

Maryland Department of Housing and
Community Development
Office of Statewide Broadband
Performance Report

Capital Projects Fund
2026 Report

Maryland Department of Housing and Community Development
Office of Statewide Broadband
2026 Performance Report

Table of Contents

Executive Summary.....	2
Financial Summary.....	3
Program Information	3
Uses of Funds	5
Addressing Critical Needs	6
Labor	7
Community Engagement	8

Executive Summary

Established under the American Rescue Plan Act (ARPA), the Capital Projects Fund (CPF) equips states, territories, and Tribal governments to invest in capital projects that enable work, education, and health monitoring. Maryland is leveraging CPF primarily for broadband infrastructure—an eligible use alongside telehealth and remote learning—to extend reliable broadband connectivity to unserved locations.

Funding Parameters

- Total Allocation: \$171 million, inclusive of \$5 million for administration. In 2026, the U.S. Treasury approved Maryland’s request to move \$2.5 million from administration to further invest in direct program costs.
- Timing: Funds obligated by 2024. Projects are expected to be completed by the current period of performance end date of December 31, 2026, with certain broadband infrastructure projects subject to pending U.S. Treasury extensions through June 2027.
- Targeting & Performance: Focus on unserved areas, with preference for solutions delivering $\geq 100/100$ Mbps where feasible.

Connect All Maryland Initiative

To operationalize CPF, Maryland launched four complementary programs designed to meet diverse local needs and deployment scenarios:

- Maryland Network Infrastructure Program (MD-NI) CPF GP-000142
- Broadband for Public Housing (BPH) CPF GP-000270
- Connected Communities Grant Program (GAP) CPF GP-000271
- Broadband for Difficult-to-Serve Premises (DSP) CPF GP-000298

Administered by the Office of Statewide Broadband (OSB) within the Department of Housing and Community Development (DHCD), these programs employ a competitive, county-driven procurement model that incentivizes state, county, and Internet Service Providers (ISPs) partnerships. OSB provides standardized, customizable procurement templates and processes; counties and ISPs collaborate with OSB to identify eligible project areas and define scopes for the construction, installation, and operation of broadband infrastructure. Where applicable, the programs require matching investments from the selected broadband provider and/or awardee, maximizing CPF impact and local commitment.

Program Objectives

- Accelerate last-mile deployment to unserved locations through blended funding from the State, participating counties, and providers.
- Strengthen state–local coordination to jointly identify eligible areas and align project scopes with CPF requirements and county priorities.
- Enable county-level prioritization within competitive bids (e.g., geographic focus, digital skills goals, measurable adoption metrics) to ensure investments advance both access and meaningful use.

This portfolio approach positions Maryland to deliver durable, future-ready connectivity while advancing digital opportunities across every participating community.

Financial Summary

Table 1: CPF Allocations and Expenditures by Program

CPF ID	Program Name	Initial Allocation	Revised Allocation*	Cumulative Expenditure**	Remaining
GP-000142	Maryland Network Infrastructure Program (MD-NI)	\$95,000,000	\$109,314,955	\$67,809,804	\$41,505,151
GP-000270	Broadband for Public Housing Program (BPH)	\$45,000,000	\$31,780,750	\$5,521,857	\$26,258,893
GP-000271	Connected Communities Grant Program (GAP)	\$2,000,000	\$2,000,000	\$1,933,239	\$66,761
GP-000298	Broadband for Difficult to Serve Premises (DSP)	\$24,223,815	\$25,628,109	\$3,139,748	\$22,488,361
Total		\$166,223,815	\$168,723,814	\$78,404,648	\$90,319,166

*The increase is due to an approved \$2.5 million transfer from the Administrative Budget

**Through June 30, 2026

Program Information

Overview of Reporting Period

During the reporting period, Maryland managed subawards across all four Capital Projects Fund (CPF) programs and launched additional funding rounds for broadband for the Maryland Network Infrastructure Program that funded six new middle mile projects.

Program-Wide Technical Standards

All CPF-funded projects serve Proposed Funded Service Areas (PFSAs) lacking 100 Mbps download /20 Mbps upload service. Funded networks are required to:

- Deliver ≥100/100 Mbps with ≤50 ms latency; where geography, topography, or technology prevents symmetric service, ≥100/20 Mbps is permissible.
- Be capable of providing the minimum performance to all subscribers within the PFSA.

