

**Before the**  
**Department of Commerce**  
**National Telecommunications and Information Administration**  
**and the**  
**Department of Agriculture**  
**Rural Utilities Service**  
  
**Washington, D.C.**

Joint Request for Information seeking public comment relating to the implementation of the Broadband Initiatives Program (BIP) and the Broadband Technology Opportunities Program (BTOP)	)	RUS RIN: 0572-ZA01
	)	NTIA RIN: 0660-ZA28; Docket No.
	)	0907141137-91375-05
	)	

**Comments Submitted by the Wisconsin Department of Public Instruction**  
(November 30, 2009)

The Wisconsin Department of Public Instruction is the state’s public school and public library agency. We appreciate this opportunity to comment on the broadband funding available in the American Recovery and Reinvestment Act of 2009 (ARRA). Our department filed comments on April 10, 2009, for the first round of grant applications<sup>1</sup>. In August our department assisted the Wisconsin Department of Administration—in cooperation with AT&T and other telecommunication providers—in submitting an application in the BTOP Broadband Infrastructure category. This application was to bring fiber connectivity to our public libraries and public school districts.<sup>2</sup> Our comments below are made in the context of our experiences in the first round of applications. In addition, we support many of the round 2 recommendations filed by the Schools, Health and Libraries Broadband (SHLB) Coalition and the American Library Association (ALA).

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<sup>1</sup> Comments filed by the Wisconsin Department of Public Instruction. April 10, 2009.  
<http://www.ntia.doc.gov/broadbandgrants/comments/729A.pdf>.

<sup>2</sup> The Executive Summary of our application, which is still pending, is at  
<http://www.ntia.doc.gov/broadbandgrants/applications/summaries/174.pdf>.

## I. The Application and Review Process

### A. Streamlining the Applications

We agree with NTIA/RUS that the application process in round 1 was too burdensome, complex and confusing. Here are our specific suggestions on how to streamline the process.

- There should be a separate application process for projects that seek to bring initial or more robust broadband connectivity to community anchor institutions (CAI).
- CAI applicants should not have to select between being funded by BIP or BTOP (question 5). After reviewing the application RUS and NTIA should decide the best funding source.
- The fifty-six question Broadband Infrastructure grant application was cumbersome, time-consuming and somewhat confusing.<sup>3</sup> Some questions, such as asking the number of households in a service area (question 14), were not relevant to CAI. Also, requiring CAI to identify all of the census blocks covered by a “middle mile” span was difficult and made little sense.
- The mapping requirement (question 12) was almost impossible to complete for applications that proposed to serve large numbers of community anchor institutions. This requirement should be eliminated or applicants should have the option to submit their own map.
- Most of the detailed budget and supporting documents (Q45) can be requested in the follow-up due diligence phase of an application’s review.
- Some questions specified a maximum length in characters (Q2b), others stated a maximum in pages (Q8), and some questions had no maximum. Some questions did not allow sufficient space to upload the answers. For example, question 30 required detailed network diagrams but had a four page limitation. The State of Wisconsin’s BTOP application submitted in round 1 had 48 pages of network diagrams.
- Some budget information being requested was or commercial, for profit entities (question 50). This type of information is not relevant for public sector entities, such as public libraries and schools.

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<sup>3</sup> For example, question 21 states: “For middle mile projects describe the middle mile service offering currently being advertised in the last mile service areas of the proposed middle mile project.” Not only is this confusing, it places an onerous condition on the applicant to try and make this determination. This requirement is not relevant to applications from anchor institutions.

*A 1. New Entities.* No comment.

*A 2. Consortiums and Public-Private Partnerships*

Only the lead applicant should be required to submit complete information. Any further information needed from the lead applicant or any of its partners can be requested if the application makes it to the due diligence review phase.

*A 3. Specification of Service Areas*

For applications from Community Anchor Institutions, or applications proposing to serve such institutions, there is no need to collect information related to service area because the applicant is not a telecommunications provider. For example, a public library application will encompass the community the library services. A school application will include the students and staff in the school. At most, the application should simply ask for the numbers served (e.g., patrons and students).

*A 4. Relationship between BIP and BTOP*

As stated in our above “*Streamlining the Applications*” comments, applications from Community Anchor Institutions should not have to select between being funded by BIP or BTOP. Many CAI are also not in a position to accept a BIP loan. Even when a loan may be attractive, the short time frame likely in round 2 to address the logistics and legal processes needed for a loan will not make this a viable option for many schools and libraries.

*B. Transparency and Confidentiality*

The executive summary of all applications should be made publicly available for the second round of funding. Furthermore, in the Broadband Infrastructure category we encourage NTIA/RUS to require that question 10, “Description of BTOP Project Purpose,” and question 11, “Enhanced Services for Health Care Delivery, Education, and Children,” be made public.

*C. Outreach and Support*

For round 2 we support holding regional meetings as was done in round 1. Furthermore, we encourage both NTIA/RUS to collaborate on hosting several 1-2 hour webinars specifically targeted at particular applicants or particular applications. For example, a webinar on how the

BTOP/BIP grant application process works with the federal E-rate program would be welcome by our schools and libraries.

#### *D. NTIA Expert Review Process*

Because no applications for round 1 have yet been announced, it is somewhat difficult to address this question but we are concerned with potential conflicts of interest. No employee of a company that files an application can serve as a reviewer of other applications in the territory covered by the company's application. However, we question the possible objectivity of an individual who serves as a reviewer for applications from one state when his/her company has submitted an application(s) in other states.

## **II. Policy Issues Addressed in the NOFA**

### *A. Funding Priorities and Objectives*

As expressed throughout our comments, we believe that priority should be given to ensure robust broadband connectivity for community anchor institutions, specifically our K-12 schools and public libraries.

