

>> (Administrator Gomez) - Good morning. I'm Anna Gomez, acting administrator for National Telecommunications Information Administration. It's my pleasure to welcome you to the Commerce Department, and I want to thank you all for being here. I know it's been probably a long morning for most of you. We're delighted to have with us today co-hosting this meeting U.S. Secretary of Agriculture Tom Vilsack, acting chairman of the Federal Communications Commission, Michael Copps, and Commerce Department Senior Advisor anActing Chief of Staff, Rick Wade. To bring new jobs, services, and products to all of the American people, president Obama has made expanded access to broadband services a priority in the American Recovery and Reinvestment Act. In his inaugural address the president spoke of laying a new foundation for growth, including the digital lines that feed our commerce and bind us together. The president realizes the extraordinary potential expanded access to broadband technology has for transforming lives by bringing the world closer, spurring job creating innovations and growing the economy. Commerce, agriculture, and the FCC will work together closely to implement the act's broadband initiatives and to develop a national broadband plan. We've asked you here today to begin a dialogue on the president's broadband initiatives and the development of that national broadband plan. To jump start this discussion on the president's broadband initiatives, it is my great pleasure to turn the podium over to Iowa's former governor and president Obama's and America's new U.S. Secretary of Agriculture, Tom Vilsack.

>> (Secretary Vilsack) - Thank you very much. And good morning to everyone. This is an important day for rural America. President Obama promised during the course of his campaign within 100 days to take action on an aggressive rural agenda, and the American Recovery and Reinvestment Act made good on that promise. We're here today to begin the process of a dialogue and a discussion about how best to invest in America's future by expanding broadband access to rural America. I'm particularly interested, and I know the president is as well, of making sure that we make this technology, which is the lifeline to economic development, available in all parts of the country. Our emphasis at USDA will be first and foremost on creating a transparent and participatory process to get the best ideas as to how we can expand this technology and then to quickly implement this technology in communities across the country, particularly those that are unserved today. Today in those unserved areas there are farmers and ranchers in need of technology so that they can access up-to-date information on markets, to make informed decisions about their operations. Today in those unserved areas there are small business individuals who have a creative idea and a product that might gain worldwide acceptance if they had access to worldwide markets. Today in America in those unserved areas there are youngsters doing reports that need to access information so that they can get the kind of education and training that they need to be competitive in a very difficult global economy. That is what broadband access promises. The opportunity for farmers and ranchers to prosper, the opportunity for small businesses to grow and develop, and the opportunity for our young minds to be as prepared as possible for the challenges of the future.

Our USDA commitment is 2.8 billion dollars. We're interested in working with the private sector, working with our federal partners as well as local governments to find the most creative and innovative ways to expand this technology. And we're anxious to leverage the resources beyond the \$2.8 billion. 60 years ago the Department of Agriculture was challenged by another administration to expand rural telephone access. It was a dream and a hope that those in rural America would have access to this new technology.

We delivered on that promise, and today we begin another chapter and another journey, to provide up-to-date technology to all of America.

I think it's safe to say that we are not as far ahead in this technology as we need to be, but with the passage of the American Recovery and Reinvestment Act we are going to take a significant step forward to realize President Obama's dream of an America that has the framework and technology to compete successfully in whatever the global economy may require.

I'm anxious to get to work. I apologize that I'm not going to be able to stay. As good as this audience is, I have an appointment with Cookie Monster and BROCCOLI as we promote school nutrition. The challenges of being the USDA head.

But this is an important discussion, and I appreciate the fact that as many people who are here today are as interested as we are in making this work. This is a very important technology that every American needs to have access to, and I look forward to working with all of you to make that happen. Thank you very much.

[Applause]

>> (Administrator Gomez) - Thank you, Secretary Vilsack. Next we will hear from a person I deeply respect, former Department of Commerce assistant secretary for trade development -- former Department of Commerce assistant secretary for trade development and now acting chairman of the Federal Communications Commission, Michael Copps.

>> (Chairman Copps) - Thank you. Good morning. Thanks, Anna, for the very nice introduction. The Commerce Department is truly lucky to have such a terrific FCCALUM, and that comes from a commerce ALUM that has gone to the FCC. This is a beautiful day. I'm pleased to be back here in this beautiful hall of commerce where I see many old friends that bring back many good memories from my years here in the 1990s, and it's good being here with the Secretary of Agriculture, Tom Vilsack, and commerce's Acting Chief of Staff Rick Wade to launch at long last a proactive broadband build-up for our country. I also want to recognize and thank my friend and colleague from the FCC, commissioner Jonathan EDELSTEIN who is here and who has been working tirelessly at the commission as an advocate for rural broadband since he came to Commission. Together we have been asking for years, where is the policy for broadband? Where is the action? Where's the national commitment? Where's the beef?

The fact that we are here today talking about President Barack Obama's bringing broadband to all corners of the country should be evidence enough for everyone here if you need any more evidence that change has truly come to Washington.

Seven years ago, shortly after I went to the FCC, the commission issued another of its congressionally mandated section 706 reports about whether advanced telecom services were being deployed around America in a reasonable and timely fashion. And the answer was always yes, everything's great. Don't worry, be happy.

But I wasn't happy, and I did worry. And just last week we got another of those many reports telling us how far the United States has fallen in the ranking of nations when it comes to broadband.

This one from the international telecommunications union, concluding that your country and mine has now slipped to a dismal number 17. Too few consumers and small businesses in this country have the high speed broadband they need if they're going to succeed. We pay too much for service that is too slow. It's holding us back as individuals, it has cost our economy billions, and things are only going to get worse if we don't do something about it. Now, thanks to the vision of the president and the foresight of Congress, we are doing something about it. The years of broadband drift and

growing digital divides are coming to an end. We begin to understand how key broadband infrastructure is to the future of each and every one of us. Broadband is a central infrastructure challenge of our time.

Earlier generations of Americans, going all the way back to the beginning, met and mastered their own great infrastructure challenges. They built roads and turnpikes and bridges to get settlers' produce back to markets, they built regional and transcontinental railroads to bind the burgeoning nation today. They put power lines and basic telephone service out to every Hamlet in America.

They built a web of interstate highways to deliver the mobility that we all wanted. They did it by working together, innovative private enterprise encouraged by far-seeing public policy. But you know, we forgot those lessons on how to build our country when it came to the roads and highways and bridges of the 21st century. High speed broadband.

So we lost precious time. We lost golden opportunities. We shortchanged our economy, our kids, and ourselves. Well, today we say enough.

We mobilize and we begin to build. And I am pleased at the recently enacted and altogether historic reinvestment act of 2009 gives the FCC an important role to play in turning our new national commitment into a workable national strategy. We already hired a work on the job and it's my intention that at our next full commission meeting on April the 8th we will kick off an open, participatory public process with a far-reaching notice of inquiry to marshal the data and expertise we need to have to make sure that we can meet our legislatively mandated date of one year for presenting Congress and the American people with a national broadband strategy worthy of the name. In doing so, we will put the FCC in the position of having the hard data necessary to support sound policy-making for the future. And working with NTIA, we will have important new tools, like a national broadband map to help us gauge how the efforts begun today are actually progressing. This will be a truly inclusive process. It will have comprehensive private sector and public sector input. It will ask the tough questions that must be answered if we are going to succeed. It will search out a myriad of traditional and nontraditional stakeholders who deserve to be heard, consumers, industry, labor, public interest organizations, local, state, and Federal Government, all the agencies gathered here for openers, but very likely just about every other agency of government, too. Because the gold of our national strategy - - goal of our national strategy must to bring value laden high speed broadband to all our citizens, no matter who they are or where they live, rural or urban, affluent or needy, living in a comfortable condo or a not-so-comfortable tribal land, physically able or dealing with a disability. All must mean everyone.

