 86 ~~"Economically Distressed Area" means a census tract which meets one of the~~

87 following four tests:

88
89 ~~Poverty rate of at least 20%; or~~

90
91 ~~75% or more of the children in the area are eligible to participate in the~~
92 ~~federal free lunch or reduced price meals program; or~~

93
94 ~~At least 20% of the households in the area receive assistance under the~~
95 ~~Supplemental Nutrition Assistance Program (SNAP); or~~

96
97 ~~Average unemployment rate that is more than 120% of the national~~
98 ~~unemployment average, for a period of at least two (2) consecutive~~
99 ~~calendar years preceding the date of the application.~~

100
101 ~~The Department maintains a map of areas that meet these qualifications on its~~
102 ~~website.~~

103
104 ~~"Eligible Entities" means an incorporated business or partnership; a political~~
105 ~~subdivision; a nonprofit organization; a cooperative association; or a limited~~
106 ~~liability corporation organized for the purpose of expanding broadband access.~~
107 ~~Illinois public school districts are eligible to apply but may be encouraged to~~
108 ~~leverage other available federal or education specific funding prior to an award.~~

109
110 "GATA" means the Grant Accountability and Transparency Act [30 ILCS 708].

111
112 "GATA Rule" means the administrative rules of the Governor's Office of
113 Management and Budget found at 44 Ill. Adm. Code 7000.

114
115 "Grantee" means any applicant for a grant award under this program whose
116 proposal is funded by the Department.

117
118 "IIJA" means the Infrastructure Investment and Jobs Act, P.L. 117-58.

119
120 "Last Mile Infrastructure" means broadband installation that serves as the final leg
121 connecting the broadband service provider's network to the end-user customer's
122 on-premises telecommunications equipment.

123
124 ~~"Middle Mile Infrastructure" means broadband construction that links a~~
125 ~~broadband service provider's core network infrastructure to last mile~~
126 ~~infrastructure.~~

127
128 ~~"Program" means the Connect Illinois Broadband Grant Program.~~
129

~~"Qualified Illinois City" means an Illinois city with 75,000 residents or more in population~~

~~"Rebuild Illinois" means the Rebuild Illinois Projects Fund.~~

"State" means the State of Illinois.

"Uniform Guidance" means the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200.

~~"Underserved Area" means an applicant designated project area of Illinois in which households, businesses, or community anchor institutions have wireline broadband access of at least 25/3 Mbps but less than 100/20 Mbps, reflected in broadband mapping utilized by DCEO for the Connect Illinois program.~~

~~"Unserved Area" means an applicant designated project area of Illinois in which households, businesses, or community anchor institutions lack access to wireline broadband service of at least 25/3 Mbps, reflected in broadband mapping utilized by the DCEO for the Connect Illinois program.~~

(Source: Amended at 48 Ill. Reg. _____, effective _____)

Section 548.30 Funding Sources

- a) American Rescue Plan Act of 2021 ("ARPA") Capital Projects Fund (P.L. 117-2).
- b) ~~The~~-Build Illinois Bond ~~Act~~Fund [30 ILCS 425/4 (b)].
- c) The Infrastructure Investment and Jobs Act ("IIJA") Broadband Equity, Access, and Deployment (BEAD) Program (P.L. 117-58).
- d) Funding for grants may be provided by any source of funding as permitted by the State and the American Rescue Plan Act of 2021.

(Source: Amended at 48 Ill. Reg. _____, effective _____)

SUBPART B: CONNECT ILLINOIS GRANT PROGRAM

Section 548.35 Program Specific Definitions

"Capital Improvement" means a project with a purpose to physically expand or physically improve upon infrastructure necessary for internet service delivery.

173 "Economically Distressed Area" means a census tract which meets one of the
174 following four tests:

175 Poverty rate of at least 20%; or

176 75% or more of the children in the area are eligible to participate in the
177 federal free lunch or reduced-price meals program; or

178 At least 20% of the households in the area receive assistance under the
179 Supplemental Nutrition Assistance Program (SNAP); or

180 Average unemployment rate that is more than 120% of the national
181 unemployment average, for a period of at least two consecutive calendar
182 years preceding the date of the application.

183 The Department maintains a map of areas that meet these qualifications on its
184 website.

185 "Eligible Entities" means an incorporated business or partnership; a political
186 subdivision; a nonprofit organization; a cooperative association; or a limited
187 liability corporation organized for the purpose of expanding broadband access.
188 Illinois public school districts are eligible to apply but may be encouraged to
189 leverage other available federal or education-specific funding prior to an award.

