

**Before the National Telecommunications and Information Administration
And the Rural Utilities Service**

Comments of the
AMERICAN LIBRARY ASSOCIATION

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Executive Summary

The American Library Association appreciates the opportunity to comment on the implementation of the Broadband Initiatives Program (BIP) and Broadband Technology Opportunities Program (BTOP). We commend the programs' administrators for their efforts to improve the applicant experience and strengthen the impact of these important programs.

Libraries are key partners in the programs' goal of extending the opportunities available online to people across the United States. Libraries play the vital role of providing access to employment information, continuing education, E-government resources, small business opportunities and more; broadband connections are one of the critical elements that allow libraries to provide these essential resources to the public.

Increase Funding for the Public Computer Center Program

More funding should be allocated to the Public Computer Center program than the minimum of \$200 million set forth in the statute. There is tremendous demand for these dollars (over \$1.9 billion was requested in the first round as compared to the \$50 million allocated), and expanding public computer center capacity will help to create new jobs and serve the needs of vulnerable population groups.

Streamline and Simplify the Application and Review Process

The application process should be streamlined significantly, and perhaps completely overhauled. Many libraries were completely overwhelmed by the detailed rules, the lengthy and sometimes contradictory documentation, and the confounding web interface.

Prioritize Funding Community Anchor Institutions

The Infrastructure program should give greater priority to funding anchor institutions, such as public libraries. The program rules in the first round were skewed in favor of residential applications, but the limited amount of funding available will not come close to serving the needs of residential consumers. The Infrastructure fund should be focused on building high-capacity broadband connections to anchor institutions in almost every community across the country, including those in urban, suburban and rural areas.

Introduction

The American Library Association (ALA), the world's oldest and largest professional association for the library community – representing over 67,000 members – is pleased to provide comments on the implementation of the Broadband Initiatives Program (BIP) and Broadband Technology Opportunities Program (BTOP). We commend the programs' administrators for their efforts to improve the applicant experience and strengthen the impact of these important programs.

Local libraries play a critical role in providing no-fee access to the Internet, training and support in communities across the country. People from all backgrounds depend on the public access computers at their local library to access information, services and applications that improve their quality of life. Libraries play a vital role in supporting job searches and career development, small business creation, homework and school research, access to online education, training, and access to government services and resources through its free public access terminals. Broadband connections are one of the critical elements that allow libraries to provide these essential services to the public. President Obama has acknowledged the critical importance of libraries¹, and the American Recovery and Reinvestment Act (ARRA) twice identifies libraries as key recipients of funding to speed the nation's economic revival.² We are particularly pleased that NTIA Administrator Lawrence Strickling explicitly recognized the importance of providing funding to community anchor institutions, including libraries, in his testimony to the Senate Commerce Committee on October 27, 2009.³ Our comments below strongly support these statements and suggest specific actions to implement them.

Libraries are at the forefront of providing no-fee Internet access to the public. In 1994, only 8.2% of public libraries provided this access⁴ – today, nearly 100% of libraries do so. While this is a vital role in every community, in 71% of communities, where the public library is the *only* source of free public access to the Internet, it is especially important.⁵ Libraries have reported that users are hungry for this access; the majority of libraries report that demand for public access computers far outweighs supply.⁶

As demand for public access to the Internet grows, so does the need for higher bandwidth in the library. In some communities, libraries play the unique and important role of broadband anchor institution; in other

¹ In his weekly radio address on January 3, 2009, describing the importance of passing an economic stimulus bill, President Obama said, "To make America, and our children, a success in this new global economy, we will build 21st century classrooms, labs, and libraries." Available at http://change.gov/newsroom/entry/american_recovery_and_reinvestment/. See also, "Bound to the Word: Guardians of truth and knowledge, librarians must be thanked for their role as champions of privacy, literacy, independent thinking, and most of all reading," by Barack Obama, Keynote Address to the 2005 ALA Annual Conference, available at <http://www.ala.org/ala/online/resources/selectedarticles/obama05.cfm>.

² See, the funding provisions of the American Recovery and Reinvestment Act (ARRA) in div. A, tit. II ("not less than \$200,000,000 shall be available for competitive grants for expanding public computer center capacity, including at community colleges and public libraries;"), and Section 6001 (b)(3).

³ "At NTIA, we will target Recovery Act funds to the areas of the country that need them the most. In doing so, we want to make broadband more widely available, especially to community anchor institutions, such as hospitals, schools, and libraries." Testimony of The Honorable Lawrence E. Strickling, Assistant Secretary for Communications and Information, National Telecommunications and Information Administration, United States Department of Commerce, Before the Committee on Commerce, Science & Transportation, United States Senate, Hearing on Oversight of the Broadband Stimulus Programs in the American Recovery and Reinvestment Act, October 27, 2009, available at http://www.ntia.doc.gov/presentations/2009/NTIA_SenateCommerce_Broadbandhearing_20091027.html.