And we will endeavor to ignore no sector of our national life. Stop to think about it for a moment. What doesn't broadband impact as we look to the future of America? Not just the basic ways we communicate with one another, but health care information technology and the need to computerize medical records. Better utilization of scarce energy resources through the use of smart grids, higher education and the needs of schools, libraries, and students as they gear up for the challenges of the 21st century, more efficient agriculture, better housing, public safety, and signer security, education, the environment, each of these presents its own questions and new opportunities which need to be examined as part of a national broadband plan. I should note that as a preliminary step today, the commission issued a public notice asking for comment and how there can be better interagency coordination of broadband initiatives in order to develop a report on a rural broadband strategy by May of this year in response to the farm bill passed last year by Congress.

This is just a first step in a larger picture, and it's one that should have been addressed by the commission much more seriously many months ago.

So I am pleased to be here as part of this interagency effort, to put us on a real road to broadband, a road carefully laid out, funded and insent I VIESD and solidly built to meet our country's pressing needs. If business and government and stakeholders of every kind can all work together to make this happen, it will happen.

We can do this job. Success will be measured in jobs for our people, better health, education, self-fulfillment for each of us as individuals, and renewed economic opportunities for our country's goods and services around the world. Talk about the game being worth the candle. This is precisely how we built this country of ours. Infrastructure challenge by infrastructure challenge. And it is how we will get it growing again and how we will keep it great. So thank you for having me here and consider me and the agency I have the privilege of representing here signed up for the duration.

Thank you very much.

[Applause]

>> (Administrator Gomez) - Thank you, Mr. Chairman. I am pleased to introduce Rick Wade, who is Senior Advisor and Acting Chief of Staff of the Department of Commerce. I am very grateful for Rick's commitment and support for the broadband program.

[Applause]

>> (Mr. Wade) - Good morning, and let me as well add my welcome and say thanks to all of you for participating in this very, very important meeting. I especially want to thank Secretary Vilsack and Acting Chairman Copps. I also want to recognize those who are joining us through our web cast. Of course, that speaks directly to the reason why we are here today. To collectively take a step forward towards realizing President Obama's realization of a 21st century communications infrastructure for everyone in America, through the American Recovery and Reinvestment Act we begin working towards that end. This stimulus funding makes a down payment toward that goal. We won't be able to get broadband access to everyone with this money, but we will begin moving in the right direction, and if we invest effectively and efficiently, we will learn a great deal about what works well. There are five straightforward goals for the administration's broadband stimulus funding.

First, we want to begin to close the broadband gap across America. So we'll extend high capacity pipes closer to users in rural, remote, and underserved communities. As Congress has instructed us, other companies will be able to connect to those pipes which will spur competition and get services to people and businesses.

Second, we want to stimulate investment by requiring companies that take federal money to invest their own funds as well.

Third, we certainly want to create jobs.

Fourth, we want to start taking steps toward ensuring that our schools, our universities, our libraries and community centers and job training centers and hospitals have high-speed access. We've been asked by Congress to focus on funding high-speed connections to these community anchor institutions.

Finally, we want to encourage demand for broadband. We think that when more people understand how broadband access can help them find new ways of making a living, that they'll want to have it for themselves. When he announced his candidacy for the presidency, then Senator Obama called on us to be the generation that reshapes our economy to compete in the digital age. High speed Internet access networks are fundamental to America's economic

growth. We need our scientists and our researchers to stay on the cutting edge.

We need people in rural, unserved and underserved areas to be able to work on line at 21st century speeds. All of these things will be supported and forwarded by increased high-speed access around the country. If communities are relying on 20th century information infrastructure, they're not going to be able to compete in this global 21st century economy. We're calling on each of you to engage with us and dedicate your best and your brightest to develop proposals for funding. This program will offer extraordinary opportunities to provide connectivity to more Americans. We encourage you also to engage each other, working together state and local governments, nonprofit organizations, community institutions, and the business sector can devise viable, vibrant joint projects, and that spirit of collaboration is critical to achieving our goals. It is the principle that guides our efforts to implement this program. Today's meeting is a reflection of that effort. We will do our part and fight to remove the artificial boundaries of geography. We're working in close concert with the USDA and the FCC, and we pledge to do the same with states where the broadband needs of local communities and centers are known to ensure that public funds are used as wisely, efficiently, and effectively as possible.

Both Commerce and USDA's broadband programs represent a critical component of the administration's larger economic recovery package.

The targeted timely and temporary investments that we make must connect to the other related goals of our economic stimulus efforts. These include our investments in transportation infrastructure, smart grid technology, health information technology, still whenever the President addresses the path towards our economic recovery and job creation, he never fails to mention the importance of broadband Internet access. There's a reason. It will create jobs, both long-term and immediate, with men and women who will be put to work building the towers and digging the trenches necessary to connect the information superhighway, and it will improve the lives of Americans. Take the farmer North Carolina, for example. With broadband access he will be able to get real time, up to date minute reports, not only on weather and crops, but market information that will tell him the best place to sell his goods, and then there's the sick child in Illinois in a rural health care center. With broadband his doctors will now be able to connect to the cutting edge centers of care in CHANPAIGN or even New York. The outcome, a healthier child spending less time in a medical facility and hopefully less money on care. Guided by the Federal Communications Commission, we will be working together in the year to come on a national broadband plan. Today we take that first step. We have the privilege to live in a transformational moment, the President said last year, a moment when technology empowers us to come together as never before, while letting each of us reach our own individual dreams, a moment when we can finally progress and move beyond the huge challenges that have stood in the way of progress for far too long.

The time has come for us to seize this moment. We look forward to continuing this dialogue and working with each of you in the days, the weeks, and months ahead. Thank you so much, and thank you for being here.

>> (Administrator Gomez) - Thank you, Rick. I want to thank again Secretary Vilsack, chairman Copps and Rick Wade for joining us today. I will now turn the program over to Mark Seifert who is Senior Advisor and is spearheading this program for NTIA.

>> (Mr. Seifert) - Welcome. It's my pleasure to turn to Dr. Bernadette McGuire-Rivera. She will review some of the programmatic aspects of the NTIA portion of the grant program. Just one note. It's been President Obama's administration deep and abiding desire that we work together, both tCC, NTIA, and USDA to make sure that we work in a coherent, effective way, and so

although we're separating into two separate parts for programmatic purposes, you should know that we are working very hard to make sure that this is done in a smart and forward-looking way. I'll turn it over to Bernadette. I think if you'll come up to the podium and speak from here.

>> (Dr. McGuire-Rivera) - Good morning. Thank you. Welcome, everyone. I don't think we've had this many people in the Commerce Department since it was built. It's very, very exciting to see so much excitement around broadband. I see a lot of very familiar faces who have been very interested in this for a very long time, and I know each of you in your own way would like to see more and better broadband, and we've been given a very unique opportunity to make that happen. However, it's going to have to happen very fast. So it's not just the FCCRUS and NTIA that need to cooperate. Everyone needs to work together to make sure we do it and we get it right.

Can I have a show of hands for how many people have ever received a federal grant before?

Okay, that's good. How many from the Commerce Department? I see not so many.