190 "Middle Mile Infrastructure" means broadband construction that links a
191 broadband service provider's core network infrastructure to last mile
192 infrastructure.

193 "Program" means the Connect Illinois Broadband Grant Program.

194 "Rebuild Illinois" means the Rebuild Illinois Projects Fund.

195 "Underserved Area" means an applicant designated project area of Illinois in
196 which households, businesses, or community anchor institutions have wireline
197 broadband access of at least 25/3 Mbps but less than 100/20 Mbps, reflected in
198 broadband mapping utilized by DCEO for the Connect Illinois program.

199 "Unserved Area" means an applicant designated project area of Illinois in which
200 households, businesses, or community anchor institutions lack access to wireline
201 broadband service of at least 25/3 Mbps, reflected in broadband mapping utilized
202 by the DCEO for the Connect Illinois program.

203 (Source: Added at 48 Ill. Reg. _____, effective _____)

216
217 SUBPART C: BEAD FUNDED CONNECT ILLINOIS GRANTS

218
219 Section 548.90 Program Specific Definitions

220
221 "Assistant Secretary" means the Assistant Secretary of Commerce for
222 Communications and Information or the individual who holds any successor
223 position.

224
225 "BEAD NOFO" means the Broadband Equity, Access, and Deployment
226 ("BEAD") Program Notice of Funding Opportunity posted by the National
227 Telecommunications and Information Administration to describe the requirements
228 under which it will award grants for the BEAD Program.

229
230 "Community Anchor Institution" means an entity such as a school, library, health
231 clinic, health center, hospital or other medical provider, public safety entity,
232 institution of higher education, public housing organization, or community
233 support organization that facilitates greater use of broadband service by
234 vulnerable populations, including, but not limited to, low-income individuals,
235 unemployed individuals, children, the incarcerated, and aged individuals. An
236 eligible entity may propose to NTIA that additional types of institutions should
237 qualify as CAIs within the entity's territory. If so, the eligible entity shall explain
238 why it has determined that the institution or type of institution should be treated as
239 such and affirm that the institution or class of institutions facilitates greater use of
240 broadband service by vulnerable populations, including low-income individuals,
241 unemployed individuals, children, the incarcerated, and aged individuals.

242
243 "Digital Equity" means the condition in which individuals and communities have
244 the information technology capacity that is needed for full participation in the
245 society and economy of the United States.

246
247 "Eligible Community Anchor Institution" means a community anchor institution
248 that lacks access to Gigabit-level broadband service.

249
250 "Eligible Entities" (or "subrecipient") means an incorporated business or
251 partnership; a political subdivision; a nonprofit organization; a cooperative
252 association; or a limited liability corporation organized for the purpose of
253 expanding broadband access. Illinois public school districts are eligible to apply
254 but may be encouraged to leverage other available federal or education-specific
255 funding prior to an award.

256
257 "Extremely High Cost Per Location Threshold" means cost per location above
258 which the Department may decline to select a proposal if use of an alternative

259 technology meeting the BEAD Program's technical requirements would be less
260 expensive.

261
262 "Location" and "Broadband Serviceable Location" mean a business or residential
263 location in the United States at which fixed broadband internet access service is,
264 or can be, installed.

265
266 "Middle Mile Infrastructure" means:

267
268 any broadband infrastructure that does not connect directly to an end-user
269 location, including a community anchor institution; and includes:

270
271 leased dark fiber, interoffice transport, backhaul, carrier-neutral
272 internet exchange facilities, carrier-neutral submarine cable
273 landing stations, undersea cables, transport connectivity to data
274 centers, special access transport, and other similar services; and

275
276 wired or private wireless broadband infrastructure, including
277 microwave capacity, radio tower access, and other services or
278 infrastructure for a private wireless broadband network, such as
279 towers, fiber, and microwave links.

280
281 "Open Access" refers to an arrangement in which the subgrantee offers
282 nondiscriminatory access to and use of its network on a wholesale basis to other
283 providers seeking to provide broadband service to end-user locations, at just and
284 reasonable wholesale rates for the useful life of the subsidized network assets. For
285 this purpose, "just and reasonable wholesale rates" means rates that include a
286 discount from the provider's retail rates reflecting the costs that the subgrantee
287 avoids by virtue of not providing retail service to the end user location (including,
288 for example, marketing, billing, and collection-related costs).

