

MODERATOR: My name is Bob Atkinson.

I am the Director of research

Columbia Institute For

Tele-Information in the Columbia

university in New York.

Nothing I should say should be

subscribed to -- ascribed to those

agency and should not be ascribed to

CITI.

We don't need the security briefing

that we had this morning in case of

an emergency situation, so we will

not spend time on that.

The topic this afternoon is

selection criteria for those of you

who have been participating in these

roundtables previously, you will

note this is a longer roundtable

than the others.

It's two hours instead of an hour

and a half, because we have, A.,

such a large number of speakers and

B., because there has been a great

deal of interest from the audience,

the Commerce Department auditorium

as well as on the net and on the teleconference and in fact throughout the preceding roundtables, many speakers on the stage as well as members of the audience who have raised points which in fact might well be considered as selection criteria versus eligibility criteria or definitional aspects that we covered earlier in these roundtables.

So there is a lot of substance that might well be encompassed by the term "selection criteria."

We do have, as I noted, we have ten stakeholders that will be sharing their views, experiences, suggestions and comments.

So we will have -- each of the panelists will first make brief comments and we will have a roundtable discussion amongst the participants and then for the -- and I will say approximately the last 30 minutes of the program, we will have

questions or comments from the audience here in the Commerce Department or on the web via teleconference.

I say approximately.

I will ask for a quick show of hands before the roundtable discussion begins just to find out how many people in the audience will have questions.

And if it looks like there is more than 30 minutes worth, I will cut the roundtable discussion back so there is every opportunity for members of the public or audience to participate.

We are approaching the end of this series of roundtables and I can only comment from my perspective it has been a very open and transparent process.

It is consistent with the approach that NTIA and RUS have taken overall.

One of the things they have done is

issue a request for information.

It's a comprehensive document I recommend it to everybody interested in this topic in terms of reading it and understanding the program itself and also the questions and issues that have been raised.

The due date for comments and responses is April 13.

I again recommend that everyone take advantage of that.

Let me briefly introduce our panelists.

On my left, Steve Morris.

Steve is the associate general counsel of the National Cable and Telecommunications Association.

He represents the cable industry on matters related to regulation, telecom and broadband services.

Prior to joining NCTA, he was deputy chief of pricing policy division in the wire line bureau of the FCC to Steve's left is Karen Jackson.

She is Vice President of broadband

programs of the center for innovative technology and the director of the office of telework promotion and broadband assistance with the Commonwealth of Virginia.

She is speaking today on behalf of the national governor's association.

To Karen's left is Richard Mirgon, he is president elect of the association of public safety officials international and has recently retired from his position of Director of technology service from Douglas county, Nevada where his responsibilities was public safety, communications, 9/11, information systems, and emergency management.

Previously he was president and founding member of the Nevada chapter of the national emergency member association NEMA.

And the ABCO.

He is a member and co-chair of state emergency response and he served as

cochair of the WMD homeland security steering committee.

To Richard's left is Jennifer Simpson.

The senior Director of telecommunications and technology policy initiatives for the association of persons with disabilities.

An independent membership association based in Washington.

She is founder and spearheading committee member of organizations for accessible technology, coat, a disability coalition with 225 national and community organizations that works to ensure advances in communications and technology who incorporated needs for people with disabilities.

To Jennifer's left is John Muleta.

He is CEO and cofounder of M2Z networks a silicon valley venture, a company that provides free broadband services through spectrum band.

He is on the board of advisors of the minority media and telecommunications counsel has previously served in executive positions with leading broadband companies including PSI net and NAVASITE and has extensive experience having served as the FCC's wireless bureau and deputy chief of the common carrier bureau. To John's left is Derek Turner, a research Director at Free Press, a public organization dedicated to public education and consumer advocacy on consumer policy. He is an author of studies on high speed internet access and universal service and regularly testifies on media technology issues for Congress and the FCC. To Derek's left is Jeannette Wing, Jeanette is the professor of computer science at Carnegie mel on university, currently on leave and serving at the National Science

Foundation as assistant Director of computer information science and engineering Director.

Her research interests are in trustworthy computing, formal methods distributed in concurrent systems, programming languages and software engineering.

To Jeanette's left is South Carolina Jacqueline Johnson-Pata.

She is the executive Director of the national Congress of American Indians, the NCAI, the oldest and largest tribal government organization in the United States.

After having served as deputy assistance secretary for native American programs at the U.S. department of housing and urban development.

She previously served as Director of the Klingett housing authority headed in Juneau, Alaska and is former vice chair of the Alaska housing corporation.

To Jacqueline's left is James Firman, president and CEO of the national council on aging since 1995 and before then he was CEO of the united seniors health cooperative and senior program officer of the Robert wood Johnson foundation.

He has served as chair of Leadership council of aging organizations and is currently a board member of the generation's united national human services assembly.

On James' left, and certainly not least, although last, is Lisa Scalpone.

Lisa is wildblue's Vice President of legal and government affairs where she is responsible for handling wildblue's government matters as well as legal and government issues, intellectual property.

Before joining wild blue she practiced law with Chicago law firms.

Ms. Scalpone is speaking on behalf

of the satellite broadband coalition, a subsid of SIA members. My observation is NTIA and RUS have a substantial and monumental job to accomplish in a short period of time implementing the ARRA in a way that produces the greatest broadband bang for every taxpayer buck.

Among other things this means agencies have to adopt rules, develop contracts, solicit proposals, review proposals, select those that best satisfy the ARRA and award criteria we are talking about. Dan the list of activities goes on and on.

It's a monumental task and they need a lot of help.

So the purpose of this series of roundtables is to provide NTIA and RUS with considered thoughts and suggestions of experienced experts from a broad range of stakeholders so they can accomplish their tasks as quickly as possible.

The BTOP funds can only be distributed through a rigorous and open process in which proposals are evaluated against clearly articulated selection criteria.

Thus the establishment of the selection criteria will have a determinative influence on which proposals will be selected.

The ARRA provides some selection criteria particularly with respect to infrastructure deployment projects however it provides much less guidance for other types of projects for infrastructure deployments the statute directs NTIA to consider whether the project will increase affordability and subscribership to the greatest population, whether the project will provide the greatest broadband speeds to the greatest population, and whether the project will enhance service for healthcare delivery, education, or children, to the

greatest population and it also says that the NTIA should consider the result not -- resulting in unjust enrichment as a result of support.

For the infrastructure programs as well as non-infrastructure programs, it directs NTIA to try to award at least one project per state, and to consider whether the applicant is -- applicant is a socially or economically disadvantaged small business concern.

Beyond those statutory criteria, what else?

That's what else is what this panel will be discussing.

So I would like to ask our first panelist to come to the microphone and begin the discussion, and let's get going.

>> Thank you.

MR. MORRIS: Thank you, Bob.

I am appearing here today on behalf of five organizations, NCTA where I work, the U.S. telecom association,

CTIA, The Wireless Association, the independent telephone and telecommunications alliance and the wireless communications association.

We appreciate the opportunity to participate in today's roundtable and we want to thank the NTIA and RUS staff for your incredible work in organizing these panels.

In the statement last week, president Obama made clear that the disposition of recovery act funding should be guided by transparent merit-based selection criteria.

We agree with that statement, and my remarks today reflect our group's thoughts on how NTIA and RUS should carry out that directive with respect to funding for broadband infrastructure projects.

One key element of the transparent merit based selection process should be continued coordination between NTIA and RUS.

In particular, the two agencies

should attempt to develop a common streamline application process.

For use of a simple set of common forms and procedures will make it possible for all types of entities to compete.

Because many applicants will seek funding from RUS and NTIA, the two agencies should to the extent permitted by the act apply common scoring criteria for applications.

These criteria should be as objective as possible which will enable the two agencies to process and rank the applications efficiently.

We have identified seven factors that should be considered by both agencies in reviewing infrastructure projects.

At this time we do not have a proposal for how these factors should be weighted or prioritized.

Nor is this list intended to be exhaustive.

Individuals in our group may propose additional criteria the first factor is job creation and preservation.

Between projects of comparable size those that create more jobs should be favored over those that save or create fewer jobs.

Second, timeliness of construction.

Projects that commence earlier and bring service to consumers sooner should score higher than those that are later and bring service slower to consumers.

Third is sustainability.

