

What Your Library Needs to Know: Technical Requirements for Seeking State Digital Equity Capacity Grant Funding

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Background

The Digital Equity Act (DEA) allocates \$2.75 billion over three grant programs to promote digital inclusion and ensure that all communities can access and use affordable, reliable, high-speed internet to meet their needs and improve their lives. States used the first DEA grant program to create a digital equity plan (Plan). The plans are created and it's time to start implementing the Plans through the State Digital Equity Capacity Grant Program (Program).

This document provides guidance from the Program's [Notice of Funding Opportunity \(NOFO\)](#) and [grant application materials](#) to help libraries prepare to apply for your state's Program funds when they become available including:

- Getting started.
- When State Digital Equity Capacity Grant funding is available.
- How states will award funds.
- Goals for the program.
- Limits on how funds can be used.
- Information state's need about your grant idea.
- Create your unique entity ID at SAM.gov.
- Additional resources.

The amount of funding available varies by state. Check the [Internet for All Funding By State/Territory web page](#) to determine how much federal funding is available in your state for digital equity and broadband deployment.

Getting Started

Libraries already support digital inclusion and are well positioned to help their state successfully implement its Plan. **Libraries should not let this opportunity pass them by.** Money will be available to your state soon to enact their digital equity Plans. Here is how libraries can engage in the process:

1. **Be informed.** Check your [state's broadband office website](#) for updates and see if they have a newsletter you can sign up for to keep up with the latest news. Check in with your State Library, regional, county or city-level digital inclusion office, or a coalition to learn how they are engaged in the state's digital equity efforts and what assistance they can provide. Also read documents like this that synthesize information from NTIA, practitioners and other experts to better understand the opportunity and how you can leverage this funding opportunity to support your digital equity work!
2. Set up a meeting with your state's broadband leaders. **Don't wait** for them to reach out to you. Be proactive. Remind them that you have been doing this work for years and provide examples; show them how you can help them successfully implement their Plan and reach out to covered populations in your community. **Be specific and connect the dots.** Don't assume state broadband planners know all the ways libraries support the state's digital equity goals.
3. **Reach out** to local partners, stakeholders, and digital equity coalitions. Collaboration is key to achieving the Plan's goals. **Leverage your local, regional, and state networks** to stay up to date, share information, and promote your expertise, experience, and connections to your state's decision-makers.

This is a federally funded program. As such, when states award funds from the Program, they are required to abide by federal requirements which include having a current SAM.gov account (see more below). **The process to create the account can take 3 weeks** to complete so plan ahead. Because this grant is administered by the State, they may also have additional legal requirements. States will post more information about funding opportunities later in the year. Your state's Plan may also include guidance on how funds will be distributed.

Review ALA's resource [What Your Library Needs to Know: Developing Your State Digital Equity Capacity Grant Funding Program!](#) for assistance in developing a program idea, identifying program partners, formalizing relationships, and building your program proposal with collaborators and stakeholders that will support the Program and state's digital equity goals. Creating a strong grant proposal involves research, partnerships, planning, etc. This document provides guidance to help you get the process started in your community.

When Is State Digital Equity Capacity Grant Funding Available?

At the end of March, the National Telecommunications and Information Administration (NTIA) released the [NOFO](#) for the State Digital Equity Capacity Grant Program. [Funding for each state is determined based on a formula](#) (NOFO, p. 22-23).

The application deadline for the first tranche of funds for the States was May 28, 2024; however, some states submitted their applications earlier. NTIA will issue the first award to at least one state by August 28, 2024, and announce additional awards on a rolling basis (NOFO p. 39). However, because states began submitting their applications earlier than the May 28th deadline, NTIA could issue the first state award as early as June. Program funds from the first tranche will need to be expended within 5 years from the date the State is awarded the grant funds. (NOFO, p. 21). Territories and Native entity applications will be due later in the year (NOFO, p. 1).

Future NOFOs are expected to make an additional \$300 million available in fiscal years 2025 and 2026 (NOFO, p.4).

How Will States Award Funds to Implement Their Plans?

