The State of South Carolina
Performance Report

Capital Projects Fund

2025 Report

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Executive Summary

The South Carolina Office of Regulatory Staff (ORS), through its Broadband Office (SCBBO), is administering the American Rescue Plan Act (ARPA) Capital Projects Fund (CPF) to expand broadband access statewide. This initiative focuses on unserved and underserved areas, aiming to close the digital divide and deliver reliable, high-speed internet to more South Carolinians—enhancing connectivity for residents, businesses, and community institutions.

Authorized by Act 244 (H.4408) and signed by Governor McMaster, the program directs SCBBO to distribute approximately $185 million in CPF funding. This funding is complemented by $214 million from the State and Local Fiscal Recovery Funds (SLFRF), resulting in a total broadband investment of around $400 million.

The Program, The Next, Next Greatest Thing Main Street, South Carolina (MAIN ST), is guided by the objectives outlined in the approved CPF Program Plan:

1. **Administer a Competitive Grant Program** that prioritizes:
    a. Unserved areas with no current Internet Service Provider (ISP)
    b. HUD-designated Difficult Development Areas (DDAs)
    c. Census blocks with high concentrations of unserved public K–12 student households (as identified by the SC Department of Education)
    d. MAIN ST Eligible Service Areas (ESAs), targeting households, businesses, and community anchor institutions
2. **Leverage CPF to Enable Future Infrastructure Investment and Jobs Act (IIJA) Funding** by:
    a. Extending broadband to additional unserved households (<25/3 Mbps)
    b. Improving connectivity for underserved households (<100/20 Mbps)
    c. Ensuring connectivity for anchor institutions

The 34 broadband infrastructure projects awarded to 15 Internet Service Providers (ISPs) continued to advance during the reporting period, with all recipients working toward the completion deadline of December 31, 2026. South Carolina remains the only state in the country where rural broadband coverage exceeds urban coverage. Currently, 59.48% of rural users experience speeds of at least 100 over 20 megabits per second, compared to 57.96% of urban users. This reversal of the typical digital divide highlights the effectiveness of the state's targeted broadband investments and reinforces the importance of continued infrastructure development in rural regions.

The CPF initiative positions South Carolina to deliver immediate, high-impact broadband improvements while laying the foundation for future federal investments. The following sections detail how the Program complies with all U.S. Treasury reporting requirements, including Uses of Funds, Addressing Critical Needs, Labor Practices, and Community Engagement.

Uses of Funds

Under Project Use Code 1A – Broadband Infrastructure Projects, the Program prioritizes funding for 1) unserved areas with no ISP, 2) Difficult Development Areas as identified by HUD, 3) census blocks with high concentrations of unserved public K–12 student households, and 4) Main Street Eligible Service Areas (ESAs). These "Priority Areas," as defined by SCBBO and aligned with Act 244, were selected to address digital access disparities amplified during the COVID-19 pandemic.

To ensure funding is directed where it is most needed, SCBBO employed a scoring rubric during project evaluation that emphasized the importance of serving Priority Areas. Upon project completion, speed tests and other verification methods will be conducted to confirm that broadband services are delivered as intended.

The Program represents one component of a broader statewide strategy that includes multiple complementary initiatives—SLFRF 1.0, ADGP 2.0, and SLFRF 3.0—designed to invest federal funds in broadband infrastructure across South Carolina. All projects funded are required to deploy wireline technology capable of delivering symmetrical speeds of at least 100/100 Mbps. Fixed wireless and satellite technologies are not eligible for funding, as they do not meet the scalability requirements necessary to support business operations or cellular backhaul.

In 2023, SCBBO administered a competitive grant process to solicit proposals from ISPs. Following one round of awards, SCBBO allocated $185.1 million in CPF resources to 15 ISPs for 34 broadband infrastructure projects across 41 of the state's 46 counties, including transformative efforts in the Main Street communities of Norway and Ridge Spring, where construction has already been completed. These projects represent a total investment of approximately $290 million, supported by a 36% match, or about $105 million, from federal and private sources.

SCBBO faced a key challenge in preventing the overbuild of existing broadband infrastructure. To mitigate this, the team used updated availability maps to guide project selection and rejected proposals that would duplicate service in areas already capable of delivering speeds of at least 25/3 Mbps. SCBBO welcomed applications from private and public ISPs, including those partnering with electric cooperatives or local governments.

