SUPPORTING STATEMENT

U.S. Department of Commerce
National Telecommunications and Information Administration

Broadband Technology Opportunities Program
Comprehensive Community Infrastructure,[1] Public Computer Center, and Sustainable
Broadband Adoption Applications Requirements
OMB Control No. 0660-0031

A. JUSTIFICATION

This emergency review request is required to enable NTIA to receive and review applications, select applications under the second round of funding, and comply with the Recovery Act's deadline of September 30, 2010, for the award of BTOP funds. The request approval date is January 22, 2010.

1. Explain the circumstances that make the collection of information necessary.

The American Recovery and Reinvestment Act of 2009 (Recovery Act) establishes and provides $4.7 billion for the Broadband Technology Opportunities Program (BTOP) and directs that these funds be awarded by September 30, 2010. Of these funds, at least $200 million will be made available for competitive grants to expand public computer center capacity; at least $250 million will be made available for competitive grants for innovative programs to encourage sustainable adoption of broadband service;[2] and up to $350 million will be made available to fund the State Broadband Data and Development Grant Program (Broadband Mapping Program) authorized by the Broadband Data Improvement Act.[3] The Broadband Mapping Program is designed to support the development and maintenance of a nationwide broadband map for use by policymakers and consumers.[4]

Section 6001 of the Recovery Act establishes five core purposes to be advanced by projects funded under BTOP:

(1) To provide access to broadband service to consumers residing in unserved areas of the country;

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[1] In the prior version of this information collection, the "Comprehensive Community Infrastructure" application and associated funding category were called "Broadband Infrastructure." Although the name has changed and the application has been altered somewhat, the basic function remains the same, to collect data from applicants regarding their ability to deploy broadband infrastructure throughout the United States, particularly in unserved and underserved areas.

[2] *See* Pub. L. No. 111-5, 123 Stat. 115, 128 (2009).

[3] Pub. L. No. 110-385, 122 Stat. 4096 (to be codified at 47 U.S.C. § 1301 *et seq*.).

[4] *See* State Broadband Data and Development Grant Program, Notice of Funds Availability and Solicitation of Applications, 74 Fed. Reg. 32545 (July 8, 2009).

(2) To provide improved access to broadband service to underserved areas of the country;

(3) To provide broadband access, education, and support to community anchor institutions (e.g., schools, libraries, medical facilities), or organizations and agencies serving vulnerable populations (e.g., low-income, unemployed, aged), or job-creating strategic facilities located in state or federally designated economic development areas;

(4) To improve access to, and use of, broadband service by public safety agencies; and

(5) To stimulate the demand for broadband, economic growth, and job creation.[5]

Grant recipients must substantially complete BTOP projects no later than two years, and projects must be fully completed no later than three years, following the date of issuance of the grant award.

NTIA has designed separate applications for each funding category (Comprehensive Community Infrastructure, Public Computer Centers, and Sustainable Broadband Adoption), each accompanied by clear instructions, to allow applicants to provide only the information relevant to the projects they propose. For example, an entity applying for a grant for a sustainable broadband adoption project will not be required to answer questions relevant only to applicants proposing expansion of public computer center capacity.

The Comprehensive Community Infrastructure, Public Computer Centers, and Sustainable Broadband Adoption applications (applications) allow various types of entities to apply for BTOP grants to extend broadband infrastructure to unserved and underserved areas and populations, fund expansion of public computer center capacity, and accelerate broadband subscribership.[6] The applications reflect the eligibility and evaluation criteria that NTIA has developed to evaluate applicants for BTOP grants in light of the objectives and requirements specified in the Recovery Act. NTIA must collect this information from applicants to determine whether each proposal meets the eligibility criteria.

The revision of this information collection is based on the comments received in response to the NOFA issued for the first round of funding, a November 16, 2009 Request for Information (RFI), and the experience gained from administering the first round of BTOP funding, NTIA has made a number of additional changes to the program to increase efficiency, sharpen its funding focus, and improve the applicants' experience. These changes are summarized below:

- Eliminated the option of allowing applicants to file joint BIP/BTOP applications. NTIA believes the elimination of joint applications will significantly streamline the application review process, which is critical to ensuring that NTIA is able to complete its review, selection, and funding of applications by the statutory deadline of September 30, 2010.

- Improved budget data collection to reduce the need to request supplemental data in the due diligence phase. Also, the application collects allocation of federal budget data

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[5] *See id.* § 6001(a)-(b).