Okay, I think most of you out there are used to RUS grants or you have worked a lot with the FCC. The Commerce Department tends to do things a little differently, and we're -- I'm going to go through some of this this morning because actually you could start working on your grant application as soon as you walk out the door. So I'm going to go through, and one of the reasons is because the Act itself has been very prescriptive in setting the parameters of the grant program for us, and I think that's going to prove to be very helpful as we move out in full speed.

Now, in addition to the information I'm going to give you, I know that a lot of you are concerned about many of the definitions such as served, unserved, nondiscrimination, interconnection. We are going to have a series of public meetings to discuss these. There is a public notice now up on the Federal Register that goes through 15 questions and a great deal of detail about things that we want public input on as we put together the guidelines and the rules for this particular program. So be sure to check that out as soon as you leave here, and let me give you the dates of the public meetings.

The first meeting will be on the 16th of March, and it will be here in this auditorium. The next two meetings will be field hearings on the 17th in Las Vegas and on the 18th in Flagstaff, Arizona. There will be meetings again here on the 19th of March, the 23rd, and the 24th, and we will shortly be issuing an agenda for each of these meetings that will cover the different topics that will be discussed at each meeting. So that will give you a lot of opportunities to provide input on really every facet of this grant program.

Now, we are responsible at NTIA for 4.7 billion dollars. Out of that we may spend up to \$350 million on broadband mapping and planning, of the \$4.35 billion left, we will spend at least \$200 million on public computer center capacity grants and at least \$250 million for innovative programs to encourage sustainable broadband adoption, and our plan now is to have those as four different programs, one, the broadband mapping, one for public computer center capacity, one for innovative programs, and another large broadband deployment and expansion program. The Act very specifically sets aside \$10 million for what they call audits and oversights, and basically that's for the Inspector General. We will be watching these grants very carefully. It's sort of unusual that they'll set aside money like that it allows us at NTIA to spend up to \$140 million on administrative costs. The program purposes are to provide access in unserved areas, provide improved access in underserved areas, provide access for public safety agencies, and to stimulate broadband demand, economic growth and job creation consistent with the overall stimulus program and to provide education

awareness, training, access equipment, and support, and in that they ask us to provide this to a very wide range of organizations, schools and libraries, medical and health care, higher ED, community organizations, organizations supporting vulnerable populations, and entities that will create jobs in designated areas. The Act also sets out some specific responsibilities for NTIA. It directs us to consult with the states and of course to coordinate with the FCC and RUS. We have to award all the grants by September 30th of 2010, and the grants that we award we need to ensure that they are substantially complete within two years.

We also have to establish contractual obligations for adherence to the nondiscrimination and network interconnection obligations that we will establish in coordination with the FCC. We will also have to report to Congress every three months, and we will be establishing a database of all the applications, the recipients and the quarterly reports submitted by the recipients.

To be eligible for a grant, you need to be a state or a political subdivision or territory, Indian tribes and native Hawaiian organizations are also eligible, as are nonprofit foundations, corporations, institutions or associations. New for the Commerce Department is that broadband service providers and infrastructure providers may be eligible if we determine it to be in the public interest. You will have to, of course, apply for this. We are expecting to have the first notice of availability of funds out somewhere in the April to June period this year. Our plan is to have three grant rounds. This will allow us, one, to get the stimulus money out as rapidly as possible and to give people who need a chance to spend more time on their application to put the application together.

The first grant round, again the notice for that we expect to go out, I'm going to give you ranges of times, between April and June of this year. Second round, from October to December of this year.

Third round around April or June in 2010. These are all going to be competitive grants based on published selection and evaluation criteria, and the grant application will have to of course provide a detailed description of how you're going to spend the money, a detailed budget, the law requires that you demonstrate that this project would not have been implemented in the time period without the federal assistance. You'll have to disclose other federal or state funding that you've either applied for or that you already have, and it's okay to apply to both programs. We're going to be working and coordinating. So you can apply to both programs. The only thing is the unjust enrichment which basically I call that the no-double-billing clause, so you can't try -- you can't have both organizations pay for the same piece of equipment. We have to award, according to the law, at least one grant per state. We need to consider each application in terms of will it increase broadband affordability and subscribership, will it provide the greatest broadband speed to the most users? Will it enhance service for health care, education or children?

And whether or not the applicant is a socially and economically disadvantaged small business.

So that really sort of is the highlights of what is in the Act that will affect your grant application. I believe really you can start, if you're going to apply for a grant you can start pulling all this information together now. Again, I want to stress the public meetings coming up, because it's a very short timetable.

March 16th, 19, 23rd and 24th here at the Commerce Department. 17th in Las Vegas, 18th in Flagstaff, and again we really appreciate you working with us on this timetable, but it's really necessary in order for us to meet the obligations of the Act and get the funding out. So I'm going to

let you hear from RUS and the FCC, and then we'll take your questions. Thank you.

[Applause]

>> (Moderator) - Thanks, Bernadette. It's comforting to have pros in charge of this. It's my pleasure to introduce David Villano, Assistant Administrator for Telecommunication Programs for the U.S. Department of Agriculture.

>> (Mr. Villano) - Good morning, everybody. It's a great honor to be here from the USDA and support the President's broadband initiative. As Secretary Vilsack mentioned this marks the 60 anniversary of USDA's telecommunications program. Since that time USDA has provided over \$20 billion in telecommunications, loans and grants in rural America. As many of you know, USDA currently administers four major telecommunication loan and grant programs. We have our infrastructure loan program, which has been around for 60 years, our broadband loan program, which originated out of the 2002 farm bill, we also have two smaller loan grant programs, our community connect grants and distance learning and telemedicine loans and grants.

Of the \$7.2 billion authorized, USDA has received over \$2 billion that will allow us to deliver a fifth program to help deploy a broadband service in rural America. Equally important, we're very excited to be working with NTIA and FCC together in collaborating and providing a transparent and seamless process to provide broadband service in rural America. As I mentioned, we have over \$2 billion in budget authority at USDA. Many of you might know about budget authority. We could deploy all that as grants or we could convert some of that budget authority to loans, which we intend to do. So we're hoping that we will be able to leverage those resources to deliver substantially more than the \$2 billion that we have been given by the President.

Let me just take a moment to highlight some of the key elements of our portion of the stimulus package. 75 percent of the area to be served by the project has to be in a rural area without sufficient access to high-speed broadband service to facilitate rural economic development.

As has been mentioned here, one of the goals of the Act is to create jobs, and we're hoping to do that through the stimulus package. And within that we have to give priority to projects that will give end users a choice of more than one service provider. We have to help the areas that have the highest proportion of rural residents that do not have access to broadband service, and we're looking for projects that commence immediately upon our approval and can be completed within a reasonable time frame. At USDA we're ready to implement.

We're very fortunate that we have a broadband and telecommunications program. We have seasoned staff here in Washington and also being part of the rural development mission area, we have 6,000 field staff throughout rural development field offices throughout the country. We also sought comments on our broadband regulations back in 2007, and through the farm bill deliberation have a lot of input already from the public in how to deploy our broadband funds, but we're very excited about participating with NTIA and the upcoming public meetings that will be commencing next week. That's our way to get public comment from you in person, and there will also be a process for submitting public comments in writing throughout that time frame.

So you're probably all wondering when are we going to get the funds out? Well, this is our implementation plan. Within 60 days of the public comments, we plan to publish a series of notice of funding availability, NOFAs, subject to NTIA. The first NOFA, as I mentioned, should be published within the next 60 to 90 days, and then we'll be publishing subsequent NOFAs thereafter. We anticipate there will be at least three NOFAs. The timing of the subsequent ones, we want to see.

