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American Recovery and Reinvestment Act *Broadband Funding: Opportunities and Guidance*

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DISCLAIMER: *This information is subject to change as programs evolve*



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American Recovery and Reinvestment Act – Broadband Stimulus Funding

Signed by President Obama on February 17, 2009, the American Recovery and Reinvestment Act (ARRA) appropriates \$7.2 billion to promote high-speed Internet, or broadband connectivity

National Telecommunications and Information Administration (NTIA) under the Department of Commerce

•\$4.7 billion

- Competitive grants
- Broadband Technology Opportunities Program (BTOP)

Rural Utilities Service (RUS) under the Department of Agriculture

▪\$2.5 billion

- Loans, loan guarantees, and grants for broadband infrastructure
- RUS broadband program typically works with rural telcos (“independents”) and cooperatives
- New rules flowing from reauthorization in 2008 Farm Bill expected

Applicants can apply for both programs (NTIA and RUS) but CANNOT have both organizations pay for the same piece of equipment



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National Telecommunications and Information Administration (NTIA) Broadband Technology Opportunities Program (BTOP)

- **Competitive grant program, at least one grant per state**
 - To provide access to unserved, underserved and public safety
 - Demand-side outreach, education, awareness, training, access and equipment
 - NTIA “may” consult with states regarding prioritization of unserved / underserved areas and allocation of grant funds
 - Non-discrimination / interconnection / “network neutrality” provisions TBD
- **Eligibility requirements**
 - States and their political subdivisions; non-profit foundations, corporations, institutions, or associations; or broadband providers IF NTIA finds that project is within the public interest.
 - Eligible entities must submit an application that provides a detailed explanation of how funds are to be used in accordance with BTOP and in an “efficient and expeditious” manner
 - Eligible state and local government entities must demonstrate that they can provide a 20% match
- **Appropriation restrictions**
 - \$4.7 billion in total
 - Of the \$4.7 billion, at least \$350 million for mapping, via grants to “eligible entities”
 - \$4.35 billion for competitive grants via BTOP
 - At least \$200 million for public computing center (libraries, community colleges)
 - At least \$250 million for innovative programs fostering sustainable adoption
 - \$10 million for oversight (Commerce Inspector General)
 - National Broadband Plan at FCC

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NTIA Broadband Technology Opportunities Program (cont.)

- **Five Overarching Goals:**
 - Bring high capacity broadband to rural, un-served and underserved areas
 - Stimulate private investment
 - Create jobs
 - High-speed access for community anchor institutions
 - Encourage demand for broadband
- **Four BTOP Grant Programs**
 - Broadband mapping
 - Public computer center capacity
 - Innovative adoption programs
 - Broadband deployment and expansion (this will be the largest program)
- **Competitive grants may be awarded under BTOP to:**
 - Acquire equipment, instrumentation, networking capability, hardware, software, digital network technology and infrastructure for broadband services
 - Construct and deploy broadband service related infrastructure
 - Ensure access to broadband by community anchor institutions
 - Facilitate access to broadband service by low-income, unemployed, aged to provide educational and employment opportunities
 - Construct and deploy broadband facilities that improve public safety broadband communications services

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NTIA Broadband Technology Opportunities Program (cont.)

- **In awarding grants, NTIA must consider whether an application**
 - Will increase the affordability of, and subscribership to, service to the greatest population of users in the area
 - Will provide the greatest broadband speed to the greatest population of users
 - Will enhance service for health care delivery, education, and public safety
- **Other important considerations**
 - Grantees must “substantially” complete projects supported by federal funding within two (2) years
 - Grantees must report on progress to NTIA on a quarterly basis
 - NTIA may de-obligate awards that demonstrate an insufficient level of performance, or wasteful or fraudulent spending
 - Grantees must show that project would not have been implemented during grant period without federal grant assistance

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Rural Utilities Service (RUS) Broadband Program

- **Award Restrictions**

- At least 75% of the area to be served must be in a rural area without sufficient access to high-speed broadband service

- **Priority will be given to:**

- Project applications for broadband systems that will deliver end users a choice of more than one service provider
- Project applications that will provide service to the highest proportion of rural residents that do not have access to broadband service
- Project applications from borrowers or former borrowers under Title II of the Rural Electrification Act of 1936
- Project applications that demonstrate that, if the application is approved, all project elements will be fully-funded
- Project applications for activities that can be completed and that can commence promptly following approval

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Opportunities for Public Comment, Notifications and Projected Dates

- **On March 12th, the NTIA and RUS jointly issued a Request for Information (RFI) soliciting comments from interested parties on a wide range of topics critical to the design and implementation of broadband programs, including, but not limited to:**
 - The establishment of criteria for grant awards
 - Grant mechanics
 - The role of various stakeholders
 - Coordination between NTIA and RUS
 - Written comments are being accepted thru April 13, 2009, for more information please visit http://www.ntia.doc.gov/frnotices/2009/FR_BTOP_RFI_090312.pdf
- **Grant, Loan and Loan Guarantee Notice of Funding Availability (NoFAs)**
 - All competitive grant notifications will be posted on www.grants.gov
 - All loan and loan guarantee notifications will be posted on www.govloans.gov
 - All awards must be awarded by September 30, 2010
- **Public Meetings and Roundtable Discussions**
 - March 16 – 24, 2009 – NTIA / RUS Joint Meetings and Roundtables (please see www.masstech.org/broadband or www.ntia.doc.gov/broadbandgrants for more information)
- **Projected dates for grant rounds (this may not be how NTIA ultimately proceeds)**
 - Round 1: April – June 2009
 - Round 2: October – December 2009
 - Round 3: April – June 2010



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Conclusions and Recommendations

- **What we have learned**
 - What we know
 - What we don't yet know
- **Massachusetts response to joint RFI**
 - Highlights
 - To view the document in its entirety, please visit www.masstech.org/broadband
- **Q&A**

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Q&A

- 20 minutes for Q&A
- The operator will give you all instructions on how to queue up momentarily
- Please pose all questions as quickly and succinctly as possible. Similarly, we will strive to answer them as succinctly as possible so as to afford the largest number of questions in the time allotted
- Thank you for your cooperation!