



Vilsack, Copps and Wade Kick Off American Recovery and Reinvestment Act's Broadband Initiative

Commerce's NTIA and Agriculture's Rural Utility Services invite comments on the program; joint request for information also establishes schedule of public roundtables

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WASHINGTON - U.S. Department of Agriculture Sec. Tom Vilsack, Acting Federal Communications Commission Chairman Michael Copps and U.S. Dept. of Commerce Senior Advisor and Acting Chief of Staff Rick Wade kicked off the joint broadband initiative under the American Recovery and Reinvestment Act today and announced a series of public meetings that will give Americans an opportunity to help shape the program.



"President Obama's commitment to expanding broadband service to rural areas will provide rural communities with access to worldwide markets and the education, first responder, and health care resources they need to prosper and compete," Vilsack said. "The Department of Agriculture stands ready to partner with the Department of Commerce and Federal Communications Commission to support the President's goal to deploy high-speed internet service in rural and unserved communities."



The U.S. Department of Commerce's National Telecommunications and Information Administration (NTIA) and the U.S. Department of Agriculture's Rural Utility Services (RUS) today also released a Joint Request for Information and Notice of Public Meetings (RFI), which invites comments from interested parties on the Broadband Technology Opportunities Program (BTOP) and the RUS grants and loans program established in the American Recovery and Reinvestment Act of 2009. To encourage public participation, the RFI sets a schedule of public meetings from March 16-24. That will give Americans an opportunity to discuss how NTIA and the Rural Utility Service should design and implement these programs. Each of these meetings will feature a roundtable discussion and an opportunity for public comment.



The meetings will be webcast, and as part of the effort to broaden public input, the March 17 meeting will be held in Las Vegas, Nev., with the following day's meeting scheduled for Flagstaff, Ariz.

The public meetings by NTIA and RUS are an important part of the agencies' efforts to move quickly to implement the Act's Broadband Initiatives. They will inform the administration's innovative and practical approach to spurring economic growth by accelerating broadband deployment in unserved,

underserved, and rural areas and to strategic institutions that are likely to create jobs or provide significant public benefits.

"President Obama believes in the power of broadband. Broadband deployment throughout the country will help drive the nation's economic recovery and growth," Wade said. "The grants represent a down-payment on President Obama's communications priority, ensuring that all Americans have access to broadband and the skills to use it. NTIA is eager to engage the public to develop grant programs that best serve the needs of targeted communities, public institutions, community educational centers, first responders, and vulnerable populations."

In connection with the new broadband initiatives, Acting Federal Communications Commission Chairman Michael J. Copps said: "Without ubiquitous broadband, our citizens--our country--will lack the competitive tools necessary for success in the Twenty-first century. The FCC has been given an important role -- to develop, over the next 12 months, a national broadband strategy. We look forward to working with our colleagues in the agencies of government and in the private sector to bring these essential, opportunity-creating tools to every American, no matter whom they are or where they live."

The request for information issued jointly by NTIA and RUS, solicits comments from interested parties on a wide range of topics (see below) critical to the design and implementation of NTIA's grant program and the Rural Utility Service's grant and loan program, including the establishment of selection criteria for grant awards, grant mechanics, the role of various stakeholders, and coordination between NTIA and RUS. The request for information also seeks comment on the creation of a national broadband map. All of these efforts should help inform the cross-agency work on the national broadband plan that will shortly be initiated by the Federal Communications Commission.

Comments will be received up to 30 days after publication of the RFI in the Federal Register. Comments may be submitted via the Web, email or mail. Commenters are strongly encouraged to file via the website, www.ntia.doc.gov/broadbandgrants<<http://www.ntia.doc.gov/broadbandgrants>>. All material sent via the U.S. Postal Service (including overnight or Express Mail) is subject to delivery delays of up to two weeks due to mail security procedures. Detailed requirements regarding submissions are set forth in the RFI. People submitting comments are advised that all comments received will be posted on the public Web site at www.ntia.doc.gov/broadbandgrants<<http://www.ntia.doc.gov/broadbandgrants>> .