We're going to be working very close with NTIA and FCC. We want to get the first one out as soon as possible based upon the demand for that and the funding available through NTIA, we want to coordinate. We expect them to be approximately three to four months each time, but that's all very flexible at this point. The NOFAs will have the amount of funds that we'll be making available.

They will have the applicant, the area, and the project eligibility requirements, it will explain the whole application process, the time frames that applicants would need to submit those applications.

We will lay out all the scoring criteria and the evaluation criteria, and the reporting requirements that the applicants have to abide by to receive these grants. We are similar that we have funds in the stimulus package for our office of investor, Inspector General to review the programs, and we want to make sure that these very limited resources, this down payment on broadband deployment throughout the country are well utilized.

With that I'm going to yield the microphone over to Mark to turn over to FC Dr.. On behalf of the -- FCC. On behalf of the Secretary and everybody at USDA, we look forward to working with you.

>> (Moderator) - Thanks, David. We probably need no introduction for Scott Deutchman, Acting Senior Legal Advisor to Acting Chairman Copps of tCC. >> (Mr. Deutchman) - No more introduction than any of my other colleagues up here for sure. Thank you for opportunity to speak today. I realize that after 45 minutes of the program and standing in some lines to get in here this morning, that I'm the only one who stands between you folks and the comment period, so I'm going to try to be brief.

As you've heard, the FCC has an important job given to it under the Recovery Act. We've been charged with the development of the national broadband plan, a role we are very excited about.

As chairman Copps outlined, we view this as comprehensive effort that will seek input from many quarters. The private, government agencies, and we'll be looking at a cross-section of issues, health care, cyber security, energy, and many others. We will also be starting -- we will also be reporting, excuse me, on the progress, and I expect the successes of the down payment that these broadband projects being started will achieve. We plan to rely on a wealth of data including better, more useful broadband maps. The commission, separate from the broadband plan, which we expect to kick off at our April meeting on the 8th, the Commission released a notice this morning in coordination with the Department of Agriculture, the chairman of the FCC must provide Congress with a report on a rural broadband strategy by May 22nd. May 22nd of this year, which does not give us much time. So we've released a public notice seeking comment today. The report is supposed to include recommendations on promoting interagency coordination of broadband policies and rural broadband initiatives. We're seeking comment on how best to achieve this and I would expect the report will be one of the building blocks for the larger national broadband plan. Thus, I encourage everybody to participate and to make comments. The notice is now on our web site, the document number, it's up on the web, GN 0929 is the web number.

Comments are due by March 25th, given the short time period. In addition to this report and the national broadband plan that we'll be working on, the Commission has a key role to play in supporting NTIA and the Department of Agriculture in their broadband grant and loan programs. We will be working closely with them to provide substantive expertise on the implications of important definitions relevant to their process such as the definition of unserved and underserved areas, on broadband and the like. We also will be providing our counsel on key questions regarding network interconnection and nondiscrimination obligations as they relate to the grants.

I can tell you that our staff from all the relevant parts of the Commission are working hard on this effort in order to do our part in making the national broadband plan and the interagency process we are all involved in its success. With that I thank you. I look forward for your comments.
[Applause]

>> (Moderator) - Thank you, Scott, thank you, David, thank you Bernadette. We will now turn to the public comments section of this meeting. For those of you who have comments and questions, begin queuing behind the microphones. We have a hard stop unfortunately at 11:30. We will get through as much of the comments and questions as we can.

We are joined today, I'm very excited to say, by folks on the web who are watching this web streaming and by folks on a teleconference. We are also I'm very happy to say have been broadcasting this with text streaming so that folks who need that ability to participate are able to participate.

So as you've heard from everyone, this is the beginning of our process. We are reaching out to each of you to help us make these programs a success. I think you've heard the word down payment a couple of times, and I can't stress that strongly enough. We have approximately seven billion dollars. We have 50 states, some territories, and the District of Columbia that we are trying to make sure that these grant funds reach out to. If you do the simple math, that's not a lot of money per state, but that's not impediment, that's a challenge. We need the best and the brightest, we need innovators, we need the American spirit to really put forth proposals that can help us figure out how to do this in the future. I invite you to work very hard and very fast, and fast is key to the stimulus, to help us reach our goals.

As Bernadette mentioned, we issued the joint request for information, and she spoke about the 15 questions. There are questions that separate it out for NTIA and for RUS, but you'll see some that overlap. We would particularly enjoy your commentary on how we can make the two programs work together. You'll find that's up for all you folks on the inside who know how the Federal Register works, that's up on their prerelease, but we have a link to it on our page for you folks who happily don't know how the Federal Register works.

If you go to NTIA, grants, you'll find a link to that information.

The meetings that are going to be held here and in Las Vegas and Flagstaff are also going to be web streamed, and we invite the public to attend, to participate, and to join in, and I'm excited to say now that we begin our comment and question period that we're also going to take questions, we have some questions that were E-mailed in to us, and we have folks on the teleconference who I believe should be queuing up now and they will be sending their questions in.

So if you would like to make a comment or question, and it's going to be hard for me to see but I'm going to number the microphones 1, 2, 3, 4, and then I'll go around. In order to try to get as much commentary as possible, I would like you to limit your question or comments to 60 seconds. No need to fill the entire 60 seconds. We're not billing today. If you don't get a chance to ask your question or make your comment, all of these will be made part of the record, and if yours doesn't get asked, you can submit it and it will be part of the record. These questions and comments will help us make our decisions and help us get the best possible proposals out for funding.

So let's start with microphone number 1. >> (Audience Member) - Thank you. My name is Debbie gold man. Is this on? I'm with the communication workers of America. I simply want to applaud the public meeting and the work that you've already done. We worked very hard to get this program passed because we're very concerned about the key, one of the

key goals that you all mentioned, which is job creation. We're in the midst of a terrible, terrible economic situation.

Our country, people are losing their jobs, and keeping our focus on will this create jobs not just temporary but permanent, good career jobs for people, and we're looking to you to include that as a top priority as you look at these competitive grants. Thank you.

>> (Moderator) - Thank you very much. Now I have a question from E-mail from SONNY in San Francisco, California. Will collaboration a monks several applicants into a consolidated application be encouraged or welcomed over individual proposals?

>> (Dr. McGuire-Rivera) - I guess it's what the group comes up with. But we will, you notice the act does say we want to get as much to as many users as possible. I would really encourage people to get out and cooperate in applications, aggregate demand. I don't think we have a no decision whether just because simply you're a group of people it's going to be better than someone that's not a group, but I would encourage people to get together and put applications together.

>> (Mr. Villano) - As mentioned, we want to do this in a collaborative manner, so we would certainly want to look at applications that use joint funding between USDA and NTIA.

>> (Moderator) - Microphone 2 in the back.

>> (Audience Member) - Yes, thank you. My name is Joe SAUNDRY, I'm with Fiber tower, we're a carriers backhoe using shared access. We're very curious, will the map show how many towers and buildings are broadband enabled so that when broadband services whether they are commercial or government or community, when they are launched to save money, will it all go back to one specific shared access point much like when we built the nation's highways? So just to repeat, will we be mapping and then giving grants to folks who build that type of infrastructure, enabling towers and buildings to get back to the Internet?

>> (Mr. Deutchman) - Thanks for the question.