⁴ Bertot, et al. (1997) *The 1997 National Survey of U.S. Public Libraries and the Internet*. Washington, D.C.: ALA Office for Information Technology Policy.

⁵ Davis, et al. (2009). *Libraries Connect Communities 3: Public Library Funding & Technology Access Study*. Chicago: American Library Association. Available: http://ala.org/ala/research/initiatives/plftas/2008_2009/index.cfm.

⁶ Ibid.

words, by obtaining high-bandwidth connections, these libraries drive deployment of advanced technologies to communities that might not be able to obtain that level of service through residential demand alone.⁷ ALA summarizes its recommendations below, and further explanation is provided in the section by section responses afterwards:

- More funding should be allocated to the Public Computer Center program than the minimum of \$200 million set forth in the statute. There is tremendous demand for these dollars (over \$1.9 billion was requested in the first round as compared to the \$50 million allocated), and expanding public computer center capacity will help to create new jobs and serve the needs of vulnerable population groups.
- The application process for all three programs should be streamlined significantly, and perhaps completely overhauled. Many libraries were completely overwhelmed by the detailed rules, the lengthy and sometimes contradictory documentation, and the confounding web interface.
- The Infrastructure program should give greater priority to funding anchor institutions, such as public libraries. The program rules in the first round were skewed in favor of residential applications, but the limited amount of funding available will not come close to serving the needs of residential consumers. The Infrastructure fund should be focused on building high-capacity broadband connections to anchor institutions in almost every community across the country, including those in urban, suburban and rural areas.

Section-by-Section Responses

I. The Application and Review Process

A. Streamlining the Process.

ALA worked directly with dozens of state and local libraries applying to the BTOP program. ALA itself was an applicant for funding in the first round. This gives us a deep level of insight into the challenges that applicants to this program face.

Though ALA understands the enormous time pressure faced by the program's administrators, we also heard that in some cases library applicants simply were not able to develop applications in the short window between the NOFA's release and the application due date. Many deserving applicants were not able to take advantage of the BTOP program in the first round. Some library applicants (as well as others representing public sector entities) found that the application seemed to be designed for commercial, for-profit entities, especially with regard to the budget information requested.

Based on the feedback we received from the field and our own experience as an applicant, **ALA believes that the application process needs to be comprehensively reviewed and changed, and perhaps completely overhauled.** Here are some of the problems we encountered and suggestions for improvement. The website needs some significant improvements. For instance:

- Upon logging into the system for the first time, applicants found that the page numbers and character limits in the online application did not agree with the paper version made available several weeks before. For example, the online version often stated limitations in number of characters, while the paper version stated limitations in pages. These inconsistencies must be resolved.

⁷ Windhausen and Visser (2009). *Fiber to the Library: How Public Libraries Can Benefit from Using Fiber Optics for their Broadband Internet Connection*. Available: http://www.wo.ala.org/districtdispatch/wp-content/uploads/2009/11/fiber-brief_-published.pdf.

- The online application instructions and explanations were flawed. More detailed explanations should be developed.
- The instructions for filling out online forms must also be improved. For instance, page limitations and document formatting was not made clear in most cases. Applicants found that some documents did not load, with no explanation given, and applicants had to resort to trial and error to determine what format of the document would be accepted. (It was only in the final week of the application window that NTIA/RUS advised applicants to convert files to PDF before uploading them.)
- All online instruction forms should be made available in one location, so that applicants do not have to waste time searching for them. Some applicants were only able to find instructions after searching for them through Google or other web search engines (especially the 424A budget form).
- Finally, some basic care should be taken to ensure that the website loads and runs smoothly. It has become all but law on the Internet that applications and sites should be tested on all popular browsers; however, we heard repeatedly that applicants were not able to use the application website on some commonly-used browsers. At the very least, the application instructions must indicate what browsers are compatible and the specific versions of those browsers.
- Further, NTIA should strive to alleviate the slow load time and difficulty logging in that many users reported. We appreciate that NTIA added servers and extended the deadline for most applicants in the first round to accommodate the high level of traffic. However, the number of applicants for the second round is likely to be far greater than in the first round (because of the additional time to prepare applications, because of the decision to combine rounds two and three into one final round, and because of other efforts to simplify the rules and procedures).