By sustainability we mean the likelihood that a project will be accomplished as proposed in its application and that it will be sustainable after completion of the grant period.

This involves consideration of an applicant's broadband experience and its financial commitment to the project.

Fourth, public interest projects.

Those applications that include service to schools, libraries, hospitals, public safety entities and similar entities should score higher than projects that don't.

Fifth.

Project cost.

Projects that cost less per potential customer should score higher than those that cost more.

Adjustments to this scoring, for example, adding a mile to the component may be warranted to ensure that this factor does not work to the disadvantage of areas with geographic or topographical challenges.

Sixth: Affordability.

Applicants that commit to offer services in price that is comparable to prices available in neighboring communities with similar services should score higher than applicants that are unwilling to make such commitment.

And seventh speed.

Broadband speed should be one of the factors that both agencies consider.

Finally.

I want to point out that many of these factors are here primarily to business and residential last-mile construction projects.

They may need to be modified somewhat with respect to other types of projects, such as middle mile projects or those who focus exclusively on public interest entities.

Thank you.

MODERATOR: Thank you.

Our next speaker is Karen Jackson on behalf of the Commonwealth of Virginia and the national governor's association.

MS. JACKSON: Good afternoon, I would like to echo my thanks to the national governor's association and NTIA and RUS for providing us with this opportunity.

In developing selection criteria, it is a daunting task as has been noted before and we did try to take into consideration all of the elements that were placed in the bill.

So, what we would like to address are those things that as the moderator mentioned, would be beyond the basic criteria that has already been set out.

We looked at models from around the nation and tried to collect best practices and come up with ideas and elements that we think are not only the most valuable to the program and would return the greatest yield but also embody what the state's needs are and the communities and are a best-fit solution for them.

So the selection criteria that we lay out are suggestions.

As was mentioned before, this is not an exhaustive list and we didn't go down the path of trying to decide ways either but we would encourage

NTIA and RUS to look at these categories of selection criteria.

First of all is the applicant's ability to perform.

The experience of the company, and the key personnel.

It would also talk about the ability to perform the tasks, not only the build-out but also the servicing affidavit the buildout.

Evidence of strong business practices and legal authority to undertake the task.

The second sector would be feasibility.

That would take a look at really the basics of the logic of the project.

Does project cost versus the overall scope, the number of sites to be served, the time to completion and the resource allocated versus the time and cost actually make good business and logical sense that it can be carried out in the time permitted.

Thirdly, a business case in market/community fit.

The sustainability as was mentioned before.

One criteria that we have seen utilized and we think is a prudent issue, is does the applicant's project leverage existing resources? Towers, rights of ways that are already inherent in the states and taxpayer dollars have already been spent for those, and we feel there should be leverage -- and could be leveraged as part of the ARRA projects.

We also looked at an upgrade and maintenance plan that ties back to sustainability.

But even sustainability beyond the grant process there has to be a plan to keep the communities current once the buildout is completed.

Is the pricing appropriate for the market, are there anchor institutions being addressed and we

thought it would be important to look at the economic fit and impact. We talked about jobs being created primarily on the front line as a first tier from the providers that would be doing the buildout but there is also local economic impacts that could be gained that would also be imperative to the process.

Of course there has to be a technology element proven.

Is it scalable, is it appropriate to the coverage area, are the transmission speeds adequate or meet some minimum criteria that has been set, and we also added whether or not there is adequate back haul.

It's imperative to have sufficient middle mile, to be able to carry the traffic, rather than just have last mile infrastructure with a restricted back haul.

We do believe that state endorsement is something that should be considered.

Many states have a statewide broadband plan and again I will mention the idea that there are a lot of existing resources out there that would be leveraged if the state was a partner or has some ability to endorse or to have input into the process.

Finally, as was mentioned before, the job creation.

Both first year and second tier -- first tier and second tier for the providers and main applicants but also the communities that the networks would be deployed N what are the job and economic impacts there because in those areas there are a lot of unemployed and under employed people that can benefit directly from the existence of these networks.

Thank you.

MODERATOR: Thank you.

Our next speaker is Richard Mirgon.

MR. MIRGON: Thank you and on behalf

of our public safety partners I would like to thank NTIA for hosting this event.

Before you on the screen is fundamentally a proposal we would throw out as part of the scoring criteria.

Needless to say is this is not absolute or cast in stone but we believe it is a good starting point for this.

Some of the points I would like to talk about and clarify.

From our point of view, you know, we believe a safe community is a community -- you have to have a safe community before you could have job growth or economic development.

We talked to a number of our partners and they have come to us and said, folks, we need you as part of this effort, so that we are able to help our communities grow.

If there is a lot of crime in communities that don't have

broadband and they believe it's a benefit to their community to educate that community.

So needless to say, that ties into the ability of law enforcement to be able to apprehend criminals, to protect the community and ties into Paramedics being able to provide medical services to folks, which ties directly into the mobility issue on there.

Mobility is not such an issue of being able to go from one house to another, it deals more with an item of being able to put a mobile broadband device in the vehicle and have that work at speeds of 30, 40, 50 miles per hour, and that should be one of the issues given to the criteria.

One of the things that we are pretty strong on is the idea of reliability, redundancy and interoperability.

As many know, public safety is going

through a phase where we have a lot of interoperability issues.

That has come about because of our development of proprietary networks across this country where vendors have come in and said, look our technology is better than competitor's technology, B, and we need to buy it.

What you get down to, is people try to move between networks, you can't. So the cost of public safety has gone up significantly to maintain networks and build bridges between them and be able to operate.

So we get back to the issue of you got to have standards.

You have to have the ability to my great your technology to newer speeds, newer devices, you have to be able to buy off the shelf equipment to keep the cost down and it's affordable.

Just because you are building a network it doesn't mean the person

you are building that for is going to be able to afford to buy the equipment that is needed to use the network.

The last part that we are concerned with and that we have a lot of experience with is user fees.

Public safety across America is paying anywhere from 50 dollars to 60 dollars a month for mobile broadband device and most agencies cannot afford it.

That has precluded reuse across the board from a lot of people accessing broadband networks.

When you build to a standard and you are able to buy offthe shelf stuff, should be able to keep the user fee down.

If the intent is to reach underserved and unserved communities to low-income areas and to try to raise the education level of America, that user fee has got to be down to a level that is affordable by all.

We believe that is important in the selection criteria, that if you start selecting proprietary networks, networks that require specific devices at home, you end up with a network that is too expensive for people to use and you completely lost the whole intent of this grant. So with that, that is fundamentally our issues and what we believe is important to the criteria of this network.

Thank you.

MODERATOR: The next speaker is Jennifer Simpson the American association of people with disabilities.

MS. SIMPSON: I am here representing the coalition of organizations for accessible technology.

I represent over 220 disability groups across the country who are members of our coalition and I see some of my coalition members here.

Thank you NTIA for inviting us to

speak.

We testified last week how people with disabilities were among the vulnerable populations that the statute discusses.

The comments I made are in regard to that definition.

My slide up here includes the selection criteria recommendations that we ought to be thinking about that would address the vulnerability of people with disabilities.

Overall we recommend a 25% point allocation system for what we call disability evaluation.

This would involve grant review that looks at whether projects target people with disabilities, whether they directly involve people with disabilities in implementation.

Whether they facilitate greater use of broadband service by people with disabilities, stimulate demand for broadband among people with disabilities or lead to economic

growth for people with disabilities, including creation of jobs for people with disabilities.

We are happy to hear president Obama last week talk about employment for people with disabilities.

And he in fact said every program that we have has to be thinking on the front end how we make sure that it is inclusive and building on our ability to the capacity of people with disability and we think this applies to the broadband stimulus program as well.

We would like to see assurances in the proposals that will be before internet building.

Along electronic interfaces for broadband applications, including administrative interfaces and including remote access that everything is disability accessible, because that would impact employees as well as users of any system.

We have a recommendation that the

industry develop voluntary accessibility product template is perhaps used as one of the criterion in accessing -- making thing accessible.

We would like to see the outputs from any projects also be accessible.

We are talking about any web sites, products being used, whatever, should be captioned and video described.

So whatever the project generates, those outputs should be usable by people with disabilities.

Partnerships by private and corporate entities should be working in partnership with dis--ability groups and such must show a written commitment to disability concerns and issues.