It's certainly a good idea. What exactly will be on the maps at end of the day, the mapping inventory I think is still to be determined as part of the questions that are part of the request for information that NTIA and RUS put out today. I think the goal here is at the end of the day to be as granular as possible. Our hope and expectation is that we can provide as much information and get as much detailed information collected so that we're in a position and our colleagues at different agencies are in a position to be really making data-driven policy-making, so our expectation is to vastly improve on what we have today by far more granular mapping of the broadband infrastructure.

>> (Moderator) - Thank you, Scott. I think you'll see in the request for information we seek comment from the public about how to do things better in this whole broadband map area. There's opportunities, there's lots of data out there from various agencies, and there's ways to make this map a very, very helpful device for all the policymakers. So we look forward to your comments on that microphone number 3 in the back.

>> (Audience Member) - I think it's me here. My name is LUISA HANDA. I just launched RUMBA. I encourage everyone to go to RUMBA.com. I'm just a hill country activist in Texas that could not get any sleep, and I heard that this amount of money available and that there was no structure to bring people together to work on the best possible technology to put out there. Our alliance is an alliance of hundreds of tell cos, small rural companies that are confused, that do not know if they should apply individually, so what we want is to bring everybody together, and our proposal to you is to give us this opportunity to bring everybody together to work on the best

technology, the cheapest and the one that can be deployed the fastest. This is not about who gets there first. It's not about people dusting off their old equipment which they did not use to help the rural areas, and present it for a grant at this time. This is the time for truthfulness. I just encourage everybody to look into RUMBA U.S..com, and I would appreciate your comment on whether this is a good idea.

>> (Moderator) - One piece of information that will help is typically in these grant programs after you get the grant guidelines out there are workshops, there's furthering education because there are a lot of technical questions that will come up, and that is definitely in the plans for both of these programs, and it has been the practice for both Department of Commerce and the Department of Agriculture to do post-grant follow-ups so that folks understand exactly how to solve these issues that you've raised. Now I'm going to go to another question from E-mail. Has the FCC determined the definition of underserved or I'm interested in this answer, by the way.

>> (Mr. Deutchman) - For those of you in the room who have studied the issue, you know that the answer is not definitively yes. How do I qualify that? Can you hear me now? I was just saying the FCC has not done that. Our role in this process is given by the statute is to provide a consultative and coordinating role with the grant-making agencies. We will be doing that, and we are certainly -- they are certainly asking questions about that in the RFI, and we'll be providing them our expertise and counsel, but that decision by anybody that I'm aware of has not been made at this point, and there are things to guide everybody in terms of what the FCC and others have done in the past, but we don't have a definitive answer on that.

>> (Moderator) - I think that's right. We're seeking your comment on how to do that and what's the best way to do that given the goals and the structure of the Act. I know the NTIA portion of the act uses underserved and unserved and the agricultural part of the act uses rural, we're working very closely together to try to make sense of how all of these terms can be rolled out together so that we are working together and making a coherent, unlike my comments right now, a coherent approach to these sorts of things.

Microphone number 4.

>> (Audience Member) - My name is Bob SCHMIDT. I'm the CEO of a company called Great American Broadband. We operate in rural America. We have 7,500 subscribers in Indiana, Ohio, Nebraska Wyoming. We serve the underserved areas. The biggest issue we face as a small business company is liquidity, and if this system continues to operate the way it has, we will still be in need of liquidity. I encourage you to utilize as many local banks on some sort of guarantee program so that the funding can be distributed and properly audited as you go through the four corners of this country. Thank you.

>> (Moderator) - I would like to follow up on that. One thing we're also trying to do in these programs, as we set them up, is to try to leverage the other broadband based programs in the recovery act. There is smart grid, there is Department of Transportation money going out, so the thought has been if you come forward with a proposal and you don't have to dig the trench twice, that shows efficiency and effectiveness, and so we want to -- I think we raised this in the request for information, we want to request you to think about how to utilize all aspects, the health, IT, there are a number of different programs within the recovery act, and so in your local communities and your states, when you're designing these programs looking for ways to leverage those different aspects will be very helpful.

Microphone number 1.

>> (Audience Member) - I'm Jim Smith with the law firm of Davis Wright GERMAIN on the behalf of several applicants. My question regards the three

you rounds that both of you, the NTIA and the Agriculture Department were talking about having.

In those three rounds, do you anticipate allocating a third or different amount of available funds in each of those rounds, presumably you don't want to run out of money in the first or second round.

Secondly, would you anticipate in those three rounds to have each round open to every type of applicant or to try to have certain types of grant applicants in each of the rounds and categorize it that way?

>> (Moderator) - I'll jump in for a second, then I'll let Bernadette and Dave follow up. These are just our thoughts right now. Your question has gone into the public record, and we want people to tell us about this. We're trying to give you some meat to help you with how we should design the program. I think that's our current thinking right now. The concept is, I believe, to have a third, approximately a third and approximately a third so we can get some money out the door, and it would be across all the programs. It wouldn't be one versus the other. But I'll turn it over to Dave Bernadette.

>> (Mr. Villano) - That was well put.

>> (Dr. McGuire-Rivera) - You picked it up. It wouldn't make any sense to give all the money away in the first round.

>> (Moderator) - Thank you. Back in the back.

Yes?

>> (Audience Member) - I'm Steven, I'm with zone technology. As it happens, we're the only access gear vendor that is manufacturing all its gear here in the U.S., we have a nice factory in Florida. My question is about the implementation programs that you are and the buy-America provisions in the bill.

Could you comment on that angle please.

>> (Moderator) - I can comment that we're waiting to hear about that, and that we will -- that will be part of the information that comes out. So we're waiting to hear. And we're aware of that issue and are trying to get a legal opinion on that.

Three, in the back on this side.

>> (Audience Member) - Thank you. My name is MITSACO HERRERA. I'm with Montgomery County, Maryland. We thank you for having this. We hope in your discussions as you look forward to the application process and the consolidation that just as there are tensions between rural states and more populous states in the Senate, there are tensions between urban counties and urban cities within a state and statewide so that when you look at consolidation that good weight is given to the value of accepting applications at the local or from the local jurisdictions. What we would also do is in Montgomery County we're looking at weighing different, ag reserve, if you consolidate projects that you be sure to give weight to the different types of projects within there. For NTIA, are you planning on hiring additional staff or will you be outsourcing the actual review of the applications? What's a reasonable number of grant applications, whether that's 10,000, 5,00,000 to expect to be able to give to and for the library program, are you looking for specifically those applications to come from individual libraries or from library jurisdictions?

>> (Moderator) - I'll answer the second question first, then I'll turn the first question over to Bernadette. We're looking for the best that you have to offer, and so we're not restricting on that sense. The statute lays out specific guidelines for who is eligible and who can apply and what you have to have in your application, but I think opening the door wide allows for the opportunity for us to review and see, and the cream will rise, I believe.

Bernadette, if you can answer the -- >> (Dr. McGuire-Rivera) - Definitely we will be contracting out some of the support on getting the grants out. As

you know, NTIA itself is an \$18 million agency, so we will have to be staffing up and using some contract help. Probably somewhat similar, I know some of you are familiar with PSIC, we have used a lot of contract support in that program, and that model has proved to be pretty successful. We haven't determined yet exactly how many grants we would be giving out or a target. That's one of the things we want to talk to all of you about in the meetings of what would be a good number of grants. Should there be a floor amount on the grants? Should there be a ceiling amount on the grants? That's something we would like your consultation on.