The questions asked on the application web site had the effect of limiting the scope of potential projects. NTIA and RUS officials frequently encouraged applicants to develop innovative projects, but the application questions favored straightforward projects. For instance,

- The online application seriously lacked space for adequate project description. This had the effect of both inhibiting the development of innovative and collaborative projects (since they require more space for description) and hindering library applications (libraries often face uncommon circumstances that require room to explain).
- Multi-location applications were hindered in several important ways. One problem for complex or multi-state applications arises in the identification of project locations. A large project could have hundreds of locations, and the requirement to input each of these locations individually was extremely onerous. Instead, the application should allow applicants to upload a spreadsheet of individual project locations.
- Another problem for complicated projects was the artificial page limits placed on network diagrams and budgets. These limits discourage innovative projects that are large in scope and require complicated network diagrams and lengthy, detailed budgets. Much of the more detailed network diagrams, cost analysis and other supporting documents could be submitted in the round 2 due diligence phase to save time for applicants and for reviewers.

Libraries are a very different type of applicant than private sector companies, and some of the questions asked by the application were not appropriate for libraries. Some library applicants encountered problems

when attempting to define project components. For instance, do the “users” of a public library include those who walk in the door, or only those who use the public access computers?

Libraries also struggled to meet the time constraints established by the first NOFA. In particular, more time is needed between the date the NOFA was issued and the deadline for applications. The first NOFA provided approximately 45-50 days (with limited extensions), which made it impossible for some deserving applicants to develop their materials in time for filing.

A.1. New Entities.

No response.

A.2. Consortiums and Public-Private Partnerships.

ALA agrees with the suggestion that the application process should be amended to accommodate applications by consortiums and public-private consortiums. However, the application process should also accommodate purely public institutions, such as public libraries, as well. Libraries are often created and governed by local and state governments; they are purely public, not-for-profit entities. Thus the application process should not require the same kind of financial information as for-profit entities. Furthermore, the application process should recognize that libraries can sometimes be subordinate to a larger government organization and may not have its own individual financial and budget information. Once again, the application process should allow the applicant to demonstrate its qualifications to implement a grant or loan in the manner that is most appropriate.

A.3. Specification of Service Areas.

The census block definition of “service area” presents significant challenges for projects that encompass a large geographic region, projects that are aimed at different vulnerable population segments scattered across a region, projects that may involve mobility (such as mobile computer centers) that may involve specific neighborhoods but not an entire census block, and projects that involve network facilities that may cross a census block but are not used to provide service in that census block. Again, we recommend that the second round NOFA should permit applicants greater flexibility in describing the benefits of their proposed application and should not necessarily be tied to the census block(s).

We also note that the definitions of “proposed funded service area” and “service area” under the first NOFA were quite confusing. Although the “proposed funded service area” appears to be a subset of the “service area,” it is not clear how the two terms are different. The application itself introduced additional ambiguity by using variations of these terms that were not defined. We suggest that NTIA and RUS consider each of the three application types (PCC, Infrastructure, and SBA) and their subcategories and use terms that are most meaningful for each application type.

A.4. Relationship between BIP and BTOP.

ALA does not see the need to require applicants in rural areas to apply to the RUS/BIP process if the applicant prefers not to do so. Requiring duplicative applications imposes costs on both the applicant and on the government.

Section B. Transparency and Confidentiality

Those who apply for grants or loans funded by the taxpayers should expect to make their applications publicly available. In fact, not only should the complete (non-redacted) Executive Summary be made public; NTIA and RUS should require that the entire application be made available to the public (except perhaps for confidential information). This information would benefit the FCC as it implements its National Broadband Plan, and researchers who are examining the operations and benefits of the programs. Permitting such disclosure would create greater confidence in the program in the eyes of the public and would avoid creating the appearance that applications are being considered “behind closed doors.”

C. Outreach and Support

We applaud the government officials for making time available to educate potential applicants about the programs. While the workshops held around the country were useful, they sometimes added to the confusion if staff gave different answers to the same or similar questions at different workshops. One alternative to holding multiple in-person workshops around the country would be to hold detailed webinars that could be recorded for playback by interested applicants (transcripts should also be made available). This would make it easier for applicants to receive information quickly, rather than waiting for the workshop to come to their particular region of the country.

D. NTIA Expert Review Process.

ALA questions whether the use of non-governmental volunteer expert reviewers is the most efficient and consistent way to review applications. There is some concern that using outside reviewers who have a variety of skill sets may make it difficult for the applications to be reviewed consistently. Because the ARRA allows NTIA and RUS to use a portion of the funds for administrative expenses, it may be more prudent for the government to employ in-house staff or hire a single contractor to perform these reviews.

