



MATCHING FUNDS THROUGH BROADBAND FUNDING FAQs

Non-Program Specific Statutes or Regulations Regarding Matching Requirements

Under Title 2 of the Code of Federal Regulations (“CFR”), federal grant funds awarded under one program generally may not be used to satisfy the matching or cost sharing requirement of another federal program, unless otherwise provided for by federal statute. None of the agency-specific grant regulations in Title 2 for the Departments of Commerce, Agriculture, and Treasury vary from this general matching restriction. As such, even if funds from certain federal programs may not currently be used to meet matching requirements of other programs, future federal statutes may subsequently allow a recipient of a specific program to use those funds to satisfy another program’s matching requirements if explicitly provided for in the statutory language.

The Q&As below summarize which specific federal broadband programs permit other specific federal broadband funding programs to be used as matching funds.

NTIA – Broadband Equity, Access, and Deployment (BEAD) Program

Q: Does this program require matching funds?

A: *Yes, this program requires a match of at least 25% of project costs. Under certain circumstances and upon request, NTIA may reduce or waive the matching requirement.*

Q: Do federal broadband grants qualify as matching funds under this program?

A: *Pursuant to the Infrastructure Investment and Jobs Act (“IIJA”), which established the BEAD program, the types of federal funds that can be used as matching funds are limited to the two categories below.*

(1) Funds granted from a Federal regional commission or authority, i.e., the Appalachian Regional Commission, the Delta Regional Authority, the Denali Commission, and the Northern Border Regional Commission can be used as matching funds.

(2) Federal funds appropriated under the following legislation if specifically disbursed for the purpose of broadband deployment:

- *The Families First Coronavirus Response Act (Public Law 116-127);*
- *The CARES Act (Public Law 116-136);*
- *The Consolidated Appropriations Act, 2021 (Public Law 116-260); or*
- *The American Rescue Plan Act of 2021 (Public Law 117-2).*

No other federal funds may be used as matching funds.

Q: Can this program's funds be used as matching funds for other federal grant programs?

A: *No, nothing in the statute establishing the BEAD program permits its funds to be used as matching funds for other federal grant programs.*

NTIA – Broadband Infrastructure Program (BIP)

Q: Does this program require matching funds?

A: *No, this program does not require matching funds, although NTIA does favorably consider applications that propose a non-federal match of at least 10% of project costs.*

Q: Do federal broadband grants qualify as matching funds under this program?

A: *Generally no, if applicant voluntarily proposes a non-federal match as part of this application, that match must not be made up of any federal funds, except "as expressly provided by federal statute."*

Q: Can this program's funds be used as matching funds for other federal grant programs?

A: *Yes, grant recipients will be able to use this program's funds as matching funds for the NTIA BEAD program.*

Aside from the BEAD program, nothing in the statute establishing the program permits BIP funds to be used as matching funds for other federal grant programs.

NTIA – Enabling Middle-Mile Broadband Infrastructure Program

Q: Does this program require matching funds?

A: *Yes, this program requires a match contribution of at least 30% of project costs. NTIA may consider a waiver or reduction of this requirement if, in consultation with Tribal entities, the agency finds that the waiver or reduction is necessary (a) for the effective delivery and administration of middle mile grants to the Tribal entity or (b) to construct, improve, or acquire middle mile infrastructure on trust land.*

Q: Do federal broadband grants qualify as matching funds under this program?

A: *No, the statute is silent on whether matching funds can be derived from other federal broadband grants.*

Q: Can this program's funds be used as matching funds for other federal grant programs?

A: *No, nothing in the statute establishing the program allows funds to be used as matching funds for other federal grant programs.*

NTIA – Tribal Broadband Connectivity Program

Q: Can this program's funds be used as matching funds for other federal grant programs?

A: *Yes, grant recipients will be able to use this program's funds as matching funds for the NTIA BEAD program if the grant was awarded for a broadband deployment project and the funds were appropriated under the 2021 Consolidated Appropriations Act.*

Aside from the BEAD program, nothing in the statutes establishing and amending the TBC program permit funds to be used as matching funds for other federal grant programs.

USDA – Rural Broadband Access Loan and Loan Guarantee Program

Q: Can this program's funds be used as matching funds for other federal grant programs?

A: *Yes, if the awarded grant funds were appropriated by the 2021 Consolidated Appropriations Act, then such funds may be used to satisfy the match requirement for the upcoming NTIA BEAD program.*

Aside from the BEAD program, nothing in the federal statute governing the Broadband Access Loan and Guarantee program permits funds to be used as matching funds for other federal grant programs.

Note that funds from this program may be used to refinance an outstanding obligation on another telecommunications loan under another RUS program or a non-RUS program if that loan would have been eligible under this program, subject to certain conditions.

USDA – Community Connect Grants Program

Q: Does this program require matching funds?

A: *Yes, this program requires a matching contribution equal to at least 15% of the grant amount. If the grant is for a deployment project in a “substantially underserved trust area,” the USDA has the discretion to waive the matching requirement.*

Q: Do federal broadband grants qualify as matching funds under this program?