States can use grant funds to:

- Update and maintain their state’s Plan. (no more than 20% of the grant)
Note: If you see gaps in your State’s Plan that your library and partners could address to improve digital equity outcomes for covered populations, contact the broadband office to start a conversation so it is included in future updates to the Plan.
- Make subgrants to eligible entities, like **libraries**, that are in the State to:
 - a) assist in the implementation of the Digital Equity Plan of the State;
 - b) pursue digital inclusion activities in the State consistent with the State’s Plan;
 - c) report to the State or Territory regarding the digital inclusion activities of the entity.
- Directly implement the state’s Plan by hiring needed staff, purchasing required materials (e.g. equipment, supplies, etc.) and/or developing a Memorandum of Understanding (MOUs) with other state agencies to implement the plan.
- Evaluate the efficacy of the programs funded by grants to subgrantees.

Note: while there is a 5% cap on evaluation activities by the subgrantee, the state has more flexibility.

- To cover administrative costs.

Refer to the NOFO (p. 32) for additional information.

Each state determines how it will distribute funds to achieve the goals outlined in its Plan. For example, some will directly implement the plan at the state level, some will create subgrants to implement specific projects, some will do a combination of both, etc. Look to the state's Plan for guidance or ask your broadband office for specifics. **States have up to nine months from the award date to submit the Specific Projects that will be part of their implementation strategy** for this round of funding (NOFO p. 28), but they can submit that list sooner if they choose. **Because states may list specific projects with their application, it's important libraries be visible to state broadband offices as early as possible.**

Goals for the Program

The activities each state funds through this grant program should create “the necessary conditions to empower individuals and communities with the technological capacity to fully participate in society and the economy” (NOFO, p. 33) and should include:

- Focus on serving covered populations.
- Long-lasting and meaningful change that addresses the systemic barriers and gaps to digital access.
- Measurable implementation strategies.
- Engaging stakeholders who are directly affected by the proposed strategies and interventions.

For more information, look to the state's Plan which provides the roadmap each state will use to achieve its digital equity goals.

Potential Activities to Achieve Program Goals

The NOFO (p. 34-35) includes potential activities that can be used to achieve the State's digital equity goals. They include:

- Digital literacy and skills training
- Device distribution programs. Important note: Digital literacy and skills training must be an integral part of any device distribution program to ensure that the beneficiaries receive training on how to use the devices effectively.

- Economic development
- Online access to health and mental wellness services
- E-government and civic engagement
- Online accessibility
- Access to affordable broadband services

Refer to your state's Plan to determine which activities your state has prioritized for each covered population to achieve its digital equity goals.

Limits on How Funds Can Be Used

The NOFO outlines how funds can and cannot be used (p. 35-37).

Allowable expenses include:

- No more than 5% can be used to evaluate the efficacy of the grants made to subgrantees.
- No more than 3% of the grant may be used for administrative costs (not including the costs for program evaluation and updating the Digital Equity plan). This includes the combined total of indirect and direct administrative costs charged to an award.
- No more than 10% of the grant may be used to fund subsidies for the provision of broadband services through affordable broadband programs.

Expenses that are not allowed include:

- Grants or subgrants awarded under the Program should supplement, not supplant, other federal or State funds available for activities.
- Deployment of broadband infrastructure to connect broadband serviceable locations should be accomplished through other programs, including the Broadband Equity, Access, and Deployment (BEAD) unless that installation of broadband infrastructure is necessary to accomplish an eligible program, activity, or intervention in the Plan. (See NOFO, p 26 vi for more information).
- Grantees are prohibited from using Program funds to conduct website upgrades or other accessibility projects that are otherwise required by law.
- A profit, fee, or other incremental charge above actual cost is not an allowable cost.
- Grant funds awarded under this Program may not be used, whether directly or indirectly as an offset for other funds, to support or oppose collective bargaining.