II. Policy Issues Addressed in the NOFA.

A. Funding Priorities and Objectives.

ALA respectfully suggests that public libraries should be one of the primary recipients of BTOP funds in the final round of funding. Numerous studies demonstrate that public libraries provide enormous social, economic, educational and medical benefits for a community. We have already cited the annual study of public libraries and technology entitled *Libraries Connect Communities 3* (more excerpts from that study are provided below.) In addition, the Institute for Museum and Library Services (IMLS) published a study last year that explores why patrons use libraries (and museums). The findings demonstrate the trust that the general public has in libraries, and demonstrates that people use public libraries for enormously valuable information:

- Libraries and museums are trusted far more than other sources of information including government, commercial and private individual websites.
- When adults seek information to make decisions or solve problems, they use such sources as persons, books, newspapers, magazines, the Internet or television. The most frequently used source is the Internet.⁸

1. Middle Mile “Comprehensive Community” Projects.

In this section, ALA generally supports the comments of the Schools, Health and Libraries Broadband (SHLB) Coalition. ALA offers additional comments here to supplement those comments.

As the SHLB Coalition states, building high-capacity, “open and available” broadband pipes to community anchor institutions in every region of the country will benefit the greatest number of people, will provide the fastest bandwidth capabilities, will serve the needs of the most vulnerable population groups, will promote economic growth in every community across the country, and will stimulate greater investment by other broadband providers.

ALA supports the “comprehensive communities” approach outlined in the RFI and in NTIA Administrator Strickling’s Senate testimony. Building high-capacity broadband to anchor institutions is the best way to

⁸ Griffiths, et al., “*Interconnections: The IMLS National Study on the Use of Libraries, Museums and the Internet*,” February 2008, available at <http://interconnectionsreport.org/reports/ConclusionsFullRptB.pdf>.

jumpstart these communities. Anchor institutions such as libraries have a strong demand for service, and they are certain to subscribe. In contrast, building service first to the residential community carries much more risk that the facilities will not be used because of uncertain demand. The GAO recently expressed the same concern about the risks of providing funding to residential services:

Previous experience with broadband loan programs also reveals the challenges inherent in evaluating an application based on estimates provided by the applicant. For example, as of fiscal year 2008, 55 percent of RUS broadband loan borrowers were meeting their forecasted number of subscribers. Nine of the 15 stakeholders that we interviewed expressed concerns that NTIA and RUS lack staffing expertise to determine whether project proposals will generate sufficient numbers of subscribers and revenues to cover operating costs and be sustainable on a long-term basis.⁹

To highlight the importance of building high-capacity broadband to anchor institutions, ALA respectfully suggests that the application process should include specific questions and/or fields that are directly focused on such network builds. For instance, rather than having separate questions for “Last Mile” and “Middle Mile” applications, the application should have separate questions for applications that propose to build a network that is primarily focused on serving anchor institutions. These applications merit their own types of questions and analysis.¹⁰

ALA believes that the artificial and somewhat limiting Last Mile and Middle Mile categories detract from the ultimate goal of improving broadband connectivity. Typically, networks built to serve public libraries encompass both Last Mile and Middle Mile facilities. In many cases, libraries use “hub-and-spoke” networks that include a hub at the Main library and spokes that connect directly to the branch libraries in the community. The hub aggregates the traffic from the branch libraries; Internet traffic is sent over an ultra-high connection to an ISP.¹¹ Congestion at any of these connections will inhibit the bandwidth actually experienced by the library. Thus, requiring a library or library system to apply as either a Last Mile OR Middle Mile application will force it to “shoehorn” its funding request into one application or another when the library network actually needs a high-speed local connection, an ultra-high-speed connection to the ISP, and perhaps adequate backbone capacity as well.

ALA respectfully suggests that NTIA should not require that networks seeking BTOP funding for the purpose of services to libraries should not also be required to serve the surrounding residential community as a necessary precondition of receiving funding. There are several reasons for eliminating this requirement:

- Such a requirement will disadvantage library systems in rural and high-cost areas where it may be difficult to find a broadband provider willing to provide residential service.
- Furthermore, asking a library system to identify broadband providers that serve the residential community is far outside the scope of the library’s mission. Libraries have limited understanding of

⁹ GAO, “RECOVERY ACT: Agencies are Addressing Broadband Program Challenges, but Actions are Needed to Improve Implementation, Report 10-80, November, 2009, p. 17, available at <http://www.gao.gov/new.items/d1080.pdf>.

¹⁰ By encouraging a separate set of questions for anchor institutions, ALA does not suggest that applications to serve the residential and business users should not also serve anchor institutions. Applicants who seek to serve everyone in the community (those applications that are not dedicated only to anchor institutions) should be given additional scoring points for proposing to connect anchor institutions in their applications.

¹¹ For instance, the Peninsula Library System in San Mateo County, California, recently upgraded all 34 of its libraries to a fiber-based connection. The libraries were encountering severe congestion from their T1 lines, so PLS issued an RFP that was won by AT&T. AT&T now provides fiber-based Ethernet services to the libraries with equipment that is capable of carrying 100 Mbps (although they currently purchase 5 to 10 Mbps today). The traffic is aggregated at San Mateo Community College, from which PLS has purchased a 1 Gbps connection to the Internet.

broadband technology and networking, and expecting them to locate a residential broadband provider with whom to interconnect is simply beyond their capability.