The RFI solicits comments from interested parties on the following topics:

- the purposes of the BTOP program,
- the role of the States,
- eligible grant recipients,
- the establishment of selection criteria for grant awards,
- grant mechanics,
- grants for expanding public computer center capacity,

- grants for innovative programs to encourage sustainable adoption of broadband service,
- broadband mapping,
- financial contributions by grant applicants,
- timely completion of proposals,
- coordination between the BTOP and Department of Agriculture's RUS grant program,
- how terms set out in the relevant sections of the Recovery Act should be defined,
- how the success of the BTOP program should be measured,
- any other issues NTIA should consider in creating the BTOP,
- the most effective ways Department of Agriculture's RUS could offer broadband funds,
- how Department of Agriculture's RUS and NTIA can best align their Recovery Act activities
- how Department of Agriculture's RUS can evaluate whether a particular level of broadband access and service is needed to facilitate economic development,
- how Department of Agriculture's RUS should consider priorities set out in the Recovery Act in selecting applications, and
- what benchmarks should be used to determine the success of its Recovery Act broadband activities.

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DEPARTMENT OF COMMERCE

National Telecommunications and Information Administration

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Docket No. 090309298-9299-01

Notice: American Recovery and Reinvestment Act of 2009 Broadband Initiatives

AGENCIES: National Telecommunications and Information Administration, U.S. Department of Commerce, Rural Utilities Service, U.S. Department of Agriculture.

ACTION: Joint request for information and notice of public meetings.

Summary: Section 6001 of the American Recovery and Reinvestment Act of 2009 (Recovery Act) requires the National Telecommunications and Information Administration (NTIA) to establish the Broadband Technology Opportunities Program (BTOP). The Recovery Act further establishes authority for the Rural Utilities Service (RUS) to make grants and loans for the deployment and construction of broadband systems. NTIA and RUS will hold a series of public meetings about the new programs beginning on March 16, 2009. In addition to the information received about the new programs during the public meetings, written comments will be accepted through [insert 30 days after publication in the *Federal Register*]. Through this notice, guidance is provided as to the matters to be discussed at these public meetings and the categories of information with respect to which interested parties may submit comments.

DATES: There will be a series of public meetings in Washington, D.C. on March 16, 19, 23 and 24, 2009. Field hearings will be held in other locations on March 17 and 18, 2009. These times and the agenda topics are subject to change. Please refer to NTIA's web site, www.ntia.doc.gov/broadbandgrants or the RUS web site <http://www.rurdev.usda.gov/index.html>, for the most up-to-date meeting agenda. Additional meetings may be announced in the future. Comments will be received through [insert 30 days after publication in the *Federal Register*].

TIME AND PLACE: The meetings on March 16, 19, 23, and 24, 2009 will begin at 10:00 am and will take place at the U.S. Department of Commerce, 1401 Constitution Avenue, N.W. Washington, D.C. 20230. The meetings on March 17 and 18, 2009, will be field hearings. The location and time of the field hearings on March 17 and 18 will be announced on www.ntia.doc.gov/broadbandgrants and on <http://www.rurdev.usda.gov/index.html> Webcast

and/or transcripts of all of the public meetings will be made available on NTIA's website. Times and locations are subject to change. Any changes will be announced on the NTIA website www.ntia.doc.gov/broadbandgrants or the RUS website <http://www.rurdev.usda.gov/index.html>.

FOR FURTHER INFORMATION: For further information regarding the meetings, contact Barbara Brown at (202) 482-4374 or bbrown@ntia.doc.gov; Mary Campanola, USDA at (202) 720-8822 or mary.campanola@usda.gov.

SUPPLEMENTARY INFORMATION: Section 6001 of the American Recovery and Reinvestment Act of 2009 (Recovery Act) requires the National Telecommunications and Information Administration (NTIA), in consultation with the Federal Communications Commission (FCC), to establish the Broadband Technology Opportunities Program (BTOP). The purposes of the BTOP include accelerating broadband deployment in unserved and underserved areas and ensuring that strategic institutions that are likely to create jobs or provide significant public benefits have broadband connections. The Recovery Act also establishes authority for the RUS to make grants and loans for the deployment and construction of broadband systems. The purpose of the additional RUS broadband authority is to improve access to broadband areas without service or that lack sufficient access to high-speed broadband service to facilitate economic development. In order to facilitate the coordinated development of these programs, NTIA and RUS will host a series of public meetings related to the NTIA's and RUS' broadband Recovery Act activities beginning on March 16, 2009. These meetings are in addition to the Joint Meeting to be held on March 10, 2009 at the Department of Commerce.¹ FCC representatives will participate in the public meetings related to the FCC's mission. The public meetings will be organized around key program themes, including but not limited to the definitions to be adopted, the role of the states in the grants process, the relationship of BTOP to the RUS loan and grant program and other Recovery Act programs, the grant selection criteria, the role of for-profit providers as potential grant recipients, and other topics.

