Mastering the BEAD Challenge: What Broadband Providers Need to Know

The Challenge Process is upon us, and it's, well, challenging. In the context of BEAD, a "challenge" is the process of submitting evidence to state that a location should or

should not be listed as eligible for funding. The complex undertaking consists of three major phases – the Challenge Phase, Rebuttal Phase, and Final Determinations. States will use this process to determine the unserved, underserved, and served status of every home, business, and community anchor institution to create a clean and accurate list of broadband serviceable locations prior to opening application windows.

BEAD's funding comes from the Infrastructure Investment and Jobs Act enacted in November of 2021, with administration falling to the NTIA. As per NTIA guidelines, the Challenge Process requires the state to first publish a set of all potential locations eligible for BEAD funding, the basis of which is formed by the FCC's Broadband Availability Map data. The subsequent Challenge Phase then requires providers, government entities, or nonprofits to submit challenges with evidence.

The goal of this phase is to change the classification of a location among served, unserved, or underserved to create a more accurate view of each location's actual speed and availability. Entities may submit evidence to challenge the location, but the process doesn't end there. The Rebuttal Phase allows counter-responses from providers, who must also submit evidence to defend their classification. The volley between Challenge and Rebuttal pushes the locations into a disputed state, after which the state makes the Final Determination for each location on a case-by-case basis, declaring a challenge sustained or rejected.

As of August 6th, 2024, 41 states have completed their Challenge Phase and are moving through Final Determinations, with another four states currently wrapping in the Challenge Phase. Prior to opening application windows, states must have an approved list of locations along with an approved Volume II Proposal from the NTIA, the latter of which documents each state's rules and procedures for selecting providers. Currently, 32 states have approved Volume II. The NTIA provides regular updates on each state's journey through BEAD [here](#).

The Challenge Process hasn't been smooth sailing so far. Many states are revising their Challenge Process estimates, shifting them back to account for NTIA approval and ensuring awareness among the communities that will be impacted. The NTIA requires a signoff of all challenges, BSL challenge outcomes, CAI challenge outcomes, and the proposed classifications of each location as served, unserved, or underserved.

This step, along with ongoing deduplication efforts means providers must remain vigilant, completing pre-registrations where available, strategizing on desirable locations and geographies, reviewing scoring and match criteria, and monitoring moving targets. The BEAD Storm is imminent, and the waters are getting choppy. To read more about the complexity of the Challenge Process, read *The Challenges Are Mounting.*

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