[6] As discussed at the end of this section, RUS, on behalf of NTIA, is separately submitting an application for their Broadband Initiatives Program (BIP) infrastructure projects.

across states to allow for state-level reporting of federal request amounts for all applications, including multi-state applications.

- Changed applications to collect information for facilitating tribal consultations.

- Revised approach to collection of computer center data for PCC applications in order to:
  - reduce the data entry burden for applicants;
  - make key facts more accessible to peer reviewers; and
  - eliminate the need for resubmission of data or extensive hand calculation in due diligence.

- Clarified language for a number of essay questions to improve applicant responsiveness.

- Revised the eligibility factors so that just three criteria – eligible entities, fully completed application, and matching – will be used to determine whether an application is eligible for BTOP funding. The budget reasonableness and technical feasibility factors were removed from the eligibility requirements, because NTIA determined that these factors are more appropriate for consideration during the expert review and due diligence phases of the application review process.

- Clarified the processes for requesting waivers, including those for the matching fund requirement, last mile coverage obligation, and the restriction on the sale or lease of project assets.

- Eliminated the mapping tool used for the first round and will allow applicants to submit maps in a variety of common formats.

- Changed service area definitions from Census blocks to Census tracts and block groups.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

NTIA intends to use the information contained in the applications to determine whether applicants meet established eligibility criteria for BTOP funding and to evaluate the applications of eligible applicants for potential funding against established BTOP objective evaluation criteria. The eligibility requirements are mandatory, and applicants that fail to meet them will not have their applications considered further.

Subject to the priority mechanism established in the NOFA, applications meeting BTOP priorities will be evaluated against the objective evaluation criteria by at least two expert reviewers. In the event an application receives substantially divergent scores from the two reviewers, BTOP will establish a procedure for the additional review of those applications, which will be documented in the file. The applications that receive the highest scores when evaluated against the objective criteria will advance to the due diligence phase of the application review and evaluation process. During this phase, NTIA may request applicants to provide

additional information and documents to corroborate and substantiate representations made in their applications and allow NTIA to fully evaluate proposed projects. Examples of information and documents that applicants may be requested to provide include:

- Documentation to support and corroborate information referenced in the application;

- An explanation of line items in the applicant's budget; and

- A more detailed explanation of organizational structure and the relationship with partners.

NTIA also intends to use information contained in the applications as baseline information against which to evaluate grantees' progress toward the completion of project goals and objectives.

This information collection does not include BTOP-specific reporting requirements beyond those required by Section 1512 of the Recovery Act.

The Recovery Act requires NTIA to "create and maintain a fully searchable database, accessible on the Internet at no cost to the public," that includes, among other things, a list of entities that have applied for BTOP grants, "a description of each application," and "such other information sufficient to allow the public to understand and monitor grants awarded under the program."[7] The Recovery Act also requires that the publicly accessible database offer the public sufficient information to "understand and monitor grants awarded under the program," including the ability to filter the data along important dimensions.[8]

NTIA has taken special steps to ensure the maximal utility, accuracy, integrity, and objectivity of the information to be collected in accordance with NTIA's published Information Quality Guidelines.[9] NTIA intends to populate the required database directly from the electronic application system. Additional fields for the database will be created and maintained by NTIA (e.g., status of application) or collected from grantees at a later time (e.g., quarterly reports on use of grant funds). Some elements of the application will be made publicly accessible through the application database available at www.broadbandusa.gov per Section VI.D. of the NOFA.

Displaying the project description that applicants themselves enter into the electronic application system will help ensure a clear, succinct description of the proposed project, as applicants are in the best position to provide this information. Similarly, any other data describing applicants, the claims made in applications, or requests made in the applications will be most accurate if pulled automatically from the intake system. NTIA will maintain the integrity of the electronic data by safeguarding its database consistent with acceptable standards of operation. At a minimum, it has entered into an agreement with its data manager to enforce its information systems security policies, standards, and procedures on projects or tasks it has been engaged to perform with respect to this information collection as well as to provide the same level of care in protecting

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[7] *See* Recovery Act § 6001(i)(5), 123 Stat. at 515.

[8] *See id.* § 6001(i)(5), 123 Stat. at 515.

[9] *See Section 515 Standards: Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by the National Telecommunications and Information Administration*, www.ntia.doc.gov/ntiahome/occ/ntiaiqguidelines_09252002.htm (Sept. 25, 2002).