In 2024, SCBBO obligated all CPF awards and issued Notices to Proceed. By the end of the current reporting period on June 30, 2025, all 34 broadband infrastructure projects had entered the construction phase, with two already completed. Each project continues to advance toward the established completion deadline of

December 31, 2026. Collectively, these efforts aim to deploy more than 4,250 miles of fiber and deliver high-speed internet to approximately 31,500 locations.
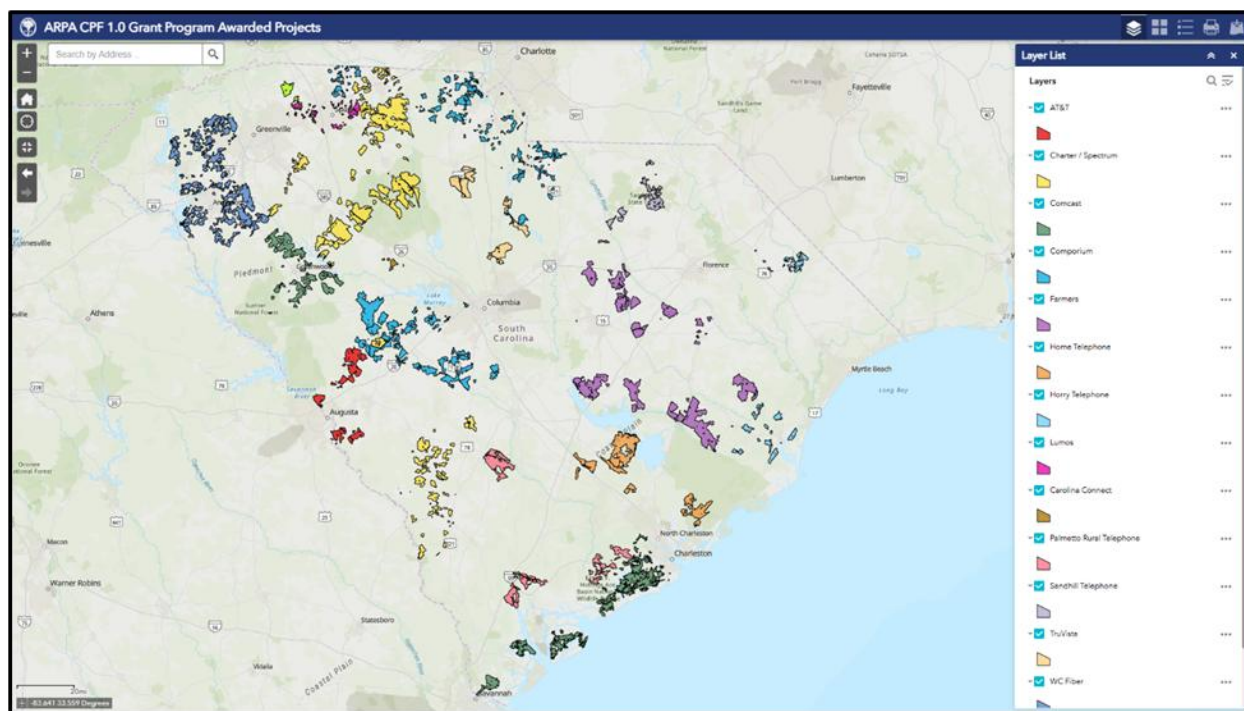

Figure 1. ARPA CPF Awarded Areas by ISP

To support project selection and oversight, SCBBO invested $15,244 in CPF resources to implement Esri ArcGIS software for broadband mapping and project tracking. SCBBO staff use the platform daily to manage CPF-funded projects and maintain the state's broadband infrastructure maps. ArcGIS also supports FCC Bulk Fabric and Availability Challenges and was instrumental in developing the ARPA CPF Program Eligibility Map.

Additionally, SCBBO allocated $128,750 in CPF funds to integrate FCC provider data with millions of Ookla Speedtest records. This integration enhances the state's broadband performance verification capabilities, ensuring accurate tracking of project progress and service delivery.

CPF investments are strategically aligned with other federal broadband initiatives, including the Broadband Equity, Access, and Deployment (BEAD) and SLFRF programs. Notably, SLFRF has awarded over $214 million across 96 projects, expected to build 8,900+ miles of fiber and connect more than 78,000 locations— further advancing the state's goal of closing the digital divide.

Addressing Critical Needs

At the onset of the COVID-19 pandemic in March 2020, as more people remained at home, it became increasingly evident—through community feedback initiatives and FCC data—that many areas in South Carolina, particularly rural regions and vulnerable populations, lacked adequate internet access. This digital divide was further underscored by the most current FCC and National Telecommunications and Information Administration (NTIA) data, which the SCBBO maps annually, as well as by public responses to SCBBO surveys.

