

New Jersey BEAD Program: Subgrantee FAQ

New Jersey Office of Broadband Connectivity (OBC)

As of September 15, 2026

This FAQ is specific to the New Jersey Broadband Equity, Access, and Deployment (BEAD) Program and is meant to complement the National Telecommunications and Information Administration's (NTIA) federal [BEAD FAQ](#), which is regularly updated. OBC will add to this FAQ document as the program moves forward.

1. Subgrantee Agreement

1.1. After we sign, can we withdraw individual broadband serviceable locations, also called BSLs?

Please refer to [NTIA's Reason Code Guidance](#), which covers allowable situations and requirements for withdrawing a broadband serviceable location from BEAD.

As of the most recent [NTIA BEAD FAQ publication on August 3, 2026](#) (see 9.9, 9.10, and 9.11), States and Subgrantees may mutually agree to remove a location following execution of the Subgrant Agreement. This process requires the Subgrantee to provide evidence demonstrating that the location's service requirements have been met and that the location is no longer eligible for BEAD funding.

1.2. What happens if NTIA changes its guidance after we sign?

You must comply with federal requirements as they are updated. When federal guidance changes, OBC may put those changes into effect through an amendment or through updated program requirements consistent with the federal terms and conditions.

1.3. What happens if we find that some locations cannot be built?

We expect you to identify feasibility constraints as early as you can during planning and pre-deployment. If you later determine that specific locations cannot be built because of documented technical, environmental, permitting, or access limitations, notify OBC promptly. Any proposed change is subject to OBC review and approval, and a material change may require an amendment to your Award/Subgrantee Agreement. Finding infeasible locations does not by itself extend your timeline or relieve you of a milestone.¹

2. Disbursement and Milestones

2.1. What does a fixed amount subaward mean for me?

Your award is a fixed amount tied to defined milestones rather than a cost-reimbursement grant. You are paid after each milestone is completed and verified, not based on invoices for individual line-item costs.

¹ [NTIA's Using BEAD Non-Service Reason Codes During the Period of Performance](#)

2.2. How and when will I be paid?

Payments are made after each applicable milestone is completed and verified. Before a payment is released, OBC also confirms that you are current on environmental, reporting, financial, and program requirements. Though disbursements are required to be made at least every six months, OBC encourages you to request disbursements quarterly (as long as milestones are met). The six-month interval originates in NTIA's Letter of Credit Waiver, which conditions the alternative 10% letter of credit or performance bond option on reimbursement periods of no more than six months. OBC has elected to apply the six-month requirement to all New Jersey BEAD subgrants, whichever surety option you use. Quarterly requests are not required, but they keep your documentation current, spread the verification workload across the year, and improve your cash flow.

2.3. Is the six-month disbursement window fixed?

The six-month maximum disbursement schedule is a federal requirement for Non-LEO providers using the 10% letter of credit (LOC) option, and OBC has elected to apply it to all New Jersey BEAD subgrants. Your exact payment terms will be set out in your Subgrantee Agreement (SGA).

3. Reporting

3.1. What reports are due, and how often?

Quarterly reports are due four times a year. Reports are due January 15, April 15, July 15, and October 15. These dates are set to align with the State's Semi-Annual Report cycle and to give you time to prepare. Beyond those, you will submit reporting to show that locations have been passed, to request disbursements, to complete annual performance certifications, and to provide other information as OBC requests. OBC will share more detail on the specific reports and templates in the coming weeks.

4. Environmental and Historic Preservation (EHP)

4.1. Which costs can we incur before National Environmental Policy Act (NEPA) clearance?

Before NEPA clearance, only non-ground-disturbing, pre-construction costs are eligible. These are limited to planning, administrative, and analytical work that does not commit the project to a specific build or cause environmental impact.

Eligible costs may include project planning and management; environmental and engineering studies that support the NEPA review; preliminary design and non-invasive data collection; and legal, accounting, and compliance costs.

Costs that are not eligible before clearance include any ground-disturbing or construction activity and the procurement or installation of network facilities or materials.

As a general rule, if a cost advances physical construction or narrows the environmental alternatives, it is not allowable before NEPA clearance.

4.2. For the endangered species items (2.a.1 and 2.a.2), will I work directly with the U.S. Fish and Wildlife Service (USFWS) and the National Marine Fisheries Service (NMFS), or will the State handle that consultation?

You (the Subgrantee) will work directly with USFWS and NMFS. As a condition of your subgrant and the BEAD General Terms and Conditions, you must timely prepare any required NEPA documents, complete the required consultations, obtain any required permits, adhere to the applicable statutory deadlines in 42 U.S.C. § 4336a(g), and provide a milestone schedule identifying specific deadlines for completing consultations, completing the NEPA and Section 106 reviews, and submitting any Environmental Assessment or Environmental Impact Statement (BEAD General Terms and Conditions, Sections 13.B.2 and 13.B.3).²

The State will not handle the consultations. As joint lead agency, OBC certifies the sufficiency of your NEPA documentation by independently reviewing your drafts and verifying that they meet NEPA requirements and then submits that documentation to NTIA through ESAPTT for review and approval (Section 13.B).

As a reminder, construction cannot begin and no BEAD funds can be disbursed to you for a project area until all applicable EHP permitting requirements for that area are complete and NTIA has issued the necessary decision document that meets NEPA requirements (Section 13.A).