Matters to Be Considered: Information is being sought on the following topics. Aspects of some of these topics will be discussed at the public meetings. Interested parties are invited to attend the meetings and to submit comments for the record on these topics to assist NTIA in establishing and administering BTOP and RUS in implementing its expanded authority. Comments addressing specific agency questions may be used by either agency in formulating its respective programs. Comments will be received through [insert 30 days after publication in the *Federal Register*].

NTIA:

- 1. The Purposes of the Grant Program:** Section 6001 of the Recovery Act establishes five purposes for the BTOP grant program.²

¹ Joint Notice of Public Meeting, 38 Fed. Reg. 8914 (Feb. 27, 2009).

² Sec. 6001(b) states that the purposes of the program are to—

- (1) provide access to broadband service to consumers residing in unserved areas of the United States;
- (2) provide improved access to broadband service to consumers residing in underserved areas of the United States;
- (3) provide broadband education, awareness, training, access, equipment, and support to—

- a. Should a certain percentage of grant funds be apportioned to each category?
 - b. Should applicants be encouraged to address more than one purpose?
 - c. How should the BTOP leverage or respond to the other broadband-related portions of the Recovery Act, including the United States Department of Agriculture (USDA) grants and loans program as well as the portions of the Recovery Act that address smart grids, health information technology, education, and transportation infrastructure?
2. The Role of the States: The Recovery Act states that NTIA may consult the States (including the District of Columbia, territories, and possessions) with respect to various aspects of the BTOP.³ The Recovery Act also requires that, to the extent practical, the BTOP award at least one grant to every State.⁴
- a. How should the grant program consider State priorities in awarding grants?
 - b. What is the appropriate role for States in selecting projects for funding?
 - c. How should NTIA resolve differences among groups or constituencies within a State in establishing priorities for funding?
 - d. How should NTIA ensure that projects proposed by States are well-executed and produce worthwhile and measurable results?
3. Eligible Grant Recipients: The Recovery Act establishes entities that are eligible for a grant under the program.⁵ The Recovery Act requires NTIA to determine by rule whether it is in

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- (A) schools, libraries, medical and healthcare providers, community colleges, and other institutions of higher education, and other community support organizations and entities to facilitate greater use of broadband service by or through these organizations;
 - (B) organizations and agencies that provide outreach, access, equipment, and support services to facilitate greater use of broadband service by low-income, unemployed, aged, and otherwise vulnerable populations; and
 - (C) job-creating strategic facilities located within a State-designated economic zone, Economic Development District designated by the Department of Commerce, Renewal Community or Empowerment Zone designated by the Department of Housing and Urban Development, or Enterprise Community designated by the Department of Agriculture;
- (4) improve access to, and use, of broadband service by public safety agencies; and
 - (5) stimulate the demand for broadband, economic growth, and job creation.

³ Sec. 6001(c) states that the Assistant Secretary may consult a State, the District of Columbia, or territory or possession of the United States with respect to—

- (1) the identification of areas described in subsection (b)(1) or (2) located in that State; and
- (2) the allocation of grant funds within that State for projects in or affecting the State.

⁴ Section 6001(h)(1).

⁵ Section 6001(e) states that eligible applicants shall—

(1)(A) be a State or political subdivision thereof, the District of Columbia, a territory or possession of the United States, an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450(b)) or native Hawaiian organization;

- (B) a nonprofit—
- (i) foundation,
 - (ii) corporation,
 - (iii) institution, or

the public interest that entities other than those listed in Section 6001(e)(1)(A) and (B) should be eligible for grant awards. What standard should NTIA apply to determine whether it is in the public interest that entities other than those described in Section 6001(e)(1)(A) and (B) should be eligible for grant awards?