They should show a history of doing this, or any other proposals or projects they have done involving this or universal design statements

that they have made.

There are many ways we believe the agency can assess such proposals.

Finally and not least, we would like today to conduct evaluations for accessibility throughout its auditing and other oversight activities through all three grant rounds because we believe it could be a great learning experience after each review that would encourage new applicants in the second or third rounds to be more accurate and efficient in addressing the disability accessibility needs.

Again, I would like to thank you for asking the coalition to be here, and taking very seriously the vulnerabilities and concerns of people with disabilities.

Thank you.

MODERATOR: Thank you, Jennifer.

Our next speaker is John Muleta from M2Z networks.

MR. MULETA: Thank you very much,

Bob for having us here today.

I'm John Muleta.

I am here to represent the views of minority media and telecommunications council which is a civil rights organization that has been advocating for equal opportunity for minority entrepreneurs and small businesses to succeed in the media telecommunications industry for a number of years and works cooperatively with other leading civil rights organizations.

We were asked to give our views on the criteria for approving grants and what weight should be accorded using a 1 hundred-point scale.

Before addressing this important question, I think it's important for us to establish sort of a framework both about what the goals of the legislation are as well as how our economy funding money works.

Because that issue is an important

aspect of how the granted should be applied.

The first thing is that the ARRA in general is about job creation and that is the purpose and it has been made clear that broadband is a way of getting there but the main point is to create jobs in this economic trough that we are experiencing in the country.

According to president Obama last week, small businesses are the heart of the American economy.

The president also said that small businesses have created over 70% of the new jobs over the last decade.

According to the SPA's annual report for 2008, small businesses accounted for over 50% of the nation's nonfarm GDP.

The impact of small businesses on job creation continues to be significant.

When you look over the past year the large businesses actually had a net

loss, while small businesses had increases in terms of job creation. So, the fundamental framework of the grant of moneys should be on encouraging small businesses to thrive and for new businesses to start up and hire people.

Another framework that we have to keep in mind is that there is a section within the ARRA in terms of broadband grant, specifically section 6001 H-3 which requires them to look at small business in the grant process.

This goes towards having maximizing impact in areas and communities that have traditionally not benefited from economic growth and investment.

With that in mind what we have on the board, although it's a busy chart, and challenges every consultant to put so much information on one page, what we have are three broad categories. One is the creation and

sustainability of jobs and new economic development.

That is accorded 50 of the 100 points.

Within that there are subcategories that look at -- are jobs actually being created.

Number 2, are they being created in areas that are suffering unemployment that is higher than the national average?

Is application to a small disadvantaged business that would go out and hire new people and create new jobs, even if you were not a small disadvantaged business, are you a large business that is mentoring or working with small disadvantaged businesses to make that happen?

The statute specifically mentions section 8 A which has mentorship programs and opportunities.

This is a way of disbursing back benefits to a much wider group of

people.

And the last category is are you hiring people that are newly unemployed or people who traditionally have not been employed as a part of this grant process.

The second broad category with a third of the points being allocated would go towards whether you were creating affordable and sustainable broadband adoption.

There are two main criteria in there.

One is are you providing at a price that is lower than what would be available in the market area.

The lower the index, the more the grant would weigh towards this application.

The second criteria is how many people do you serve?

The broader the population you serve, the more sustainable and more value is created to the broadband grant.

The last, and there is another criteria there that is accorded smaller weight but I will go to the third large category which 1/5 of the total points would be accommodated.

There what we are talking about is are you leveraging other public goods that could benefit from the adoption of broadband, the welfare of children, education, the impact of health and education, impact on reducing energy consumption.

These are what we could accord the weighting of these criteria.

There is a fundamental assumption we are not for limited purposes discussing definitional issues as to whether unserved or underserved would be part of the criteria because we think that would be a gating criteria in any case for the applications.

Same thing with issues about open access and whether it meets the

definition of broadband.

What we also understand is that the people that are making this decision have an enormous amount of discretion and how they weight this regardless of how many points they set and we hope that they would keep in mind what are the overriding goals on the stimulus litigation and why we were focusing on broadband which is to create jobs and help sustain economic development.

Thank you for the time and opportunity to speak to you.

I look forward to your questions.

MODERATOR: Our next speaker is

MR. TURNER: From Free Press.

MR. TURNER: Good afternoon I appreciate the opportunity to speak today on the topic that is the most critical and most challenging.

The hard working folks at NTIA and RUS have the unenviable task of picking winners and losers.

The challenge for NTIA and RUS in

are is to turn Congress's broad legislative language into an objective system for prioritizing applications.

We at Free Press have tried to do that with a score card based on categories of consideration contained in the recovery act.

These categories shown on the slide behind me are 1, adoption, 2, affordability.

3.

Speed.

4 what I call civics which is potential community benefits.

5, job creation.

And 6, feasibility which I have shown as avoidance of lighting a pile of taxpayer money on fire.

We attempted to translate these categories for scoring

infrastructure deployment

applications and our suggested

metric is more complex than what I

have time to suggest today.

But our full article is available at free.press.dot.net.

We have points for adoption criteria measured by price openness and other criteria that capture the consumer award.

We award 25 points based on a project's speed considering upstream and downstream speeds as well as considering how shared the subscribed network would be.

We award 20 points for civics criteria that takes into account communities interests like broadband education and training, public safety and WIFI and so on and whether the applicant is a socially or economically disadvantaged business.

The efficiency category we awarded 15 points such as a project's long-term business feasibility and the network's scalability.

In this category we also consider whether the network owner will

forego any claim to future on going universal service support as we are very concerned about the potential for rate pairs having to subsidize networks already paid for by taxpayers.

And finally we awarded up to 15 points for the project's job creation potential.

To close, I would like to mention a few things that are not in our scoring system and why they are not there.

First, we don't give any weight to the customers served per dollar ratio because giving that weight could actually favor projects that would have likely occurred without stimulus support.

Instead we suggest NTIA contract with engineering firms to evaluate the reasonableness of each application from a cost perspective. Second, we don't give preference to larger projects we believe projects

of all sizes deserve funding which is why we suggest that NTIA and RUS develop several strata of projects by award size and make a number of small, medium, and large awards.

Finally we make no distinction between unserved and underserved for weighting purposes.

We feel that once an area is certified as meeting either definition they should have equal status to compete for BTOP grants.

Thanks for your attention.

MODERATOR: Thank you, Derek.

Our next speaker is Jeannette Wing, National Science Foundation.

MS. WING: Thank you very much for this opportunity to talk to all of you.

A national broadband strategy should include colleges and universities and regional and national research and education networks that connect them.

Colleges and universities are

innovation include baiters, they house innovators, students, faculty, and staff and are engines of innovation.

The academic brought us urban the in the 70s and internet in the 80s and the graphic web browser in the 90s and Google and Facebook in the current decade.

We would not be here today were it not for the innovation on our campuses.

Colleges and university applications drive innovation in networking.

They are the heart of demanding advanced scientific applications.

It data-driven experiment, simulations, analyses of science today require 1000 Mbps broadband to move data from remote instruments in the lab and to share massive data sets among scientists globally.

Why does this matter?

Because these scientists will help us model climate change, discover genetic markers for inherited

diseases, and explore the potential of low carbon and renewable energy sources.

Colleges and units have a four-decade proven track record in deploying, managing, operating, and continually upgrading advanced networks.

With seed money from SEF in the nation, CSF and NSF provided a stimulus to early growth to the internet by bringing academic researchers and consumers online across the United States at first in their labs and then in their dorm rooms.

We can do the exactly the same thing today to scale in terms of network speed and reach.

The academic community has experience in deploying and managing broadband networks on campuses, advanced optical networks through state based and regional consortia, and high performance nationwide back

bone capabilities.

Colleges and units serve as neutral territory for open, nonproprietary, unclassified research, fostering partnerships with industry and government.

Colleges and universities are catalysts for local, regional and national economic growth.

They are the hubs for local communities, culture, information, training, medical care, employment, and social interaction.

This is especially true for rural and underserved areas.

Investing in advanced broadband technology and research enabled networks at colleges and universities and the networks that connect them is cost efficient.

If the government is going to invest in broadband it should invest some amount in long-term technologies that will last for decades rather than in short-term technologies that

will be obsolete in three to five years.

The supporters of the national Internet 2 or real .