To address this lack of access, eligible projects for the Program must contain census blocks with one or more of the characteristics listed in the above Uses of Funds section or be identified as an Eligible Service Area (ESA).

Projects where applicants proposed broadband deployment builds in multiple high priority areas (within a single grant application submission) scored higher, which served to incentivize bids that focused on these geographies. See excerpt from [CPF Grant Guidelines](), below:

30% High Priority Area

- *Census blocks of 20 or more K-12 student households; or,*
- *Census blocks where no ISPs currently provide retail service; or,*
- *Census blocks represented as Difficult Development Areas ("DDA"); or,*
- *Areas designated as a main street ESA.*

Scoring is calculated as follows:

- *Project includes main street ESA – **30 points***
- *Project includes at least one priority unserved census block(s) with 20 or more K-12 students – **15 points***
- *Project includes at least one priority unserved census block(s) with no ISP currently serving any form of Internet to citizens – **10 points***
- *Project includes at least one priority unserved census block(s) with Difficult Development Area designation – **5 points***
- *Unserved census blocks chosen that are geographically coincident with two or more of the factors outlined in items above (e.g., an unserved census block includes concentrations of 20 or more K-12 housing units, and is also a DDA)- **up to 5 additional bonus points***

By setting these criteria, SCBBO ensured that funding was invested in communities with the most need for broadband access and services, while at the same time maintaining strategic alignment with Act 244. Each eligible project will provide broadband service to homes, businesses, and community anchor institutions that are either unserved or underserved.

SCBBO's goal is to ensure high-speed internet access for all South Carolina citizens as quickly as possible so that all can access the key internet services which enable work, telehealth monitoring, eLearning, and economic development that proved essential during the pandemic.

On May 18, 2023, SCBBO released the South Carolina ARPA CPF Eligibility Map, (**Figure 2** below), to demonstrate areas eligible for funding through CPF.

The colors in the map represent the following:

- **Red** = Priority Areas with more than 20 public K-12 student households, or DDAs as identified by HUD, or no ISPs providing any type of service.
- **Dark Blue** = Main Street Priority Areas and surrounding areas currently unserved (not served by cable or fiber).
- **Pink** = Unserved Areas not served by cable or fiber.
- **Orange** = Partially Served Areas. For Partially Served Areas to be eligible, 90% or more of the structures must be unserved (not served by cable or fiber) and they must have at least one unserved residential structure.
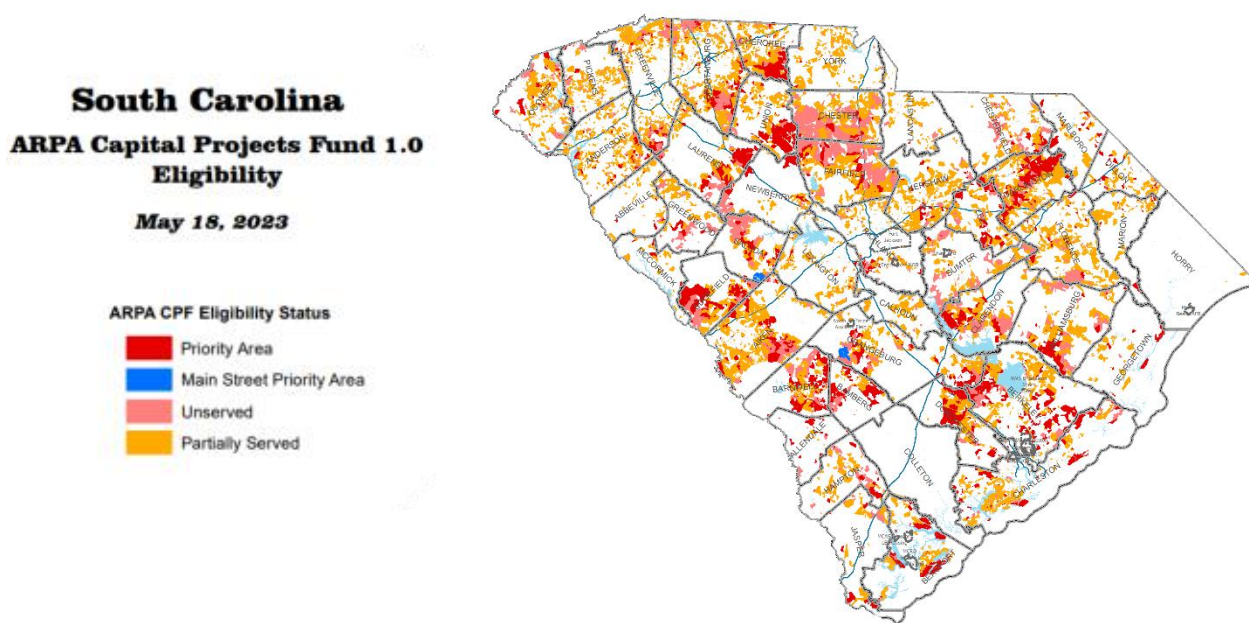