4. Establishing Selection Criteria for Grant Awards: The Recovery Act establishes several considerations for awarding grants under the BTOP.⁶ In addition to these considerations, NTIA may consider other priorities in selecting competitive grants.
 - a. What factors should NTIA consider in establishing selection criteria for grant awards? How can NTIA determine that a Federal funding need exists and that private investment is not displaced? How should the long-term feasibility of the investment be judged?
 - b. What should the weighting of these criteria be in determining consideration for grant and loan awards?
 - c. How should the BTOP prioritize proposals that serve underserved or unserved areas? Should the BTOP consider USDA broadband grant awards and loans in establishing these priorities?
 - d. Should priority be given to proposals that leverage other Recovery Act projects?
 - e. Should priority be given to proposals that address several purposes, serve several of the populations identified in the Recovery Act, or provide service to different types of areas?
 - f. What factors should be given priority in determining whether proposals will encourage sustainable adoption of broadband service?
 - g. Should the fact that different technologies can provide different service characteristics, such as speed and use of dedicated or shared links, be considered given the statute's direction that, to the extent practicable, the purposes of the statute should be promoted in a technologically neutral fashion?
 - h. What role, if any, should retail price play in the grant program?
5. Grant Mechanics: The Recovery Act requires all agencies to distribute funds efficiently and fund projects that would not receive investment otherwise.

(iv) association; or
(C) any other entity, including a broadband service or infrastructure provider, that the Assistant Secretary finds by rule to be in the public interest. In establishing such rule, the Assistant Secretary shall to the extent practicable promote the purposes of this section in a technologically neutral manner

⁶ Section 6001(h) states that NTIA, in awarding grants, shall, to the extent practical—

- (2) consider whether an application to deploy infrastructure in an area—
 - a. will, if approved, increase the affordability of, and subscribership to, service to the greatest population of users in the area;
 - b. will, if approved, provide the greatest broadband speed possible to the greatest population of users in the area;
 - c. will, if approved, enhance service for health care delivery, education, or children to the greatest population of users in the area; and
 - d. will, if approved, not result in unjust enrichment as a result of support for non-recurring costs through another Federal program for service in the area;
- (3) consider whether the applicant is a socially and economically disadvantaged small business concern as defined under section 8(a) of the Small Business Act (15 U.S.C. 637).

- a. What mechanisms for distributing stimulus funds should be used by NTIA and USDA in addition to traditional grant and loan programs?
 - b. How would these mechanisms address shortcomings, if any, in traditional grant or loan mechanisms in the context of the Recovery Act?
6. Grants for Expanding Public Computer Center Capacity: The Recovery Act directs that not less than \$200,000,000 of the BTOP shall be awarded for grants that expand public computer center capacity, including at community colleges and public libraries.
- a. What selection criteria should be applied to ensure the success of this aspect of the program?
 - b. What additional institutions other than community colleges and public libraries should be considered as eligible recipients under this program?
7. Grants for Innovative Programs to Encourage Sustainable Adoption of Broadband Service: The Recovery Act directs that not less than \$250,000,000 of the BTOP shall be awarded for grants for innovative programs to encourage sustainable adoption of broadband services.
- a. What selection criteria should be applied to ensure the success of this program?
 - b. What measures should be used to determine whether such innovative programs have succeeded in creating sustainable adoption of broadband services?
8. Broadband Mapping: The Recovery Act directs NTIA to establish a comprehensive nationwide inventory map of existing broadband service capability and availability in the United States that depicts the geographic extent to which broadband service capability is deployed and available from a commercial provider or public provider throughout each State.⁷
- a. What uses should such a map be capable of serving?
 - b. What specific information should the broadband map contain, and should the map provide different types of information to different users (e.g., consumers versus governmental entities)?
 - c. At what level of geographic or other granularity should the broadband map provide information on broadband service?
 - d. What other factors should NTIA take into consideration in fulfilling the requirements of the Broadband Data Improvement Act, Pub. L. No. 110-385 (2008)?
 - e. Are there State or other mapping programs that provide models for the statewide inventory grants?
 - f. Specifically what information should states collect as conditions of receiving statewide inventory grants?
 - g. What technical specifications should be required of state grantees to ensure that statewide inventory maps can be efficiently rolled up into a searchable national broadband database to be made available on NTIA's website no later than February 2011?
 - h. Should other conditions attach to statewide inventory grants?
 - i. What information, other than statewide inventory information, that should populate the comprehensive nationwide map?
 - j. The Recovery Act and the Broadband Data Improvement Act (BDIA) imposes duties

⁷ Section 6001(l).

on both NTIA and FCC concerning the collection of broadband data. Given the statutory requirements of the Recovery Act and the BDIA, how should NTIA and FCC best work together to meet these requirements?

