

DEPARTMENT OF COMMERCE

National Telecommunications and Information Administration

Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Supplemental Deployment Policy Notice

ACTION: Notice

SUMMARY:

The Infrastructure Investment and Jobs Act (IIJA) established the Broadband Equity, Access, and Deployment (BEAD) Program, which provides \$42.45 billion to ensure broadband availability throughout the United States. See Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60101, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (*codified at* 47 U.S.C. § 1701 *et seq.*).

Now that all Final Proposals¹ required by IIJA have been approved, the National Telecommunications and Information Administration (NTIA), as the agency responsible for administering the BEAD Program, provides herein guidance to Eligible Entities² (States, Territories, and the District of Columbia) regarding the next step in BEAD implementation. In furtherance of the BEAD program's core statutory mission—to ensure universal broadband availability throughout America—NTIA will allow Eligible Entities to access additional BEAD funding to address locations that may remain unserved due to defaults in other federal and/or state programs, misreporting by providers, and other changes to the Federal Communication Commission's (FCC) broadband DATA maps since the completion of Final Proposals.

This Supplemental Deployment Policy Notice modifies and replaces certain requirements outlined in the BEAD Notice of Funding Opportunity (NOFO).³ Each Eligible Entity must comply with this Supplemental Deployment Policy Notice to access additional BEAD funds.⁴

¹ As defined by 47 U.S.C. §1702(e)(4).

² As defined by 47 U.S.C. §1702(a)(2)(F), (M).

³ NTIA, Notice of Funding Opportunity (NOFO), Broadband Equity, Access, and Deployment Program (May 12, 2022), <https://broadbandusa.ntia.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>.

⁴ This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements. In all cases, statutory and regulatory mandates shall prevail over any inconsistencies contained in this document. Unless explicitly modified or replaced by this Supplemental Deployment Policy Notice, the requirements of the BEAD NOFO and the BEAD Restructuring Policy Notice remain in place.

Table of Contents

I. Background and Purpose	3
II. Ensuring Coverage for All Americans	4
1. The Scope of Supplemental Deployment	5
2. Supplemental BEAD Eligible Location List.....	5
3. Review and Publication of BEAD Eligible Location List	5
4. Abbreviated Challenge Process	5
5. NTIA Review and Funding Limits	6
6. Second Benefit of the Bargain Round	7
7. NTIA Final Approval	7
III. Budget Modifications.....	7
Appendix A	9

I. Background and Purpose

In June 2025, NTIA's Restructuring Policy Notice (RPN) returned the BEAD Program to its statutory mission of ensuring universal broadband availability through competition and accountability. As a result of the Benefit of the Bargain reforms, the program is on track to connect every BEAD eligible location while reducing costs by \$21 billion and securing almost \$12 billion in private matching funds.⁵ With the approval of 56 Final Proposals, NTIA has successfully completed the Congressionally mandated process for approving BEAD deployment funding to all Eligible Entities.⁶ Consistent with the RPN, NTIA now takes the next step in BEAD implementation by issuing its initial guidance on the use of additional BEAD funds (Benefit of the Bargain Savings).⁷

NTIA received significant input from interested parties on the appropriate use of the Benefit of the Bargain Savings. More than 1,700 attendees and 175 speakers participated in three NTIA listening sessions and NTIA received more than 200 written comments from industry, state officials, and broadband advocates. One consistent theme throughout these comments was the importance of addressing additional locations that remain unserved due to defaults in other programs or changes that have occurred since Eligible Entities submitted their Final Proposals.⁸

The core statutory objective of the BEAD Program is to ensure broadband availability for all Americans. Since NTIA's approval of Final Proposals, external factors may have resulted in additional unserved locations qualifying for BEAD funding. As required by IIJA, NTIA allocated Eligible Entities funding for broadband serviceable locations (BSLs) based upon the FCC's broadband DATA maps at a specific point in time.⁹ NTIA, as required by IIJA, then required Eligible Entities to subject these BSLs to a challenge process and validation before committing funds for deployment.¹⁰ Since these challenge processes were conducted, however, changes in other programs, planned deployments, and the FCC's broadband DATA maps may have resulted in additional unserved locations beyond those included in the Eligible Entities' Final Proposals.

