

Broadband Technology Opportunities Program (BTOP) Guide

**An Overview of the U.S. Department of Commerce's National
Telecommunications and Information Administration (NTIA) Broadband
Program for the Recovery Effort**

Second Round of Funding
Spring 2010



Presented by

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COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

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Overview of Broadband Technology Opportunities Program (BTOP)

As a part of the American Recovery and Reinvestment Act of 2009, funds totaling \$4.7 billion were allocated to the U.S. Department of Commerce's National Telecommunications and Information Administration (NTIA) for the Broadband Technology Opportunities Program (BTOP). The purpose of this program is to expand broadband internet access to unserved and underserved areas of the country. This program provides grant funding to support the development of broadband infrastructure, to enhance broadband capacity at public computer centers and to encourage sustainable adoption of broadband service. The BTOP advances the objectives of the Recovery Act in creating new jobs and spurring long-term economic growth. NTIA has now announced the second notice of Funds Availability (NOFA) and is soliciting applications for this program's final round of funding as of January 15, 2010.

Changes from the First NOFA

In an effort to increase efficiency, sharpen the program's focus and make the process more applicant-friendly, several changes have been made to BTOP for this second round of funding:

- NITA will focus on Comprehensive Community Infrastructure Projects
- The joint application process combining NITA-RUS has been eliminated. In this round each agency will use its own separate application and apply individual funding priorities. (For example, NITA will focus on Comprehensive Infrastructure projects, while RUS will focus on Last Mile Rural Infrastructure projects)
- NITA's online application process has been streamlined to be more user-friendly by reducing the number of attachments to be uploaded, eliminating the proposed service area mapping tool and changing the service area descriptions from Census blocks to Census tracts and block groups.
- NITA will no longer require that infrastructure projects serve unserved or underserved areas, however, priority will be given to projects located in such areas. NITA also plans to evaluate the extent to which proposed projects overbuild existing broadband infrastructure.

Project Categories and Funding

Approximately \$2.6 billion in funds are available to be awarded for BTOP under this NOFA as follows:

- The **Comprehensive Community Infrastructure** (CCI) category accounts for about \$2.35 billion of the total funds will focus on Middle Mile broadband infrastructure projects that:
 - Offer new or significantly upgraded services to central community institutions
 - Include a public-private partnership between government, non-profit and for profit entities, and other important community stakeholders
 - Support growth in economically distressed areas
 - Commit to serve community colleges and public safety units
 - Incorporate a Last Mile infrastructure component in unserved or underserved areas, or, instead, commitment letters from at least one Last Mile broadband service provider
 - Offer to contribute a non-federal cost match that is at least 30 percent of the total eligible cost of the project

- The **Public Computer Center (PCC)** category (\$150 million, at minimum) will fund projects that expand public access to broadband service and strengthen broadband capability in places that permit the public use to these computer centers, such as community colleges or public libraries.
- The **Sustainable Broadband Adoption (SBA)** category (\$100 million, at minimum) will fund innovative projects that promote broadband demand (i.e. broadband education programs, awareness, training, access, equipment or support) especially among vulnerable populations.

Eligibility

The NTIA recognizes that it is in the public interest to allow for-profit corporations and certain other organizations not otherwise encompassed in the Recovery Act to be eligible for BTOP grants. Further details on entities eligible for BTOP grants can be found in the NOFA.

All applicants must meet the following mandatory threshold requirements to qualify for review:

- Submit a complete application and all supporting documents.
- Demonstrate the project can be substantially completed **within two years** of the grant issuance date and fully completed within three.
- Advance one or more of BTOP's five statutory purposes;
 - 1) To provide access to broadband service to consumers residing in unserved areas of the country.
 - 2) To provide improved access to broadband service to consumers residing in underserved areas of the country.
 - 3) To provide broadband access, education, awareness, training, equipment and support to community anchor institutions or organizations and agencies serving vulnerable populations, or job creating strategic facilities located in state or federally designated economic development areas.
 - 4) To improve access to, and use of, broadband service public safety agencies.
 - 5) To stimulate the demand for broadband, economic growth and job creation.
- Provide matching funds of at least 20% towards total eligible project costs, unless a waiver petition is approved.
- Document that the project would not be implemented during the grant period but for a federal grant.
- Demonstrate a reasonable budget.
- Applicant must be an eligible entity (full listing available in the NOFA).

The NTIA will take into consideration whether an applicant is a socially and economically disadvantaged small business as defined under section 8(a) of the Small Business Act (15 U.S.C 637(a)(4)).

Procedure

Applications will be accepted from **February 16, 2010** through **March 15, 2010**. Electronic submissions are available at <http://www.broadbandusa.gov>. All applications must be submitted electronically; however applicants may request a waiver of these filing instructions in extraordinary circumstances (available in the Grant Guidance.)

Applications will be reviewed according to the following process:

- Eligibility factors – Applications must meet eligibility requirements (listed above)
- Scoring – Applications will be judged against the evaluation criteria containing in the NOFA by at least two objective expert reviewers. The evaluation criteria include Projects Purpose, Project benefits, Project Viability, and Project budget and sustainability; and
- Due Diligence – BTOP staff will confirm the eligibility of “highly qualified” applications, as well as evaluate applications with respect to general BTOP requirements and priorities.

States, tribes and existing broadband service providers will be given an opportunity to make recommendations concerning the allocation of funds for qualifying projects.

Preliminary award announcements are expected on a rolling basis beginning in *June 2010*. Final announcements will be made by *September 30, 2010*.

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For questions regarding BTOP compliance requirements contact btopcompliance@ntia.doc.gov.

Additional Information: <http://broadbandusa.gov>

Information compiled using the following sources:

“Broadband Technology Opportunities Program: Notice of Funds Availability for Second Round—Fact Sheet”
http://www.ntia.doc.gov/broadbandgrants/factsheets/BTOPNOFA2_factsheet_012910.pdf

Federal Register. “Broadband Technology Opportunities Program; Notices” January 22, 2010.
http://www.broadbandusa.gov/files/FedRegNOFA_R2_NTIA.pdf