- 9. Financial Contributions by Grant Applicants:** The Recovery Act requires that the Federal share of funding for any proposal may not exceed 80 percent of the total grant.⁸ The Recovery Act also requires that applicants demonstrate that their proposals would not have been implemented during the grant period without Federal assistance.⁹ The Recovery Act allows for an increase in the Federal share beyond 80 percent if the applicant petitions NTIA and demonstrates financial need.
 - a. What factors should an applicant show to establish the “financial need” necessary to receive more than 80 percent of a project’s cost in grant funds?
 - b. What factors should the NTIA apply in deciding that a particular proposal should receive less than an 80 percent Federal share?
 - c. What showing should be necessary to demonstrate that the proposal would not have been implemented without Federal assistance?

- 10. Timely Completion of Proposals:** The Recovery Act states that NTIA shall establish the BTOP as expeditiously as practicable, ensure that all awards are made before the end of fiscal year 2010, and seek assurances from grantees that projects supported by the programs will be substantially completed within two (2) years following an award.¹⁰ The Recovery Act also requires that grant recipients report quarterly on the recipient’s use of grant funds and the grant recipient’s progress in fulfilling the objectives of the grant proposal.¹¹ The Recovery Act permits NTIA to de-obligate awards to grant recipients that demonstrate an insufficient level of performance, or wasteful or fraudulent spending (as defined by NTIA in advance), and award these funds to new or existing applicants.¹²
 - a. What is the most efficient, effective, and fair way to carry out the requirement that the BTOP be established expeditiously and that awards be made before the end of fiscal year 2010?
 - b. What elements should be included in the application to ensure the projects can be completed within two (2) years (e.g., timelines, milestones, letters of agreement with partners)?

- 11. Reporting and Deobligation:** The Recovery Act also requires that grant recipients report quarterly on the recipient’s use of grant funds and progress in fulfilling the objectives of the grant proposal.¹³ The Recovery Act permits NTIA to de-obligate funds for grant awards that

⁸ Section 6001(f).

⁹ Section 6001(e)(3).

¹⁰ Section 6001(d).

¹¹ Section 6001(i)(1).

¹² Section 6001(i)(4).

¹³ Section 6001(i)(1).

demonstrate an insufficient level of performance, or wasteful or fraudulent spending (as defined by NTIA in advance), and award these funds to new or existing applicants.¹⁴

- a. How should NTIA define wasteful or fraudulent spending for purposes of the grant program?
- b. How should NTIA determine that performance is at an “insufficient level?”
- c. If such spending is detected, what actions should NTIA take to ensure effective use of investments made and remaining funding?

12. Coordination with USDA’s Broadband Grant Program: The Recovery Act directs USDA’s Rural Development Office to distribute \$2.5 billion dollars in loans, loan guarantees, and grants for broadband deployment. The stated focus of the USDA’s program is economic development in rural areas. NTIA has broad authority in its grant program to award grants throughout the United States. Although the two programs have different statutory structures, the programs have many similar purposes, namely the promotion of economic development based on deployment of broadband service and technologies.

- a. What specific programmatic elements should both agencies adopt to ensure that grant funds are utilized in the most effective and efficient manner?
- b. In cases where proposals encompass both rural and non-rural areas, what programmatic elements should the agencies establish to ensure that worthy projects are funded by one or both programs in the most cost effective manner without unjustly enriching the applicant(s)?

13. Definitions: The Conference Report on the Recovery Act states that NTIA should consult with the FCC on defining the terms “unserved area,” “underserved area,” and “broadband.”¹⁵ The Recovery Act also requires that NTIA shall, in coordination with the FCC, publish nondiscrimination and network interconnection obligations that shall be contractual conditions of grant awards, including, at a minimum, adherence to the principles contained in the FCC’s broadband policy statement (FCC 05-15, adopted August 5, 2005).¹⁶

- a. For purposes of the BTOP, how should NTIA, in consultation with the FCC, define the terms “unserved area” and “underserved area?”
- b. How should the BTOP define “broadband service?”
 - (1) Should the BTOP establish threshold transmission speeds for purposes of analyzing whether an area is “unserved” or “underserved” and prioritizing grant awards? Should thresholds be rigid or flexible?
 - (2) Should the BTOP establish different threshold speeds for different technology platforms?
 - (3) What should any such threshold speed(s) be, and how should they be measured and evaluated (e.g., advertised speed, average speed, typical speed, maximum speed)?
 - (4) Should the threshold speeds be symmetrical or asymmetrical?
 - (5) How should the BTOP consider the impacts of the use of shared facilities by

¹⁴ Section 6001(i)(4).

