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## **Broadband goes country – with \$4 billion in 1<sup>st</sup> funding round**

**By Jon H. Harsch**

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As announced by Vice President Biden and Agriculture Secretary Tom Vilsack last week, signup is July 14 through 5 PM Friday, Aug. 14 for the first \$4 billion provided by the Recovery Act to extend high-speed Internet access to unserved and underserved communities in every state. Two more funding rounds will follow to allocate the full \$7.2 billion provided by the U.S. Department of Agriculture's Rural Utilities Service (RUS - \$2.5 billion) and the Commerce Department's National Telecommunications and Information Administration (NTIA - \$4.7 billion).

"The Department of Agriculture's Broadband Initiatives Program (BIP) will bring high-speed Internet service to communities across the country, create thousands of jobs, and improve economic, healthcare, and educational opportunities available in rural communities," Vilsack said. "This funding is a down payment on the President's commitment to bring the educational and economic benefits of the internet to all communities."

Conveniently, the Agriculture and Commerce departments are using a single application form for all loans, grants and loan/grant combinations. The form covers both applications to USDA for projects serving rural communities which can range up to \$800,000 per project and to Commerce for larger-scale infrastructure projects for up to \$1.2 billion per project.

Vice President Biden also announced that Commerce and USDA officials will host public workshops in July to share information about the funding availabilities and the application process. Upcoming forums will be held in Boston, MA, July 8; Charleston, WV July 10; Birmingham, AL July 14; Memphis, TN July 15; Lonoke, AR July 16; Billings, MT July 17; Minneapolis, MN July 21; Albuquerque, NM July 23; and Los Angeles, CA July 24.

Senate Agriculture Committee Chair Tom Harkin (D-IA) responded to the announcement by saying that "Having access to a quality broadband connection has become an important utility for individuals and families, a necessary tool for businesses, and in the coming years, students will need it just to complete their homework. In order for rural communities to thrive and grow, we must make broadband effectively available."

The House Agriculture Subcommittee on Rural Development, Biotechnology, Specialty Crops, and Foreign Agriculture holds a July 9<sup>th</sup> hearing on rural broadband programs which will be webcast at 10 AM at <http://agriculture.house.gov/hearings/audio.html>

Information on the broadband initiative with access to the application form, the formal 121-page “Notice of Funding Availability,” and location and registration details for the 8AM to 5:30 PM workshops is available at [www.broadbandusa.gov](http://www.broadbandusa.gov)

**Broadband initiative highlights, from Notice of Funding Availability (NOFA):**

- “In order to balance the burdens on applicants versus the needs of the agencies to efficiently evaluate applications, RUS and NTIA have developed a two-step application process. In step one, the goal is to create a pool of viable and potentially fundable applications. Step two is to fully validate the submissions in step one and identify the most highly qualified applications for funding.”
- “RUS will seek to make the extension of broadband infrastructure into difficult-serve areas affordable – a key objective of BIP funding – through substantial grant funds and attractive loan terms with reasonable security requirements.”
- “The Recovery Act establishes the rapid disbursement of the funds as an important priority for the BIP program. However, the program also must be administered judiciously to ensure responsible use of public funds. To balance these two objectives, RUS will favor funding projects that can commence construction promptly and demonstrate technical and financial feasibility, organizational capacity, and compliance with other Administration priorities. A commitment to transparency in the award process and rigorous reporting requirements will help ensure accountability.”
- “The Recovery Act requires that 75 percent of a BIP-funded area be in a rural area that ‘lacks sufficient access to high speed broadband service to facilitate rural economic development.’ Additionally, the Recovery Act mandates that priority be given to projects which: a. give end users a choice of providers; b. serve the highest proportion of rural residents that lack access to broadband service; c. are projects of current or former RUS borrowers (Title II borrowers); and d. are fully funded and ready to start once Recovery Act funding is received. BIP application scoring criteria awards projects that implement these priorities.”
- “All awards under BIP must be made no later than September 30, 2010. While the completion time will vary depending on the complexity of the project, award recipients must substantially complete projects supported by this program no later than two years, and projects must be fully completed no later than three years, following the date of issuance of the award.”