Program Descriptions

Table 2: Total Investment by Program

Program	Allocation	Match	Total Investment	Residential Locations and Housing Units Reached
Network Infrastructure MDNI	\$109,314,955	\$55,813,548	\$165,128,503	15,569
Public Housing PH	\$31,780,750	\$5,556,468	\$37,337,218	18,045
Connected Communities GAP	\$2,000,000	\$0	\$2,000,000	1,348
Difficult to Serve Premises DSP	\$25,628,109	\$16,659,710	\$42,287,819	4,355
Total	\$168,723,814	\$78,029,726	\$246,753,540	39,317

*Total Locations do not include small businesses.

Maryland Network Infrastructure (MD-NI) Grant Program

The OSB implemented the MD-NI program to utilize the \$95 million intended for ISPs and local jurisdictions interested in providing broadband infrastructure to unserved locations. Under the initial funding round, OSB awarded 36 projects to nine ISPs for the full \$95 million. With \$49,977,890 in match provided by subrecipients, the grant funds were leveraged to \$144,977,890 in total construction value to serve 15,569 unserved locations.

In 2026, with U.S. Treasury approval, the OSB moved funds from program cost savings to MD-NI for a second round of projects dedicated to middle mile infrastructure. Six projects were funded with \$14,314,888. With the additional match of \$5,835,658, the total investment was \$20,150,546. The total allocation for both rounds is \$109,314,955. With the match contributions of \$55,813,548, two rounds of grants leveraged \$165,128,503 for last mile and middle mile infrastructure.

Broadband for Public Housing (BPH) Grant Program

OSB implemented the BPH program to utilize the \$45 million provided for the program, which is designed to merge both infrastructure and digital inclusion efforts in low income, publicly owned housing developments. The program provides financial assistance to local jurisdictions to further the states' digital access efforts. The grant funded projects focus on bringing broadband infrastructure to publicly owned housing developments that lack the infrastructure to provide reliable service at the unit. In May 2024, DHCD awarded 11 projects for \$31,780,750. With \$5,556,468 in match provided, the grant funds were leveraged to \$37,337,218 in total construction value to reach 18,045 units and serve over 39,699 residents.

Connected Communities Grant Program (GAP)

OSB implemented the GAP program to utilize \$2 million provided for the program, which is designed to assist community-based organizations, non-profits, and anchor institutions in creating Gap Networks and Community Networks. These networks are designed to address the affordability challenge many low to moderate income households face. OSB funded 10 projects for \$2 million to three organizations; no match was required. The grant funds provided were leveraged to serve 1,348 low income residences. Major work has been completed, and projects are expected to end in July 2026.

Broadband for Difficult to Serve Premises (DSP) Grant Program

OSB implemented the DSP program to utilize the \$24 million provided for the program, which is intended for local county jurisdictions to assist with the capital construction costs related to the installation of broadband infrastructure to premises that have difficulty obtaining service due to their remoteness, distance from existing broadband infrastructure or other geographic issues that may discourage an ISP from installing broadband infrastructure.

DHCD has awarded 18 applications for \$25,628,109. With \$16,659,710 in match provided, the grant funds were leveraged to \$42,287,819 in total construction value to serve 4,355 residences and 48 small businesses.

Uses of Funds

Reporting Period Activities:

All four programs funded with Maryland's Capital Project Funds (CPF) are implemented and operating, with 50 of the 81 (62%) projects reporting that construction is complete or more than halfway complete.

Maryland's Office of Statewide Broadband's (OSB) activities continue to focus on supporting program implementation, working with local communities and internet service providers (ISPs), and providing oversight, monitoring and technical assistance. The remainder of this section reports on each approved program plan.