NTIA's inventory as it takes in protecting its own inventory. Applications accepted for review will be retained for two years, after which they will be destroyed.

NTIA will present any information that it disseminates in an objective manner and will provide appropriate information concerning the source of the data disseminated. NTIA will test the database to ensure that accurate search results are returned. Additionally, the Comprehensive Community Infrastructure Application includes questions concerning the methodology used by applicants for complex factual determinations and projections. Including these questions will help ensure that if NTIA disseminates information based upon data provided in the application, NTIA can describe the reliability and limitations of the disseminated information.

Before disseminating the information collected, NTIA also will ensure compliance with any relevant and necessary pre-dissemination review processes.

3.   Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

NTIA requires that all applications for BTOP grants during the second round of funding be submitted electronically via the BTOP electronic application system at https://applyonline.broadbandusa.gov. Applicants, however, may utilize the NOFA's waiver process to request paper application materials and to submit a paper application. Complete application packages, including required federal forms and instructions, will be available at http://www.broadbandusa.gov.

The electronic application system was developed under a memorandum of understanding between NTIA and the National Technical Information Service (NTIS), an operating unit of the U.S. Department of Commerce. NTIS has a substantial amount of experience providing information dissemination services for other agencies, and it has access to the specialized resources, systems, equipment, financial infrastructure, and personnel expertise needed to produce and disseminate information products on a large scale such as this collection.

4.   Describe efforts to identify duplication.

Applicants' proposals are unique to this program, and the information to be collected is not generally available from other sources.

The Recovery Act also appropriates $2.5 billion for the Rural Utilities Service (RUS) of the U.S. Department of Agriculture (USDA) 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. The Recovery Act prohibits NTIA from funding a project in areas where RUS has also funded a project.

RUS developed the Broadband Initiatives Program (BIP) to fund broadband infrastructure in qualifying areas. RUS and NTIA published a joint *Notice of Funds Availability* (NOFA) for BIP and the first round of BTOP. However, the applications and most of the review processes for

BIP and BTOP are being separated in the second round of funding, in part due to concerns about maintaining a secure chain of custody and a uniform information lifecycle for applicant data between the two departments.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize the burden.

NTIA consulted with the Small Business Administration's Office of Advocacy regarding the showing necessary for an applicant to qualify as a Socially and Economically Disadvantaged Small Business concern under the Small Business Act (15 U.S.C. § 637(a)(4)). As a result, NTIA will request only a self-certification from the applicant. The applicants will state in their application whether they or a partner are an SDB (partners will also submit a letter to that effect). These self-certifications will be utilized in scoring and verified in due diligence.

Furthermore, to minimize the burden on all applicants, during the application submission process for this second round of funding NTIA will collect up-front only the most essential information needed to determine applicants' eligibility for BTOP funding and to evaluate the applications of eligible entities for potential funding against the established BTOP objective evaluation criteria. Additional information and supporting documentation needed to corroborate and substantiate representations made in the applications will only be collected from applicants whose applications received the highest scores when evaluated against the objective evaluation criteria and have advanced to the due diligence phase of the application review and selection process.

NTIA believes this approach will avoid deterring smaller entities with less experience applying for grants and fewer resources to devote up-front to the grant application process.

NTIA believes the electronic application system in the second round of funding will be less burdensome for all applicants.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

If the collection is not conducted, NTIA would not be able to meet its statutory requirement to award grants consistent with the purposes of the Recovery Act and the specific purposes listed therein for BTOP.[10] NTIA also would not be able to determine whether applicants meet the requirements that the Recovery Act establishes for BTOP grants.[11] Furthermore, NTIA could not consider the additional factors that the Recovery Act requires it to consider when awarding grants.[12] For these reasons, if NTIA did not request this information on the applications, NTIA

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[10] *See* Recovery Act § 6001(b), 123 Stat. at 512.

[11] *See, e.g., id.* § 6001(d)(3), 123 Stat. at 513 (requiring NTIA to obtain assurances that applicants will substantially complete their proposed projects within two years of receiving a grant); *id.* § 6001(e)(3), 123 Stat. at 514 (requiring applicants to show that the project would not have been implemented during the grant period without federal financial assistance); *id.* § 6001(f), 123 Stat. at 514 (limiting the federal share of BTOP projects to 80% in the absence of a finding of financial need).