¹⁵ H.R. Rep. No. 111-16, at 776 (2009) (Conf. Rep.).

¹⁶ Section 6001(j).

- service providers and of network congestion?
- c. How should the BTOP define the nondiscrimination and network interconnection obligations that will be contractual conditions of grants awarded under Section 6001?
 - (1) In defining nondiscrimination obligations, what elements of network management techniques to be used by grantees, if any, should be described and permitted as a condition of any grant?
 - (2) Should the network interconnection obligation be based on existing statutory schemes? If not, what should the interconnection obligation be?
 - (3) Should there be different nondiscrimination and network interconnection standards for different technology platforms?
 - (4) Should failure to abide by whatever obligations are established result in de-obligation of fund awards?
 - (5) In the case of infrastructure paid for in whole or part by grant funds, should the obligations extend beyond the life of the grant and attach for the useable life of the infrastructure?
 - d. Are there other terms in this section of the Recovery Act, such as “community anchor institutions,” that NTIA should define to ensure the success of the grant program? If so, what are those terms and how should those terms be defined, given the stated purposes of the Recovery Act?
 - e. What role, if any, should retail price play in these definitions?

- 14. Measuring the Success of the BTOP:** The Recovery Act permits NTIA to establish additional reporting and information requirements for any recipient of grant program funds.
- a. What measurements can be used to determine whether an individual proposal has successfully complied with the statutory obligations and project timelines?
 - b. Should applicants be required to report on a set of common data elements so that the relative success of individual proposals may be measured? If so, what should those elements be?

- 15.** Please provide comment on any other issues that NTIA should consider in creating BTOP within the confines of the statutory structure established by the Recovery Act.

RUS:

The provisions regarding the RUS Recovery Act broadband grant and loan activities are found in Division A, title I under the heading Rural Utilities Service, Distance Learning, Telemedicine and Broadband Program of the Recovery Act.¹⁷

¹⁷ The text of this authority is as follows:

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM For an additional amount for the cost of broadband loans and loan guarantees, as authorized by the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) and for grants (including for technical assistance), \$2,500,000,000: Provided, That the cost of direct and guaranteed loans shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That, notwithstanding title VI of the Rural Electrification Act of 1936, this amount is available for grants, loans and loan guarantees for broadband infrastructure

1. What are the most effective ways RUS could offer broadband funds to ensure that rural residents that lack access to broadband will receive it?

For a number of years, RUS has struggled to find an effective way to use the Agency's current broadband loan program to provide broadband access to rural residents that lack such access. RUS believes that the authority to provide grants as well as loans will give it the tools necessary to achieve that goal. RUS is looking for suggestions as to the best ways to:

- a. bundle loan and grant funding options to ensure such access is provided in the projects funded under the Recovery Act to areas that could not traditionally afford the investment;
 - b. promote leveraging of Recovery Act funding with private investment that ensures project viability and future sustainability; and
 - c. ensure that Recovery Funding is targeted to unserved areas that stand to benefit the most from this funding opportunity.
2. In what ways can RUS and NTIA best align their Recovery Act broadband activities to make the most efficient and effective use of the Recovery Act broadband funds?

In the Recovery Act, Congress provided funding and authorities to both RUS and the NTIA to expand the development of broadband throughout the country. Taking into account the authorities and limitations provided in the Recovery Act, RUS is looking for suggestions as to how both agencies can conduct their Recovery Act broadband activities so as to foster effective broadband development. For instance:

- a) RUS is charged with ensuring that 75 percent of the area is rural and without sufficient access needed for economic development. How should this definition be reconciled with the NTIA definitions of "unserved" and "underserved?"
- b) How should the agencies structure their eligibility requirements and other programmatic elements to ensure that applicants that desire to seek funding from both