289
290 "Priority Broadband Project" means a project that will provision service via end-
291 to-end fiber-optic facilities to each end-user premises. DCEO may disqualify any
292 project that might otherwise qualify as a priority broadband project from priority
293 broadband project status, with the approval of the Assistant Secretary, on the basis
294 that the location surpasses the eligible entity's extremely high cost per location
295 threshold, or for other valid reasons subject to approval by the Assistant
296 Secretary.

297
298 "Project" means an undertaking by a subgrantee to construct and deploy
299 infrastructure for the provision of broadband service. A "project" may constitute a
300 single unserved or underserved broadband-serviceable location, or a grouping of
301 broadband-serviceable locations in which not less than 80% of broadband-

302 serviceable locations served by the project are unserved locations or underserved
303 locations.

304
305 "Program" means the portion of the Connect Illinois Broadband Grant Program
306 applying federal Broadband Equity, Access, and Deployment (BEAD) dollars as a
307 funding source.

308
309 "Reliable Broadband Service" means broadband service that the Broadband
310 DATA Maps show is accessible to a location via:

311
312 fiber-optic technology;
313
314 cable modem/hybrid fiber-coaxial technology;
315
316 digital subscriber line (DSL) technology; or
317
318 terrestrial fixed wireless technology utilizing entirely licensed spectrum or
319 using a hybrid of licensed and unlicensed spectrum.

320
321 "Underserved Location" means a broadband-serviceable location that is:

322
323 not an unserved location; and
324
325 that the Broadband DATA Maps show as lacking access to reliable
326 broadband service offered with:

327
328 a speed of not less than 100 Mbps for downloads;
329
330 a speed of not less than 20 Mbps for uploads; and
331
332 latency less than or equal to 100 milliseconds.

333
334 "Underserved Service Project" means a project in which not less than 80% of
335 broadband-serviceable locations served by the project are unserved locations or
336 underserved locations. An "Underserved Service Project" may be as small as a
337 single underserved broadband-serviceable location.

338
339 "Unserved Location" means a broadband-serviceable location that the Broadband
340 DATA Maps show as:

341
342 having no access to broadband service; or
343
344 lacking access to reliable broadband service offered with:

345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387

a speed of not less than 25 Mbps for downloads;
a speed of not less than 3 Mbps for uploads; and
latency less than or equal to 100 milliseconds.

"Unserved Service Project" means a project in which not less than 80% of broadband-serviceable locations served by the project are unserved locations. An "Unserved Service Project" may be as small as a single unserved broadband serviceable location.

(Source: Added at 48 Ill. Reg. _____, effective _____)

Section 548.100 Program Description

The BEAD funded Connect Illinois Broadband Grant Program focuses on deploying broadband service to unserved locations and underserved locations. In accordance with the BEAD Program, this program is designed to prioritize projects that provide fiber connectivity directly to the end user, while considering projects that utilize alternative technologies to ensure universal coverage.

(Source: Added at 48 Ill. Reg. _____, effective _____)

Section 548.110 Eligible Project Activities

The Department shall make grant awards to eligible entities as described in this Part, contingent on available funds. The grants shall be made to support one or more of the following activities as permitted by the applicable Notice of Funding Opportunity and consistent with the priorities established for the BEAD Program and guidance from the National Telecommunications and Information Administration:

- a) Last mile deployment projects to unserved locations;
- b) Last mile deployment projects to underserved locations;
- c) Deployment of gigabit connections to community anchor institutions; or
- d) Digital equity initiatives.

(Source: Added at 48 Ill. Reg. _____, effective _____)

Section 548.120 Grantee Eligibility Requirements

388 An eligible applicant for a grant award under Subpart C shall meet the definition of an eligible
389 entity under Section 548.100 and shall meet the subgrantee qualification criteria listed in the
390 BEAD NOFO. To be eligible for a grant award, an applicant shall have an active GATA
391 registration and be qualified on the GATA Grantee Portal (<https://grants.illinois.gov/portal/>) at
392 the time the application is submitted.

393
394 (Source: Added at 48 Ill. Reg. _____, effective _____)
395

396 **Section 548.130 Administrative Requirements**

397
398 Grant opportunities and awards will be administered in a manner that complies with all State and
399 federal requirements applicable to each funding opportunity, including, but not limited to,
400 GATA, the Uniform Guidance and all applicable State or federal laws or guidance (e.g.,
401 Broadband Equity, Access, and Deployment Program Notice of Funding Opportunity at
402 <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>). Grant
403 applicants and grantees shall review all application materials and grant award documents, and
404 shall follow the requirements listed in this Section.