Accordingly, NTIA adopts this Supplemental Deployment Policy Notice to ensure the Benefit of the Bargain Savings are used in a manner consistent with the objectives of IIJA. While NTIA will continue considering other uses for the Benefit of the Bargain Savings, the vast majority of Eligible Entities are still working to finalize subgrantee agreements and this step will ensure that

⁵ See NTIA, BEAD Restructuring Policy Notice (June 6, 2025), <https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf>.

⁶ 47 U.S.C. § 1702(e).

⁷ Specifically, this Policy Notice is issued pursuant to the Assistant Secretary's authority under 47 U.S.C. § 1702(f)(6), 1702(i).

⁸ See e.g., Moran, J.; Collins, S.; & Fischer, D. (March 5, 2026), Letter to Administrator Arielle Roth, https://www.fischer.senate.gov/public/_cache/files/9c77f84c-3ede-4f73-bdb0-6154c7598016/12.16.25-ntia-letter.pdf; Evers, T. & Baldwin, T. (April 24, 2026), Letter to Administrator Arielle Roth, https://content.govdelivery.com/attachments/WIGOV/2026/04/24/file_attachments/3628800/04242026_signed%20GTE_STB_BEAD%20letter%20to%20NTIA.pdf.

⁹ 47 U.S.C. § 1702(c).

¹⁰ 47 U.S.C. § 1702(h)(2).

Eligible Entities maintain focus on the statutory goal of ensuring universal broadband availability. Other uses of BEAD funding will be addressed in subsequent guidance.

II. Ensuring Coverage for All Americans

NTIA remains guided by Congress’s objective of ending the digital divide in America once and for all and ensuring that broadband is available to all Americans.¹¹ To effectuate that goal, NTIA will address potential gaps in broadband coverage left by other programs, failures in planned deployments, and changes to the FCC’s broadband DATA maps.

In the initial Benefit of the Bargain round, to reduce overbuilding and ensure efficient use of taxpayer funds, NTIA determined that certain BSLs were ineligible for BEAD funding if they were encumbered by enforceable federal and/or state commitments to serve those locations with non-BEAD funds. Unfortunately, some of the participating providers in those programs defaulted on their existing buildout and/or performance commitments and, unlike the BEAD program, those programs did not have a process to find a new provider to cover those locations. Further, certain locations removed from the list of BEAD-eligible locations during the challenge process have not been served by the providers that brought challenges based on claims of service. Lastly, the current FCC broadband DATA maps identify additional unserved locations that were not included in earlier versions of the Broadband Serviceable Location Fabric (Fabric).

NTIA will conduct a final “true-up” review of the Fabric to identify any remaining locations that may be unserved and provide this Supplemental BEAD Eligible Location List to each Eligible Entity. The Eligible Entities will validate the list, remove locations subject to state enforceable commitments or other planned service as appropriate (see below), and conduct an abbreviated challenge process. Eligible Entities will then submit the revised Supplemental BEAD Eligible Location list to NTIA for review.

NTIA will review and approve the final Supplemental BEAD Eligible Location Lists and authorize Eligible Entities to proceed with a second Benefit of the Bargain round to serve these locations. To ensure that the second-round advances cost-effective outcomes that protect taxpayers, NTIA will determine an upper limit of funding to release to each Eligible Entity for this stage. This upper limit will be based upon the average cost of serving a BSL under the Eligible Entity’s approved Final Proposal and the number of additional unserved locations.

The second Benefit of the Bargain round must be conducted consistent with the RPN. This includes the requirement from IIJA that Eligible Entities prioritize funding for “priority broadband projects,” as defined in the statute and the RPN.¹² Applicants will also be subject to the same requirements and certifications as in the RPN and NOFO.

Upon completion of this second Benefit of the Bargain round, Eligible Entities will submit a proposed Supplemental Deployment Plan to NTIA for approval. If the cost of the Supplemental Deployment Plan exceeds the threshold established by NTIA, the Eligible Entity may seek a waiver to access additional funds based upon a demonstration of extraordinary circumstances. However, NTIA expects each Eligible Entity to use all levers within its control to complete

¹¹ 47 U.S.C. § 1701.

¹² 47 U.S.C. § 1702(a)(2)(I); BEAD Restructuring Policy Notice, pp. 8-10 (defining “Priority Broadband Projects”).

deployment within the established amount of funding. Any waiver request must demonstrate that the Eligible Entity has fully considered all available options, including the most cost-effective technologies, to remain within its established amount.

