

# ANALYST UPDATE

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### **JULY 2, 2010 - White House Announces 1st Round 2 Broadband Awards**

President Obama announced investments in sixty-six new Recovery Act broadband projects nationwide that, according to the grantees, will not only directly create approximately 5,000 jobs up front, but will also help spur economic development in some of the nation's hardest-hit communities, helping create jobs for years to come. In total, tens of millions of Americans and over 685,000 businesses, 900 healthcare facilities and 2,400 schools in all fifty states stand to benefit from the awards. The \$795 million in grants and loans through the Departments of Commerce and Agriculture have been matched by over \$200 million in outside investment, for a total public-private investment of more than \$1 billion in bringing broadband service to these communities, most of which currently have little or no access, to help them better compete and do business in the global marketplace.

#### Broadband Impact

According to analysis released by the National Economic Council last year, overall Recovery Act investments in broadband are expected to create tens of thousands of jobs in the near term and expand economic development and job opportunities in communities that would otherwise be left behind in the new knowledge-based economy. Recovery Act broadband projects help bring down the cost of private investment, attract Internet service providers to new areas, improve digital literacy among students and workers, and help create new opportunities in employment, education, and entrepreneurship by wiring homes and businesses. With new or increased broadband access, communities can compete on a level playing field to attract new businesses, schools can create distance learning opportunities, medical professionals can provide cost-efficient remote diagnoses and care, and business owners can expand the market for their products beyond their neighborhoods to better compete in the global economy.

#### Broadband and the Recovery Act

The grants and loans are part of an overall \$7.2 billion investment the Recovery Act makes in expanding broadband access nationwide – \$4.7 billion through the Commerce Department and \$2.5 billion funded through the Department of Agriculture. With the awards being announced tomorrow, more than \$2.7 billion in Recovery Act broadband grants and loans will have been awarded to more than 260 projects across the country since December 2009. Overall, the Recovery Act is making a \$100 billion investment in science, innovation and technology that is not only creating jobs today, but laying a foundation for economic growth for years to come.

There are two types of awards being announced:

- Infrastructure – Middle mile awards build and improve middle mile connections to communities lacking sufficient broadband access and last mile awards connect end users like homes, hospitals and schools to their community's broadband infrastructure (the middle mile).
- Public Computing Centers - Expand computer center capacity for public use in libraries, community colleges and other public venues.

### July 2, 2010 Round 2 Broadband Award Summary

Award Category	Number of Awards	Grant Amount	Loan Amount	Matching Funds	Total
BIP Last Mile	33	\$217,435,769	\$157,934,091	\$20,827,910	\$396,197,770
BIP Middle Mile	4	\$9,990,795	\$5,500,421	\$893,500	\$16,384,716
BTOP Comprehensive Community Infrastructure	17	\$376,481,516	\$0	\$179,100,000	\$555,581,516
BTOP Public Computer Center	12	\$28,651,586	\$0	\$13,410,000	\$42,061,586
BTOP Sustainable Broadband Adoption	0	\$0	\$0	\$0	\$0
<b>TOTALS</b>	<b>66</b>	<b>\$632,559,666</b>	<b>\$163,434,512</b>	<b>\$214,231,410</b>	<b>\$1,010,225,588</b>

Source: broadbandtrends