[12] *See, e.g., id.* § 6001(h)(2)(C), 123 Stat. at 515 (requiring NTIA to consider whether a proposal will enhance service for health care delivery, education, or children to the greatest population of users in the area); *id.* §6001(h)(3), 123 Stat. at 515 (requiring NTIA to consider whether the applicant is a socially and economically disadvantaged small business concern).

would fail to comply with the Recovery Act, taxpayer money would be wasted, and BTOP would not produce the benefits intended under the Recovery Act.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

This information collection will be conducted in a manner consistent with the Office of Management and Budget (OMB) guidelines.

8. Provide information of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Due to the time constraints of this emergency review request, the Federal Register Notice was waived by OMB. However, the NOFA published in the Federal Register on July 9, 2009, for the first round of BTOP funding invited comments from the public on the applications and proposed review process. Many of the comments received in response to the NOFA issued for the first round of funding and the Request for Information (RFI) released on November 16, 2009, resulted in changes to the applications and the application review process for the second round of funding.

For example, NTIA received comments from a number of applicants who expressed frustration with the difficulty of uploading their applications through EasyGrants. Many complained of inconsistencies between the paper and electronic applications, problems with the user interface, and in particular with the severe constraints (i.e., character limit) on required attachments. A number of applicants also found the service area mapping tool "cumbersome." Applicants said these problems, combined with the complex and detailed requirements for the applications, made it very difficult for them to submit their materials within the short time frame for submitting applications. The specific changes made to the applications in response to these comments are addressed in Question 1 above.

NTIA engaged the services of Booz Allen Hamilton to support the development of the Round 2 applications, the burden estimates, and the review process, as well as an analysis of feedback submitted in response to the original NOFA by applicants and stakeholder groups. A copy of this analysis is in ROCIS.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

NTIA will not provide gifts or payments to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

NTIA will identify the elements in the application that will be made publicly accessible through the application database available at www.broadbandusa.gov per Section VI.D. of the NOFA. NTIA will protect confidential and proprietary information from public disclosure to the fullest extent authorized by applicable law, including the "Freedom of Information Act," as amended (5 U.S.C. § 552 *et seq.*), the "Trade Secrets Act," as amended (18 U.S.C. § 1905 *et seq.*), and the "Economic Espionage Act of 1996," as amended (18 U.S.C. § 1831 *et seq.*). Nevertheless, in the *Notice of Funds Availability* associated with this information collection, NTIA will notify applicants that the Recovery Act requires substantial transparency.

For example, NTIA is required to make publicly available on the Internet a list of each entity that has applied for a grant, a description of each application, the status of each application, the name of each entity receiving funds, the purpose for which the entity is receiving the funds, each quarterly report, and other information as the Assistant Secretary deems necessary to meet BTOP objectives.[13]

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

This collection of information does not contain any questions of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

NTIA developed revised burden estimates for the revised applications to be used for the second round of funding. The estimates were developed based on three sources of information: (1) historical data from the first round of BTOP funding; (2) the original BTOP burden estimates; and (3) an activity breakdown analysis of the revised applications and the electronic application system.

The estimated numbers of applicants are based on the actual numbers of applicants in each funding category for Round 1, scaled up to correspond with the increased amount of funds available.[14] During the first round of BTOP grant applications, some applicants submitted a separate application for each project instead of a single application covering all projects for which they were requesting funds. Therefore, this estimate includes an "average number of responses per applicant" (for applications only) based on submission rates from Round 1.

For additional materials (i.e., verification filings, corrective actions, subsequent related information, etc.), this estimate generally follows the Round 1 estimates. It assumes that the

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[13] *See* Recovery Act § 6001(i)(5), 123 Stat. at 515.

[14] This estimate assumes that the ratio of applicants to available funding dollars will be roughly the same as it was in the first round.

same percentage of applications will require additional materials submitted, and uses the same hour burden per response for those materials.

Finally, the estimates of hour burden for each of the applications were developed using activity breakdown analysis. A team of consultants, looking at both the Round 2 applications and completed Round 1 applications, estimated how much time it would take them to perform the following activities:

- Reviewing instructions;
- Collecting and processing information;
- Adjusting existing practices to comply with the rules of the information collection;
- Searching data sources;
- Completing and reviewing the response (on a field-by-field basis); and
- Transmitting or disclosing the information.