Figure 2. Eligibility Map

Additionally, SCBBO integrated FCC Broadband Serviceable Location (BSL) data into the modeling to determine eligible areas for broadband grant funding. A BSL is any "business or residential location in the United States at which fixed broadband internet access service is, or can be, installed."

This data integration allowed SCBBO to analyze the State with a finer level of granularity to better depict the real need for broadband service. It has also given rise to a new designation of 'partially served' census blocks. The 'partially served' classification added 52% more census blocks (6,728 out of a total 12,905 census blocks) to the CPF eligibility map, which reflects a 45% increase in unserved or underserved BSLs (63,194 out of a total 118,319 structures) that are now eligible for funding.[1]

Affordability is a major consideration for CPF programs because bridging the digital divide requires not only delivering service to unserved and underserved communities, but also providing these communities with affordable opportunities to connect.

To address this, all applicants—including private Internet Service Providers, public Internet Service Providers, and those partnering with electric cooperatives or local governments—were required at the time of application to participate in the FCC's Affordable Connectivity Program.

Although the Affordable Connectivity Program is no longer active, applicants were required to offer a plan at an affordable price for a disclosed period of time, independent of the ACP and any consumer-based income thresholds for the project areas for which they applied.

During quarterly reviews and at final closeout, SCBBO reminds awardees of their affordability commitments and holds them accountable for any assurances made during the grant process. To further ensure accountability, every grant agreement includes a clawback provision if these requirements are not met.

Objectives

The Program is designed to prioritize service to communities with a critical need for broadband infrastructure. For the purposes of the Program, communities with a critical need are considered those that are unserved or underserved by broadband services. These communities are typically in rural areas and/or low-income areas. For more detail on the Program's selection criteria, please refer to page 5.

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[1] The two Main Street priority areas identified are Norway, SC (Orangeburg County) and Ridge Spring, SC (Saluda County).

Awareness

SCBBO believes that to increase awareness in communities, ISPs should work directly with trusted community leaders. As a result, each awarded grant includes self-imposed requirements by the Grantee to conduct various activities that seek to bolster broadband adoption and use in funded areas.

Therefore, beyond delivering a fully functional broadband network capable of providing 100 Mbps symmetric service (or higher) in the funded area, Grantees must also provide evidentiary proof that adoption and use activities for which they committed to perform also occurred in the funded area as part of their project closeout to obtain final payment from SCBBO.

Specific to the Norway and Ridge Spring Main Street projects, SCBBO utilized CPF funds to engage the Main Street South Carolina consulting team (housed within the Municipal Association of SC) to provide specialized economic development support to revitalize their downtown commercial districts into vibrant centers of commerce.

The one-year strategic planning projects for both Norway and Ridge Spring, SC completed in October 2024 and reports were presented publicly and delivered to the mayors. Most notably, high-speed broadband construction completed for both Norway and Ridge Spring on time for Christmas 2024. Therefore, all residents of both communities now have high-speed fiber access.

On a statewide basis, SCBBO designed and implemented the Broadband Community Champion Training program that delivered instructor-led content to a diverse group of community leaders through a series of three, two-hour webinars.

These webinars, which included topics on internet infrastructure, education gaps, and healthcare opportunities, were designed to take an existing community leader from novice to being fully aware of key terms and concepts for successful broadband deployment in their areas.

While no longer active, since its inception in 2021, over 150 community leaders in 17 different counties completed training and became Broadband Community Champions. These Broadband Community Champions continue to share broadband information and increase advocacy for critical needs and resources.

For further awareness activities conducted by SCBBO, please see the Community Engagement section.