405
406 a) Application Process

407
408 1) The Department will post one or more Notices of Funding Opportunity
409 (NOFO) on the GATA Grantee Portal (<https://grants.illinois.gov/portal/>)
410 seeking applications from eligible entities contingent upon available
411 funds. Funding is available for one or more of the eligible project
412 activities listed in Section 548.120. A single NOFO may seek applications
413 for more than one type of project. Applicants shall submit their application
414 materials by the deadlines set by the Department in the NOFO, which will
415 be at least 30 days after the NOFO posting.

416
417 2) As part of the application, applicants shall provide the following
418 information about the proposed project:

419
420 A) a description of the purpose of the grant project;

421
422 B) a project dashboard summarizing key activities including a
423 description of activities, eligible costs, communities served,
424 technology and infrastructure metrics;

425
426 C) a description of the overall project including network design,
427 diagram, project costs, build-out timeline and milestones for
428 project implementation, and a capital investment schedule
429 evidencing complete build-out and initiation of service within four
430 years of receipt of the grant;

- 431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
- D) a description of the broadband related problems and challenges facing the targeted communities and customers, needs and gaps, the shortcomings of existing solutions, challenges with prior attempts to solve the problem and how the project significantly solves the problem;
 - E) a description of the project's solution to the broadband related problem including the network technology, internet services and business strategy to drive adoption;
 - F) a description of the targeted beneficiaries of the project that addresses the location of the communities, market size, economic conditions of the service areas, and targeted customer segments, including providing information on the unserved and/or underserved areas (if applicable) that will be included within the scope of the project;
 - G) a description of anticipated social and economic benefits that will be realized by the distinct customer segments;
 - H) a narrative description of the organization's mission and operating history;
 - I) a description of the capabilities, experiences, and track record of the organization and its partners to successfully implement, operate and sustain the project including resumes for all key management personnel;
 - J) a description of the projects service area including a map of the proposed project area;
 - K) project impact statement including, but not limited to, the number of serviceable user segments, list of premises served, and list of interconnection points;
 - L) a narrative description of the specific social and economic benefits of connecting the following user segments: residents, businesses, community institutions, and other internet service providers;
 - M) whether the project is providing broadband improvements to an economically distressed area;

- 474 N) if applicable, the matching funds and demonstration of financial
- 475 need;
- 476
- 477 O) evidence the organization has the financial capabilities to meet the
- 478 obligations associated with a projection including certification of
- 479 available funds for all project costs that exceed the amount of the
- 480 grant, letters of credit, audited financial statements, and financial
- 481 sustainability/pro forma analyses of the proposed project;
- 482
- 483 P) the specific activities and costs proposed for the grant;
- 484
- 485 Q) a requested budget and supporting justification of the costs
- 486 requested;
- 487
- 488 R) evidence of community support for the project;
- 489
- 490 S) a detailed narrative regarding the project readiness;
- 491
- 492 T) a description of the project viability and sustainability including
- 493 network capacity and scalability; and
- 494
- 495 U) pricing strategy, affordability and adoption assistance.
- 496
- 497 3) Applications will be accepted on an ongoing basis until the funds for the
- 498 program are depleted or the application period closes, whichever comes
- 499 first.

500

501 b) Grant Award Selection

502

- 503 1) Grants will be awarded to eligible entities following a merit review of the
- 504 applications as required by GATA (44 Ill. Adm. Code 7000.350) and the
- 505 applicable funding source. In evaluating applications, the Department will
- 506 consider the following criteria for both priority and non-priority
- 507 broadband projects:
- 508
- 509 A) The total BEAD funding required to complete the project,
- 510 accounting for both total projected cost and the applicant's
- 511 proposed match;
- 512
- 513 B) The level of financial need;
- 514
- 515 C) The applicant's commitment to provide the most affordable total
- 516 price to the customer as demonstrated by the applicants pricing