1. The Scope of Supplemental Deployment

This Supplemental Deployment Policy Notice is limited to unserved locations not addressed through the now completed Final Proposal process mandated by Congress. By addressing these newly identified unserved locations, NTIA can ensure that Eligible Entities maintain focus on the primary mission of BEAD: closing the digital divide through broadband deployment.

2. Supplemental BEAD Eligible Location List

Upon release of this Policy Notice, NTIA will provide each Eligible Entity with a list of unserved locations not addressed by the Eligible Entity's Final Proposal (the Supplemental BEAD Eligible Location List). This updated list will use the Fabric (Version 8) and will identify locations that may remain unserved within the Eligible Entity's jurisdiction. The list will exclude BSLs no longer in the Fabric (Version 9) and BSLs addressed through the Eligible Entity's approved Final Proposal (including removal of locations eliminated through reason codes 1-7)¹³ and add locations that may remain unserved due to removal from other programs,¹⁴ or that were incorrectly reported as served in previous FCC broadband DATA map versions. Finally, the list will include new unserved locations that were not previously included in the FCC's Fabric. The list will not account for state/local enforceable commitments, which must be addressed by the Eligible Entity through reason code 4.

3. Review and Publication of BEAD Eligible Location List

Eligible Entities must complete an initial review of the NTIA identified unserved locations not addressed within their Final Proposal and apply all applicable reason codes, including state or local enforceable funding commitments, within thirty calendar days of receipt of the unserved location list.¹⁵ Within seven calendar days of completing this review, the Eligible Entity must then publish its revised Supplemental BEAD Eligible Location List for public inspection and be subjected to an abbreviated challenge process as outlined below.

4. Abbreviated Challenge Process

Eligible Entities must publish their revised Supplemental BEAD Eligible Location List for public inspection along with instructions for submitting location challenges within seven calendar days of completing the initial review. Broadband service providers, local governments, and nonprofit organizations will have thirty calendar days from publication to submit evidence that a

¹³ See BEAD Final Proposal (FP) Submission Requirements: Reason Codes, https://broadbandusa.ntia.gov/FP_Submission_Requirements_Reason_Codes.

¹⁴ Locations may be removed from other federal funding programs due to default, descope, rescission or any other formal mechanism that invalidates an enforceable commitment to deploy qualifying broadband service. Such removals must have been reported by the funding agency to NTIA and the FCC's Broadband Funding Map no later than the date of this Policy Notice.

¹⁵ If a deadline described in this Policy Notice falls on a Saturday, Sunday, or Federal holiday, then the deadline is the next Federal business day.

purportedly unserved location on the list does in fact have BEAD qualifying service or has qualifying planned service and should be eliminated. This abbreviated challenge process will *only* be used to remove locations from the Supplemental BEAD Eligible Location List. No new locations may be added.

The abbreviated challenge process does not require the Eligible Entity to repeat the same processes designated in the BEAD Challenge Process Policy Notice.¹⁶ Specifically, Eligible Entities may not use the abbreviated challenge process to reclassify locations from served or underserved to unserved and Eligible Entities are not required to identify discrete challenge types (speed test, availability, etc.).

During the abbreviated challenge process, the challenger will bear the burden of submitting sufficient evidence of service to justify removal of a BSL from the Supplemental BEAD Eligible Location List. Appendix A provides examples of the types of documentation necessary to demonstrate provision of service or planned service. Evidence should be consistent with the documentation required to support the use of BEAD Reason Codes. Eligible Entities will be responsible for assessing the submitted evidence and determining whether a BSL should be removed from the eligible location list. The Eligible Entity must retain such evidence and make it available to NTIA for review upon request. NTIA reserves the right to reverse the Eligible Entity's determination where necessary to ensure compliance with this Policy Notice and previous BEAD Reason Code guidance.

Eligible Entities must adjudicate challenges within thirty calendar days of the close of the challenge period. There will be no rebuttal round, and Eligible Entities will adjudicate challenges with the information submitted during the challenge window. Eligible Entities are required to maintain standards of evidence that are unbiased and apply those standards equally to all technologies and challengers.

5. NTIA Review and Funding Limits

Upon completion of the abbreviated challenge process, the Eligible Entity must submit the final proposed Supplemental BEAD Eligible Location List to NTIA for review and approval. NTIA will determine the amount of additional funding to be released to complete supplemental deployment based on the final Supplemental BEAD Eligible Location List. The amount of additional funding approved will be the Eligible Entity's average cost of deployment per BSL in its approved Final Proposal multiplied by the number of BSLs in the final Supplemental BEAD Eligible Location List.

