

Broadband Funding in the American Recovery and Reinvestment Act Version of March 12, 2009

Since the February passage of the American Recovery and Reinvestment Act of 2009 (ARRA, PL 111-6) there has been considerable interest in the library community in the broadband language incorporated into the act. The following summary is from the ALA's Washington Office. It is intended to highlight the broadband language of interest to the library community. While there are no specific program details yet and much remains unknown, the ALA Washington Office is working closely with telecommunication consultants and others to make certain—to the extent possible—that library concerns and issues are brought to the attention of the federal agencies administering the broadband programs. The Washington Office has also created a Website (www.ala.org/knowyourstimulus) where it posts information on the broadband programs and other parts of the American Recovery and Reinvestment Act that will impact libraries.

Summary of the Broadband Funding in the ARRA

There is a total of \$7.2 billion appropriated for broadband funding in the law. This funding will be administered by two federal agencies: (1) The Commerce Department's National Telecommunications and Information Administration (NTIA) will receive \$4.7 billion to administer the "Broadband Technology Opportunities Program;" (2) The Agriculture Department's Rural Utilities Service (RUS) will receive \$2.5 billion for a broadband deployment program. Both agencies are cooperating in developing a grant application process* and there will likely be significant competition for these funds. Even though grant forms are not yet available, librarians should review their current broadband connectivity and document and prioritize their broadband needs. Libraries connected to regional wide area networks should work with the organization that manages the network to identify what network enhancements—especially related to enhancing broadband—will be needed in the next several years. Librarians should also think about possible partners with whom they could submit applications (i.e., aggregated applications). While the broadband programs are administered at the federal level, librarians should check to see if their state has established an office or agency to coordinate any broadband applications.

Language in the NTIA section of the law is much more detailed than in the RUS section. Unless otherwise noted, the information below refers to the NTIA language.

- The overall purposes of the broadband language in the ARRA are:
 - To provide broadband service (e.g., faster Internet access) to consumers in unserved areas of the country and improved broadband service to consumers in underserved areas.
 - To provide broadband education, awareness, training, access, and support to libraries, educational institutions and other organizations to facilitate greater use of broadband, including more use by low-income, unemployed, aged, and otherwise vulnerable populations.
- Funding can be used by libraries and other organizations to undertake projects consistent with the above purposes. More specifically, funding can be used:
 - To acquire equipment, networking capability, hardware/software, and digital network technology.
 - To construct and deploy broadband services.

* At a March 10 meeting in Washington, D.C., the NTIA said it was likely to have three grant application timeframes: April - June 2009; October - December 2009; April - June 2010. At this same meeting the agency said it was anticipating four different grant programs: (1) Broadband mapping; (2) Public computer center capacity; (3) Innovative uses of broadband, and; (4) Large broadband deployment and expansion.

- To ensure access to broadband service by community anchor institutions. (It should not be too difficult to position the library as an anchor institution.)
- Some of the funding is targeted at specific groups or for particular purposes. For example:
 - There is a minimum of \$200 million for competitive grants to expand “public computer center capacity.” Public libraries and community colleges are specifically referenced as eligible for this funding.
 - There is a minimum \$250 million for competitive grants for innovative programs that encourage adoption and sustainability of broadband service.
- The NTIA funding is for competitive grants. The RUS funding is for a combination of grants, loans, and loan guarantees. (The RUS language does not reference the need for its funding to be competitive.) Applicants cannot get funding from both the NTIA and RUS for the same area of a project.
- The grant program will be open to a wide variety of applicants including states and their political subdivisions, libraries, educational institutions, foundations and corporations—including telecommunications providers.
- Some of the \$7.2 billion is targeted for purposes other than to enhance broadband infrastructure or encourage greater use. For example, \$350 million is allocated for the NTIA to develop and maintain a broadband inventory map. (ALA filed comments with the FCC in July 2008 [supporting the need for broadband mapping](#).) And the NTIA may transfer some undetermined amount of funding to the FCC to develop a national broadband plan.

More Specific Information

- Many terms are not defined in the Act. For example, what is an “unserved” or “underserved area” and what is “high speed broadband service?” Or what does it mean to expand “public computer center capacity?” These will need to be defined or clarified.
- There are differences between the RUS and NTIA language in the law. For example, the RUS language gives priority to awarding funds to projects that enable users to have a choice of more than one service provider. Also, RUS language gives priority to applicants who have received a previous loan. (Many previous loans went to smaller telecommunication companies.) The RUS language does not explicitly include the “education and training” purposes that are in the NTIA language, although it does reference grants being available for “technical assistance.”
- The NTIA is to “establish and implement the grant program as expeditiously as practicable.” All grant awards are to be made by the end of FY 2010 (September 30, 2010). Grants are to be completed within two years of their approval.
- In general, the federal share of any project may not exceed 80 percent but applicants can petition for a waiver of their required 20 percent. (RUS does not mention a federal percent maximum.)
- The NTIA may consult with states to identify unserved or underserved areas and on the allocation of grants affecting a state.
- All NTIA grants shall, at a minimum, adhere to the principles contained in the FCC’s broadband policy statement released September 23, 2005. (These are the FCC’s [Net Neutrality principles](#) that ALA supports and filed comments on with the FCC in June 2007.)
- NTIA will maintain a public website that includes a summary of each grant request.
- The RUS language states that at least 75% of an area covered by a grant or loan must be a rural area without sufficient high speed broadband service.
- RUS will give priority to fund projects when the project can start promptly upon approval.
- By February 17, 2010, the FCC shall submit to Congress a national broadband plan. The plan “shall seek to ensure that all people of the United States have access to broadband capability and shall establish benchmarks for meeting that goal.”

Those interested in more specific details should consult the full text of the act which is on Thomas (<http://thomas.loc.gov>). A more readable version is at <http://dpi.wi.gov/pld/pdf/broadbandarra.pdf>.