- Libraries usually operate under the umbrella of the local or state government. There may be legal restrictions on the local or state government's ability to work with residential broadband providers.¹²

ALA supports the concept that networks built to anchor institutions should be “open and available” to interconnection by other broadband providers, but it may be difficult or impossible for the anchor institutions to identify and contract with such residential broadband providers prior to filing applications.¹³ ALA understands that providing residential connectivity extending from the anchor institution would be ideal and would be consistent with the “comprehensive communities” approach discussed in the RFI. ALA supports this goal and is willing to work with NTIA to help further this approach. For instance, it is understandable for NTIA to consider awarding additional scoring points to applicants that can identify such a residential provider in advance of the application as a way to encourage state and local governments to reach out to local residential broadband providers. But ALA respectfully suggests that locating a residential provider should not be a necessary precondition to receiving funding, and it also suggests that additional flexibility should be provided even as to scoring points when considering Infrastructure applications to serve libraries in rural or high-cost areas.

ALA strongly supports the idea that funds should be targeted to anchor institutions that serve the needs of the most vulnerable population groups. Public libraries' very mission is to provide service to everyone, including unemployed, seniors, immigrants, children, low-income persons, and minorities. The RFI asks whether greater weight should be given to certain institutions, “such as educational facilities...to reflect their impact on economic development or a greater need or use for broadband services?” ALA respectfully suggests that public libraries are the best example of institutions that serve educational needs, economic development and need or use of broadband services. This follows from the fact that public libraries are open to all members of the general public. Public libraries serve the needs of education and much more. Consider the following excerpts from the most recent ALA study of libraries and technology, *Libraries Connect Communities 3*:

At 78.7 percent, education resources and databases for K–12 students top the list as the Internet service most critical to the role of the public library, followed by services to support job-seekers at 65.9 percent (up almost 4 percent from last year and 20 percent from the 2006–2007 study).

In every state visited as part of this multi-year study, library staff members have reported an increased use of library computers and Internet access for job-related purposes. Even before the recession began in December 2007, librarians saw the impact of the growing number of online-only job applications for a range of employment.

Ninety percent of libraries offer formal technology classes or informal point-of-use assistance for library patrons using library computers. Among public libraries that offer formal technology training, about 27 percent report offering classes in accessing online job-seeking and career-related information. Libraries in high poverty communities are most likely to offer formal training, and 40 percent of these libraries report offering job-related classes. The most common classes being offered illustrate the role public libraries play in serving first-time computer users, with general Internet use, general computer skills, general online searching and general software use leading all others.

¹² For instance, many states prevent or restrict state or local governments from providing broadband services in competition with their commercial providers.

¹³ ALA is aware of at least one applicant from a rural state that proposed to build a fiber-based network connecting libraries and other anchor institutions in the first round that tried but could not find a Last Mile provider willing to commit to provide residential service.

E-government—including filing for unemployment benefits—also has been a growing area of use for library public access computing. Almost 81 percent (up from 74 percent last year) of public libraries indicate that their staff members provide as-needed assistance to patrons for understanding how to access and use government Web sites, programs and services.

A January 2009 survey of U.S. households conducted for the American Library Association by KRC Research & Consulting confirmed anecdotal reports and national trends in visits to public libraries. Sixty-three percent of households—or roughly 136.6 million people—reported that they had used their library in the previous 12 months. While the number of people visiting libraries has been stable over the past decade, the frequency of use increased from previous household surveys for both in-person visits and virtual library use. Nationally, this translates into increases of about 25 million in-person visits, more than 11 million virtual library visits and over 4 million telephone calls to public libraries annually.¹⁴

2. Economic Development.

See above.

3. Targeted Populations.

ALA has a number of suggestions for improvements to the PCC program. Though the RFI did not set forth a separate section to discuss the PCC program, more questions pertaining to the PCC program appear in this section than in any other section, so ALA offers the following suggestions below. NTIA should allocate more than the minimum amount of \$200M for the PCC Program: ALA respectfully urges NTIA to allocate much greater funding to the Public Computer Center program than the minimum of \$200 million set forth in the statute. Public libraries play a critical role in providing their communities with broadband access to the Internet. In 71% of communities, public libraries offer the only “no fee” (free) Internet access for the general public. Public libraries provide access to computers, trained staff, a broadband Internet connection, and a quiet environment, as well as books, periodicals and other research materials. The Internet services made available by public libraries are especially important to low-income, elderly, immigrant, unemployed, disabled, and other vulnerable population groups.

