

May 15: Update on the Economic Stimulus

Important Dates:

April 13-	NTIA and RUS public comment period ended (see below)
Prior to July 4-	Notice of Funds Availability (rules for submitting proposals) expected to be released by NTIA and RUS
September '09-	First applications due
Winter '09-	Second application period
Spring '10-	Final application period

Comments submitted to NTIA and RUS:

On April 13, the period ended for submitting comments to the NTIA (National Telecommunications and Information Agency) and the RUS (Rural Utilities Service). These comments were in response to the Request for Information on Section 6001 of the American Recovery and Reinvestment Act of 2009 Broadband Initiatives (Docket No. 090309298-9299-01) that asked a series of questions designed to help the NTIA and RUS establish the rules for submitting proposals for the grant program and guidelines for how to prioritize those proposals. EDUCAUSE submitted comments in the proceeding and addressed six major areas:

1. NTIA and RUS should give the highest priority to applications proposing to serve institutions.
2. NTIA and RUS should give priority to applications that invest in “future-proof” technologies.
3. All levels of government should be involved in creating our national broadband policy.
4. All potential builders of broadband capacity should be found eligible to apply for funding.
5. Strong non-discrimination, network interconnection, and wholesale access language should apply to those broadband providers serving the general public, but should not apply to private networks.
6. Where possible, NTIA and RUS should encourage the construction of broadband facilities to all residential consumers. (This section includes proposed definitions of “unserved,” “underserved,” and “broadband.”)

For the complete comment document, please go to:

<http://net.educause.edu/ir/library/pdf/EPO0908.pdf>

Related Comments:

The State Nets community submitted comments that support extending the reach of existing state networks and emphasized their proven success of serving public and community institutions.

<http://www.ntia.doc.gov/broadbandgrants/comments/7349.pdf>

The Internet2/ NLR community submitted comments that support funding for enhanced broadband for research and education through a partnership with the National Science Foundation.

<http://www.ntia.doc.gov/broadbandgrants/comments/488.pdf>

Summary of Public Comments:

There were over 1600 comments submitted in the proceedings. Many of them addressed common misunderstandings regarding the legislation, while others strove to help define and clarify terms and priorities. The following is a general summary of the range of ideas presented:

- **There is no limitation to last mile, middle mile, or backbone projects.** While most proposals concentrated on last mile projects, several proposals, including those from EDUCAUSE and Microsoft, expressed the opinion that because the money was not enough to bring high speed networks to every home and business, the government should prioritize projects that focus on “anchor institutions” (i.e. universities, libraries, hospitals and community centers). Additionally, this would strengthen and extend the “middle mile” networks that would then be in place to provide affordable access for future residential and business networking projects. The present cost of middle mile transport was mentioned as a deterrent to deployment. People also mentioned the need to keep improving high speed backbone and research networks to spur innovation.
- **There is no specification of technologies, wired or wireless.** Most agree that the grants should be technology neutral and some even propose that the speed requirements should be based on the highest possible speed that the current wireless technology can provide.
- **The grants are not “block grants” to the states (although governors will have influence).** The state’s role was the question most frequently addressed by those providing feedback. With few exceptions, all felt that the NTIA should not give up authority to the states, but many felt that the states were well suited for an advisory role if there was no conflict of interest with a state’s application.
- **There are no established definitions of “unserved,” “underserved,” or “broadband.”**
 - **“Unserved”:** most assumed “unserved” meant no broadband access in a particular service area. Some suggested that “unserved” could apply to areas where 90% or more consumers had no access or insufficient access. (Satellite broadband was either not mentioned or not considered a disqualifying factor.)
 - **“Underserved”:** Definitions varied, with some saying that international standards would require that an area with service of less than 100 mbps be considered “underserved.” Others suggested that grants only be focused on areas with no service providers of any kind. Many community and

consumer groups pointed out that “unaffordable = unavailable = underserved.” Public safety groups suggested that “communities of interest” should be measured by their “unmet needs,” rather than geographic location.

- **“Broadband”:** In defining broadband, again there was a wide range of opinion. Comments included speeds that are:
 - Anything above standard dial-up,
 - Based on those attained by the most advanced wireless providers today,
 - Providing 768 kbps upload capability,
 - 100 kbps scalable to a gigabit,
 - Aspirational and scalable to allow Americans to compete globally
- **There is money in the legislation for demand side programs.** (\$450 million has been designated for community center capacity and for stimulating broadband demand and usage.) This is particularly popular with incumbent providers. They see deployment as only a small part of the problem, and believe stimulating demand will help make their investment worthwhile.
- **Broadband mapping:** (\$350 million has been designated.) Many but not all people feel this is a critical component of an overall strategy. All agree that any monies left over from the actual mapping function should go into other demand creating projects. There were suggestions that this information include critical consumer information such as price and speed, and that grant recipients be required to make all mapping data publicly available. There were also comments about gathering usage data from public access points, such as schools and libraries.
- **Matching funds:** There were several suggestions to make “in-kind” contributions eligible for meeting the 20% matching fund requirement.
- **Grant recipients must comply with the FCC’s Four Internet Principles:** RUS was instructed to prioritize applicants who open their networks to competitors, and NTIA was given the option to do so. Most people favored the status quo and felt that any additional requirements beyond the Internet Principles would slow up the process and discourage potential applicants. Many consumer groups favor a non-discrimination requirement, and others suggest requirements to disclose network management practices in lieu of a net neutrality mandate.

Key Issues to Watch:

- **Openness:** Will NTIA/RUS go beyond the FCC’s Four Internet Principles? Will they apply openness requirements to private networks (i.e. research and education networks)?
- **Matching Funds:** Will in-kind contributions be permitted?
- **Middle Mile:** Will funding for middle mile connections be permitted or only retail services to consumers?
- **RUS Grants or Loans:** Will RUS, who traditionally gives low-interest loans, award some funding in the form of grants?
- **Re-granting:** Will grantees be allowed to re-grant funds to eligible users?

- **Re-applying:** Will NTIA/RUS allow applicants to re-apply if they are denied in the first round?

Other Programs with IT Grant Components:

[Department of Education:](http://www.ed.gov/policy/gen/leg/recovery/index.html) <http://www.ed.gov/policy/gen/leg/recovery/index.html>

[National Institutes of Health:](http://grants.nih.gov/recovery/) <http://grants.nih.gov/recovery/>

[National Science Foundation:](http://nsf.gov/recovery/) <http://nsf.gov/recovery/>

[Department of Energy:](http://www.energy.gov/recovery/) <http://www.energy.gov/recovery/>

[National Institute of Standards and Technology:](http://www.nist.gov/recovery/) <http://www.nist.gov/recovery/>

[Department of Defense:](http://www.defenselink.mil/recovery/) <http://www.defenselink.mil/recovery/>

[NASA:](http://www.nasa.gov/recovery/) <http://www.nasa.gov/recovery/>

[Health and Human Services:](http://www.hhs.gov/recovery/) <http://www.hhs.gov/recovery/>

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