Internet 2, the quilt, if score idea foundation, Westin indication, southeastern university's research association and the computing research association.

Collectively, these organizations represent all 50 states, over 22 hundred colleges and units, 30 state and regional networks, 44 corporations, and international reach to networks in 90 countries. State and regional networks connect over 55, 000 institutions K through 12 schools, community colleges, libraries, medical research centers, museums and performance arts centers.

Broadband investment should be a strategic downpayment on our future. Colleges and units are our future. Innovations to come by new

generations of innovators, today's students are tomorrow's workforce, and tomorrow's customers.

The academic community has the knowledge, experience and foundation network infrastructure in place to jump-start a national broadband strategy leveraging federal ARRA investments in ways that will spread broadband, create jobs, improve health, push the frontiers of science and educate young people.

Thank you very much.

MODERATOR: Our next speaker is Jacqueline Johnson-Pata.

She is with the national Congress of American Indians.

>> We like the national Congress of American Indians like others in this group support the goals of the ARRA. One is to create jobs, infrastructure and also to be ready with ready projects.

When we looked at jobs, though, we are not just looking at jobs from

the perspective of only the jobs being impacted to create the program immediately, but also the long-term benefit of jobs that can be created in a community that is considered under served or unserved communities where we believe that if you look at the broader federal impact, without federal investment it would be difficult to reach some of those communities.

We also believe that we could be the end of the line community, so many times these kinds of efforts such as broadband or even if you look add at railroad in the past by passed tribal communities and we want to ensure that we were included in tribal communities.

We believe as part of the scoring criteria that tribes should be considered with like communities and that they have criteria that is relevant to their communities and to tribal communities easements over

trust lands and a number of things that are unique to American Indians communities should be considered.

We ask for direct funding so tribes can work directly in their own communities where we would have greatest benefit.

We think that criteria that addresses the social and economic impact, certainly access for a public safety, health, education, are all critical to providing the public service needs of our tribal governments.

We as tribes recognize that we are the -- we are sovereigns, and we work directly with the federal government and we receive most of our funding directly from the federal government and we would hope to maintain that kind of relationship in this effort and initiative.

We also want to be included in any conversation about the national

broadband plan, and we want to also support the recommendations about streamlined government process in the application, the selection criteria, is it dependent upon data collection as data is relatively unique or non-existence in Indian country but we should be able to supplement with anecdotal evidence that might mitigate the issue of lack of data.

We want to ensure that people who have tribal knowledge or expertise are brought into the reviewing criteria to be able to review tribal applications so they could have more practical information.

And we support recommendations around technical assistance to grantees in helping them put forward their grants and proposals and long-term economic viability tasks that may be included.

With that, I would like to also say that the last thing we would ask not

to have grants be submitted only through Egov, because we don't have access to broadband yet.

Thank you.

MODERATOR: Thank you.

Our next speaker is James Firman with the national council on aging.

MR. FIRMAN: NTIA is a voice for vulnerable Americans.

We work with thousands of community organizations across the country to help millions of older people each year to stay healthy, to find jobs, to find benefit to live independently, and to contribute to their communities.

Like several of my colleagues on this panel, I would like to stress the importance of increasing the number of users by targeting the most underserved populations in this country, among which are older Americans.

Americans age 55 and older make up 31% of the total adult U.S.

population but only 24% of the internet using adult population.

And the good news is, for example, in this cohort between age 70 and 74 in 2005, 26% of them are online and in 2008 45% of them are online.

The good news is more are online but the bad news is more than half of them still do not have internet access.

Which leads me to my second point.

It's essential for the criteria that we focus on ensuring centralized public access in order to maximize the number it serves.

Although the number of older people online is increasing, still a minority of them have access at home.

There are 32 million older people in this country, over the age of 55 with incomes less than the poverty level.

If we are ensuring there is access we have to ensure they have public

access and don't have to pay unaffordable fees to get it as their only option.

And we must realize that enhancing local service delivery for disadvantaged and vulnerable populations is not just a nice thing, not just about sending e-mails and getting pictures of grandchildren, as important as that is, it's about accessing vital health information necessary to help people stay healthy, independent and financially secure.

For example, NCOA had success with one free online service called benefit check-up which has helped more than 2.2 million low-income seniors access more than 7 billion dollars a year in annual benefits to help them eat right, get healthcare and get other services they need. The promising new service as the Stanford online program that has been proven to help people

manage healthcare and reduce costs. Online access for vulnerable older people is not just nice, it's necessary for ensuring the health and well-being of older people, which brings me to a final point. The criteria now talked about, providing public access in communities colleges which we think is very important, but we think we are missing the best access point for low-income and vulnerable access for seniors which is senior centers there is 17 thousand of them nationwide that serves between 8 million and 10 million people per year who are disproportionately low-income, minority and have mobility problems. If we are serious about making sure that we bridge this digital divide for vulnerable people senior centers should be an explicit priority for making sure that there is public broadband access.

To summarize, to bridge the digital divide for older Americans, an underserved population, is clearly in the national interest and to ensure that happens we need focused targeted efforts with explicit criteria, otherwise older people will be left behind.

Thank you.

MODERATOR: Our last speaker, Lisa Scalpone from wild blue.

Representing part of the satellite industry association.

MS. SCALPONE: I am here on behalf of the satellite broadband coalition, that is widely fuse stat and inmarsat.

I have been listening to the meetings and everyone does agree projects funded should be cost effective, looking at the cost perpendicular user served is an important metric and should be weighted heavily.

I also heard that the program should

be administered in a competitive neutral manner.

We have a basket of technologies in this country for a reason and rural and urban areas have been served differently.

And that's largely a function of population density.

Rural areas have lower population density and higher population densities support wire line technologies in a more cost effectively more economical.

When population density gets low less than 100 houses per square mile, the logistics of building infrastructure are not as attractive.

At that population density, a solution like satellite is more economically viable.

Satellite broadband is different, because our economics are independent of population density. We don't care if you live one mile

outside a DSL footprint or 20 miles down a country path road.

It costs the same to serve you.

What does that mean for the recovery act?

It means we can tell you with great certainty how much it costs to serve rural America because it's all the same.

The cost to the user is the same.

That's important when we talk about taxpayer dollars, understanding how much the project costs.

Accountability and a proven history of showing that serving rural America with our model is economically viable.

I think these are important selection criteria to consider and that rural America, low population density areas should be weighed against each other.

Those economics should be looked at differently than urban high density areas.

I would also like to talk about the jobs creation aspect of the recovery act.

Certainly creating a lot of jobs is very important, but also too is the type of jobs that the broadband solution will support.

And to take satellite as an example, there are two kinds I would like to draw your attention to.

One is support of the satellite industry, building and constructing a new high capacity satellite brings jobs -- highly skilled jobs to our aerospace industry.

Maintaining a strong aerospace industry is strategically important to the U.S.

The second category of jobs that satellite broadband industry brings to this country are jobs based in rural America.

We have between the coalition members we have thousands of mom and pop dealers installers based in the

small towns and rural areas where our customers live.

They are an integral part of that community and growing this job base is consistent with the goals of the recovery act.

The third point I would like to make is the speed, the timing of bringing the program to the unserved and underserved areas.

Certainly some of the projects under this act will be longer term deployments.

The new deployments will take longer, so we need to balance that with shorter term project that is will immediately bring money and economic stimulus especially to the rural areas.

An easy way to do this is through subsidy of equipment costs, end user equipment costs, let's make it very affordable for anyone to get broadband service.

These projects can be deployed days,

weeks, after getting funding.

And better yet they use existing broadband systems of the this makes them very cost effective use of taxpayer dollars.

Another point I would like to mention is that geographic coverage of the solution should be given some weight.

97% of the United States land mass is rural.

There is some benefit to providing nationwide geographic coverage.

That should not be overlooked.

And the beauty of a satellite solution is it could be achieved without any environmental impact.

There are not unsightly towers or trenches in place that is it is inappropriate to build out in that way.

Finally I would like to address the net neutrality requirement of the act that will be a condition of receiving funds.

And I would also like to correct a misperception that I heard said yesterday that satellite blocks internet traffic.

We don't interfere with it in fact satellite traffic and we also agree with a speaker yesterday that the government doesn't have enough information at its disposal.