Unfortunately, public libraries have been unable to keep up with the general public’s demand for public access computers. Use of public access computers at public libraries is skyrocketing, in part because the economic downturn is causing consumers to turn to libraries to look for jobs, and because people have less money to pay for computers and broadband access at home.¹⁵ **Eighty-one percent of public libraries say that they do not have sufficient computer capacity to meet the needs of their patrons.**¹⁶ Furthermore, public libraries have suffered reductions in local and state funding. In other words, these critical anchor institutions are encountering a “double whammy” of increased demand for their Internet services but fewer resources.

Furthermore, libraries expect that their needs for broadband to grow significantly in the future. Many libraries already report that their demand for Internet access increases to capacity soon after new bandwidth is installed. It is notable that the average broadband capacity increased in the last year; yet the

¹⁴ Libraries Connect Communities 3, *supra*, Executive Brief, pp. 5-6.

¹⁵ See, Richard Cowen, “Free Resources Draw Residents to Libraries,” *The Record*, March 17, 2009. Accessed March 24, 2009, www.lexis.com; “Business Brisk at Area Libraries: In Bad Times, Free Resources are a Hot Commodity,” February 2, 2009, available at <http://www.washingtonpost.com/wp-dyn/content/article/2009/02/01/AR2009020102331.html?hpid=topnews>. Accessed June 12, 2009; also see “Job Seeking in U.S. Public Libraries” (2009), <http://www.ala.org/ala/research/initiatives/plftas/issuesbriefs/Issues%20brief-jobs.pdf>.

¹⁶ See, Libraries Connect Communities 3, Public library Funding & Technology Access Study, p. 8. Available at <http://www.ala.org/plinternetfunding>.

number of libraries reporting an insufficient amount of bandwidth also increased, despite the increase in capacity. Nearly sixty percent of libraries now report that their bandwidth is insufficient some or all of the time (up from 57.5% last year).¹⁷ This trend – demand for increased bandwidth increases faster than the libraries can add additional capacity – is likely to continue and may become even worse in the future with the use of high definition for on-line video.

The first round of grant funding shows that \$200 million is simply not enough. The dollar amount requested for the PCC program in the first round totaled almost \$2 billion as compared to the \$50 million allocated.¹⁸ Of the three BTOP programs (Infrastructure, Sustainable Broadband Adoption, and Public Computer Centers), the PCC program was the most oversubscribed. Assuming NTIA awards all of the \$50 million in the first round, only 2.6% of the dollars requested in the PCC program in the first round will actually be funded (in other words, 97.4% of PCC-requested dollars will be denied). **Stated differently, the total amount of dollars requested for the PCC program in the first round alone was almost 10 times greater than the minimum \$200 million identified in the statute.**

Greater funding for the PCC program will:

- allow public libraries to expand their computer and Internet access capabilities for the general public, which is critically important in these times of economic distress;
- encourage the purchase of computers and other technology hardware, which will benefit the high-tech sector of the economy and stimulate economic growth;
- create jobs in the equipment manufacturing and technology installation industries; and
- promote residential broadband adoption, as expanded PCC programs will educate consumers about the use of computers and Internet technology and help them become more comfortable adopting these services at home.

We also note that there may be additional funding available from the mapping program to support additional PCC funding. The ARRA allocated a maximum of \$350 million for broadband mapping, but current projections show that NTIA will not need all of this funding to complete the broadband mapping functions.¹⁹ We also note that the PCC program does not skew the marketplace toward any broadband provider or equipment supplier.

The public library plays an increasingly integral role in ensuring the digital literacy of both adult and youth populations. For the 35% of U.S. households that report they have no Internet access, the public library represents an absolutely essential link to connect users to the information they need. Library staffs serve as a critical link in closing the digital divide in vulnerable adult populations by providing both formal and informal (often at point of need) information literacy and technology training. Training can include helping patrons open an email account, creating a budget spreadsheet, developing a résumé, and teaching basic Internet skills. Ninety percent of libraries offer formal technology classes or informal assistance for patrons using library computers. Twenty-seven percent of libraries that offer formal training report that they provide classes in

¹⁷ Libraries Connect Communities 3, p. 8.

¹⁸ The Press Release issued jointly by NTIA and RUS said the following: “More than 360 applications were filed with NTIA requesting more than \$1.9 billion in grants from BTOP for public computer center projects, which will expand access to broadband service and enhance broadband capacity at public libraries, community colleges, and other institutions that provide the benefits of broadband to the general public or specific vulnerable populations.” See, http://www.ntia.doc.gov/press/2009/BTOP_BIP_090827.html.

¹⁹ The Mapping Notice of Funds Availability (“Mapping NOFA”) said explicitly that “Any funds not expended under this Program will be reallocated to BTOP purposes.” See, Section IV.A. of the Broadband Mapping NOFA, available at http://www.ntia.doc.gov/frnotices/2009/FR_BroadbandMappingNOFA_090708.pdf.

accessing online employment related information. In high-poverty areas, 97% of libraries offer classes in basic computer competencies, including mouse and keyboard skills, and general software use skills. Ongoing adult technology training at the public library can help users keep pace with 21st century digital literacy skills.