Eligible Entities will be expected to provide broadband connectivity to all unserved locations on the approved BEAD eligible location list and to do so within the constraints of the additional funding amount. If the Eligible Entity determines, following completion of the second Benefit of the Bargain round (see description directly below), that the approved funding will not be sufficient, the Eligible Entity may seek additional funding but will be required to demonstrate extraordinary circumstances (*i.e.*, that it has taken all practicable steps to complete deployment

¹⁶ BEAD Challenge Process Policy Notice, Version 1.3 (last modified February 8, 2024), https://broadbandusa.ntia.gov/sites/default/files/2024-02/BEAD_Challenge_Process_Policy_Notice_v1.3.pdf.

within its established amount, including consideration of the most cost-effective technologies).

6. Second Benefit of the Bargain Round

Upon NTIA approval of the final Supplemental BEAD Eligible Location List and specification of additional funds to be released for supplemental deployment, the Eligible Entity will have ninety calendar days to conduct a second Benefit of the Bargain round and submit a proposed plan to serve all unserved locations on the supplemental BEAD eligible list. The second Benefit of the Bargain round must be conducted consistent with the RPN. This includes the IIJA statutory requirement that Eligible Entities must prioritize funding for “priority broadband projects” as defined in the statute and the RPN. Applicants will also be subject to the same requirements and certifications imposed by the RPN and NOFO for the first Benefit of the Bargain round.

Upon completion of the second Benefit of the Bargain round, the Eligible Entity shall submit a Supplemental Deployment Plan and proposed budget modification. The budget modification shall include the costs of implementing the Supplemental Deployment Plan and should use the Final Proposal Funding Request Project Plan/Narrative Sample as a guide to the information to be included in the submission. The cost of conducting the challenge process and the second Benefit of the Bargain round must be reasonable, allocable, and aligned with prior guidance from NTIA on the use of programmatic funds for BEAD activities.¹⁷

7. NTIA Final Approval

Supplemental Deployment Plans shall be subject to NTIA review and approval. NTIA will have ninety calendar days to approve Supplemental Deployment Plans. The Assistant Secretary reserves the right to reject any project proposal that lacks sufficient detail, fails to meet the requirements specified in this Policy Notice, or imposes unreasonable costs on the program. Plans to serve the locations identified on the Supplemental BEAD Eligible Location list will be scrutinized for excessive deployment costs based on the cost characteristics of the area to be served. No additional uses of funds outside of those permitted in this Supplemental Deployment Policy Notice will be authorized at this time.

III. Budget Modifications

Eligible Entities may work within their current Final Proposal Funding Request (FPFR) budget to cover any costs associated with conducting the abbreviated challenge process and second Benefit of the Bargain round. Eligible Entities that anticipate needing a budget modification should contact their Federal Program Officer prior to the start of their abbreviated challenge process or second Benefit of the Bargain round.

Upon completion of the second Benefit of the Bargain round, the Eligible Entity must submit a Supplemental Deployment Plan and budget modification detailing the proposed cost of implementing the Supplemental Deployment Plan. The budget modification must include an updated consolidated budget form and project narrative. The budget narrative should only

¹⁷ See NTIA BEAD Two Percent Grant Administration Spending Limitation Guidance (Sept 2025), https://broadbandusa.ntia.gov/sites/default/files/2025-09/BEAD_Two_Percent_Grant_Admin_Guidance_Primer.pdf.

address the changes resulting from the budget modification. Eligible Entities should use the Final Proposal Funding Request Project Plan/Narrative Sample as a guide for the information to include in the submission. NTIA and NIST will review the proposed budget modification to ensure the costs are reasonable and allowable.

All costs incurred to implement the programmatic activities described in this Supplemental Deployment Policy Notice must comply with the NOFO and the RPN. The programmatic costs associated with conducting the abbreviated challenge process, the second Benefit of the Bargain Round, and related submissions to NTIA are not subject to the two percent administrative cap.¹⁸ For all activities in this Policy Notice, personnel and corresponding fringe costs are allowable. For activities associated with the abbreviated challenge process and conducting the second Benefit of the Bargain round, contracts are allowable and subgrants are unallowable.