>> (Moderator) - Okay, thank you.

>> (Audience Member) - And on the libraries?

>> (Moderator) - The libraries was my answer to your question, we're opening the door wide, so whatever folks think is the best approach, it may be one library, it may be a group of libraries, it may be libraries, public safety, the local community. We leave that door wide open because we believe it will bring more innovative and forward-looking proposals for it.

Microphone right here.

>> (Audience Member) - My name is Steven, I'm with world innovative networks. What you're trying to do is nothing new. In the past we have come up with solutions where we're integrating both municipal, public, public safety, and energy networks in together. My question for you is, the only way you can really pull that off is with a true broadband wireless type infrastructure to provide both fixed and local access, to provide these applications and services. Does the FCC have any plans under the new administration to either increase the power, the frequencies that are available. The 4.9, 3.65 gigahertz or to provide new frequencies that would not go to auction to actually allow this implementation in rural environments.

>> (Mr. Deutchman) - I believe that question is ongoing at the FCC. I don't know the answer to your question. I'll speak closer to the microphone. That question is specific with regard to proceedings that are ongoing at the FCC. I'm happy to get knew touch with the right folks -- get you in touch with the right folks, but I don't have an answer for you at this time.

>> (Moderator) - Now I have a question from E-mail, Lynn from Oklahoma City. She asked about can a timeline be provided for RUS portion of the stimulus package which I think Dave kind of laid out. But I want Lynn to be on the web broadcast so she can tell her grandkids that her question got asked.

Another question is will satellite-based rural broadband providers be allowed to participate in this particular program? That's from John.

>> (Mr. Villano) - I don't see any prohibition in the statute, so we would certainly be looking for public comment on that.

>> (Dr. McGuire-Rivera) - Same here. I think particularly in some of the unserved areas that that will be a very attractive sort of application.

>> (Moderator) - Thank you. Microphone 1.

>> (Audience Member) - Thank you, my name is GAYLEN updike. I'm with the state of Arizona, broadband manager there, and we have lots of questions with regard to a number of different things. I think that one of the big questions is will the states be allowed to consult separately with NTIA as a body or individually? Can we schedule meetings with you on that? That's my half question there.

>> (Moderator) - Okay. So you have 36 seconds left.

>> (Audience Member) - The second question I have, it seems like the mapping dollars, there is no 80-20, it's a grant I presume to an organization in each state to do mapping? I presume that the mapping will help certify underserved and unserved areas in advance of grants applications, I would imagine, and the question I hav how will those dollars, those mapping dollars

be implemented to state organizations so they can go about and do the mapping that's required?

>> (Moderator) - Let me answer the state meeting first, then I'll turn the mapping over to Scott.

Many of you saw our March 2nd, that was when public meetings were going to start. There's a correction to that coming out. We had over 2,000 people sign up for individual meetings, and I calculated that I would be here until 2012 having all those meetings.

So we have moved to this process of trying to get folks to come to consensus and sit on these round tables to give us their best thoughts. The time pressure is such that we really have to move quickly, and we need to get your best ideas, and also, however, we know that statute says we're supposed to reach out to the states. So we're going to do our best to meet those goals of the statute. I'm not sure, and I can't promise that we're going to have time to sit down with each of the 50 states and the territories and District of Columbia individually to discuss through their proposals. We have until September 30th, 2010 to get this money out. I believe there will be ongoing conversations with folks who submit proposals that meet the requirements and the further guidance sort of thing. So I think that's the best answer I can give you right now. We're going to do our best to do what Congress has told, which is to consult with the states and receive their input on this, and then Scott I'm going to turn it over to you for the mapping.

>> (Mr. Deutchman) - The good news is -- I can't seem to get this right. I'll get it by the end, by 11:30 I should be raring to go.

The good news is that we're coming to Arizona next week, so

>> (Audience Member) - I'll be there. I'm very happy.

>> (Mr. Deutchman) - There is an opportunity. On the mapping, it's important to point out that there are two real areas where mapping comes into play with regard to the statute. One is you're talking about the grants, but the other is that by 2011 there needs to be a national broadband inventory, national broadband mapping inventory, so we've got the bigger picture to strive for as well as the individualized maps.

With regard to the individualized maps, I think in some respects that's to be determined by the grant-making agencies, but you'll see, I don't mean to defer, but I think we're trying to learn from you folks exactly what you said, are we going to -- how are these maps going to work? What type of information do you need to have on there?

There's a lot of questions being asked today.

>> Certify underserved and unserved.

>> (Mr. Deutchman) - I'll defer to others, but I don't believe that decision has been made.

>> (Dr. McGuire-Rivera) - I just want to reinforce working with the states, we will work with the states. There are about five or six states, and you know who you are, who have five or six phone calls, and we will get back to you.

>> (Moderator) - Microphone 2 in the back.

>> (Audience Member) - Thank you for the opportunity to comment. I'm an elected city counselor for the city of A the DELS, Oregon. We are far and away the largest population center in our area. That kind of prefaces my question which deals again with the distinction between entirely unserved and underserved areas, how that distinction will be made and whether a county-wide proposal that incorporates a small urban population center such as the DELS might be considered for one of the proposals.

>> (Moderator) - So I think the short answer is we've not made a decision, we have reached out and asked you and folks like yourself and folks in this room and folks on the broadcast and on the teleconference to tell us how we should, and once you submit those comments, we will review those and put that

up against what the statute says we need to do and come up with what we believe is the best answer. So I think that's the short answer is we're waiting for you to help us get to those definitions.

>> (Audience Member) - All right, thank you.

>> (Moderator) - Thank you. Microphone 3 in the back.

>> (Audience Member) - My name is JANNA, I ask this question on behalf of clients who may potential applicants. The RDS has partial loan, partial grant, a combination I heard through the grapevine informally that there are talks of actually doing it similar, implementing this one in a similar fashion. Can I get some confirmation on that?

Also, NTIA thinking of doing a partial loan, partial grant as well?

The second question, will there be any set-aside or consideration for small disadvantaged businesses as you disseminate the grants?

>> (Moderator) - I'll take the last part of your question and turn the first part over to Dave. The statute actually has a provision about small businesses, if you refer to the statute it speaks about what you're talking about, and then Dave I'll let you answer about the grapevine.

>> (Mr. Villano) - Sure. The statute provides us the authority to do loans, grants, and loan guarantees. So we would envision that we would be providing grants, loans, and loan/grant combos. We're looking to get the best bang for the bucks.

>> (Moderator) - Ours is a grant program. I imagine people with proposals who came in and said we would use our grant to do it even better and cheaper because we worked with our local bank to get a good rate that might be a very attractive thing reviewing proposals.

I would encourage people on the teleconference if you have questions forego ahead and submit them. I didn't want folks to think we were leaving out. So far they have been completely satisfied with the comments so far.

>> (Dr. McGuire-Rivera) - As I said before you can apply to both RUS and NTIA, so if you have a situation where you want to get a loan from RUS and then get a grant from us for a separate part of the project, that could work.

>> (Moderator) - Thank you. This microphone right here.

>> (Audience Member) - Good morning. My name is Brian par sons. I'm from CTI, we're a global provider of services to the tell cos, and we're based in Pennsylvania. A comment and a question. My comment is based on the plans that show how important the rapid deployment of the broadband would be as well as in light of the current economy it would seem that certainly a pragmatic approach to this deployment will be most desired, and with that in mind my question relates, I guess, simply to digging ditches. So namely will there be or do you see direction or preference given to fiber-based deployments versus copper-based deployments versus wireless deployments?