Outcomes

As projects are finalized, SCBBO will provide data on the reach of CPF-funded projects in relation to unserved and underserved communities. Upon project completion, the following KPIs are collected by project to reflect impact on unserved and underserved communities:

1. How many homes, businesses, and community anchor institutions have access to broadband service as a result of the project?
2. How many miles of fiber/cable were laid as a result of this project?
3. Describe how broadband access was improved in funded areas as a result of this project.
4. How many Difficult Development Areas (as identified by U.S. Housing and Urban Development) were served as a result of this project?
5. How many areas with high concentrations of K-12 students (20+) were served as a result of this project?
6. How many unserved areas (those which previously lacked an Internet Service Provider) were served as a result of this project?

Labor

SCBBO employs a strategy for employing strong labor standards that centers around upholding applicable federal and State requirements and contracting practices to attract a highly skilled workforce.

For all projects that require Davis-Bacon certification, SCBBO reports on the following: Davis-Bacon certification including WH-347 form and statement of compliance submitted weekly, or a project employment report detailing the number of employees or contractors and sub-contractors working on the project, the number of employees on the project hired directly and hired through a third party, the wages and benefits of workers on the project by classification, and whether those wages are at rates less than those prevailing.

Satisfying these labor requirements is imperative to fostering strong labor standards. Where applicable, SCBBO will require awardees to describe labor practices in submitted project reports.

Community Engagement

Each awarded grant includes self-imposed requirements by the Grantee to conduct various activities that seek to bolster broadband adoption and use in funded areas. Examples of the types of engagement Grantees shall perform include:

- Conducting in-person trainings within funded project areas
- Participating in outreach events with local leaders
- Publishing press releases on project awards
- Direct calls, email marketing, and advertising campaigns
- Mailing post cards and placing door hangers on homes in the funded project area
- Partnering with non-profits like Palmetto Care Connections, Berkeley County Community Centers, and Trident United Way
- Providing in-kind funds that support digital education initiatives working alongside local leaders

These community engagement activities by grantees are complemented by those of SCBBO, which focus on determining communities' access to broadband and raising awareness of internet service gaps across the State.

To gather information on internet connectivity and develop solutions funded by CPF that meet communities' needs, SCBBO has established a website with maps, web applications, dashboards, surveys, and free internet speed tests.

The website deployed by SCBBO, www.scdigitaldrive.org, provides broadband data and resources to the public to increase awareness of internet access per location and encourages individual and community advocacy. Data that can be found on the website includes maps of the best available technology statewide, areas of broadband need, and ISPs that may offer service in the general area of an address, as seen in **Figure 3**.
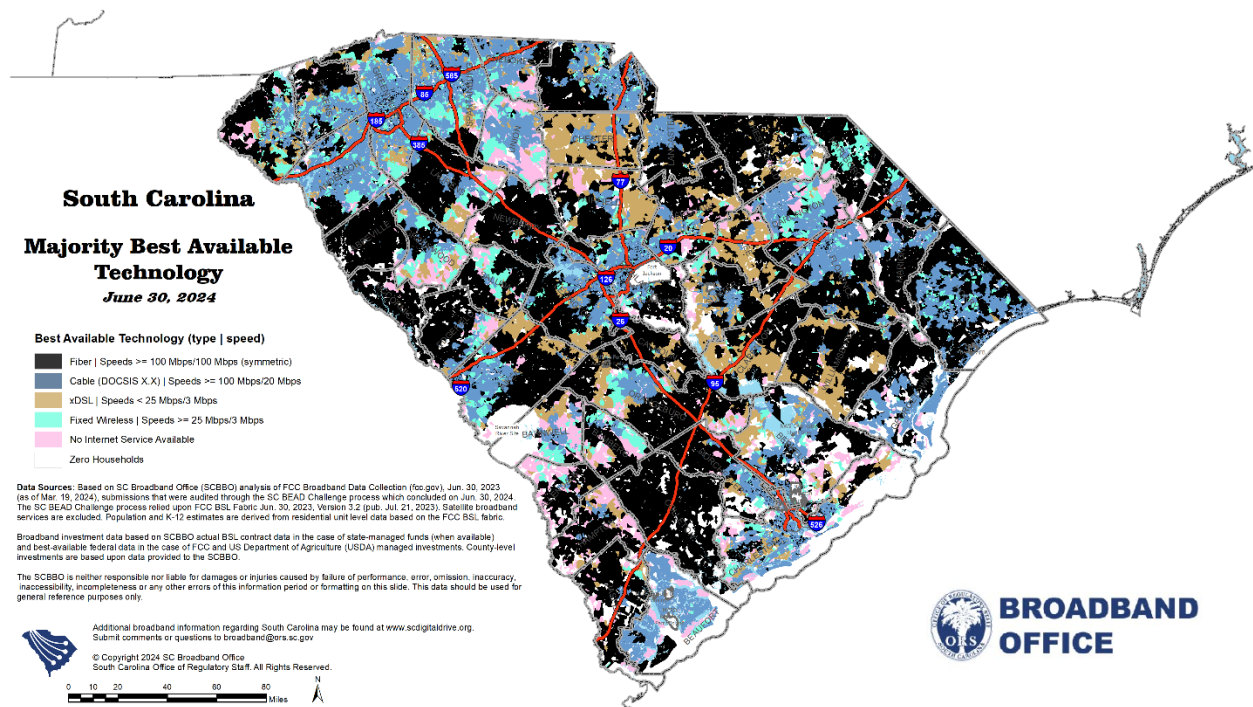
Figure 3. Best Available Technology Map

