

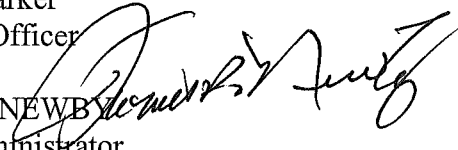


**United States Department of Agriculture
Rural Development**

July 2, 2009

TO: Nathan Frey
Desk Officer
Office of Management Budget

THROUGH: Charlene Parker
Clearance Officer

FROM: JAMES R. NEWBY 
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Rural Utilities Service

SUBJECT: Request for Emergency Review and Clearance
for a New Information Collection Request

Abstract of Program and Implementation

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009 (Recovery Act) into law (American Recovery and Reinvestment Act of 2009, P. L. 111-5, 123 Stat. 115 (2009)). The essential goal of the Recovery Act is to provide a "direct fiscal boost to help lift our Nation from the greatest economic crisis in our lifetimes and lay the foundation for future growth." Accordingly, the Recovery Act identifies five overall purposes: (1) to preserve and create jobs and promote economic recovery; (2) to assist those most impacted by the recession; (3) to provide investments needed to increase economic efficiency by spurring technological advances in science and health; (4) to invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits; and (5) to stabilize State and local government budgets. The Recovery Act further instructs the President and the heads of Federal departments and agencies to manage and expend Recovery Act funds to achieve these five purposes, "commencing expenditures and activities as quickly as possible consistent with prudent management."

Consistent with the purposes described above, the Recovery Act provides the Rural Utilities Service (RUS) of the US Department of Agriculture (USDA) and the National Telecommunications and Information Administration (NTIA) of the US Department of Commerce with \$7.2 billion to expand access to broadband services in the United States. In so doing, it recognizes the growing importance of access to broadband services to economic development and to the quality of life of all Americans. Specifically, the Recovery Act tasks

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RUS, NTIA and the Federal Communications Commission (FCC) with leading the Federal government's efforts to begin the process of dramatically expanding the reach and quality of broadband services.

Reason for Emergency Clearance

The agencies are requesting emergency review and approval of the Broadband Infrastructure Application, which is a new information collection. RUS and NTIA are required to prescribe a Notice of Funds Availability to implement the provisions of the Recovery Act. Rapid disbursement of the funds available under this program is important because of the short time frames imposed by the Recovery Act and to address the economic crisis facing the country. A commitment to transparency in the award process and rigorous reporting requirements will help ensure accountability.

RUS and NTIA Recovery Act programs implement new authorities. Specifically, the Recovery Act expands RUS's existing authority to make loans and provides new authority to make grants to facilitate broadband deployment in rural areas. The Recovery Act appropriates \$2.5 billion for RUS to extend loans, loan/grant combinations, and grants to projects where at least 75 percent of a USDA-funded area is in a rural area that lacks sufficient access to high speed broadband service to facilitate rural economic development. RUS has developed the Broadband Initiatives Program (BIP) to fund broadband infrastructure in qualifying areas. Applicants for BIP funding will complete the Broadband Infrastructure Application.

The Recovery Act also appropriates \$4.7 billion to NTIA to provide grants for broadband initiatives throughout the United States, including unserved and underserved areas. NTIA is tasked to spur job creation, stimulate long-term economic growth and opportunity, and narrow gaps in broadband deployment and adoption. The NTIA program is called the Broadband Technology Opportunities Program – or BTOP. BTOP funds will be available through three categories of eligible projects: Broadband Infrastructure, Public Computer Centers, and Sustainable Broadband Adoption. NTIA is tasked to spur job creation, stimulate long-term economic growth and opportunity, and narrow gaps in broadband deployment and adoption. Applicants for BTOP funding will complete the Broadband Infrastructure Application if they are requesting a grant for deployment of broadband infrastructure. NTIA separately is submitting applications for BTOP funding related to Public Computer Center and Sustainable Broadband Adoption projects.

Prompt approval of the paperwork burden package is imperative not only to rural America but the nation's economy as a whole. Providing broadband services in unserved and underserved communities will provide direct stimulus to the US economy, produce long-lasting socio-economic benefits, and mitigate the effects of global industry downturns in other market segments. Crucial to the US position in the global economy is a strong, seamless broadband network capable of delivering robust services on multiple technology platforms. Making broadband services available in rural, unserved and underserved communities ensures that the country use to the fullest extent all of its available resources in both rural and urban America. Rural America is no longer a predominantly agricultural economy and broadband networks will once again provide the commerce avenues necessary for continued economic growth, as well as

provide the platforms for improved education and health care. Both rural and non-rural job creation will depend on the ability of businesses and manufacturers to locate anywhere with the assurance that broadband services are available.

The Recovery Act was enacted in February 2009. Since then, the public has been waiting in anticipation of assembling application material. Recovery Act funding authorization expires on September 30, 2010, but demand for program funds is immediate. The emergency review and approval will allow the agencies to provide needed resources, allowing for opportunities for economic improvements and a better quality of life.

As previously stated, this action was created by Congress under the 2009 Recovery Act. Before funds can become available, paperwork clearance is required on the associated burden. In compliance with OMB regulations (5 CFR part 13320), which implements the Paperwork Reduction Act of 1995 (Pub.L. 104-13), the information collection requirements imposed by this action are submitted to OMB for emergency review and approval. RUS requests review and approval of this emergency paperwork collection package as soon as possible so that RUS and NTIA can begin accepting applications for the national broadband initiative created by the Recovery Act.

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