Table 3: Implementation Status by Program June 30, 2026

Program	Allocation	Total Projects	Percent Complete	% Grant Funds Expended
Network Infrastructure MDNI	\$109,314,955	42	69%	62%
Public Housing PH	\$31,780,750	11	64%	17%
Connected Communities GAP	\$2,000,000	10	100%	97%
Difficult to Serve Premises DSP	\$25,628,109	18	22%	12%
Total	\$168,723,814	81	62%	46%

Maryland Network Infrastructure (MD-NI) Grant Program

Round 1 – Last Mile Projects

- Timeline: Round 1 opened October 2022; applications due December 7, 2022; internal scoring and a formal challenge process (for 100/20 Mbps service designations) followed; awards issued March 30, 2023, consistent with the CPF schedule.
- Allocation & Standards: \$95M dedicated to last-mile infrastructure capable of ≥100/100 Mbps (or ≥100/20 Mbps where geography/topography/excess cost precludes symmetry).
- Grant Design: Awards up to \$4.5M each; required match 10–30% based on density. Actual matches ranged from 11% to 163% of the grant amount.
- Awards: 36 awards totaling \$95,000,000 and passing 15,569 previously unserved locations.
- Status: 11 projects are complete; 18 are nearly complete. The completed projects installed 681 miles of fiber to 5,233 locations serving 5,035 residences and 284 businesses. The infrastructure was installed in 11 counties at a cost of \$22.5 million or \$4,300 per location.

Round 2 – Middle Mile Projects

- Timeline: Round 2 opened May 15, 2026. After a truncated review process, awards were issued May 29, 2026.
- Awards: \$14,314,888 was awarded to six projects to install middle mile projects that strategically support the state's infrastructure needs.

Broadband for Public Housing Program (BPH)

- Timeline (Round 1): NOFA released October 2023; application window Oct 12–Jan 15, 2024.
- Allocation & Standards: \$31,780,750 for broadband infrastructure serving publicly owned, low-income housing; target ≥100/100 Mbps (or ≥100/20 Mbps where constraints apply).
- Awards: Eleven projects totaling \$31,780,750 enabling broadband infrastructure for 18,045 units serving 39,699 residents.

- Status:
 - Seven projects (64%) are more than halfway complete.
 - DHCD reimbursed \$5,521,857.92 (17%) to subrecipients as of June 30, 2026.
 - Data collected by OSB in June 2026 found that subrecipients self-reported that their total expenses, including funds that have not yet been requested for reimbursement, were \$14,346,189 (45%).

Connected Communities Grant Program (GAP)

- Timeline: Awards issued March 30, 2023; following internal scoring, MOUs executed February 2024, consistent with CPF milestones.
- Equitable Funding Approach: Rather than traditional scoring, OSB applied CPF Digital Connectivity Technology Project criteria (documented performance/pricing, federal/state broadband data, user speed tests, and related evidence) to determine eligibility and prioritize distinct covered populations.
- Allocation & Standards: \$2M for community/MDU deployments capable of $\geq 100/100$ Mbps (or $\geq 100/20$ Mbps where constraints apply).
- Demand & Awards: 43 applications requesting \$8,492,993; 10 awards totaling \$2,000,000.
- Status:
 - Major work has been completed; the subgrant project period ends July 2026.
 - The total expenditure is \$1,933,239, leaving \$66,761 unexpended.
 - Projects provided MDU deployments resulting in access for 1,348 low-income residences capable of $\geq 100/100$ Mbps (or $\geq 100/20$ Mbps where constraints apply).
 - Seven projects have successfully closed; three are in the closeout review process.

Broadband for Difficult to Serve Premises (DSP) Grant Program

- Timeline: Round opened October 2023; applications due December 22, 2023; awards issued March 1, 2024, per CPF schedule.
- Allocation & Standards: \$24M for construction to reach remote or otherwise challenging premises; target $\geq 100/100$ Mbps (or $\geq 100/20$ Mbps where constraints apply). Required 25% match; \$8,000 maximum CPF contribution per unserved location.
- Awards: 18 awards totaling \$25,628,109 with plans to build infrastructure to 4,355 residences and 48 businesses.

Addressing Critical Needs

All Department of Housing and Community Development programs provide equitable and inclusive awareness to communities and eligible households. The versatility of our awareness and access ensures that all possible measures of distribution are accounted for.

Intended Outcomes

Maryland ranks highly in broadband availability and adoption compared to other states. However, its broadband infrastructure remains a work in progress, with no single solution meeting the needs of every community. Effective solutions vary based on the geographic, demographic, political, economic, and technological characteristics of each area. Maryland designed its CPF initiatives to address geographic, economic, and technological challenges to make progress on the overall objective of increasing access to reliable broadband infrastructure.

During the reporting period, subrecipients have designed and implemented network solutions to meet the needs of local communities and residents. As our programs make progress on implementation and completion this year, interim outcomes are starting to demonstrate progress on bridging the digital divide.