>> (Mr. Villano) - There's no priority in the statute for that, and that's what we'll be seeking public comments on at the field hearings and here in D.C.

>> (Moderator) - I would say if you look at the statute, it also says the fastest speeds possible, most forward-looking. There's a lot of that in there and also in the conference report. What we're looking for is bottom line the best bang for the buck, but I think if we're planning about the future, we need to think about the future, and we need to have forward-looking future-looking programs, expandable. To me, and having not seen what the public comment is and we invite your public comment on this very question, but if we're going to spend public dollars, it should be on something that can be an investment for the future.

Microphone number 1.

>> (Audience Member) - My name is RICO Singleton, I'm from New York State deputy chief information officer. We appreciate the NTIA and FCC for convening these public meetings to address the issues in the broadband American and recovery reinvestment act. What I would like to ask, in regards to the non-Federal funds matching criteria in both of, both or all of these grants, and specific to the local governments and public political subdivisions of the states, most of them are typically strapped for cash, and so what we would like to know is, are there going to be considerations made for in-kind contributions from nonprofits or political subdivisions such as rights of way of fiber, fiber facilities, waiver of fees, et cetera, whereas typically with the nonprofits and political subdivisions being strapped for cash, it may narrow the pool of applicants whereas allowing for in-kind contributions would increase the wide range of the applicant pool as the goals state.

>> (Moderator) - I think I can say now that the statute makes very clear about contributions, and we would like to hear your comments about how those contributions should be measured and how that can be demonstrated. I think that's the best answer we can give you right now.

Microphone 2 in the back.

>> (Audience Member) - I represent Berlin Atlantic capital. My question is for RUS and David. You're in the midst of a rulemaking process for the 2008 farm bill, and I believe you are done with your ROOCHLTS I don't know if they've been sent to OMB. Will you continue with that process and will it impact? Will it become the template for how you're going to deal with the grant program, the loan program, and the direct loan program?

Second question, when you talk about a guaranteed loan program, what kind of guarantee are you think you're going to offer and what kind of criteria are you going to expect from the borrower?

>> (Mr. Villano) - In answer to your first question, we are still working on our regulations to implement the 2008 farm bill. They're in the final departmental clearance. They have not gone to the Office of Management and Budget, and we do hope to have those published within the next 60 days as an interim final rule on a request for comments.

In answer to your second question, we have the authority to do guaranteed loans right now in our broadband program. It has not been funded or utilized. So we'll be looking for public comment on how we can best deploy that, if possible, within the time constraints of a stimulus package.

>> (Moderator) - Thank you. This question is from E-mails. Will the NTIA, and I'm going to add RUS into this question also develop any yardstick metrics to determine the effectiveness of these programs?

>> (Mr. Villano) - Well, I'll start since I have the microphone. Yes, we are. We are developing those right now, and you'll see in the request for the public comments, we'll also be seeking input from you on how we should measure evaluation criteria for awarding loans and grants and how we should measure success of the projects funded.

>> (Dr. McGuire-Rivera) - Yes, we're going to have metrics. It's one of the questions we want your input on. I know this sounds -- and also we'll have overall program metrics, and we'll have metrics associated with each individual application.

>> (Moderator) - I want to encourage you also for folks out there who are thinking about this issue to give us some guidance. One of the programs is innovative, we're supposed to give money for innovative programs, and we were sitting around the other day saying how do you measure innovation? Was I three times as innovative as you? I know a lot of those folks out there, you've been working with this and thinking about this. We can use your wisdom on these issues. I think I'm back here, microphone 3.

>> (Audience Member) - I'm Tom with rapid DSL and wireless. We're a local broadband company here in Montgomery County. I also am here representing WISPA on their legislative committee and VP of the board. I would like to start out by thanking the United States Government and Congress for recognizing the needs of rural America and more importantly recognizing the need to deploy grants in a technology-neutral manner. However, what's not very clear to me right now is fulfilling the other goal, which is to make sure that all Americans have the right to have broadband regardless of the geographical area that they may live in, including urban America. In the RUS grants in the past they've previously discriminated, disqualified underserved areas that are within or nearby a metropolitan area. Will that be removed from the RUS requirements in these future grants or is it better for urban/suburban Internet providers to be looking to the NTIA for assist in those areas?

>> (Mr. Villano) - In answer to your question, the existing programs that we have are very small, they're very competitive, and the evaluation criteria was determined based upon the availability of the funds. Under the recovery act, they exempted us from the farm bill, the rural requirements of the farm bill. As I mentioned in my presentation, at least 75 percent of the area served has to be in a rural area, so we will be able to touch on some areas that aren't considered rural by USDA. In addition, we'll be working with NTIA. So that might be a perfect project where there's collaboration on. Again, we'll be seeking comments on that.

>> (Moderator) - I think we want to be very clear.

>> (Mr. Deutchman) - I have to get at least one plug in for the national broadband plan. It was a good stepping stone, which is that look, those are exactly the types of issues that I think we're going to be wanting to look at. The grant programs are -- we're going to learn from them. They're a down payment. What the long-term vision of how we get broadband out to all Americans everywhere at the type of competitive speeds that you're talking about is something that certainly I would expect the FCC to be taking a close look at.

>> (Dr. McGuire-Rivera) - Of course we will be able to give funding to both urban and rural areas, and so I think again this will be a great place where we'll be coordinating with RUS, so you can take advantage of dual funding sources to do some projects that you might ordinarily not have been able to do. Odd awe my question is who we should apply to? We should apply to RUS or NTIA if we want a grant, we should apply to one or the other if we're an urban/suburban provider?

>> (Mr. Villano) - You'll be able to provide for both. I think you should provide your input during the public comment period and see how we craft our NOFAs and how we're going to work together in deploying the funds, and that will guide you into the best way to apply for assistance.

>> (Moderator) - These are issues we're spending a lot of time thinking about and we actually need your input. We're trying to figure out a way to create an intake program that will allow us to address these sorts of things. If you can help us design that program by submitting comment, you know, we're all better for it.

I'm very excited, TINA from Wilson county, North Carolina has submitted a question. She operates a wireless ISP company. One country required a propagation study. Will all counties be required to perform propagation studies? TINA, you may have stumped the panel.

>> (Dr. McGuire-Rivera) - I haven't thought about it.

>> (Moderator) - I think the law says it has to comply with all local, federal, and state laws.

>> (Dr. McGuire-Rivera) - I think you will also have to provide some information that you would use for a propagation study. If you have a propagation study, I think you're a little ahead of the gaTINA.

>> (Moderator) - That will be an issue of the things that we need to put into the NOFA.

>> (Audience Member) - My name is Robert FIFRJ. I'm on the board of the national broadband services association. The members of that association range from individual private schools on up to large public university systems, and they hold licenses from the FCC to provide broadband services in the 2.5 gigahertz range.

My question really involves what organizations within the state, what portions of the state government will you be consulting with as you get input from the states?

>> (Dr. McGuire-Rivera) - Again, this is a good question because from state to state it differs, and who within the state government is responsible for broadband, and some states there are more people who are responsible and other states are not, don't seem to be quite as interested. That's one of the things we're really looking to in the question is for each state to tell us or people who are involved in broadband in the state where in your state we should be going for our consultations.

>> (Moderator) - Okay. Here.

