

Client Alert



\$4.8 Billion Available for Broadband Projects NTIA and RUS Alter Application Guidelines

On January 15, 2010, the National Telecommunications and Information Administration (NTIA) and the Rural Utilities Service (RUS) made \$4.8 billion in American Recovery and Reinvestment Act (ARRA) funding available to expand broadband access to un-served and underserved communities. This funding constitutes the second of three rounds of funding that will distribute a total of \$7.2 billion in ARRA funding for broadband infrastructure projects. In response to complaints about how the first round of broadband funding was structured, NTIA and RUS have revised application guidelines for the second round.

Applications for this round of funding will be accepted between February 16, 2010 and March 15, 2010. This round of funding includes:

- \$2.35 billion in grants for infrastructure projects under NTIA's Broadband Technology Opportunities Program (BTOP);
- \$2.2 billion in grants and loans for infrastructure projects in rural areas under RUS's Broadband Initiatives Program (BIP);
- \$150 million for Public Computer Center grants, which can be used to enhance or expand broadband capacity at public libraries, community colleges, or other institutions; and
- \$100 million for Sustainable Broadband Adoption grants, which will provide broadband education, training and equipment to expand broadband access among vulnerable populations.

The primary changes in program guidelines for the BTOP and BIP programs from the first round to the second include:

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Separation of the BTOP and BIP Applications

Under the first round solicitations, applications that proposed to serve a rural area had to apply to the RUS BIP program for funding and could only be considered by NTIA once the proposal had been rejected by RUS. As a result, rural applicants that wished to obtain BTOP funding had to complete applications for both programs, a requirement that was burdensome for many rural communities. Under the revised rules, the BTOP and BIP solicitations are now separate and applicants may choose to apply to either or both.

Prioritization of “Comprehensive Community” Infrastructure Projects

The second round of NTIA BTOP funding will prioritize middle mile broadband projects that propose to connect key community anchor institutions. In order to clarify this approach, the “Broadband Infrastructure” category from the first round BTOP solicitation has been restructured into a “Comprehensive Community Infrastructure” category in the second round solicitation. Last mile projects or projects that do not connect community anchor institutions will still be eligible under BTOP, but will be less likely to receive funding.

Modification of “Unserved or Underserved” Requirement

In an attempt to increase funding to community colleges, police and fire stations and other vital community facilities, NTIA BTOP applicants proposing projects to connect community anchor institutions will no longer need to certify that the connected institutions be located in unserved or underserved areas. However applications that propose to serve community institutions located in unserved or underserved areas will receive additional consideration in the evaluation process.

Revised Online Application Process

NTIA has made numerous adjustments to the online application system to streamline the intake of information and make the process more user-friendly. These include reducing the number of attachments to be uploaded with the application, eliminating the proposed funded service area mapping tool, and modifying the service area delineations from Census blocks to Census tracts and block groups.

Simplified Application for NTIA BTOP

The NTIA BTOP application has been altered from the first round version in an attempt to make it easier to understand and respond to. For example, NTIA is revising BTOP’s eligibility factors and will use just three criteria – eligible entities, fully completed application, and matching funds – as the gating factors that determine whether an application is eligible for consideration. NTIA is also removing some factors from the eligibility requirements that are more effectively evaluated during the expert review and due

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diligence phases of application consideration. Additionally, NTIA is clarifying the process for requesting waivers from several key statutory and programmatic obligations.

The NTIA BTOP Notice of Funding Availability can be accessed at http://www.broadbandusa.gov/files/FedRegNOFA_R2_NTIA.pdf.

The RUS BIP Notice of Funding Availability can be found at http://www.broadbandusa.gov/files/FedRegNOFA_R2_RUS.pdf.