For these reasons, it is essential that support remain available for developing and providing training, education, support and awareness programs or web-based resources. It is also important to support the costs associated with access—specifically as it may relate to targeted populations—and to hardware and software needs that are not generally supported by the E-rate program.

PCC funding should be targeted to entities that are open to the general public: As described above, ALA believes that public libraries should receive the highest priority in the PCC program because they meet so many of the purposes of the ARRA. In particular, public libraries are distinct from any other entity in that they are open to the general public – they are not even limited to residents of that community. Furthermore, public libraries allow patrons to use the computers, receive training and assistance, at no charge to the patron. We believe public libraries are the quintessential “public” computer center. (The relationship between the PCC program and the E-rate program is discussed below.)

We note that the list of eligible entities in the first NOFA was defined quite broadly to include organizations “that provide broadband access to the general public or a specific vulnerable population. (emphasis added)” While public libraries of course endorse the notion of serving the needs of vulnerable population segments, we respectfully suggest that the primary focus of the PCC program should be to serve the public, as the name of the program implies. The addition of “or a specific vulnerable population” should not be enforced in a manner that provides computer capacity to private or closed groups of people. For instance, providing funds to expand computer capacity to social clubs that charge membership fees (e.g. golf clubs whose primary members are retired people) would not be consistent with the purposes of the program. The notion of “comprehensive communities” identified by the RFI can best be accomplished by funding computer capacity that is open for use by the general public.

NTIA should clarify that the costs of broadband can be an eligible cost under the PCC program: The first NOFA said that the eligible costs for the PCC program would include:

- Acquiring broadband-related equipment, instrumentation, networking capability, hardware and software, and digital network technology for broadband services;
- Developing and providing training, education, support and awareness programs or web-based resources;
- Facilitating access to broadband services, including, but not limited to, making public computer centers accessible to the disabled; and
- Undertaking such other projects and activities as the Assistant Secretary finds to be consistent with the purposes for which the project is established.

The first three items on this list are generally not eligible for E-rate support. The fourth section, however, gives the Assistant Secretary a significant amount of latitude to determine what costs are eligible for PCC funding. It would be helpful for NTIA to clarify the list of eligible costs as follows:

- i. ALA suggests that the eligible PCC costs should include the one-time costs of increasing capacity in the eligible institution. Expanding the number of public access workstations and internal wiring will require a much faster broadband connection to handle the increased amount of Internet traffic that results.

In the Frequently Asked Questions, NTIA provided the following useful guidance on the word “facilities,” which was not defined:

In the Public Computer Center submission, applicants may propose local area network (LAN) or mall wide-area network design (WAN) within their facilities. For example, if an operator of a public computer center wants to add new workstations and connect them with routers and Internet cables inside the facility, or even expand the building itself to add public computer center capacity, that is a Public Computer Center project. However, applicants proposing any infrastructure projects external to the facilities will need to apply for a Broadband Infrastructure grant.

While this clarification is useful, it leaves unanswered the question of whether the costs of running a cable from the library building to the broadband network that is already available at the street or in some other nearby location can be funded from the PCC program. Building this type of conduit to connect a single building to existing infrastructure already in the neighborhood would not appear to be fall into the Infrastructure category, yet it may be absolutely essential to allow the library to provide the enhanced bandwidth necessary to expand the library’s computer capacity. ALA submits that this cost should be eligible for PCC funding even if it is located outside the library “facility.”

- ii. ALA also submits that the recurring costs of the broadband capacity should also be eligible for PCC grant funds, at least for the two to three year duration of the project. The recurring costs can have a significant impact on the ability of the library to add the additional capacity. If the PCC grant cannot cover recurring costs, some libraries may have to forego the project altogether.²⁰
- iii. ALA urges the NTIA to clarify the issue of indirect costs. Every library applicant is subject to different indirect cost rules defined by its home institution; this created a great deal of confusion in the first application round. This confusion was compounded by applications filed by partnerships between different institutions, all of whom are subject to different indirect cost rules. Applicants should not be forced to intuit the correct approach to indirect costs – it should be clearly stated in the application rules.
- iv. The PCC program should allow the costs of constructing additional space. The presentation for the PCC program says “Construction costs [are ineligible], unless you are applying for funding specifically for construction.” This is confusing. The Frequently Asked Questions says that the construction of new public computer centers is eligible for funding and suggests that adding additional space to an existing building may also be eligible (“[p]rojects must create or expand a public computer center meeting a specific public need for broadband service”). It would be helpful for the second NOFA to clarify that the construction costs for adding additional space to an existing library are eligible for PCC funding if the additional space is directly related to the purpose of expanding additional computer capacity.

