



**Summary of the July 1, 2009 Notice of Funding Availability
Department of Agriculture Rural Utilities Service Broadband Initiatives Program
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Background

The American Recovery and Reinvestment Act appropriated 7.2 billion dollars to be split between the Department of Agriculture Rural Utilities Service (RUS) Broadband Initiatives Program (BIP) and the Department of Commerce National Telecommunications and Information Administration (NTIA) Broadband Technology Opportunities Program (BTOP).

The RUS Broadband Initiatives Program (BIP) will issue loans and grants for broadband infrastructure projects in rural regions.

The NTIA Broadband Technology Opportunities Program (BTOP) will issue loans and grants for infrastructure, public computer centers and sustainable broadband adoption projects in non-rural areas.

The funding will be released in 3 stages. Each stage will be preceded by a brief public comment period, followed by a Notice of Funding Availability (NOFA). The first [Notice of Funding Availability was announced by Vice President Joe Biden on July 1, 2009](#). \$4 billion of the \$7.2 billion will be awarded via this NOFA.

Summary of Notice of Funding Availability

Broadband Initiatives Program

- ARRA gives RUS \$2.5 billion total to issue as grants and loans. To qualify, at least 75% of the area that the applicant project serves must currently not have “sufficient” access to high speed broadband.
- \$2.4 billion of the available \$2.5 billion is available via the July 1 NOFA as announced by Vice President Biden
- The goal of the program is to promote economic development.
- Grants awarded via the BIP can only fund projects that exclusively serve remote rural areas with no broadband access.
 - Remote area is defined as: “means an unserved, rural area 50 miles from the limits of a non-rural area.”
 - Rural area is defined as: any area, as confirmed by the latest decennial census of the Bureau of the Census, which is not located within: 1. a city, town, or incorporated area that has a population of greater than 20,000 inhabitants; or 2. an urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants.
- Loan and Loan/Grant combinations will be used to fund projects in rural non-remote areas or areas that feature remote and non-remote areas.
- RUS will favor applicants asking for a higher % of funding in loan form.
- RUS will favor projects that can start up immediately, and can demonstrate “technical and financial feasibility, organizational capacity, and compliance.”
- Priority will be given to:
 - Projects that give end users a choice of broadband providers



- Projects that serve areas with the least access to broadband service
- Projects of current or former RUS grantees or borrowers
- **How to apply for funding:**
 - Grantee and Loan Applications will be accepted between July 14, 2009 at 8:00 a.m. Eastern Time (ET) until August 14, 2009 at 5:00 p.m. ET.
 - Application packages can be found at the [Broadbandusa.gov application page](#).

Broadband Technology Opportunities Program (BTOP)

- BTOP is administered by the [National Telecommunications and Information Administration \(NTIA\), Department of Commerce](#), headed by [Assistant Secretary for Communications and Information Lawrence E. Strickling](#)
- ARRA gives NTIA \$4.7 billion to issue in grants and loans to improve access to broadband in underserved communities.
- \$1.4 billion of the \$4.7 billion is available via the July 1 NOFA. The remaining \$3.3 billion will be released via 2 additional NOFA's over the next several months.
- Three eligible projects:
 - Broadband Infrastructure for underserved areas
 - Last Mile component: any infrastructure project the predominant purpose of which is to provide broadband service to end users or end-user devices (including households, businesses, community anchor institutions, public safety entities, and critical community facilities).
 - Middle Mile component: broadband infrastructure project that does not predominantly provide broadband service to end users or to end-user devices, and may include interoffice transport, backhaul, Internet connectivity, or special access.
 - funding Public Computer Centers
 - Sustainable Broadband Adoption
- Applicants must advance the goals of the ARRA, as highlighted on [page 14 of the NOFA](#)
- **How to apply for funding:**
 - Grantee and Loan Applications will be accepted between July 14, 2009 at 8:00 a.m. Eastern Time (ET) until August 14, 2009 at 5:00 p.m. ET.
 - Applications requesting more than \$1 million in funding must be submitted electronically.
 - Application packages can be found at the [Broadbandusa.gov application page](#)