It's all within the private companies now as to what traffic is flowing over the networks and how best to balance speed and access to content.

So we would welcome further information transfer so that the policymakers can do a really good job of announcing what those requirements would be.

Finally I would just like to say, thanks again.

One of our challenges of the satellite broadband industry is to overcome some misperceptions about our service and so I am really happy

to speak to you today and I look forward to your questions.

Thank you.

MODERATOR: Thank you panelists.

Let me just do a quick poll of the audience, just a show of hands of how many people might be expecting to ask a question or make a comment?

Okay.

It looks pretty much average, so right now I will assume that the half-hour from 2:30 to 3:00 will accommodate the audience.

But if the roundtable ends a little early, we can move to the questions from the audience a little sooner.

One of the things I noticed from the comments was that seemingly most people were emphasizing the infrastructure projects.

If I look at the statute, at least the statute itself lays out six broad categories that the NTIA has authorized to issue grants for, some of which you could classify more on

the demand side, demand stimulation, for example, facilitating access by low-income, unemployed, aging, and otherwise vulnerable populations.

Do you envision the same kinds of criteria being used for each of these kinds of categories, at least the six that are outlined?

Is there a catch-all, or broadly demand versus infrastructure?

Is there some universal criteria or should NTIA try to get pretty granular, projects that fit into this box will have this criteria, and projects that fit into -- using the statutory box we will have another criteria.

Any views on universality of criteria?

Jennifer?

And I think John, and then we will work up and down.

MS. SIMPSON: This is Jennifer from we see accessibility in the universe of criteria.

We see accessibility as a universal criteria because it could be at the infrastructure and it could be at both the projects that is doing you know, awareness training or something like that.

It depends on what the project would be, so we believe accessibility purposes should be viewed across whatever the proposal is.

Otherwise -- (inaudible).

MR. MULETA: The first thing we have to understand from NTIA is how the buckets of dollars are going to be allocated, there is a 250 million dollars bucket for one thing, I think when they were developing thought processes our focus was to assume that sort of the biggest -- if you don't have infrastructure, it doesn't matter how much demand you stimulate, because there is nothing to take up the slack.

So our focus is -- the criteria we focused on today is to focus on

infrastructure and assume there would be another process or some explanation as to how the demand stimulation dollars will be spent. But there is at least in our presentation and I think in several people's demand stimulation is a factor as part of the infrastructure, so if you offer a very low price service that fits the criteria of broadband and is in the service areas you get a certain amount of weight towards it.

MODERATOR: Derek?

MR. TURNER: In our paper we released today we say we imagine there will be two application buckets one that has no infrastructure, demand and but what we actually want to try to achieve here is getting traditional internet providers to work with people who do demand side stimulation, do the training, awareness and public safety in order to expand the reach of these

projects beyond what they normally would be as far as just straight up deployment projects, so in other words, almost half of our criteria goes to applications that would have those and I think that's a great way for certain companies trying to break in have a leg-up on other companies who are not willing to reach out to the communities.

MODERATOR: James?

MR. FIRMAN: Public accessibility is key and supportability-to-but to the extent as possible we know with older people that they are the slowest to get on line, to get started but once they are on line they are high utilizers so anything that can be done to encourage training, support, would be terrific.

I don't know if that is possible, but that is one of the barriers for many old people.

Building it by itself will ensure

that it will come.

MS. SIMPSON: Can you hear me?

One of the criteria that we use at the NSF is called broader impacts and it's the responsibility of those who apply for money to actually explain what impact the research in this case would have or in this case the infrastructure deployment would have.

And I would suggest that it would be an expectation of any applicant to describe the impact, whether it's on underserved populations or not.

And sometimes the unserved or underserved population doesn't have the demand because they don't know to demand it.

So that would be a little unfair to require that or to necessarily give that more points.

I think it's up to the applicant to show the potential broader impact.

MODERATOR: Let me follow up on Jeanette's comment.

Broader.

It sounds as if what you were saying, Jeanette, is somewhat of a subjective evaluation of "this is what we are going to do in the future."

A promise versus a fact, a current observable measurable criteria.

And as I am thinking myself through the various kinds of criteria, I tend to put them into two buckets, promises for the future, facts that can be sort of established today.

Do you sort of see any bias towards one kind bucket or another?

Thinking about criteria that are promising future development or criteria that is sort of very factual, we will give this organization this granted based on what it is not what it might be.

MS. WING: I think we are always talking about potential and there are clearly at least two criteria that I would state consistent with

your suggestion, Bob.

One is technical.

We want the proposal or the applicant to state what the technical specifications will be for the broadband that will be deployed, be it speed, be it reach, be it numbers of people, numbers of jobs, et cetera.

And those would be facts.

And then there is what I would share with you, a suggestion that is a little more potential, hope for the future.

What would deploying this infrastructure do in the near-term, in the long-term for the country with respect to reach, with respect to capability, with respect to global participation, competitiveness, and so on.

So there are going to be -- the technical facts that have to be there, as well as this description of potential.

MODERATOR: John, and then let's have Jacqueline first.

MS. JOHNSON-PATA: I wanted to follow up on what she said, because I think that kind of describes Indian country pretty well, when you say that the facts are that we would exercise broadband, bringing broadband together would put together governmental services being able to address interoperability, and be able to bring about telemedicine, to connect all those uses to be a participant of today's society but the longer term vision that any applicant would have would be to be able to tie into future economic opportunities, for entrepreneurs to be able to sell maybe some of their arts and crafts, to be able to participate in a global marketplace, to do some of the thing that in rural communities, they have back-door operations for other companies and businesses, but

also be able to market themselves as the community of the future for somebody else would want to invest. Those are all potentials that we think would be hopeful outcomes of this kind of investment.

MODERATOR: Let's see --

MR. FIRMAN: Just to underscore what my colleagues had said.

If one of the goals is access to underserved applications, make sure they come online, so if we are going -- and I tried to make a case to senior centers as an example.

It's not enough to give broadband access we should also require senior centers to come up with a plan with how they would ensure access.

For a senior centers' case it may be a getting started course.

So a requirement should be a part of the infrastructure.

If NTIA can pay for it, great, if they can't, make sure the organizations have a strategy for

making sure they will engage and get the people started on line.

I think that's a reasonable quid pro quo of giving moneys to organizations that are giving public access to underserved populations.

MODERATOR: We have comments here so I would like to get the Mike.

We don't have enough microphones for this number of people.

Steve?

MR. MORRIS: I think as we talk through this one of the challenges to keep in mind facing NTIA and RUS is the pressure they are going to face to get these applications processed and ranked quickly so we might go out and build things and create jobs and more objective criteria are, the more you have a check list like Richard put on the screen where someone can look at a project and say, you get 1 point for this, 3 points for this, whatever you end up deciding the criteria

are, but the more you lean towards that sort of process, the faster the ARRA can do their job.

MODERATOR: In a sense one of the things that we have been discussing in the past is, you know, the top ranked, top number I have heard of the number of applications that NTIA might get is 10 thousand.

And I never heard a number probably less than 1000.

Part of the issue is simply logistics in process, how an agency that is not a huge agency deal with 10,000 politicians a short period of time.

That is certainly -- I think your -- 10,000 applications in a short period of time.

That is a fairly objective scoring versus more subjective analysis.

MR. MULETA: I think as I made in my comments, the one thing we shouldn't assume is regardless of how many things you publish, there is going

to be a significant amount of judgment that is going to be made. Somebody could promise everything they can in the world, but the -- how do you make them accountable is going to be the question.

Is there a mechanism for claw-back, what are the resources we spent.

But there is going to be an enormous amount of subjectivity in deciding what falls into the bucket to be reviewed much less what action should be granted.

I think in terms of objectivity of sort of trying to achieve some objective model here, what needs to happen is, you've got to look at the holistic approach.

Rolling out a technology without a marketing plan or some innovation or something to actually get the service traction is not sufficient.

So an application that comes in I don't have any marketing dollars allocated to getting to my customers

should be reviewed carefully.

Those are the kinds of things you have to look at.

You were trying to supporter businesses, not trying to support the technology activity, you are trying to support the entire businesses.

MODERATOR: But if NTIA were able to think through this or got advice they could have a check list that says "marketing plan, yes or no" without somebody actually saying, "oh, wait a minute, there is no marketing plan."