A: *No, federal funds may not be used to satisfy the matching requirement.*

Q: Can this program’s funds be used as matching funds for other federal grant programs?

A: *No, nothing in the federal statute governing the Community Connect Grant program permits funds to be used as matching funds for other federal grant programs.*

USDA – ReConnect Loan and Grant Program

Q: Does this program require matching funds?

A: *Matching requirements may vary depending on the application window. The grants awarded under the current application window will have a matching requirement of at least 25% of total costs if the project is seeking a 100% grant.*

If the applicant is a Tribal entity that plans to use the funds to deploy broadband on Tribal land, or if the project area consists of at least 75% socially vulnerable communities (as defined further in the Funding Opportunity Announcement, or “FOA”), then there is no matching requirement.

Additionally, if the grant is for a deployment project in a “substantially underserved trust area,” the USDA has the discretion to waive the matching requirement.

Q: Do federal broadband grants qualify as matching funds under this program?

A: *No, federal funds may not be used to satisfy the matching requirement.*

Q: Can this program’s funds be used as matching funds for other federal grant programs?

A: *Yes, if the funds were appropriated by the CARES Act or the 2021 Consolidated Appropriations Act and granted for a broadband deployment project, then such funds may be used to satisfy the match requirement for the upcoming NTIA BEAD program. Other than the BEAD program, nothing in the federal statute governing the ReConnect Loan and Grant program permits funds to be used as matching funds for other federal grant programs.*

USDA – Telecommunications Infrastructure Loans & Loan Guarantees

Q: Can this program's funds be used as matching funds for other federal grant programs?

A: *No, nothing in the federal statute governing the program permits funds to be used as matching funds for other federal grant programs.*

Treasury – Capital Projects Fund (ARPA)

Q: Does this program require matching funds?

A: *No, there is no matching requirement included in Capital Projects Fund ("CPF") grants. However, this does not preclude state broadband programs disbursing CPF funds from instituting matching requirements at the state level.*

Q: Do federal broadband grants qualify as matching funds under this program?

A: *There is no matching requirement under guidance issued by the Treasury Department. However, state broadband programs disbursing CPF funds may attach matching requirements and associated rules at the state level.*

Q: Can this program's funds be used as matching funds for other federal grant programs?

A: *Yes, these funds may be used to satisfy the match requirement for the upcoming NTIA BEAD program, as long as the CPF funds were originally granted for a broadband deployment project.*

Other than the BEAD program, nothing in the federal statute governing the CPF program permits funds to be used as matching funds for other federal grant programs.

Again, as these funds will be disbursed through state-level broadband programs, states may institute their own rules regarding use of CPF funds, subject to compliance with Treasury's guidance.

Treasury – Coronavirus State and Local Fiscal Recovery Funds (ARPA)

Q: Does this program require matching funds?

A: *No, there is no matching requirement included in grants under this Treasury program. However, this does not preclude state broadband programs disbursing Fiscal Recovery funds from instituting matching requirements at the state level.*

Q: Do federal broadband grants qualify as matching funds under this program?

A: *There is no matching requirement under the final rule issued by the Treasury Department. However, state broadband programs disbursing Fiscal Recovery funds may attach matching requirements and associated rules at the state level.*

Q: Can this program's funds be used as matching funds for other federal grant programs?

A: *Yes, these funds may be used to satisfy the match requirement for the upcoming NTIA BEAD program, as long as the Fiscal Recovery funds were originally granted for a broadband deployment project. Treasury's final rule also clarifies that if a recipient chooses to use Fiscal Recovery funds for the BEAD program's match requirement, the requirements of the Fiscal Recovery program will continue to apply.*

Other than the BEAD program, nothing in the federal statute governing the Fiscal Recovery Fund program permits funds to be used as matching funds for other federal grant programs.

Again, as these funds will be disbursed through state-level broadband programs, states may institute their own rules regarding use of Fiscal Recovery funds, subject to compliance with the federal statute, Treasury's final rule, and the CFR provisions governing the program.

FCC – Connect America Fund (RDOF, ACAM, CAF-BLS, Alaska Plan)

Q: Can these programs' funds be used as matching funds for other federal grant programs?

A: *Likely no. Although USAC funds likely are not "federal awards" subject to the matching fund restrictions, FCC Rule 54.7 states that federal universal service support must be used "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."*

Moreover, many broadband federal funding programs listed above have non-duplication requirements, especially among programs under the same agency. For example, if a LEC has committed under RDOF to build/connect 500 locations to broadband, it could not include those same 500 locations in the BEAD program (unless, perhaps, the provider were proposing to deliver higher speeds using BEAD funding than was required under RDOF). Absent proposing to provide better service than RDOF required, NTIA may reject the LEC's application or require the LEC to remove those RDOF locations from their application. Moreover, because USF support can be used only for USF-funded locations, it could not of course be used as a match for non-USF locations.