None of the activities described in this Supplemental Deployment Policy Notice qualify as an allowable expense under Initial Planning Funds. Eligible Entities must close out and move any remaining Initial Planning Funds to the Final Proposal Funding Request no later than June 30, 2027. Guidance about moving Initial Planning Funds is forthcoming.

¹⁸ For costs subject to the statutory two percent administrative cap, please review NTIA's prior guidance on the subject. See NTIA BEAD Two Percent Grant Administration Spending Limitation Guidance (Sept 2025), https://broadbandusa.ntia.gov/sites/default/files/2025-09/BEAD_Two_Percent_Grant_Admin_Guidance_Primer.pdf.

Appendix A

Demonstration of Provision of Qualifying Service or Planned Service

Below are examples of evidence that providers may use to challenge the Supplemental BEAD Eligible Location List. These examples are illustrative only. They are neither exhaustive, nor intended to establish minimum or maximum evidentiary requirements. The Eligible Entity must ultimately use its best judgment in determining evidentiary requirements and whether evidence submitted is sufficient to satisfy BEAD program requirements.

Eligible Entities are required to maintain standards of evidence that are unbiased and apply those standards equally to all technologies and challengers. Provider attestation and/or presence of service in the FCC's National Broadband Map alone are not sufficient evidence for challenges.

A successful challenge must demonstrate that BEAD qualifying broadband service exists or will be deployed within twelve months of the date of this Policy Notice. BEAD-qualifying broadband service should be consistent with the Performance Measures for BEAD Last Mile Networks Policy Notice and Primer,¹⁹ including by providing actual speeds (not “up to” or “marketing” speeds) of at least 100 Mbps downstream and 20 Mbps upstream and round-trip latency to the nearest FCC designated internet exchange point (IXP) of not more than 100 ms round trip time. Additionally, service must meet the requirements for a BEAD standard installation, including initiation of fixed broadband internet access service within 10 business days of a request, with no charges or delays attributable to extending the provider's network. Service must use acceptable technology, including the FCC's Broadband Data Collection Technology Codes 10, 40, 50, 61, 70, 71, 72.

Specific Technologies

Because network technologies differ, the evidence needed to demonstrate that a network will meet qualifying broadband standards may vary by technology. For example, a propagation study supported by empirical evidence may be sufficient to demonstrate that a fixed wireless network meets qualifying broadband standards. For a wireline network, however, as-built network diagrams from a GIS system showing proximity to customers, segment capacities (e.g. HCF split, PON split ratios), and other relevant network characteristics may be appropriate. The BEAD RPN established additional criteria for unlicensed fixed wireless networks to address requirements specific to that technology.²⁰ LEO providers may be required to demonstrate that the existing network has the spot beam capacity and backhaul necessary to provide qualifying service to all claimed BSLs just as a fiber provider would need to demonstrate sufficient PON capacity.

Existing Customers

A provider may demonstrate existing service at a BSL by submitting evidence of an existing customer or the existence of a customer within the last 12 months, provided the service meets

¹⁹ Performance Measures for BEAD Last Mile Networks, Version 1.0 (last modified Sept 19, 2025), https://broadbandusa.ntia.gov/funding-programs/policies-waivers/Performance_Measures_Policy_Notice.

²⁰ See BEAD Restructuring Policy Notice, Appendix A: Unlicensed Fixed Wireless Service Requirements.

BEAD criteria. Evidence should identify the technology used and that the service provided at the location meets the BEAD qualifying broadband service criteria. Evidence of a customer in one location is not evidence of qualifying service in a different location.

Network Design

Providers must demonstrate that their network is designed to deliver qualifying broadband service to the challenged BSLs. This may be demonstrated through network architecture and engineering documentation detailed enough to establish sufficient network capacity and coverage—from the last mile to the nearest FCC designated IXP—to serve both existing customers and every location the provider seeks to remove from BEAD eligibility.

Performance Data

Evidence may include performance data comparable to that required under the BEAD Performance Measures Policy Notice or similar federal programs, including FCC high-cost programs, to demonstrate that specific BSLs or network segments can meet required performance standards.

Physical Verification

Photographic evidence may supplement and validate network design documentation by demonstrating that the described components are in place and properly maintained.

Planned Service

Sufficient evidence must demonstrate that service will be available within twelve months. Such evidence may include documentation of completed and remaining construction, obtained permits, completed pole attachment agreements, or a contract or other binding agreement with the Eligible Entity.