So the check list might be a helpful way to see if things are on.

MR. MULETA: Absolutely.

I think we have to have some discretion for the people developing the program, to figure out how do we mechanize this.

There is an automated process that says, here's the table of contents and if you don't have that, we kick

it out and you can reapply or something.

So there are mechanisms to ensure the basic construct is available.

But we can't avoid the fact that the folks at NTIA and RUS are going to have a high level of discretion in deciding what projects get financed. And we are trying to move through this public process is to try to define the criteria that makes sense to all of us.

MS. WING: I wanted to comment that what I said and what my colleagues said was not inconsistent with what you were saying with respect to score cards and so on.

When we talk about potential impact you are going to want to put numbers there and they are going to have to be credible.

I don't think that's inconsistent with what you were saying about potential versus score card.

There is a danger of a check list

have you done a management plan because what you would really like is someone to read that management plan and say "that makes sense and makes sense in the context of what is being proposed" and I agree with what James was saying that in any application if we are going to deploy this infrastructure, you want to make sure that there are actually users for that infrastructure, it's not just putting pipes in the ground.

So again.

MODERATOR: Marketing plan, technical plan, management plan.

MS. WING: However you want to call it.

MR. MIRGON: It is incredible that we are talking about partnerships. I sat on the panel in Las Vegas and I think importance of some of this criteria is building partnerships. If you have a company, a carrier, an individual who wants to build a

network and they build it but they don't have users.

And the marketing plan talks about I have X amount of customers as I generate revenue.

Partnerships talk about building the system, going into the local business council, the county commissioners, the city council, the police chief, fire chief, the superintendent of the schools, saying, can we have letters of endorsements that say that this is a good idea, that you will use it, that it will benefit the community and should there be value and weight to those types of letters? Because without that partnership of local government and communities, you can build it, but will they come?

And I think what's more important than the marketing plan, even though I think you need the marketing plan is that partnership with the community to ensure that those

people are on board and are going to work with whoever is developing the network.

MODERATOR: James, did you have a comment?

MR. FIRMAN: I think if the goal is under served populations but we also have the local center for independent living, would be an excellent proxy measure that at least on the ground they are doing what it is they are to achieve.

MS. SIMPSON: You basically said there are thousands and thousands of disability groups in every community and the coalition has over 225 deaf and blind of Orange County to hard of hearing in Southwest Virginia.

So this is an easy way to make partnerships to ensure this accessibility is addressed.

That people on the ground who are going to be involved as users on these projects.

MODERATOR: Are there any third

parties that can contribute first of all to the development of selection criteria and then as a separate point to the evaluation of the separate criteria?

I did hear in one of the panelists, for example, talk about technical consultants, and maybe there are other kinds of consultants.

Do you have any recommendations about whether NTIA should try to bring in other experts to help write these things or evaluate them?

MR. MORGON: Funny you should ask that happened to be a lunchtime conversation with colleagues of mine.

There could be a number of associations that act as intermediaries between the development of the communities because we represent those entities. The national governor's association, they know their states, the National Association of Counties, League of

cities, mayors groups, groups like chiefs of police, I think getting them involved in it could help the communities.

You may have again -- again, the conversation last week, a tribe, for instance, where their public safety people want to be a part of it, but they don't now how to bridge the gap.

A lot of these associations that are out there could be and I hate to use this word because it tends to be a nasty word, could be consultants as part of this process to help these folks figure out how to deploy it, how to use it, how to get the biggest bang for the buck because there are a lot of people in this room that have a lot of experience with the technology.

MODERATOR: There is a specific category in the statute that number 5 on the list grants construct and provide broadband facilities and

improve subsafety broadband services.

Would that be an area where your organization would be interested?

MR. MIRGON: Probably one-third of our community puts up towers, puts up sites, building networks.

We have a lot of experience just like NGA has a lot of policy experts.

MODERATOR: Is there any conflict of interest that comes from using that expertise to help develop the criteria?

Is there any concern or should there be a concern that, you know, it kind of favors the members or people involved in those organizations?

MR. MIRGON: I think it would depend on the organization.

Many of the people I talk about are people who are in local government. Our job is to protect communities, our job is to ensure that people we all talked about that were

disabled -- about people that we talked about, disabled, low-income, whatever, can get the services they need.

If they wanted to partner, they could partner but they would have to show they are a neutral disinterested party as far as directly benefiting from it but trying to build in the success of this program.

MS. JOHNSON-PATA: There are models within the federal government where there are technical experts that come in and help.

They may be individuals from those associations but not representing the association in the conversation about development but bring the technical expertise to the table, and of course they recuse themselves from applying or participating at a later date but it's helpful.

Also in the evaluation process, I mention that it's important to have

people understand the communities that are supposed to be impacted or who are going to be impacted as a part of the negotiation and they also recuse themselves from any relationship, et cetera.

And the federal government uses that a lot.

AAHHS does a lot for us.

MODERATOR: Does NSF do anything?

MS. WING: NSF is careful about public interest in particular.

I think we can use experts from various associations who really bring to the table their expertise and not necessarily that of their associations.

It is in the interest of the face of the nation to get expertise on this.

It is important to have as a broad strategy to think about what state do we want to see ourselves in in broadband deployment and how does that set us up for five years from now, ten years from now, we should

have that broad long-term strategic agenda in mind, and of course we want to figure out what to do in the next 12 to 18 months, but in -- but also bringing in experts as third parties makes an extreme amount of sense to me.

MR. MORRIS: Bringing in experts if that is what N.T.I. decides to do shouldn't be a replacement for making clear to applicants what the criteria are and making those explicit so when they are buying they know exactly what they are going to be judged on and that the judging isn't going to be necessarily dependent on who -- how NTIA decides to deal with its responsibilities in reviewing the applications.

MODERATOR: My question was -- had two components.

One was sort of developing the criteria and then possibly using the same -- is it the same or different

group to actually review?

Different?

MS. JOHNSON-PATA: My recommendation just for total transparency would be that you would use individuals in developing the criteria, but you wouldn't be using those individuals for evaluating.

Obviously you want to make sure that everything feels really good to everybody and that there has been total openness in the process.

There is no reason for any of us to expect that as much as your two federal agencies have been responsive with public comments will be able to sit down and make sure that there is a criteria spelled out that we can all understand that works well, and even just testing it.

Even in developing it, if you could use a Sampling to see -- sampling to see if this makes sense, is this what we are looking for, are there

gaps that we were missing or are there things that make it difficult for a community or applicant to apply for, et cetera.

MR. FIRMAN: Another option maybe to look at your colleagues in other federal agencies.

The administration on aging has a good understanding of the needs of people in this country and I would think that somebody from that group would be glad to help you formulate that criteria and there are other agencies within HHS and others with concern for specific vulnerable populations and that may get you out of your potential conflict of interest concern.

MR. MIRGON: On the evaluation of grants, I sat on a couple of federal grant committees and one of the processes, they ran a training session as part of the evaluation. If the criteria is clear, most reasonable business people,

government people can do the evaluation.

The part that I think was important in one of these processes was that technical experts are on site.

So that as you are reading something, if you come across something you don't understand, you can say hey, can I talk to somebody about what a WIDGET.

There has to be people smart about economics and talking about jobs, I would like to go over the internet systems that this is the next big bang for America.

So I think the panel reviewing and scoring have to be educated, sharp people, don't necessarily have to be experts in one particular subject.

I believe you can have people on site to bring them in and explain things.

MR. MULETA: I think the big constraint in this process is not money both in terms of grants or as

a way I understand the statute or for NTIA to consider money to process -- MODERATOR: 141 million dollars.

MR. MULETA: The constraints is actually time.

Going back to NMTC's perspective that are presented, what you want is not a fail proof system, not every idea for reaching the aged population or the native American population or other underserved areas will.

The idea here is to experiment, to have a wide diversity of ideas.

So again, I think the focus has to be to get a lot of energy from a lot of small businesses who are going to go out there and put in projects and experiment with things that will get you traction.

Things that you can figure out, hey, if this idea worked in this community because it had an innovative pricing system or

innovative technology, then you can say maybe in the future, as a country, we ought to invest more resources for broadening that type of approach.

So I guess what I am trying to say is it's great that we will have 10 thousand applications and I am glad or at least I hope that most of the project will be spread among 10 thousand projects.