#### *A 1. Middle Mile "Comprehensive Community" Projects*

Applications to bring sufficient broadband to anchor institutions should have a category titled "Connectivity to Anchor Institutions." In round 1, connectivity to anchor institutions was labeled a "Middle Mile" category, which was confusing and did not always reflect the fact that community anchor institutions need robust broadband to the building (the last mile) too. If any middle mile infrastructure enhancements are needed to support the last mile, the details on such enhancements can be explained in the application. Also, with a separate category the application itself can be streamlined to omit irrelevant questions, some of which are referenced in these comments.

In their *Joint Request for Information* NTIA and RUS ask if they should focus on "funding projects that will deliver middle mile infrastructure facilities into a group of communities and connect key anchor institutions within those communities?" Our answer is: *Absolutely!* Round 2 should give high priority to ensuring sufficient high-speed broadband to community anchor

institutions. While high-speed broadband to anchor institutions has value in and of itself, connecting both the middle and last mile infrastructure build-out needed to connect CAI will also facilitate the provision of more robust broadband throughout the community. The same infrastructure that is built to serve anchor institutions can be used to help bring broadband to residential and business customers too.

Another important benefit in giving priority to applications from community anchor institutions is that all institutions that are part of a grant application will participate (question 48). This 100% participation should be compared to the likely much lower participation for applications proposing to serve business or residential customers. This assumption of lower participation is based on a recent GAO report which showed that in fiscal year 2008 only 55 percent of RUS broadband loan borrowers were meeting their forecasted number of subscribers.<sup>4</sup>

We do think it is appropriate to consider the extent of the geographic footprint of any application but do not see any relevance or need to consider any overlap with existing service providers. For example, if a school wants fiber connectivity and there are several service providers that can supply such connectivity, the school can bid out the project if an existing contract is not already in-place.

Another grant priority for community anchor institutions should be given for broadband investments that will yield long-term benefits. *With very few exceptions this means fiber connectivity should be given a high priority.* The State of Wisconsin's round 1 BTOP application proposed to bring fiber to every school and library on the state's BadgerNet network enabling them to get 100Mbps. Applications that propose enhancements to legacy (e.g., copper) infrastructure simply will not yield the long-term benefits that fiber can provide.

## *A 2. Economic Development*

We think that placing a priority on funding applications for community anchor institutions is the best way to help stimulate economic development.

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<sup>4</sup> Agencies Are Addressing Broadband Program Challenges, but Actions Are Needed to Improve Implementation. P. 17. GAO. GAO-10-80 Recovery Act. November 2009. <http://www.gao.gov/new.items/d1080.pdf>.

### *A 3. Targeted Populations*

We agree with the American Library Association that more funding should be allocated in the Public Computer Centers (PCC) grant category. Targeting libraries for more PCC funding also compliments our support for more funding in the Broadband Infrastructure category for community anchor institutions.

The *Joint Request* asks for comments on how BTOP funding interacts with E-rate funding. In enhancing broadband connectivity, we view E-rate as complimentary to the BTOP program. The BTOP program helps fund the initial cost of build-out and related infrastructure, while the E-rate helps support the ongoing costs of the enhanced broadband. We do not see these two programs as duplicative or in conflict with each other.

### *A 4. Other Changes*

For applications from community anchor institutions, we encourage the NTIA and RUS to lower the required fund match to 10%. Many school and library budgets are already under severe strain and some simply cannot afford the 20% match.

### *B. Program Definitions*

In round 1 service to anchor institutions was dependent on meeting definitions of unserved and underserved (Questions 13, 14). Yet in the first round these terms were defined in the context of telecommunication carriers serving business or residential customers. Community anchor institutions are not telecommunication carriers nor are they business or residential customers. Therefore, the terms “unserved” and “underserved” should not apply to CAI.<sup>5</sup> Furthermore, the need for applicants to determine if they were in a rural area (Q14) should not apply to anchor institutions. Our community anchor institutions need high-speed broadband regardless of their location.

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<sup>5</sup> In comments our agency submitted to NTIA and RUS on April 10, 2009, we stated, “A single definition of the terms ‘unserved’ or ‘underserved’ is not realistic or workable. Furthermore, the legislation referencing these terms appears targeted at the consumer market and not to schools, libraries, or higher education.”

*C. Public Notice of Service Areas*

In the context of our above comments that the terms “unserved” and “underserved” should not apply to community anchor institutions, there is no need for any review or challenge of a CAI application by an existing broadband service provider (question 17). The fact that there may be other competitive providers where a particular school or library is located simply means these anchor institutions have several options on who provides their increased broadband connectivity.

*D. Interconnection and Nondiscrimination Requirements.* No comment.

*E. Sale of Project Assets.* No comment.

*F. Cost Effectiveness*

In round 1 the BTOP application review process used "cost effectiveness," when scoring an application. Measuring cost effectiveness was based on the ratio of the total cost of the project to households passed (question 26). Such a measurement has no relevance to applications from community anchor institutions. In our suggestion above to have a separate “Connectivity to Anchor Institutions” category the question on how costs were determined can be asked. If any additional cost information is needed it can be requested during the due diligence phase of the application’s review.

*G. Other.* No Comment.

Thank you for the opportunity to comment on possible changes for round 2 of the BTOP/BIP funding. We hope that in round 2 NTIA and RUS will give priority to applications from community anchor institutions. If you have any questions, please contact me.

Sincerely,



Robert Bocher  
Technology Consultant  
Wisconsin Department of Public Instruction  
608-266-2127; [Robert.bocher@dpi.wi.gov](mailto:Robert.bocher@dpi.wi.gov)