



**ARConnect**

The Arkansas State Broadband Office

**A Thought Leadership Piece**

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**Building on the Bargain:  
A Responsible Framework for  
BEAD's Next Phase**

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## Disclaimer

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*This document contains the express written opinion of Glen E. Howie, Jr., Arkansas State Broadband Director, and reflects his current thinking on a potential framework for BEAD non-deployment investment. It is intended to inform policy discussions. Any examples contained in the document are illustrative in nature and not exhaustive. The policy landscape governing BEAD non-deployment investment continues to evolve, and nothing in this document should be interpreted as a commitment by the State of Arkansas or NTIA regarding the permissibility or approval of any specific investment category. Readers are encouraged to routinely review official NTIA and other relevant federal and state agency resources for the most current guidance on allowable uses of BEAD funds.*

Arkansas has shown what is possible when broadband policy is executed with discipline.

Through a highly competitive, market-driven process, our state secured deployment commitments for every one of its more than 79,000 unserved locations using just over \$300 million of its \$1 billion BEAD allocation. The result is one of the most efficient broadband deployment programs in the country.

That efficiency created something few expected at this scale – roughly \$650 million in remaining BEAD funds available for broader investment.

The question now is straightforward, and consequential: What comes after the successful deployment of universal last-mile access?

## **A New Phase of the BEAD Program**

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Congress was clear when it wrote the BEAD statute. Deployment is the priority, but it is not the only purpose.

The National Telecommunications and Information Administration’s June 2025 Restructuring Policy Notice rightly prioritized cost efficiency and accelerated deployment. In states like Arkansas, that approach worked. But it also left open an important question: how to responsibly deploy remaining funds once the core deployment mission is complete.

States are authorized to use BEAD funds for a range of activities beyond last-mile infrastructure, from connecting community anchor institutions to supporting adoption, planning, and other efforts necessary to close the digital divide. The statute also gives the Assistant Secretary authority to expand eligible uses as needed to meet the program’s goals.

As the statute makes clear, the question is not whether these funds can be used; it is how they should be used to best address the unique needs of each state.

That answer is beginning to take shape.

## **A Phased, “Domino” Framework**

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For states with remaining BEAD funds, the best path forward is a phased approach. Each phase builds on the one before it, ensuring that investments remain grounded in infrastructure, tied to broadband, and aligned with measurable outcomes. From an infrastructure investment standpoint, a well-designed cascade of projects will generate business case synergies such as lower incremental costs for later projects and stronger demand forecasts for earlier ones.

Think of it as a set of dominos. Each must fall in order.

## **Domino One: Finish the Job**

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Even the best deployment program leaves gaps.

Since BEAD eligibility maps were finalized, defaults and project changes have occurred across federal and state programs. Some locations that were previously ineligible now find themselves without a clear path to service. New, unconnected locations have since been built as household growth continues in rural areas.

The first priority for any state with remaining funds should be a targeted “cleanup” round, ensuring that these newly eligible homes, businesses, and community anchor institutions are connected. In some cases, this may mean reopening competitive bidding. In others, it may mean negotiating directly with existing BEAD awardees who are already mobilized and operating under program requirements.

Before we expand the scope of investment, we should make sure the job is truly complete.

## **Domino Two: Strengthen Core Infrastructure**

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Once deployment gaps are addressed, the next step is to strengthen the systems that support long-term connectivity and economic growth.

That includes investments in middle-mile infrastructure that connects communities to backbone networks, reduces long-term costs, and improves resiliency. Where needed, states should consider coordination with regional neighbors; unlike last-mile projects, middle-mile routes regularly cross state boundaries, so some coordination will improve outcomes.

It includes mobile infrastructure that expands coverage where terrain or cost constraints limit wireline deployment. And it includes next-generation emergency communications that depend on reliable, broadband-enabled networks.

It also includes something less visible, but just as important: execution capacity.

Permitting remains one of the most persistent challenges in infrastructure deployment. A statewide permitting platform that streamlines right-of-way applications, integrates mapping data, and aligns agency workflows would reduce delays, lower costs, and create a lasting institutional asset for future projects.