I think what you want is some level of diversity to find out what ideas work to reach unserved and underserved communities.

I think what we need to do is to make it clear in the application process that the criteria has to be established and say you have to meet as much criteria in order to make it.

And I think we need clarity up front so people Taylor what they present to NTIA so that they don't get kicked out.

MODERATOR: On the previous panel on post-award monitoring and compliance is about experiments, and how if the criteria in a sense is too tight, that may discourage experimentation. There is less risk.

Is NTIA or are government agencies apparently so risk averse that you will dampen some experimentation.

And in the previous panel the topic was brought up by a colleague and a third group of outside experts might simply because they are not -- more neutral, they are not risk averse and that they provide a good cover, if you will, for lack of a better term, making the judgment.

Does that same idea hold?

Should NTIA try to bring in other people even to help overcome the risk aversion?

MR. MULETA: If I can, I think -- I guess I am struggling over sort of we are trying to reach at.

What, you know, every one of those

things, 80% of the funding will come and that's one of the criteria, so by the very nature of this, it is trying to do project that is would otherwise not be funded for a variety of reasons.

If you are talking about having a level of peer review, I think that would be a great thing.

To have a grant and then have a review process.

I think this is like venture capital to get ten ideas to get one that breaks out.

There is a lot of expertise doing what I want to make sure when we are talking about this is that we don't ultimately move away from a level of transparency.

Also a decisionmaker is NTIA, whoever it uses NTIA is going to have the responsibility of being accountable for the project.

Having peer review systems is I think fantastic.

I think that helps people learn through the process.

MODERATOR: Let me ask members of the audience to begin gathering around the microphones.

MS. SIMPSON: One of our members actually suggested to us that this category of extra points be allowed for things that were sort of more advanced or got beyond the product's introduction curve or involved new technologies, such as in our world biengineering projects or convergences of broadband and wireless that no one has done before that may involve disabilities.

We are think about how this may be a way around how to categoryize extra points.

MR. TURNER: We put together our criteria and made it flat so a wide variety of projects would have equal footing and both would lead to outcome that is we believe is desirable.

The purpose of a criteria system is two-fold one is to make it clear to potential applicants what is expected of them and two, why we establish what we call a subjective objective criteria that is at the end of the day NTIA can defend what decisions that it makes.

Some of this is going to be subjective behind closed doors and that's the nature of the process but at the end of the day if NTIA said, look we told you what to expect and these are our decisions on the issue of consulting outside experts, I think peer review is great but if we are going to do that it's important to get representatives from a wide variety of constituents, because what I fear is certainly this doesn't reflected anyone on stage or anyone who has been on these round tables there are some people who put themselves out as being representatives of the public when

they were non-transparent representatives of corporations that fund them.

So we definitely want to watch out for the outcome.

Ultimately the responsibility falls on NTIA and this is their moment to shine.

MODERATOR: I am going to stop this because I was just handed a pile of questions from the web and from the teleconference.

And we have a decent number of people here in the audience.

I am going to do one quick round of questions from the auditorium here while I sort through all of these.

And first, state your name, affiliation, indicate whether it's a question or comment and if it's a question, who is it directed to if anyone in particular.

Watch the clock.

Let's go to -- start out being fairly strict with the one minute.

So one minute comment or question, go number one.

>> Right.

Shelley Bowman telecom services a question for the panel at large.

As was pointed out in this morning's panel it's called a stimulus panel for a reason and therefore I agree time limits is an important criteria how does one weight timeliness for delivery in a network when the gate keepers for timeliness are beyond your control.

I speak of my friends in city, county, state, planning and zoning offices, state use land offices and tribal land use offices around the country?

MODERATOR: Anyone wish to respond?

MR. MORGON: Yeah, I think we have a comment out there now on doing some of the clearances.

There was a process used for the PCIP grants, the permitting process that had to do with the FCC we agree

that is an issue.

We believe our associations need to work with state and local governments to move along, and you couldn't be more right on target that we think of local government as an impediment but it's time that we step up to the plate and the associations that are here today and we need to reach out to members and say forecasts, it's time to move this forward but we have to be part of that process.

MS. JACKSON: Communities as well as states and organizations that are looking at benefiting from the stimulus funding are actively pursuing barriers that we can tear down, activities that need to go on to be proactive.

I don't think there is anyone sitting around and if they are, shame on them, that haven't already started to take a proactive look at this and start to remove barriers.

I would say to the providers here that if you are in a state or area where you think that is going to be an impediment it goes back to partnerships, go talk to the localities, go talk to the leadership in the state, and go talk to the leadership wherever they may be and cultivate those relationships so they are aware of whether they are an impediment or benefit to the process and start to work with those folks now rather than waiting until the application process is out.

At least speaking from Virginia's perspective for a second, we are actively looking at ways to stay out of the way, and to empower people to be able to move quickly once this application process becomes available.

MR. MORRIS: One thing I would add it is as the questioner mentioned about getting projects started as timely as possible.

And where you have companies that are in the area that are already operating and have relationships with local governments, and are ready to move on a project, those projects should score higher than a project that is not there and doesn't have those relationships.

MODERATOR: Real quick.

Now I am getting questions coming in over my insurance stand messaging.

MR. MULETA: To the extent you want to create the right incentives NTIA has discretion to give projects to states and communities not just private organizations.

So one thing you can do is put a threshold that before any state gets money for projects in this area that it has to provide evidence that it is streamlining processes across the state, whether it's new legislation or agreement among all the state actors that they will do everything to expedite it and make that as a

criteria for the state in actually getting any dollars because that would provide the right incentives for people to streamline the process.

>> Joe Miller from the minority media and telecom council.

Last year when president Obama received the endorsement of the American small business league, he released a statement that says small businesses are the backbone of our nation's economy and we must protect this great resource.

It is time to end the diversion of federal small business contracts to corporate Giants.

Now we don't dispute the need for merit based criteria, but to the extent they have been applied thusfar in a variety of areas, there are significant, there is significant asymmetry between the demographics of the folks who make the money and the decisions and the

population at large.

So what we are looking for is for the NTIA to actively monitor contract provisions and actively monitor bids to ensure that small and disadvantaged businesses are given an equal opportunity to participate and intentional and unintentional proxies for discrimination are avoided.

Thanks.

MODERATOR: Is that a comment or a question.

Comment.

>> I guess if the gentleman from NCTA could reconcile his comments for merit based criteria with providing opportunities for small and disadvantaged businesses.

MR. MORRIS: The quote I had about merit based criteria came from president Obama.

So I think it would be incumbent on all of us to try to balance those two, to do what the act requires in

terms of small and disadvantaged businesses and to have merit based criteria that would allow NTIA to process applications quickly and get grants out so that we can get construction going.

And I think we can do that.

MODERATOR: Microphone number 3.

>> Mark with the Appalachian regional commission.

One item for consideration and one question for the panel.

The item for consideration would be, if you apply at once for a grant and let's say the money is utilized, would that applicant automatically roll over into round 2, or would they need to apply separately.

That's an item for consideration for the agencies.

My question for the panel.

Many panelists talked about broadband speed as a selection criteria indicating that the higher the speed the higher the score

attributed to that criteria.

Should there be a minimum speed for which would be a requirement for applications below which don't bother to apply.

MODERATOR: That actually is potentially an eligibility criteria, and also that gets to the question of the definition of broadband which is one of the issues that we have also been discussing.

MR. TURNER: The way we handled this was if you could not provide at least 2 hundred kbs on the upstream you shouldn't qualify to be eligible for the grant, but in our 20-point award system, if you had speeds that were less than 1 MBPS, you got zero but if you had speeds greater than 10 MBPS, you got half a point.

I don't want to preclude any technologies that could reach the most remote areas possible and disadvantage people living there but I want to favor people or companies

that want to make transformative future group investments.

MR. MIRGON: One of the things we have on I would like to comment.

There is a lot of people who want minimum speeds that excludes a lot of small businesses, and I think speed is relative.

And I can sit here and tell you you got 120 KBPS, but where is the choke point on the network, if there are others on the bandwidth you may be getting that speed but the throughput reality on the end may be something entirely different.

So when you put a minimum speed on there, you open up a whole new sort of issues that you have to cut through, and so I would just want to caution that we don't exclude anybody and 128-200 is probably a reasonable number but has to be looked at.