- 50 of the 81 projects (62%) completed or more than halfway complete construction before or during the reporting period.
- Completed projects now provide broadband access to 6,581 locations serving 6,383 residences, including residences in multi-unit dwellings, and 284 businesses.
- \$78,404,648 (46%) has been expended from the beginning of the program through the reporting period.

During the next reporting period, all projects will be complete, and more data will be available on the full impact of these initiatives.

Labor

Maryland project awardees are strictly prohibited from discriminating against any person based on race, color, religion, ancestry, creed, national origin, sex, marital status, physical or mental handicap, sexual orientation, or age in any aspect of their operations. This mandate aligns with the state's commitment to uphold the principles of equal opportunity in employment. All awardees are required to comply with applicable federal, state, and local laws regarding discrimination and equal opportunity in employment. These measures ensure that workforce practices are fair, inclusive, and non-discriminatory, promoting a diverse and equitable workplace. In addition, all awardees, contractors, and subcontractors working on the infrastructure must abide by both the Maryland Wage Payment and Collection Law as well as the Maryland Wage and Hour Law. The Maryland Wage and Hour Law is like the federal Fair Labor Standards Act (FLSA) but contains some important differences.

1. Maryland Wage Payment and Collection Law:

- This law ensures that employees receive timely and full payment for their work. It outlines the rights of employees to receive their wages and the responsibilities of employers to pay those wages promptly and accurately

2. Maryland Wage and Hour Law:

- Like the federal Fair Labor Standards Act (FLSA), this law sets standards for minimum wage, overtime pay, and recordkeeping. However, it also contains important differences that may provide greater protection for workers in Maryland.
- For example, Maryland's minimum wage rates and overtime provisions may differ from federal standards, ensuring that workers receive fair compensation for their labor.

Maryland encourages local hiring practices to maximize employment opportunities for residents. By prioritizing local workers, these initiatives support the local economy, reduce unemployment, and foster community investment in infrastructure projects. Maryland's labor laws and workforce practices are designed to align with federal standards and support the objectives of federal programs. The state's robust legal framework ensures that projects are carried out ethically, with strong protection for workers' rights and fair compensation practices. These measures not only promote high-quality

infrastructure development but also contribute to the state's economic recovery by creating employment opportunities and fostering a skilled and well-compensated workforce.

By implementing these comprehensive labor standards and practices, Maryland ensures that its broadband infrastructure projects are completed efficiently, to high standards, and in a manner that supports the well-being and economic prosperity of its workers and communities.

Community Engagement

During this performance period, the focus of community engagement activities shifted toward subrecipients as they worked through the implementation phase of their projects. These activities help raise awareness and attract subscribers to the new services as well as provide opportunities for the OSB to collaborate strategically with provider partners on deployment goals and discuss the evolving take-rate landscape within project areas.

The Maryland Office of Statewide Broadband (OSB) actively incorporates feedback from communities, organizations, and constituents in the selection and implementation of Capital Projects Fund Projects. This process involves several key steps and activities:

1. Quarterly Meetings with Jurisdictional Partners:

- OSB holds quarterly public meetings with jurisdictional partners.
- Jurisdictions are encouraged to provide comments and suggestions, which are then reviewed and integrated into the programs where possible.
- These meetings serve as a continuous feedback loop, allowing for real-time adjustments and improvements to our initiatives.

2. Presentations at Public Forums:

- OSB presents at forums such as the Maryland Association of County Officials (MACO) and the Maryland Economic Development Association (MEDA).
- During these events, OSB shares detailed program information and addresses questions from attendees, incorporating their feedback into program planning and execution.

3. Jurisdictional Public Meetings:

- Upon invitation, OSB attends various jurisdictional public meetings to provide program updates and gather feedback directly from community members.
- This face-to-face interaction ensures that community voices are heard and considered in decision-making processes.

Plans for Sustaining and Enhancing Community Engagement

1. Continuous Improvement and Growth:

- OSB is committed to sustaining, improving, and growing community engagement efforts in the subsequent performance year.
- OSB will continue to monitor and incorporate feedback from all stakeholders, ensuring that projects remain responsive to community needs and priorities.

As projects enter their final phase for the remaining performance period, OSB ensures that feedback from communities, organizations, and constituents is integral to the successful implementation of CPF Projects.