These investments are not separate from deployment. They make deployment stronger, faster, and more durable.

## **Domino Three: Turn Connectivity into Economic Growth**

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The final phase is the most ambitious, and the most important.

Closing the digital divide is not just about whether a household has a connection. It is about whether communities can harness that connection to compete, grow, and prosper in the twenty-first century digital economy.

A farmer with broadband but no access to precision agriculture tools is still operating below potential. A manufacturer with connectivity but no digital supply chain systems is still constrained. A small business without an online presence is still limited in how it can grow.

The next phase of BEAD should allow states to invest in these gaps, translating new connections into measurable economic output, stronger wages, and long-term growth. In Arkansas, that means investing in sectors of the economy where connectivity constrains productivity and where no other federal or state dollar fills the gap.

This requires a shift in thinking.

In agriculture, broadband enables precision technologies that reduce costs and increase yields. In manufacturing, it supports automation and data-driven operations that increase competitiveness. In energy, defense, and emerging sectors like lithium production, connectivity drives the digital systems required for modern business.

That means supporting agriculture technology, smart manufacturing, and other sectors where broadband is essential to productivity. It means helping small businesses adopt digital tools that expand markets and improve operations. And it means doing so in a way that attracts, not replaces, private capital.

The strongest investments will be those where public funding catalyzes private investment, aligns with real market demand, and produces measurable economic outcomes.

## **Guardrails for Responsible Investment**

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For any non-deployment framework to succeed, it must be grounded in clear principles.

First, every investment must maintain a direct connection to broadband. That connection should be documented and defensible.

Second, funding gaps must be real. Public dollars should target needs that existing programs do not adequately address.

Third, program design must be executable. Investments should have clear administering entities, defined timelines, and measurable outcomes.

Fourth, accountability must be built in from the start. A stage-gate funding model, with milestone-based disbursements and performance verification, ensures that public funds are managed responsibly.

And fifth, the framework should maximize co-investment opportunities. This ensures public dollars are leveraged, not substituted, and that the private sector has skin in the game.

These are not new ideas. They are the same principles that have guided successful deployment.

## **A Moment of Opportunity for NTIA**

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The BEAD program is at an inflection point.

Over the past year, NTIA has shown that a disciplined, cost-focused approach can deliver real results. Through the Benefit of the Bargain reforms, states were able to stretch taxpayer dollars further, expand coverage, and move more quickly toward shovels in the ground.

In states like Arkansas, that approach worked. It delivered full coverage at a fraction of the expected cost and left meaningful resources on the table. That is not a problem. It is an opportunity.

NTIA now has a chance to take what has worked and build on it.

With clear guidance, the program can move forward in a way that finishes the job on access, strengthens the systems that support long-term connectivity, and helps turn broadband into real economic growth for communities across the country.

The domino framework offers a simple way to think about that next step.

First, make sure no community is left behind. If there are remaining gaps, close them.

Second, strengthen the infrastructure and the processes that make deployment work, from middle-mile investment to permitting and long-term resiliency.

And third, focus on what comes after the connection, helping states invest in the industries, businesses, and workers that will use broadband to grow.

This is not a departure from BEAD’s mission. It is the completion of it.

The same principles that helped make deployment successful – competition, accountability, and a focus on results – can guide what comes next.

With the right framework in place, NTIA can give states the flexibility to act while maintaining the discipline needed to ensure every dollar delivers value.

This is a moment to do more than finish a program.

It is a moment to make sure the largest investment in broadband infrastructure in American history delivers lasting economic opportunity. Not just access, but real, measurable progress for communities across the country.

The return on BEAD will not be determined by how many miles of fiber are laid. It will be determined by what happens after the connection is made.

## Looking Forward

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States do not need to wait for perfect clarity to begin preparing.

They can document the connection between proposed investments and broadband outcomes.

They can engage industry partners to identify co-investment opportunities. They can develop evaluation criteria that align economic impact with program goals. And they can build the administrative structures needed to execute when guidance arrives.

Arkansas is doing that work now.

Access is the first chapter. What comes next will determine whether that investment delivers its full promise.

If we get it right, broadband will not just connect communities.

It will help power their economic future.