4. Other Changes.

No comment.

B. Program Definitions.

²⁰ ALA appreciates the concern about unjust enrichment and does not propose that libraries should be able to receive PCC funding for the portion of the monthly bill that is already covered by E-rate. The E-rate only covers a portion of the monthly expense, however, and libraries must pay for the non-discounted portion of the monthly fee. Also, many libraries do not qualify for E-rate, or for many reasons are unable to apply for E-rate discounts, in which case PCC funding is especially critical.

The first NOFA tied service to anchor institutions to unserved/underserved areas. Even though the minimum requirement for Middle Mile applicants was that one service area must meet the unserved/underserved definitions, the NOFA also indicated that greater priority would be given to Middle Mile applicants the more unserved/underserved areas that they serve. ALA does not believe that projects to bring broadband to libraries should be linked to the unserved/underserved qualifications at all. The statutory language of the ARRA does not require anchor institutions to serve unserved/underserved out of recognition that anchor institutions such as libraries are of value to the community in and of themselves because of the essential services they offer to vulnerable population groups. The definitions of unserved/underserved, however, are defined in terms of service available to residential consumers. Libraries have much greater capacity needs than most residential consumers, so these definitions are inappropriate for libraries. The practice of funding infrastructure for libraries only in unserved/underserved areas, as those terms are defined, has the effect of barring infrastructure funding for libraries in inner city neighborhoods or those serving vulnerable population segments in areas where residential consumers have low-speed broadband service. Our community anchor institutions need high-speed broadband regardless of their location.

Furthermore, information about household subscribership is generally held by broadband providers and telecommunications carriers. Libraries are not telecommunication carriers and they are not residential or business customers, so they should not be required to abide by these definitions of unserved/underserved.

C. Public Notice of Service Areas.

No comment.

D. Interconnection and Nondiscrimination Requirements.

No comment.

E. Sale of Project Assets.

No comment.

F. Cost Effectiveness.

No comment.

G. Other

ALA respectfully offers a few additional suggestions that would improve the operation of the programs:

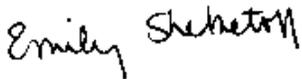
1. ALA appreciates that NTIA and RUS allowed applicants to identify in-kind contributions to satisfy the 20% match requirement. The first NOFA, however, gave a greater preference to applicants that propose cash matches over those proposing in-kind matches. This may mean that applications from public libraries proposing in-kind contributions do not receive as high a score as commercial entities. Some libraries may have purchased equipment already for the PCC program, or may have acquired networking equipment for Infrastructure applications, that should be given as much value as a cash contribution. If in-kind contributions are disadvantaged in the scoring process, applicants will have an incentive to hold off on making purchases and to keep their funding in the bank to use as cash matches. This incentive is the opposite of the goal of the ARRA, which is to stimulate investment and encourage economic growth. ALA respectfully suggests that in-kind contributions should be given equal weight in the scoring process as cash, especially for government-owned entities such as libraries that are facing budget shortfalls.
2. ALA suggests that NTIA and RUS should consider re-calibrating the categories for scoring purposes. The Project Purpose was given 30% of the score, more than any of the other 3 criteria. Although each category is important, we think that the Project Benefits should be given the greatest weight in the scoring process. It may be easy for applicants to articulate the project purposes in a manner that

sounds convincing. But the real measure of success of the ARRA will be determined by whether the applicant is able to bring the project to fruition and deliver the maximum benefits to its intended target. Adjusting the scoring to give greater weight to Benefits will encourage applicants to focus more attention on the implementation of the project which will increase the likelihood of achieving demonstrable results.

3. NTIA should make clear that libraries can apply for Sustainable Broadband Adoption grants to increase the level of broadband connectivity at the library itself. Libraries often serve as demonstration and training centers. People come to the library to learn how to use a computer, how to use a broadband connection, and how to access a variety of Internet-based services and applications. Once trained by the library staff, these individuals are more likely to purchase a broadband connection at home. The public library can only demonstrate the benefits of residential broadband adoption if the library itself has enough bandwidth to demonstrate its benefits. (In fact, a library with insufficient bandwidth may have the opposite effect of discouraging broadband adoption at the home.)

NTIA staff indicated that broadband adoption could include adoption by “institutions,” not just by households. ALA respectfully suggests that the library’s adoption of higher speed broadband connection be considered a form of sustainable broadband adoption that is eligible for funding under the SBA program.

Respectfully Submitted,

A handwritten signature in black ink that reads "Emily Sheketoff". The signature is written in a cursive, slightly slanted style.

Emily Sheketoff
Executive Director, American Library Association Washington Office