5. Permitting and approval

5.1. Do we need local permits in hand before construction begins?

Yes. You may begin construction in an area only once every federal, state, and local permit for that area has been obtained.

5.2. What should we do if a local jurisdiction delays or denies a permit?

Report permitting status to OBC on a consistent cadence. You remain responsible for obtaining every permit your project requires. Tell us as soon as you anticipate or encounter a delay or denial, and send along the supporting documentation or correspondence from the permitting authority.

Consistent with the NTIA Terms and Conditions, OBC is engaging with local jurisdictions and permitting offices to help them prepare for the volume of BEAD permit applications and to reduce systemic delays.

5.3. Are railroad, New Jersey Department of Transportation (NJDOT), or federal land permits handled differently under BEAD?

² [NTIA, General Terms and Conditions for the Broadband Equity, Access, and Deployment \(BEAD\) Program § 13 \(Nov. 18, 2025\).](#)

No. These permits are treated the same as any other approval your project needs. You are responsible for securing all required permits, approvals, and authorizations under applicable federal, state, and local law.

5.4. Which permits are we responsible for obtaining?

You are solely responsible for obtaining every permit, approval, and authorization needed to complete the proposed work, including all applicable federal, state, and local approvals. The State does not secure permits or approvals on your behalf.

6. Timeline Expectations

6.1. How should we handle supply chain delays?

Build realistic procurement assumptions into your project schedule and manage supply chain risk actively. If you experience a documented disruption, OBC may consider a reasonable schedule adjustment consistent with BEAD Program requirements and your Subgrantee Agreement. Where allowable, you may use pre-award costs to move eligible preparatory work forward, such as early procurement or planning, to reduce the risk of delay. Using pre-award costs does not waive a milestone or guarantee schedule relief.

6.2. What if a permitting delay puts a milestone date at risk?

Notify OBC as soon as you see the risk, with documentation of the delay.

6.3. When does the period of performance begin?

Your period of performance begins on the effective date of your SGA.

7. Proof of Passing

7.1. How are performance measures validated, and what happens if we fall short of the required standards?

NTIA's Policy Notice³ sets out the performance metrics that apply to your network, including speed, latency, and service availability.

7.2. What counts as a location being passed?

A location is passed when qualifying broadband service is available there and can be installed and activated within ten (10) business days of a request, at no cost to the subscriber beyond standard installation or service charges.⁴

³ [NTIA's Performance Measures for BEAD Last Mile Networks Policy Notice](#)

⁴ *Establishing the Digital Opportunity Data Collection, Third Report and Order*, 36 FCC Rcd 1126, 1141 ¶ 35 (2021); [47 CFR § 1.7001\(a\)\(19\)](#); [47 U.S.C. § 641\(14\)](#)

The service must meet the applicable NTIA performance requirements, including required speeds and latency, and must be capable of being delivered to the location on request. The test is availability, not whether the location currently has an active subscription.

8. Communication and support

8.1. Where can I find the federal BEAD program FAQ?

NTIA maintains a program-wide BEAD FAQ that covers the federal rules and definitions in detail. This OBC FAQ complements it with New Jersey guidance rather than repeating it. NTIA's current version (Version 23, August 2026) is available here:

https://broadbandusa.ntia.gov/sites/default/files/2026-08/BEAD_FAQs_V23_08_26.pdf.

Where the two documents differ, the federal requirements and the terms of your subgrant agreement control.

8.2. Who do I contact with questions?

Contact the New Jersey Office of Broadband Connectivity (OBC) with any questions about your award requirements or project-specific schedule. Email broadband@bpu.nj.gov and include "BEAD" in the subject line.

8.3. How often will OBC check in with us?

Communications from OBC will become more frequent as the deployment process gets under way.

8.4. How will we hear about guidance updates?

Look for updates by email and on the OBC website at nj.gov/connect. Additionally, stay tuned for the OBC newsletter, as well as monthly touchpoints that will start up again this fall. To update your contact information, email broadband@bpu.nj.gov.

8.5. How do we escalate an issue?

Raise the issue with OBC at broadband@bpu.nj.gov, with "BEAD" in the subject line, and we will route it to the right staff.

Key NTIA Guidance Documents

The following are the federal documents that govern the BEAD Program and subgrants. Where this FAQ and a federal document differ, the federal requirement and the terms of your Subgrantee Agreement control.

1. [BEAD General Terms and Conditions \(November 18, 2025\)](#): The binding award terms for the BEAD Program. Section 13 sets the environmental and permitting conditions that flow down into your Subgrantee Agreement, including what must be complete before construction begins and before funds are disbursed.

2. [BEAD Program FAQs](#): NTIA's program-wide questions and answers on federal rules and definitions, reissued by version number as guidance develops. Check the current version for anything this FAQ does not address.
3. [BEAD Notice of Funding Opportunity \(NOFO\)](#): The foundational program rules, covering eligibility, network performance and service obligations, and deployment deadlines. Later policy notices modify parts of it, so read it alongside the notices below.
4. [BEAD Restructuring Policy Notice \(June 6, 2025\)](#): Restructured subgrantee selection through the Benefit of the Bargain round and eliminated several earlier program requirements. This notice explains why current program terms differ from the original NOFO.
5. [Policy and Waiver Notices](#): The running index of NTIA notices and programmatic waivers that change BEAD requirements over time. Start here when you need to confirm whether a rule has been updated.