**New federal rules upend rural broadband initiative – Indianapolis Business Journal**

July 11, 2025 | [Susan Orr](https://www.ibj.com/authors/susan-orr)

Late-stage changes to a program meant to expand high-speed internet into rural and hard-to-serve areas have left Indiana providers scrambling to decide whether to rework their proposals to meet new rules and then reapply for funding ahead of a September deadline.

The upshot: Thousands of Hoosiers could be waiting longer for improved service.

The National Telecommunications and Information Administration issued the revamped rules last month for the Broadband Equity, Access and Deployment program, or BEAD, a $41.6 billion effort that includes an $868 million allotment for Indiana.

States were at different stages of the process of accessing that money when the Trump administration started tinkering with the program. Indiana had been at the end of a selection process that had started in 2023 and was working toward a June 28 deadline to have its final proposal to the administration for approval. After that, the state would have begun making awards as soon as this fall to the broadband providers whose proposals the state had selected for funding.



*Stephen Cox*

Indiana Broadband Administrator Stephen Cox said he expects the state will still receive the $868 million it was previously promised. But the new rules, issued June 6, mean that Indiana and every other state must restart the application process with new selection criteria, working toward a Sept. 4 submission deadline.

Cox said his office had already chosen projects that would have covered 70% of the state’s unserved addresses.

“Now we’re back to the drawing board, and [broadband providers] all have to reapply to get those awards,” Cox said. “Any way you look at it, this will cause a delay in our program.”

BEAD, funded by the bipartisan Infrastructure Investment and Jobs Act of 2021, is designed to reimburse internet providers for up to 75% of the cost of extending broadband infrastructure to unserved or underserved locations. Advocates of the program say that by offering a subsidy, BEAD incentivizes providers to extend broadband service to rural areas that would not otherwise be economically feasible to serve.

The program works by inviting providers to bid on groups of addresses for which they are willing to build infrastructure and extend service.



*Michael Burrow*

NineStar Connect, a Greenfield-based utility cooperative, said it spent hundreds of hours working to prepare its BEAD bid. That work included deciding which eligible addresses it wanted to bid on, figuring out the technical requirements of serving those areas, crunching the numbers and so on.

“We put together a whole lot of effort and manpower to be able to participate in this,” said NineStar CEO Michael Burrow.

Burrow said the Indiana Broadband Office has done a great job working with providers on BEAD so far, and it was an “extreme disappointment” to learn that the federal government was changing the rules so late in the process.

**Story Continues Below**

Among the changes: Some of the addresses that were originally eligible for the BEAD program have been removed from the list. That revised list of addresses was released July 3.

That means NineStar and other providers must comb the revised list to determine whether they can stick with their original bids or they need to be reworked.



*George Plisinski*

“I’m hoping we can still come up with a path forward,” said NineStar’s vice president of engineering, George Plisinski.

Another major rule change involves the types of technology that states can consider when choosing which projects to fund.

Under the original rules, fiber-optic cable projects were given priority consideration. Other technologies such as satellite service or fixed wireless (internet access via towers rather than fiber networks) could be considered for a location only if no bids for fiber-based projects were received.

But the revised rules are technology-neutral: Any technology that meets specific speed, latency and reliability requirements can be considered, and bid scoring criteria will now favor the lowest-cost bidder.

That means BEAD 2.0 might now attract some new providers that weren’t previously planning to participate.

Mark LaPere, the owner of Noblesville-based On-Ramp Indiana Inc., said his company had not participated in BEAD under the original rules but is considering doing so now.

“The revised requirements have created new opportunities that better align with our service model and expertise in serving rural Indiana communities,” LaPere told IBJ via email.

On-Ramp offers custom internet services to homeowners’ associations and multi-dwelling units such as apartment buildings, student housing and senior living facilities. The company delivers internet via a variety of technologies, including fiber-optic cable, Wi-Fi and fixed broadband.



*Mark LaPere*

“The [BEAD program] changes now allow us to consider fixed wireless solutions in challenging terrain or lower-density areas where fiber construction costs were previously prohibitive,” LaPere wrote to IBJ. “This flexibility is part of what has renewed our interest in participating in the program.”

Some providers, though, still aren’t sold.

BEAD is not the first program to provide subsidies for broadband projects. Indiana’s Next Level Connections program, for instance, distributed a total of $350 million in four funding rounds between 2019 and 2024.

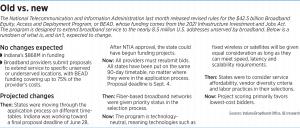
Westfield-based Hoosier Broadband went to considerable effort to submit a proposal for Next Level Connections but didn’t secure any funding, said Operations Manager Jay Smith.

Hoosier Broadband offers fixed wireless internet to a service territory that spans an area roughly between Indianapolis to the south and Miami County to the north and between Muncie to the east and the Indiana/Illinois state line to the west.

Next Level Connections’ selection process was officially technology neutral. But Smith said the program’s speed requirements favored fiber-optic networks, which are generally faster than other broadband technologies.

Hoosier Broadband didn’t receive any Next Level Connections funding as a result, Smith said, and the experience dampened the company’s enthusiasm for future programs.

“We can try to see what it takes to apply” for BEAD, Smith said. “I’m not sure we’re going to have the resources, frankly.”

Next Level Connections required that projects deliver minimum download speeds of at least 100 megabits per second and minimum upload speeds of at least 20 megabits per second. It prioritized projects with speeds of 100 Mbps and minimum upload speeds of 100 Mbps.

BEAD’s guidelines require minimum download speeds of 100 Mbps and upload speeds of 20 Mbps. Smith said those are more than what’s needed for many households who use the internet mostly for things like streaming movies.

According to the NTIA, a household that uses the internet for things like remote learning, streaming videos and web browsing typically needs download speeds of at least 25 Mbps. A small business that uses the internet for things like inventory management, operating point-of-sale terminals and coordinating shipping will need download speeds of at least 50 Mbps.

Jim Dauby, the Tell City-based president of the Indiana Rural Broadband Association, said he expects the BEAD program revisions to attract some new non-fiber-based providers.

But, Dauby told IBJ via email, “Until the process plays out it will be difficult to assess the impact on our members.”

The association represents 24 organizations that provide broadband services to rural customers around the state.

Dauby said all association members that applied for BEAD funding under the original rules plan to reapply, and those proposals will be, as before, for fiber-based projects.

**Looking ahead**

Cox said he anticipates that his office will receive more applications for non-fiber-based projects now that BEAD is technology-neutral.

However, he disputes what he calls a “doom and gloom” notion that the BEAD revisions will create a payday for satellite-based internet providers like Starlink, as some critics of the changes have suggested. Starlink is a division of SpaceX, the aerospace company led by former White House adviser Elon Musk.

“I don’t think it’s going to be this massive change from all fiber to all satellite that some folks are putting out there,” Cox said.

Cox does worry, though, that the new rules might result in rural service that won’t serve community needs long-term.

Fiber is highly scaleable, Cox said, meaning that, once installed, fiber-optic networks have significant capacity to handle additional demands without physical upgrades. Fiber networks can also function for decades without needing to be replaced, he said.

The same isn’t true for technologies like fixed wireless and satellite, Cox said, because any given tower or satellite can only handle so much load. The same fixed wireless network that is now adequate to serve a given number of users might not be up to the challenge of handling additional residential or business users without additional investment, he said.

Satellite and fixed-wireless projects may win BEAD bids because their up-front costs are lower, Cox said, but the overall cost could end up being higher because they will need additional investments to remain viable in years to come.•