The analysis team then averaged out their hour burden estimates for each activity to produce a final activity breakdown, which added up to the hour burden for each individual application as listed below.

Comprehensive Community Infrastructure Application

NTIA estimates a burden of 225 hours per applicant to complete the application. For 1,394 applicants averaging 1.27 responses each for a total of 1,770 responses, the total hour burden is 1,770 * 225 = **398,250 hours**.

NTIA estimates that 177 applications will require additional verification filing and require 170 hours per response: 177 * 170 = **30,090 hours.**

NTIA estimates that 177applications will require additional grant documents, reports required by OMB under 2 C.F.R. §176, a CPA report, applicant financial information, and an index of records and recordkeeping. NTIA estimates that these steps will require a total of 54.5 hours per response: 177 * 54.5 = **9,646.5 hours.**

NTIA estimates that 9 applications will require a plan of corrective action and require 15 minutes per response: 9 * 15 minutes = **2.25 hours.**

NTIA estimates that 2 applications will be limited in scope and require 15 minutes per response: 2 * 15 minutes = **30 minutes.**

NTIA estimates that 6 applications will require a plan of corrective action and require 2 hours per response: 6 * 2 hours = **12 hours.**
      Estimated Number of Responses: 2,141
      Estimated Total Annual Burden Hours: **438,001.25**

Public Computer Center Application

NTIA estimates a burden of 128 hours per applicant to complete the Public Computer Center Application. For 472 applicants averaging 1.23 responses each for a total of 581 responses, the total hour burden is 581 * 128 = **74,368 hours**.

NTIA estimates that 58 applications will require additional verification filing and require 3 hours per response: 58 * 3 = **174 hours.**

    Estimated Number of Responses: 639
    Estimated Total Annual Burden Hours: **74,542**

Sustainable Broadband Adoption Application

NTIA estimates a burden of 151 hours per applicant to complete the Public Computer Center Application. For 382 applicants averaging 1.4 responses each for a total of 535 responses, the total hour burden is 535 * 151 = **80,785 hours**.

NTIA estimates that 53 applications will require subsequent, related information described in the *Notice of Funds Availability* and require 3 hours per response: 53 * 3 = **159 hours.**

    Estimated Number of Responses: 588
    Estimated Total Annual Burden Hours: **80,944**

    TOTAL NUMBER OF RESPONSES: 3,368
    TOTAL NUMBER OF BURDEN HOURS: 593,487.25

13. Provide an estimate of the total annual cost burden to the respondents or record keepers resulting from the collection (excluding the value of the burden hours in Question 12 above.)

NTIA will fund reasonable pre-application expenses in an amount not to exceed five percent of the award. Pre-application expenses may be reimbursed if they are incurred after the publication date of the NOFA and up to the issuance of the grant award from NTIA.

14. Provide estimates of annualized cost to the Federal government.

NTIA intends to make all grant awards by September 30, 2010. The costs to the federal government for this information collection also will include: (1) NTIA staffing; (2) Contract Services to support grants processing and monitoring; (3) Grants Office Services to make financial awards; and (4) other related expenses. The administrative budget ceiling in the Recovery Act for BTOP equals $141 million.

15. Explain the reasons for any program changes or adjustments.

The program changes involved significant revisions to the applications and the electronic application system used for the first round of funding based on comments received in response to the NOFA, RFI, and the experience gained from administering the first round of funding. These

changes necessitated new estimates of hour burden for the applications and response rates for Round 2.

Also, feedback from applicants indicated that the original hour burden estimates may have been too low. NTIA engaged the services of an independent contractor (refer to Question 8) to evaluate and revise the estimates, which it believes are more reasonable and will make it easier for applicants to set aside enough time to fill out and submit BTOP applications during the application window.

The changes resulted in a decrease of responses and an increase in the burden hours.

16. <u>For collections whose results will be published, outline the plans for tabulation and publication</u>.

As discussed in Question 2, some of the information from the applications will be disseminated in the form of a publicly searchable database. NTIA may tabulate certain information (e.g., funds requested according to geography or type of applicant) and include it in summary form online or in reports to Congress to meet Recovery Act reporting requirements.

17. <u>If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate</u>.

Not Applicable. The standard Paperwork Reduction Act information will be on the paper and electronic versions of the applications.

18. <u>Explain each exception to the certification statement</u>.

No exceptions are requested.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

The collection of information will not employ statistical methods.