- 517 strategy, affordability, and adoption assistance described in the
518 application;
519
520 D) The applicant's demonstrated record of and plans to be in
521 compliance with federal and State labor and employment laws.
522 Applicants without a record of labor and employment law
523 compliance may make specific, forward-looking commitments to
524 strong labor and employment standards and protections;
525
526 E) The speed to deployment; the prospective subgrantee's binding
527 commitment to provision service by a date certain, subject to
528 contractual penalties to the grantor, with greater benefits awarded
529 to prospective subgrantees promising an earlier service provision
530 date;
531
532 F) The quality of the project including speed of network and other
533 technical capabilities (applications proposing to use technologies
534 that exhibit greater ease of scalability with lower future investment
535 and whose capital assets have longer useable lives will be given
536 additional weight over those proposing technologies with higher
537 costs to upgrade and shorter capital asset cycles);
538
539 G) The applicant's provision of open access wholesale last-mile
540 broadband service for the life of the subsidized networks, on fair,
541 equal, and neutral terms to all potential retail providers;
542
543 H) The level of community support and local coordination; and
544
545 I) Any additional information to demonstrate or support the proposed
546 project.
547
548 2) The Department shall award funding in a manner that ensures that all
549 unserved locations will be covered and that as many underserved locations
550 as possible will be covered.
551
552 3) Applicants must include a cash match totaling 25% or more of total
553 project costs, unless NTIA issues a waiver.
554
555 c) Grant Agreements
556 Any entity awarded a grant shall execute a grant agreement that sets forth the
557 rights and responsibilities of the grantee and DCEO. The grant agreement shall
558 reflect all applicable State and federal statutory and administrative requirements,
559 including, but not limited to, provisions covering expenditure of grant funds and

560 utilization of property purchased with grant funds. The Department reserves the
561 right to suspend or terminate a grant agreement, recover grant funds received
562 under this Part or withhold any future funding for non-compliance with the grant
563 agreement provisions and applicable State and federal law and regulations.

564
565 d) Grant Disbursements

566 Disbursement of grant funds from the Department will be made in accordance
567 with a schedule included in the grant agreement. The Department will disburse
568 funds based on the grantee making satisfactory progress to implement grant
569 activities.

570
571 e) Grant Performance, Monitoring and Reporting Requirements

572 Grantees shall comply with all State laws, as well as all GATA and Department
573 requirements, that are set forth in the grant agreement for grant performance,
574 administration, monitoring and reporting, including monitoring any subrecipients.
575

576 1) Grant performance goals and performance and expenditure reporting will
577 be based on the specific grant project activities of each grant award and
578 will follow GATA requirements (44 Ill. Adm. Code 7000.410), which
579 include periodic financial and performance reports at least quarterly, or as
580 required by the applicable funding source, and financial and performance
581 close-out reports after the end of the grant term (see 44 Ill. Adm. Code
582 7000.440). The deadlines for all required reports will be set forth in the
583 grant agreement.

584
585 2) Grant audits shall be based on the standards set forth in the GATA
586 requirements (44 Ill. Adm. Code 7000.90).

587
588 3) Grantees must monitor their grant activities, and those of any
589 subrecipients, to assure compliance with applicable State and federal
590 requirements and to assure their performance expectations are being
591 achieved. The Department will monitor the activities of grantees to assure
592 compliance with all requirements and performance expectations of the
593 award. Grantees shall timely submit all financial and performance reports,
594 and shall supply, upon the Department's request, documents and
595 information relevant to the award. The Department may monitor activities
596 through site visits.

597
598 4) Grantees shall comply with all applicable State and federal laws,
599 including, but not limited to, the Prevailing Wage Act [820 ILCS 130], the
600 Illinois Works Jobs Program Act [30 ILCS 559/20], the Business
601 Enterprise Program for Minorities, Females, and Persons with Disabilities
602 Act [30 ILCS 575], the Employment of Illinois Workers on Public Works

Act [30 ILCS 570], the Environmental Protection Act [415 ILCS 5], the Illinois Endangered Species Protection Act [520 ILCS 10], the Illinois Natural Areas Preservation Act [525 ILCS 30], the Interagency Wetland Policy Act of 1989 [20 ILCS 830], and the Illinois State Agency Historic Resources Preservation Act [20 ILCS 3420].

f) Grant Extensions

Contingent upon the availability of funds and consistent with GATA as applicable, the Department may negotiate grant extensions and add funds for grant projects that were originally competitively procured and performed successfully.

g) Records Retention

Grantees shall maintain, for the period of years set forth in the GATA rules (44 Ill. Adm. Code 7000.430(a) and (b)) and grant agreement, adequate books, all financial records and supporting documents, statistical records, and all other records pertinent to the Connect Illinois Broadband Grant Program BEAD Funded. If any litigation, claim or audit is started before the expiration of the retention period, the records must be retained until all litigation, claims or audit exceptions involving the records have been resolved and final action taken. The applicable retention period will be dependent on the source of funding for the grant award. Grantees shall be responsible for ensuring that contractors and subrecipients comply with the retention requirements.

h) Precedence In the event there is a conflict between these rules and the BEAD NOFO, DCEO's initial proposal to NTIA for the BEAD Program, or federal statute/rule, the BEAD NOFO, DCEO's initial proposal to NTIA, or the federal statute/rules will prevail.