What Information State's Need About Your Grant Idea

NTIA requires each state to submit the following information for each grant project selected. Each state may require additional information. States have up to nine months from the date they receive the funds to submit these details; however, states can submit this plan to NTIA sooner. **If your library or coalition is planning on applying for Program funds, reach out to your broadband office to understand your state's deadlines!**

- **Project Title**
- **Primary Digital Equity Outcome.** The choices include Economic and Workforce Development, Education, Health, Civic, and Social Engagement, Delivery of Other Essential Services, and Others. You can select up to two outcomes.
- **Executive Summary.** In 2-3 sentences, provide a brief executive summary of the specific activity or set of activities the project intends to complete or implement, where the project will be done, and the expected beneficiaries.
- **Project Activities** the project intends to complete or implement.
- **Barriers to Be Addressed** that align with those identified in the digital equity plan.
- **Measurable Objectives** that align with the digital equity plan.
- **Covered Populations Served.** Provide the estimated number of individuals to be served for each [covered population](#).
- **Geographies.** List the specific geographies to be served (if not State or Territory wide)
- **Alignment to Digital Equity Plan.** Describe how the proposed project will be evaluated to determine its successful implementation of the Plan, including specific references to the Plan's quantitative baseline data.
- **Anticipated Outputs.** Provide estimates of the anticipated outputs of the activity or project (For example, the number of hours of training to be provided, the number of curricula to be developed, or the number of devices to be provided).
- **Anticipated Start and End Date.**
- **Funding Amount** that will be used for this project.

All projects receiving Program funds must incorporate program measurement and evaluation activities as part of the design and implementation. The state decides how those evaluation activities will be conducted. States may choose to do them at the state level, while others may require subgrantees to conduct their own evaluation. The evaluation costs are capped at 5% (NOFO, p. 21-22).

If your project is funded by a Subgrant, the State will also need to submit the following information to the NTIA for approval.

- Subgrantee Legal Name
- Legal Identifiers of Subgrantee, including unique entity identifier (UEI) and employer identification number (EIN) of the subgrantee, recipients and subrecipients are required to incorporate program measurement and evaluation activities as a part of their program design and implementation.
- Subgrantee Capacity. Describe the subgrantee's capacity to manage the project for which it will receive a subgrant.
- Designation of the Subgrantee as Women's Business Enterprise (WBE), Minority Business Enterprise (MBE), and Small Business. For additional information see [Hiring MBEs, WBEs and Labor Surplus Area Firms](#).

Projects that include some type of building construction will require additional information. For more information about project requirements, download and open the ZIP file from the BroadbandUSA [DE Capacity: Application Guidance and Checklist](#) webpage. The spreadsheet named *FINAL Specific Projects Form DE Capacity State Territory.xlsx* and the document *Digital Equity Capacity Grant Application Guidance State Territory.pdf* (p. 32-40) provide additional guidance on what type of information States are required to include in their application.

Create Your Unique Entity ID at SAM.gov

All subgrantees will be **required to have a Unique Entity ID (UEI)** to be eligible for federal funding. You can create the UEI at [SAM.gov](#). There is no cost to use SAM.gov. Plan ahead! The process to create a UEI can take up to 3 weeks to complete.

If you have an account, make sure it is still active! You must renew your registration every 365 days. If you created your account before April 4, 2022, the unique entity identifier used across the federal government changed from the DUNS Number to the UEI (generated by SAM.gov) so you may need to update your account from a DUNS Number to a UEI. The UEI is a 12-character alphanumeric ID.

If you are not sure if you have a UEI, use [these instructions](#) to check your status.

If you **need to create** a unique entity identifier, review the [Before You Get Started](#) web page which includes information you need to register for a Unique Entity ID including a helpful checklist.

If you need assistance, go to the [Federal Service Desk](#) webpage where you can Search Help or submit a web form at any time. During business hours you can also access [Live Help](#) using chat or call for assistance.

States may also have their own certification or eligibility requirements, which will be outlined in the call for proposals when individual states release them.

Additional Resources

- ALA [Digital Equity Resources for Libraries](#)
- NTIA [Digital Equity Capacity Grant Program Page](#)
- NTIA [Internet for All Frequently Asked Questions and Answers Version](#)
- NTIA [Internet for All State Digital Equity \(DE\) Capacity Grant Program One-Pager](#)
- Benton Institute for Broadband & Society [NTIA Making Resources Available to Help States Turn Digital Equity Plans into Reality](#)