>> (Audience Member) - Good morning, Betty Buckley, I'm executive director of the communi connect network which is a grass-roots coalition of organizations across Washington state who are busy implementing demand side strategies. Two quick questions. One, last year we were able to work successfully with the state legislature to create a grant program for those organizations.

Unfortunately Washington, like so many other states, has very little money this year, so that program's no longer funded. We're hoping you might consider a regranting program. That's question number one.

Question number two, Dr. McGuire-Rivera, I was very interested to hear your words. At least 200 million and at least 250 million. I would love to know more about what at least means.

>> (Dr. McGuire-Rivera) - Very good, you picked up on that at least means we will spend at le\$200 million. No, no, it also leaves it open that we may spend more than \$200 million. It depends on what we get in terms of applications, but the law says we have to spend at least that much but we're not limited to it.

>> (Audience Member) - And the regranting notion?

>> (Dr. McGuire-Rivera) - That's a great idea.

We got it down.

>> (Audience Member) - Thank you.

>> (Moderator) - This question comes from MATT with the American cable association. The federal application process is usually very difficult with a large amount of requirements. What are you doing to streamline the application process? What are you doing to have a technology-neutral program for small, rural areas?

>> (Mr. Villano) - We're looking at every way we can to streamline the process, particularly for our grant program. It makes it a little bit easier when you have a loan component, we need financials to be shown that the loan can be repaid. We're currently working together to see how we can do that. One of the advantages that we've had with the 2008 farm bill is we've been developregulations to implement those, and one of the steps that we've taken is a streamlined process for applications, so we'll be able to transfer a lot of the knowledge and the comments that we got from that program into the deployment of the stimulus funds.

>> (Dr. McGuire-Rivera) - This is not an existing program at NTIA and in many ways that makes it even easier to streamline because we don't have a lot of legacy forms. I think also just the mere fact that we have to get this out so quick will be a major force in getting this to be a very streamlined application.

>> (Moderator) - We just want to set expectations. We have seven minutes left for public comment at this meeting, but I want to encourage you to attend and participate in the upcoming six meetings. I think my next -- it's over here. Thank you. Number 2. Thank you.

>> (Audience Member) - My name is Mark, I represent a nonprofit, one community broadband service provider in Ohio and also the knight center of digital excellence which is the best practice for implementation and adoption of broadband services. We were lucky enough to receive one of the FCC rural health care pilot grants here a little over a year ago, and we're very pleased, and thank you FCC for helping make that all happen. But one of the things is we're working with a number of communities in helping them to find, and as Dr. Bernadette McGuire-Rivera said get the proposals ready now, but the issue really seems to follow in towards the administrative process. Once the awards occur, are we going to expect the same kind of sort of time and burdens and complexity in administering and using the funds or are you expecting to really streamline that process so the funds can be deployed quickly?

>> (Dr. McGuire-Rivera) - We will streamline it, but you still have to be very accountable, and I think in order to get the money out fast, we'll be very careful in managing it and having quart reportings, but I don't see anything other than -- you might want to look at our program and things we have done before. I think it actually is pretty streamlined. But we understand what you're going through in trying to get the money spent and get it spent properly. Again, we'll work with you to get something that works for both of us.

>> (Moderator) - I would also follow on with saying because we're trying to do this test bed program, because we're trying to do things that will be scalable and usable in the future, I think we're going to look very closely, and we're going to -- we want to make sure when we give out the public's money that we give it out in a wise way. So I would add that to those comments.

One question is can sole proprietorships be eligible for the RUS broadband grant program?

>> (Mr. Villano) - It's a good comment. We'll be seeking comments on that. Right now they would not be, and there's nothing in the statute that would preclude it. So we'll certainly look at that during the comment period.

>> (Moderator) - Okay. And then I think up here.

>> (Audience Member) - Good morning. I am TAD with the mid Atlantic broadband cooperative. I have a very large network in Virginia. My question is on matching funds. We have six million of non-Federal matching dollars ready to go today, I have tower contractors, fiber contractors, we're ready to award contracts. My question is, if we award those contracts prior to any federal grant award in NTIA or RUS, will those still be considered matching funds?

>> (Dr. McGuire-Rivera) - That is a real good question, and if it were one of our existing grant programs, it wouldn't be, so we are going to go back and check on that for you. So don't give up hope.

>> (Audience Member) - Great, thank you.

>> (Moderator) - I do want to turn folks attention to the statutory requirement that demonstrate that these projects would not have been funded but for grant funds under this program.

That's not a mushy rule, that's a hard and fast rule that's in the statute, and we're going to pay attention to that.

I have another question from E-mail.

Sometimes it's not just the last mile that is missing. Will the cost of creating the back haul for remote areas be something that is funded? Will the need to create middle mile infrastructure negatively affect which projects get funded?

That's from Steve in Imperial, Nebraska.

I think that's what we're looking for comment on. If I had those answers, I wouldn't be here right now. We need your comment on these sorts of questions, and I think we all have to come together and use the collective wisdom to see what's the best way to spend this money to come up with proposals that will show us the way forward in the future, that will help the FCC with the broadband, national broadband program, but we welcome your comments.

We have three more minutes. So who is next? Down here. Thank you.

>> (Audience Member) - I'm Alan, I'm with the American library association, and we represent America's libraries through our 67,000 members. I have a comment and a question. The comment is, can you say any more about the upcoming public meetings in terms of who gets to speak or who is invited to speak or whether there will be themes or anything of that sort?

The comment is that we hope that grants or other federal assistance provided to service providers to build out the broadband infrastructure will give preference to those who build out infrastructure to make it accessible to libraries and other community organizations and will it include some type of preference such as discounts?

Thank you.

>> (Moderator) - I think we've seen where American library association is going with their comments, and I think that that would be very helpful to have that information in, and again I'm sorry to repeat this over and over, but we need your help in figuring out those sorts of answers to those sorts of questions.

>> (Audience Member) - The public meeting question?

>> (Moderator) - The agenda will be out very soon. If you look at the request for information, you'll see a variety of topics, and what we're going to try to do is have a meeting much like this where we raise a topic, eligible entities advertise and how you would define those eligible entities, and we will do our best to get representative stakeholders from the folks who will be affected by the statute, we will have public comment and question period at the end of each of the sessions so folks can participate. All of that will be web streamed, all of it will be made available, the transcripts following will be made available on our web site, and it will all be part of the public record and part of what we consider in designing the program. Thank you. Sorry for missing that question.

All right, I hate to do this, but you're the lucky last question.

>> (Audience Member) - This is a quick one. My name is Richard McKinney, I'm with sky casters, we're a satellite broadband provider based in Ohio. I'm hearing a consistent theme throughout the entire meeting of the need to collaborate, to network, to figure out exactly how we're going to do things. I'm curious if, in fact, the program is going to facilitate some of that by releasing contact information of those of us at least who are in this room so we can share thoughts together and perhaps build better proposals for you?

>> (Moderator) - That is not currently on our plan, but we can do our best. I know that our comment site is getting up and running fairly quickly, that's been one of our tasks, to try to get that ready, and through that you will see the scope and the breadth of people participating.

That's one easy way for us to try to have a place for you to reach out. I would encourage each of you, you're part of member organizations, there are some cross organization work that you can do together and reach out using your networks to come together and give us those ideas about how you can work together.

I want to take this time to thank my three panelists.

[Applause]

>> (Moderator) - I would encourage you to be concise when you're submitting comments so that we can actually read them and get them and make use of them, and we'll see you March 16th. Thank you very much.

[Applause]