

# **S.n, the Digital Equity Act of 2019**

## **Section-by-Section**

### **Section 1 – Short Title**

### **Section 2 – Definitions**

- Defines and codifies “Digital Equity” and “Digital Inclusion” for the first time in statute:
  - *Digital Equity*: The conditions in which individuals and communities have the information technology capacity needed to fully participate in American society and the economy
  - *Digital Inclusion*: The activities necessary to ensure that individuals have full access to and use of affordable information and communication technologies, including reliable broadband internet service; internet-enabled devices that meet the individual needs of the user; access to digital literacy training; and the applications and online content that enable and encourage self-sufficiency, participation, and collaboration

### **Section 3 – Sense of Congress**

- Expresses the sense of Congress that a broadband connection and digital literacy are increasingly critical to how individuals participate in the society, economy, and civic institutions of the United States and finds that the Federal Government has an interest in and an obligation to pursue digital equity

### **Section 4 – State Digital Equity Capacity Grant Program**

- Establishes the State Digital Equity Capacity Grant Program within the National Telecommunications and Information Administration (NTIA) to support and build capacity for digital inclusion initiatives undertaken by States, the District of Columbia, and Puerto Rico
- Stipulates that the governor of a State that wishes to receive a grant shall designate an entity with sufficient capacity to serve as the “Administering Entity” for the grant
  - Iterates the types of entities eligible to serve as a State’s Administering Entity
  - Charges the Administering Entity with developing, implementing, and overseeing the State’s Digital Equity Plan
- Details the nature and required contents of a State’s Digital Equity Plan
  - States must set digital equity-related objectives and explain how they will affect and interact with specific populations across specific modalities, e.g. education, health care, economic development, etc.
  - Creates and makes planning grants available to States for the purposes of developing their Digital Equity Plans

- Lays out the application criteria for the Capacity Grant Program, the formula from which award amounts are derived, the parameters of the grants, and the eligible uses which the grants may support
  - In order to receive a grant under this subsection, States must submit to NTIA a description of their Administering Entity for that State, their completed State Digital Equity Plan, and provide assurances that the State will implement its plan and administer the grant in a manner consistent with the requirements of that plan as well as the grant program itself
  - Grant award amounts are determined by the following formula:
    - 50 percent of the award amount is derived from the State’s total population in relation to the total population of States eligible to receive grants under this section
    - 25 percent of the award amount is derived from how the proportion of a State’s covered populations to its total population compares to the proportions of States eligible to receive grants under this section
    - The final 25 percent of the award amount is derived from how the availability and adoption rates of broadband in a State compares to the availability and adoption rates of broadband in States eligible to receive grants under this section
    - Further guarantees that any year-to-year reduction in total grant award cannot exceed 15 percent
  - Grants are awarded on an annual basis and the funds contained within an individual grant have a five year lifespan
  - States are to use their grants to implement and maintain their Digital Equity Plans and to make further grants to entities within that State to assist in the implementation and pursuit of the Digital Equity Plans’ goals
- Specifies the types of assurances that States must provide in order to obtain a grant under this section as well as the reporting requirements for grants
- Authorizes the Capacity Grant Program at \$120 million per year and an additional \$60 million for planning grants for the year prior to the implementation deadline for the Capacity Grant Program
  - Sets aside five percent of the total funding for Indian tribes, Alaska Native entities, and Native Hawaiian organizations
  - Sets aside one percent for other territories and possessions

**Section 5 – Digital Equity Competitive Grant Program**

- Establishes the Digital Equity Competitive Grant Program within NTIA to support digital inclusion initiatives undertaken by individual organizations and/or coalitions
- Eligible entities include state- and local-level public entities that are not serving as an Administering Entity for the purposes of the State Digital Equity Capacity Grant Program; an Indian tribe, Alaska Native entity, or Native Hawaiian organization; a nonprofit that is not a school; a community anchor institution, a workforce development

program, a private sector entity found to by NTIA to be acting in the public interest, or a partnership between any of these entities

- Applicants must provide NTIA with a detailed explanation of how they will apply any grant amounts awarded, justify why they are requesting the award amounts sought, and provide assurances that they will abide by the program's rules and procedures
- Allowable uses for grants include targeted digital inclusion efforts, skills training and other workforce development programs, the construction and operation of public computing centers, and making technology available to covered populations at low or no cost
- Authorizes the Competitive Grant Program at \$120 million per year
  - Sets aside five percent of the total funding for Indian tribes, Alaska Native entities, and Native Hawaiian organizations
  - Sets aside one percent for other territories and possessions

#### **Section 6 – Policy Research, Data Collection, Analysis and Modeling, Evaluation, and Dissemination**

- Mandates that NTIA provide an annual report to Congress documenting the activities carried out under Capacity and Competitive Grant Programs, the extent to which States are meeting their Digital Equity Plans, a list of grants awarded under each program and the amount of each award, and information about any modifications or challenges to grant awards
- Requires NTIA to make each report publicly available online in a searchable and accessible format
- Authorizes NTIA to pursue agreements with other Federal, public, and/or private entities to evaluate the impact and efficacy of activities supported by the grant programs and to identify and share best practices

#### **Section 7 – General Provisions**

- Makes explicit that no individual may, on the basis of race, color, religion, national origin, sex, gender identity, sexual orientation, age, or disability be subject to discrimination by any program or activity that is supported by funds made available under this Act
- Provides \$1 million for the audit and oversight of grants awarded under this Act by the Commerce Inspector General