



July 8, 2009

NTIA and RUS Will Accept Rolling Applications Beginning July 14

Last week, the Commerce and Agriculture Departments released a joint [Notice of Funding Availability](#) (NOFA) announcing the application criteria and general policies that will apply to awarding the first \$4 billion of the total \$7.2 billion in federal broadband stimulus funds. The remaining funds, not dedicated to this award cycle or program administrative matters, will be made available under subsequent NOFAs. As both agencies learn from the application process, the terms of subsequent NOFAs are subject to change.

As expected, the 120-page Notice tracks the broadband stimulus language contained in the American Recovery and Reinvestment Act (Recovery Act), including the five core purposes of the program, and the requirement of a demonstration that projects could not and would not be implemented without federal funds. Below we provide you with a summary of key dates in the NOFA regarding the Department of Agriculture's Broadband Initiatives Program (BIP) and the Department of Commerce's Broadband Technology Opportunities Program (BTOP), followed by more detailed highlights regarding the Department of Commerce's BTOP. Elauwit Solutions is working with Housing Authorities and other community anchor institutions to apply for the BTOP grants.

| KEY DATES | ACTION ITEM |
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| July 7 | Application available for download or review on http://broadbandusa.sc.egov.usda.gov/workshop.htm |
| July 14 (8 am ET) - August 14 (5 pm ET) | First round of BTOP/BIP applications accepted by Agriculture's Rural Utilities Service (RUS) and Commerce's National Telecommunications and Information Administration (NTIA) |
| November 7 ("on or about" this date) | Award Announcements |
| 30 days from Award Announcements | <ul style="list-style-type: none"> RUS intends to make grant, loan, and loan/grant combination documents available to successful applicants NTIA intends to make grant award documents available to successful applicants |
| 60 day from Award Announcements | <ul style="list-style-type: none"> RUS expects compliance with all documentation requirements from successful applicants, and intends to schedule the closings NTIA expects compliance with all documentation requirements from successful applicants |
| September 30, 2010 | All awards under RUS/BIP and NTIA/BTOP must be made by this date |

We note the following additional items about the Programs:

ITEMS APPLICABLE TO BOTH BTOP and BIP:

- **Broadband Definition:** Broadband is defined as advertised speeds of at least 768 Kbps downstream and 200 Kbps upstream, or for middle mile, providing sufficient capacity to support provision of broadband service to end-users. This is a low threshold, but preference is granted under the application evaluation criteria for higher speeds.
- **Non-Discrimination Provision:** Net neutrality proponents scored a victory with a "nondiscrimination" principle that forbids applicants from favoring "any lawful Internet applications or content over others," though this principle applies only to traffic that rides over the public Internet. It does not, however, preclude awardees offering managed services over private networks. The NOFA also requires applicants to "offer interconnection, where technically-feasible, on reasonable rates and terms to be negotiated with requesting parties."
- **Expert and State Application Reviews:** Applications will be reviewed by three "peer/expert reviewers" internally at RUS or NTIA. Then, as expected, states will also play a key role in the selection process: they will be provided a list of eligible applications and invited to prioritize them. Applicants would be wise to design their proposal's geographic coverage with an eye to the relevant state's broadband inventory map (if the state has such a map) and enlist the support of state officials.



- **Awards Will Be Made on a Rolling Basis:** The Administration wants these funds to move quickly, thus awards will be made on a rolling basis, subject to the availability of funds.
- **Other Governmental Coordination:** Applicants will be evaluated on their ability to collaborate with other government funding programs that would leverage the impact of the proposed project and create greater funding efficiencies.

ITEMS SPECIFIC TO BTOP:

- **Award Type:** NTIA will only issue grants under BTOP.
- **Matching Funds:** BTOP Awardees must provide at least 20 percent matching funds toward the total eligible project cost (but applications that propose matching funds of more than 20 percent will be given additional favorable consideration). Generally, federal funds may not be used as matching funds; however, in-kind contributions of allowable project expenses may be considered. An applicant may apply to waive the 20 percent matching funds' requirement with a demonstration of financial need.
- **Award Categories:** The awards will be divided among three categories: Broadband Infrastructure, Public Computer Centers, and Sustainable Broadband Adoption.
- **Broadband Infrastructure:** Broadband infrastructure funds consist of two components, last mile and middle mile components (which include interoffice transport, backhaul, or special access), that are used to deliver broadband to unserved and underserved areas. The agencies will award infrastructure grants on a technology neutral basis and the NOFA explicitly cites fiber, fixed and mobile wireless, and satellite, though the agencies note that preference will be given cost effectiveness, as measured by the ratio of total cost to households passed. The ratio could bias application reviewers toward solutions that are less capital intensive, such as wireless broadband or microwave backhaul.
- **Underserved Area Definition:** One or more contiguous U.S. Census Blocks that meet the following criteria for last mile or middle mile projects (note this definition has both deployment and uptake components):
 - **Last Mile Underserved Areas:** exhibit at least one of the following factors: (1) no more than 50% of households in the proposed funding area have facilities-based terrestrial broadband service exceeding the minimum broadband speed (768 Kbps downstream and 200 Kbps upstream), (2) no fixed or mobile broadband service provider advertises broadband transmission speeds of at least 3 mbps, or (3) the rate of broadband subscribership for the proposed funding is less than 40 percent of the households.
 - **Middle Mile Underserved Areas:** One interconnection point terminates in a proposed funded service area that qualifies as unserved or underserved for last mile projects.
- **Unserved Area Definition:** One or more contiguous U.S. Census Blocks, where at least 90 percent of households in the proposed funded service area lacks access to facilities-based, terrestrial broadband service, either fixed or mobile, at the minimum broadband speed (of 768 Kbps downstream and 200 Kbps upstream).

Despite the detailed NOFA, do not let the administrative burdens slow your organization down. **Because these applications will be awarded on a rolling basis, we urge all interested parties to get their applications in July 14th, or as soon as possible in the first filing window.** Elauwit Solutions has a team of professionals available with extensive experience in the government contracts and grants arenas, and with the deployment of wireless broadband technologies. Further, we expect that this process will require extensive political coordination. Our professionals can assist your organization communicate with key legislators to build support for your broadband proposal.