

STIMULUS FUNDING

What's in it for Broadband?



American Recovery and Reinvestment Act of 2009

\$7.2 Billion for Local Broadband Stimulus



\$7.2 Billion

\$4.7 billion

- ▣ U.S. Dept. of Commerce
- ▣ National Telecommunications and Information Administration (NTIA)
- ▣ Technologies Opportunities Program (TOP)

\$2.5 billion

- ▣ U.S. Dept. of Agriculture
- ▣ Rural Utility Service (RUS)



Technologies Opportunities Program (TOP) Competitive Grants to Accelerate Broadband Deployment in Unserved and Underserved Areas

- ▣ \$3.9 billion- Infrastructure (\$10 million for administrative costs)
- ▣ \$350 million- Broadband Mapping (not more than 3% can be transferred to FCC to develop a national broadband plan)
- ▣ \$250 million- Innovative Programs (to create sustainable adoption of broadband services)
- ▣ \$200 million- Expand Public Computer Center Capacity (libraries and community colleges)



TOP Funding

- ▣ Technology Neutral (recipients must adhere to FCC's Broadband Policy Statement).
- ▣ Broad Eligibility (state, local govt., Indian tribes, non-profits, private companies).
- ▣ At least one grant per state (includes rural, urban, suburban areas).

TOP Funding (con't)

- ▣ Projects are to be completed within 2 years of award (50% of funds for projects that start within 120 days of enactment).
- ▣ Federal share not to exceed 80% (unless waived by NTIA).
- ▣ NTIA to work with states when awarding funds.

Rural Utility Service (RUS) Funding

- ▣ \$2.5 billion (mix of grants, loans and loan guarantees)
- ▣ 75% of funding for rural areas that lack sufficient broadband speed for economic development
- ▣ Priority for unserved areas; projects that will provide users a choice of more than one service provider; and current and former borrowers under the Rural Electrification Act (REA)
- ▣ Areas that receive RUS funding are not eligible under NTIA's TOP

DTV-Transition Funding

- ▣ In addition to the \$7.2 billion for broadband activity, the stimulus bill provides \$650 million for NTIA's converter-box program.