



United States Department of Agriculture
Rural Development

December 17, 2010

TO: Nicholas Fraser
Desk Officer
Office of Management Budget

THROUGH: Charlene Parker
Office of the Chief Information Officer

FROM: JONATHAN ADELSTEIN
Administrator
Rural Utilities Service

A handwritten signature in black ink, appearing to read "Jonathan Adelstein".

SUBJECT: Request for Emergency Review of a
Revised Information Collection Package

Abstract of Program and Implementation

Section 6110, Access to Broadband Telecommunications Services in Rural Areas, of the Food, Conservation, and Energy Act of 2008 (the Farm Bill), amended title VI of the Rural Electrification Act of 1936, revising programmatic requirements in place since the creation of the Broadband Program. Since the Broadband Program's inception, the Agency has faced significant challenges in administering the program, including the fiercely competitive nature of the broadband market, the fact that many companies proposing to offer broadband service are start-up organizations with limited resources, constantly changing technology, and economic factors such as the higher cost of serving rural communities. Because of these challenges, the Agency reviewed characteristics of the Broadband Program and determined that modifications were required to accelerate the deployment of broadband service to rural areas of the country. On May 11, 2007, the Agency published a proposed rule that included key modifications to the program in an attempt to address the challenges identified by the Agency. Congress then took action, considering the proposed rule and the associated public comments as it crafted the Farm Bill. In response to the Farm Bill's passage on June 18, 2008, the Agency will publish an interim rule that implements new statutory requirements as well as programmatic changes deemed necessary by the Agency. Specifically, this rulemaking implements changes in the following areas:

- 1) Redefining rural area;
- 2) Defining incumbent service provider;
- 3) Establishing new requirements regarding eligible service areas;
- 4) Establishing new equity and additional cash requirements;

1400 Independence Ave. S.W. · Washington DC 20250-0700
Web: <http://www.rurdev.usda.gov>

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."
To file a complaint of discrimination, write USDA, Director, Office of Civil Rights,
1400 Independence Avenue, S.W., Washington, DC 20250-6410 or call (800) 795-3272 (Voice) or (202) 725-6382 (TDD).

- 5) Modifying market survey requirements;
- 6) Revising public notice requirements;
- 7) Setting time limits for build-out; and
- 8) Establishing new standards for data transmission rates and bandwidth.

Reason for Emergency Clearance

As one of the Secretary of Agriculture's five "pillars," it is in the public interest to have a Broadband Program in place to quickly address the needs of the hundreds of applications that were not funded under the Recovery Act (the Broadband Program was on "hold" pending the administration of the Recovery Act's Broadband Initiatives Program loans and grants). In addition, the majority of changes to the regulation are mandated by the 2008 Farm Bill, or have been proposed in RUS's prior rule, put out for comment, and subsequently adopted by Congress in the 2008 Farm Bill itself. Therefore, RUS is moving forward with certain changes to the Broadband Program by publishing an interim rule. This approach is consistent with Congressional intent, given that in section 6011(b) of the 2008 Farm Bill, Congress authorized RUS to publish this regulation as an interim rule. The agency submitted a paperwork burden package for review to OMB at the proposed rulemaking stage and the package was filed with comment. The public was given the opportunity to review and comment on the proposed rule burden package during the initial comment period. As the agency is issuing an Interim Rule with request for comment, we are again providing the public another chance to review the paperwork package and provide comment before finalizing the paperwork package. However, in order to begin accepting applications, the agency needs a revised paperwork package in place to cover the collection of applications. Therefore, for the reasons stated above, the agency is requesting emergency clearance of this information collection request.

###