

ANALYST UPDATE

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APRIL 8, 2010 - NTIA Announces Continued Demand for Broadband Funding

The Commerce Department's National Telecommunications and Information Administration (NTIA) announced today that it received 867 applications requesting \$11 billion in funding for proposed broadband projects reaching across the United States. These applications are for the second round of NTIA's American Recovery and Reinvestment Act funding aimed at expanding broadband access and adoption to help bridge the technological divide; expand economic opportunities; create jobs; and improve healthcare, education, and public safety. NTIA allocated approximately \$2.6 billion for the second round of its Broadband Technology Opportunities Program (BTOP).

Applications came in from a diverse range of parties including state, local, and tribal governments; nonprofits; industry; anchor institutions, such as libraries, universities, community colleges, and hospitals; public safety organizations; and other entities in rural, suburban, and urban areas.

"For the second round of BTOP funding, we sharpened our program focus and encouraged applicants to create comprehensive proposals to meet the needs of their communities. We are pleased that a high percentage of applicants appear to have met our priorities and we look forward to reviewing this more targeted pool of applications," said Lawrence E. Strickling, Assistant Secretary for Communications and Information and Administrator of NTIA. "We will move quickly but carefully to fund the best projects to bring broadband and jobs to more Americans."

A preliminary analysis of applicant-reported data shows that NTIA received requests for grants totaling more than \$11 billion. When including about \$4.5 billion in non-Federal matching funds committed by the applicants, there are over \$15.5 billion in proposed broadband projects. NTIA will employ a thorough review process with the goal of making the first Round 2 grant awards this summer.

BTOP applications were received in three categories and break down as follows:

Comprehensive Community Infrastructure: 355 of the applications, requesting approximately \$8.4 billion in grants, are for Comprehensive Community Infrastructure projects, which focus on deployment of middle mile broadband infrastructure that connects community anchor institutions, such as schools, libraries, hospitals, and public safety facilities. For the second funding round, NTIA has allocated approximately \$2.35 billion for such infrastructure projects.

Sustainable Broadband Adoption: 251 of the applications, requesting approximately \$1.7 billion in grants, are for projects that promote sustainable demand for broadband services, including projects to provide broadband education, training, and equipment, particularly among vulnerable population groups where broadband technology has traditionally been underutilized. In the second funding round, NTIA has allocated at least \$100 million for such projects.

Public Computer Centers: 261 of the applications, requesting more than \$922 million in grants, are for public computer center projects, which will expand access to broadband service and enhance broadband capacity at public libraries, community colleges, and other institutions that serve the public. In the second funding round, NTIA has allocated at least \$150 million for such projects.

NTIA has posted online a searchable database containing summaries of applications received. The dollar figures cited today represent applicants' self-reported totals, however these totals are preliminary estimates and may change as the applications are reviewed for errors, omissions, and duplications.