in any area of the United States: Provided further, That at least 75 percent of the area to be served by a project receiving funds from such grants, loans or loan guarantees shall be in a rural area without sufficient access to high speed broadband service to facilitate rural economic development, as determined by the Secretary of Agriculture: Provided further, That priority for awarding such funds shall be given to project applications for broadband systems that will deliver end users a choice of more than one service provider: Provided further, That priority for awarding funds made available under this paragraph shall be given to projects that provide service to the highest proportion of rural residents that do not have access to broadband service: Provided further, That priority shall be given for project applications from borrowers or former borrowers under title II of the Rural Electrification Act of 1936 and for project applications that include such borrowers or former borrowers: Provided further, That priority for awarding such funds shall be given to project applications that demonstrate that, if the application is approved, all project elements will be fully funded: Provided further, That priority for awarding such funds shall be given to project applications for activities that can be completed if the requested funds are provided: Provided further, That priority for awarding such funds shall be given to activities that can commence promptly following approval: Provided further, That no area of a project funded with amounts made available under this paragraph may receive funding to provide broadband service under the Broadband Technology Opportunities Program: Provided further, That the Secretary shall submit a report on planned spending and actual obligations describing the use of these funds not later than 90 days after the date of enactment of this Act, and quarterly thereafter until all funds are obligated, to the Committees on Appropriations of the House of Representatives and the Senate.

agencies (i) do not receive duplicate resources and (ii) are not hampered in their ability to apply for funds from both agencies?

3. How should RUS evaluate whether a particular level of broadband access and service is needed to facilitate economic development?

Seventy-five percent of an area to be funded under the Recovery Act must be in an area that USDA determines lacks sufficient “high speed broadband service to facilitate rural economic development.” RUS is seeking suggestions as to the factors it should use to make such determinations.

- a) How should RUS define “rural economic development?” What factors should be considered, in terms of job growth, sustainability, and other economic and socio-economic benefits?
 - b) What speeds are needed to facilitate “economic development?” What does "high speed broadband service" mean?
 - c) What factors should be considered, when creating economic development incentives, in constructing facilities in areas outside the seventy-five percent area that is rural (i.e., within an area that is less than 25 percent rural)?
4. In further evaluating projects, RUS must consider the priorities listed below. What value should be assigned to those factors in selecting applications? What additional priorities should be considered by RUS?

Priorities have been assigned to projects that will: 1) give end-users a choice of internet service providers, 2) serve the highest proportion of rural residents that lack access to broadband service, 3) be projects of current and former RUS borrowers, and 4) be fully funded and ready to start once they receive funding under the Recovery Act.

5. What benchmarks should RUS use to determine the success of its Recovery Act broadband activities?

The Recovery Act gives RUS new tools to expand the availability of broadband in rural America. RUS is seeking suggestions regarding how it can measure the effectiveness of its funding programs under the Recovery Act. Factors to consider include, but are not limited to:

- a. Businesses and residences with “first-time” access
- b. Critical facilities provided new and/or improved service:
 - i. Educational institutions
 - ii. Healthcare Providers
 - iii. Public service/safety
- c. Businesses created or saved
- d. Job retention and/or creation
- e. Decline in unemployment rates
- f. State, local, community support

Status: Interested parties are invited to attend the public meetings and to submit written comments. Written comments that exceed five pages should include a one-page executive summary. Submissions containing ten (10) or more pages of text must include a table of

contents and an executive summary. NTIA will coordinate the reception of written comments for both RUS and NTIA programs. Interested parties are permitted to file comments electronically via email to BTOP@ntia.doc.gov. Parties are strongly encouraged to make electronic submissions of documents containing ten (10) or more pages. Comments provided via email may be submitted in one or more of the formats specified below. Comments may be filed with NTIA through [insert 30 days after publication in the *Federal Register*].

Paper comments should be sent to: Broadband Technology Opportunities Program, U.S. Department of Commerce, Room 4812, 1401 Constitution Avenue, N.W., Washington, DC 20230. Please note that all material sent via the U. S. Postal Service (including “Overnight” or “Express Mail”) is subject to delivery delays of up to two weeks due to mail security procedures. All written comments received will be posted on the NTIA website at www.ntia.doc.gov/broadbandgrants.

Paper submissions should also include a CD or DVD in HTML, ASCII, Word or WordPerfect format (please specify version). CDs or DVDs should be labeled with the name and organizational affiliation of the filer, and the name of the word processing program used to create the document.

Because of space limitation, attendance at the meeting will be determined on a first-come, first-served basis. The meeting will be physically accessible to people with disabilities. Individuals requiring special services, such as sign language interpretation or other ancillary aids, are asked to indicate this to Barbara Brown, bbrown@ntia.doc.gov at least two (2) days prior to the meeting. Members of the public will have an opportunity to provide comment at the meetings, time permitting.

Dated: Monday, March 09, 2009

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