While no longer required in 2025, early in the CPF process, households were given the opportunity to advocate for themselves and request internet through an "I Need Internet" survey. The survey opened to the public in December of 2021 and remained available to consumers until June of 2024. Individuals were able to provide information on their internet subscriptions, type of internet connection, and/or need for internet. Upon the survey's close, SCBBO received and reviewed more than 8,000 constituent responses.

Then, results of "I Need Internet" surveys were considered as part of SCBBO's scoring rubric through the "Geography" category under the Program. Proposed projects that include areas of high concentrations of "I Need Internet" survey results yielded higher points for a grant application as compared to those that do not. Information collected from the ISPs, FCC, internet speed tests, and "I Need Internet" surveys played a crucial role in determining internet needs statewide.

To provide input on the use of CPF funding, SCBBO leveraged the South Carolina Broadband Advisory Council (BBAC). While no longer active, the BBAC consisted of 21 members representing different facets of the economy and placed a priority on community and stakeholder engagement.

The council met quarterly, and meetings were open to the public for in-person attendance or via a registration portal on the ORS website.

These meetings proved critical in collecting community input. On July 7, 2022, SCBBO shared a conceptual draft of the Program plan with the BBAC and the details were discussed on July 12, 2022. BBAC and other stakeholder feedback was reflected in the in CPF [Program Plan](#).

The Program grant process considered and scored community engagement before making award selections. SCBBO published the broadband map showing eligible areas for the program (**Figure 2, page 6**). ISPs had the opportunity to challenge and protest the eligibility map if they believed an area is already served.

After the application period closed, SCBBO published all grant applications on the ORS website to invite public comment. Given the Program's coordination with counties, municipalities, and other public entities, a 30-day comment period was essential. This window allowed ISPs, public agencies, and other stakeholders to express support or raise concerns about specific applications.

In one example, the first comment period began on July 19, 2023, and closed on August 18, 2023, and alone received over 100 responses. These responses represent the sentiments of an assortment of South Carolinian stakeholders, including citizens, School Board members, ISPs, County councilmembers, South Carolinian Senators, and the South Carolina Attorney General.

Additionally, project kick-offs have also served as community gatherings. These events allowed residents to speak with SCBBO and ISP representatives to gain information on local network expansions, while engaging in family-friendly activities.

Together, these community engagement efforts play a vital role in ensuring the needs of communities are met and concerns are being heard as SCBBO uses this CPF investment to bring broadband access to unserved and underserved areas of the State and close the digital divide.

Capacity Building for Underserved Groups

As mentioned previously, affordability of broadband is a major consideration for the CPF grant programs and all grant applicants, at the time of application, were required to participate in the FCC's Affordable Connectivity Program (ACP) and must also have an offering that is affordably priced for that geographic location, for a disclosed period of time for those that do not qualify as low or low/moderate income levels.

Without access to the [ACP](#)—which provides multilingual information—affording internet service becomes significantly more difficult for individuals in unserved and underserved areas, especially without the affordable high-speed plan required by SCBBO under the CPF grant program.

Awardees are also [required](#) to not discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age or sex (including sexual orientation and gender identity).

Future Plans – Updated Annually

SCBBO will leverage its existing relationships with the SC Department of Commerce (SCDOC) and the SC Association of Counties (SCAC) to streamline engagement with local stakeholders. Awardees are required to document their community engagement efforts in project reports, and SCBBO will continue collaborating with them to ensure timely project closeout.

As part of its oversight, the SCBBO project team will verify that all necessary data is complete to confirm that work was performed in the assigned geographic areas, the network is operational, and it meets the minimum speed thresholds specified in the grant agreement. SCBBO will also confirm that awardees have implemented network resiliency strategies to ensure long-term reliability.