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# Introduction to the State Digital Equity (DE) Capacity Grant Program

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*State Digital Equity Capacity Grant Program*

March 2024



This document is intended solely to assist recipients in better understanding the State Digital Equity Capacity Grant program (SDECGP) and the requirements set forth in the Notice of Funding Opportunity (NOFO) for this program. This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, or the specific application requirements set forth in the NOFO. In all cases, statutory and regulatory mandates, and the requirements set forth in the NOFO, shall prevail over any inconsistencies contained in this document.



# STATE DIGITAL EQUITY CAPACITY GRANT PROGRAM

## What is the State Digital Equity Capacity Grant Program?

Previously, the State Digital Equity Planning Grant provided States and Territories funds to develop Digital Equity Plans. ***This second Program will make funds available to put the Digital Equity Plans into action.*** States and Territories must ensure they are reaching all of the Covered Populations within their jurisdiction.

*Note:* Certain Native Entities are also eligible to apply for Capacity Grant and Planning Grant funding through a competitive process.

## WHAT LED TO THIS PROGRAM?



### All Eligible Entities Developed Their Digital Equity Plans

With Planning Grant funding, for the first time in America's history, all 56 States and Territories now have a State Digital Equity Plan.



### NTIA Will Make Funds Available to Implement These Plans

The Capacity Notice of Funding Opportunity (NOFO) will make funds available to begin implementation of accepted State and U.S. Territory Digital Equity Plans.

## WHO ARE THE COVERED POPULATIONS?

***The purpose of the Program is to create the conditions where individuals and communities have the information technology capacity that is needed for full participation in the society and economy of the United States.***



Individuals who live in **covered households** (defined as households with **income of not more than 150% of the poverty level**)



Individuals with **disabilities**



Individuals with a **language barrier**, including individuals who are English learners and have low levels of literacy



**Aging** individuals aged 60 and older



Individuals who are members of a **racial or ethnic minority group**; and



**Incarcerated individuals** (as defined by the State or Territory), other than individuals who are incarcerated in a Federal correctional facility



Individuals who primarily reside in a **rural area**



**Veterans**



# STATE DIGITAL EQUITY CAPACITY GRANT PROGRAM

## HOW IS FUNDING AND ALLOCATION DETERMINED?

*NTIA used a formula as defined in the NOFO to determine awards.*



### 50% Based on Total Population

Fifty percent is based on the population of the Eligible State in proportion to the total population of all Eligible States.



### 25% Based on Covered Populations

Twenty five percent is based on the number of individuals in the Eligible State who are members of a covered population, compared to the number of covered populations in all States



### 25% Based on Broadband Availability and Adoption

Twenty five percent is based on the comparative lack of availability and adoption of broadband in the Eligible State relative to all Eligible States

## WHO IS ELIGIBLE TO RECEIVE FUNDS?

*Eligible States and Territories | Grantees that have completed a Digital Equity Plan that meets the requirements of 47 U.S.C. §1723(c) can apply for grants under this Program.*



### Eligible States

All 50 states and Washington, D.C. and Puerto Rico are eligible.



### One Percent (1%) Territory Set-Aside

United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands are eligible.

**Eligible Native Entities** | *Native Entities, or a consortium of Native Entities, can apply for both Capacity Grant and Planning Grant funding to promote the objectives of digital equity and inclusion through a competitive grant program.*



### Eligible Native Entities

Indian Tribes, Alaska Native entities, and Native Hawaiian organizations that meet the eligibility criteria outlined in the NOFO may apply.

## NOTE

Native Entities will have a competitive grant program described in a separate portion of the NOFO.



# STATE DE CAPACITY GRANT PROGRAM

## HOW CAN DIGITAL EQUITY CAPACITY GRANT FUNDS BE SPENT?

*Grantees must be sure to only spend their funds on allowed, eligible uses of funds:*

Eligible Use of Funding	Description
<b>Updating or Maintaining Plans</b>	To update or maintain the State Digital Equity Plan of the State or Territory. <i>Note that grantees are capped at 20% of their grant amount to update and maintain plans.</i>
<b>Implementing Plans</b>	To implement the State Digital Equity Plan of the State or Territory
<b>Making Subgrants</b>	To make subgrants to any of the eligible entities identified to: <ol style="list-style-type: none"> <li>1) <b>Assist in the implementation</b> of the Digital Equity Plan of the State or Territory;</li> <li>2) <b>Pursue digital inclusion activities</b> in the State or Territory consistent with the Digital Equity Plan of the State or Territory; and</li> <li>3) <b>Report to the State or Territory</b> regarding the digital inclusion activities of the entity</li> </ol>
<b>Evaluation</b>	To evaluate the efficacy of the efforts funded by grants made to subgrantees. <i>Note that grantees are capped at 5% of their grant amount for evaluation.</i>
<b>Administrative Costs</b>	For administrative costs (exclusive of costs for program evaluation and updating the Digital Equity plan) incurred in carrying out the activities described above. <i>Note that grantees are capped at 3% of their grant amount for administrative costs.</i>

## KEY MILESTONES AND DEADLINES

**Period of Performance** | States and US Territories will be able to spend down grant funds during the 5-year period of performance beginning on the date when the State is awarded grant funds.

**Application Due Dates** |

**For States, D.C., and Puerto Rico: May 28, 2024**

**For U.S. Territories: July 31<sup>st</sup>, 2024**

**For Native Entities: Application window opens on September 25, 2024  
Application window closes **February 7, 2025****

**Issuing Awards** | NTIA expects to begin issuing awards to Eligible States on a rolling basis no later than August 28, 2024.