(Source: Added at 48 Ill. Reg. _____, effective _____)

Section 548.140 Specific Allowable Grant Costs

Grant expenditures must comply with GATA, the Uniform Guidance and any applicable funding source, be reasonable and necessary, and support one of the eligible project activities set forth in Section 548.110. Specific allowable grant costs, as described in this Section, will be set forth in the applicable NOFO, based on the types of projects that are available for funding per the funding source.

a) Eligible deployment uses of funding for unserved, underserved, and community anchor institution locations include the following:

- 645 1) Construction, improvement, and/or acquisition of facilities and
646 telecommunications equipment required to provide qualifying broadband
647 service, including infrastructure for backhaul, middle- and last-mile
648 networks, and multi-tenant buildings;
649
- 650 2) Long-term leases (for terms greater than one year) of facilities required to
651 provide qualifying broadband service, including indefeasible right-of-use
652 (IRU) agreements;
653
- 654 3) Deployment of internet and wi-fi infrastructure within an eligible multi-
655 family residential building containing confirmed unserved and/or
656 underserved locations;
657
- 658 4) Engineering design, permitting, and work related to environmental,
659 historical and cultural reviews;
660
- 661 5) Personnel costs, including salaries and fringe benefits for staff and
662 consultants providing services directly connected to the implementation of
663 the BEAD Program (such as project managers, program directors, and
664 subject matter experts);
665
- 666 6) Network software upgrades, including, but not limited to, cybersecurity
667 solutions;
668
- 669 7) Training for cybersecurity professionals who will be working on BEAD-
670 funded networks;
671
- 672 8) Workforce development, including registered apprenticeships and pre-
673 apprenticeships, and community college and/or vocational training for
674 broadband-related occupations to support deployment, maintenance, and
675 upgrades.
676
- 677 b) Eligible non-deployment uses of funding for digital equity initiatives, include the
678 following:
679
- 680 1) User training with respect to cybersecurity, privacy, and other digital
681 safety matters;
682
- 683 2) Remote learning or telehealth services/facilities;
684
- 685 3) Digital literacy/upskilling (from beginner-level to advanced);
686
- 687 4) Computer science, coding and cybersecurity education programs;

688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729

- 5) Implementation of eligible entity digital equity plans (to supplement, but not to duplicate or supplant, planning grant funds received by the eligible entity in connection with the Digital Equity Act of 2021 (47 U.S.C. 1721));
- 6) Broadband sign-up assistance and programs that provide technology support;
- 7) Multi-lingual outreach to support adoption and digital literacy;
- 8) Prisoner education to promote pre-release digital literacy, job skills, and online job acquisition skills;
- 9) Digital navigators;
- 10) Direct subsidies for use toward broadband subscription, where the eligible entity shows the subsidies will improve affordability for the end user population (and to supplement, but not to duplicate or supplant, the subsidies provided by the Affordable Connectivity Program (47 CFR Part 54, Subpart R));
- 11) Costs associated with stakeholder engagement, including travel, capacity-building, or contract support;
- 12) Other allowable costs necessary to carrying out programmatic activities of an award, not to include ineligible costs per the BEAD NOFO.

c) Ineligible costs include those costs that are unallowable under the applicable federal cost principles. Please note that costs ineligible for the BEAD Program may not be paid for with matching funds committed to an award. If a grantee is found to have used grant or matching funds on a prohibited cost, DCEO may take remedial action, including but not limited to deobligation or claw back of funding. The following costs are specifically identified as prohibited under the BEAD Program:

- 1) Prohibition On Use of Grant Funds for Covered Communications Equipment or Services under the Secure and Trusted Communications Networks Act. A grantee may not use grant funds received under the BEAD Program 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)).

730 2) Prohibition on Profit and Fees. A profit, fee, or other incremental charge
731 above actual cost incurred by the grantee is not an allowable cost under
732 this Program.

733
734 3) Prohibition on Use of Grant Funds to Support or Oppose Collective
735 Bargaining. Grantees may not use grant funds, whether directly or
736 indirectly, to support or oppose collective bargaining.

737
738
739 (Source: Added at 48 Ill. Reg. _____, effective _____)