MR. MULETA: I think we don't need to revisit issues that have been

already decided by the agency.

That expert agency changes its mind that could weigh on this criteria but revisiting this issue will slow down the biggest constraint we have in the NTIA grant process, so again, there is an expert agency that has decided that issue.

MODERATOR: Let's go to microphone number 4.

>> My name is Angela Flynn with the wireless radiation alert network.

President Obama and in his inaugural address promised to bring science back into his policy.

The global impact from CO

2-emissions and public comment of radio transmissions must be given proper scientific evaluation rather than running into the easiest or fastest broadband program to implement.

The NTIA itself participated in the interagency radio frequency working group which concluded that radio

frequency exposure standard is inadequate.

I started researching this issue three years ago after I was injured due to chronic Nearfield exposure to a wireless based station.

The scientific evidence demonstrating nonthermal biological effects from radiation exposure is overwhelming.

The industry and the government must acknowledge this and give science its proper standing in selection criteria.

Thank you.

MODERATOR: Thank you.

I have a similar question from the web.

Basically suggesting a selection criteria fiber optics, or cable because deterioration of health has been linked to wireless communications.

Perhaps a colleague or someone you know.

Diane Shiob.

Should wireless be a problem?

MR. TURNER: I myself is a former scientist and my wife is a scientist.

And I apply the incoming FCC chairman is committed to doing empirical based policy analysis.

I looked at this issue as a parent and as a techie and I have yet to find the evidence compelling.

And if I even thought there was a chance I might be harming my daughter, I would definitely look at that.

But that being said, that is just one person's opinion.

I don't have any objections to a fact-based fact driven process and I am not sure there is consensus on this issue rising to the level of having reduction criteria in wireless or criteria to bring in wire projects.

>> Karen Pearl, executive Director

of Nevada telecommunications association.

Should states have the authority to prioritize and monitor the top grants in the state?

Should they do that, how do they separate themselves from bias when seeking these funds excluding partnerships with private entities?

So if states are involved in the prioritization of the selection process or evaluating criteria but they are also a state entity seeking funds, how do they separate themselves?

Conflict of interest question.

MS. JOHNSON-PATA: The only recommendation I have is if you so choose to give an allocation to states that you would then have a separate pool that the state would compete amongst themselves that would be different from the pool that they were allocating out.

And then I would say my own little

add to that is tribes get direct funding and that they don't get moved into the pool with states. Every state deals differently with the tribes and so their relationships are not necessarily the same and in most states they have not been included in any technology plans as of yet.

MR. MULETA:

MR. MIRGON: From a local government point of view, typically government is not very good in business.

I am a believer in partnerships, states have to be in a partnership, counties, cities, schools, have to be a partner because they are the end user.

But whenever you get government agencies controlling things sometimes we don't always do the right things for the right reasons and I believe the private sector understands a business case in many cases better than government does.

MR. MULETA: I think it's very important for all of this to be driven by an empirical understanding of what problems we are trying to solve.

The data shows that if you are poor, if you are a minority and you live in a rural area, you don't have equal access to broadband.

I think that's a criteria that we have to establish with the states to both receive the money and if you are involved in the decision criteria that's what they have to apply.

That's why the NTIA's process is important.

It would be helpful to have state figure out the structure.

>> My name is Robert Finch, my company is CIRpass.

And I have a question related to the discussion of state input.

Explicitly we had a panel yesterday where at least a couple

representatives recommended that states should do the ranking and hand it over to NTIA for final judgment.

Should state input be a factor, if we have a 100 point scale, should the states have a 5, 10, or 50 point?

MR. MORGON: I think states should be a part of it.

They should have input into a process but they shouldn't be the final say-so.

States understand a lot of the problems.

There are many states that can use the technology they have got to try to leverage what types of technology can be deployed with it but this is about partnerships and it's time we all get together and figure out how to move this forward as a team and nobody should be able to exclude something for sake of having a good idea go down the tubes for political

reasons.

MR. TURNER: In our criteria, we ultimately decided against giving any points for states signing off on a project but we think the states should have a strong consultative role.

Ultimately Congress decided on this issue by explicitly not making these categorical grants to the states.

MS. WING: I want to add that states can be working with state and mutual networks that are already in place and they can help the state governments figure out some of the priorities.

And I agree with my colleagues that this is about partnerships, this is an opportunity for us to work together.

MODERATOR: Microphone 2?

>> My name is Sharene representing community colleges network CTC net and digital sisters which is an organization that

focuses on underserved communities particularly single parents and their families and I have a couple of comments and one is around the "build it, they will come" mentality as we talk about deployment versus adoption.

I do think we need to think about selection criteria in a way we are looking at small, medium and large and not just large.

As we heard small businesses are more successful and more profitable.

I would say smaller to medium community based organizations including tech centers are more -- have greater impact on your ability to change their communities.

And we need to look at that as part of the criteria, as well as having people from those communities be a part of the selection process.

The other part is about data.

I know we keep talking about data but the last report that came out

about the digital divide from the NTIA was in 2004.

It is 2009.

We still don't have accurate data and at that point there were 29 million people that had little to zero access to technology.

We need to go back to getting accurate data as much as the data that the corporates have around that.

And lastly -- MODERATOR: We will go around again, so we have time to make that last point.

Thank you, I apologize.

I want to make sure everybody gets their say.

Number 3, please?

>> Yes, I represent myself and other network of people like this lady before me that are concerned about broadband -- about wireless broadband and its health effects. I want to comment on that speaker and I want to ask also some question

afterwards, when he says that there are no known health effects that he has been able to prove or be able to satisfied with, I just want to comment that the national academy of science has taken note of some of the scientific evidence and has called for a comprehensive research program on the impacts of wireless and health.

I want to comment on the fact that countries overseas and in this northern hemisphere and public institutions have issued an environmental committee of the European parliament has issued on a motion of reporting to have cautionary warnings and restrictions on wireless products and installations because of its impact on children, their fear of impact on children and I won't go into every country.

In light of these concerns, I would like to ask the panel, first of all,

I feel strongly that we should favor broadband, wire line broadband, shielded, well grounded wire line broadband that is proven to be much more benign and emission free.

And I want to ask the panel a revolutionary question.

Can we think of wireless free zones for those of us who do not want to inhale secondhand radiation.

MODERATOR: I have to interrupt because of time.

You have other questions from the web on the same question from Sylvia Hampton and also a Sally Hampton, might be the same person.

The question is selection criteria. Not new ideas.

I think we have got a lot of input here, and I think the point is well taken.

>> Do you have an answer for that?

MODERATOR: For the question about?

>> Wireless free zones.

MODERATOR: For selection criteria?

>> Zones that actually don't include wireless products in them, and that, you know, there are certainly I would say probably base it on an emission level that is agreeable to a lot of constituents in this particular realm.

MR. MORGON: I built my first radio when I was 5.

I have been around wireless devices my whole life.

I got to believe at some point there may be some impact.

But the fact of the matter is we have been running wireless for almost 1 hundred years in this country and I don't know how to make a wireless free zone.

I don't know how to zone it or do some of the things you talk about simply because we have emissions coming off antennas across this country that have been here for decades with no proven negative impact on people so I don't actually

thin that is possible to do.

MR. TURNER: I will add that we have to be really careful about this.

Obviously you don't want to put a tower that is emanating 50 gghz in front of your face but we want to be careful we are not precluding opportunities.

We could expand internet access in schools by putting up in the neighborhood surrounding them and allow kids to get internet access to do their homework by putting up wireless towers at the school.

But it is fear that is coming as the uncertainty of what the health effects of wireless technology may preclude those and I don't think it's a net positive benefit to society.

MODERATOR: Microphone 4.

>> I would like to thank NTIA and all the speakers we have had over the last couple sessions to have an open and transparent process.

A quick suggestion on the formula, no formula is going to be perfect and they are going to inherently favor some projects over others so I encourage NTIA to use the formulas as a guide and leave yourself a little wiggle room to select projects, looking at criteria especially on innovation grants.

A quick question for the panel because Congress put five purposes in the bill and three or four selection criteria, should those have equal weight in any formula and is there any problem like the NFL quarterback rating to use a formula that is more than 1 hundred points?

MR. MULETA: I think as long as it is clear it doesn't matter what the formula is.

The key issue for me is how fast can they make a decision.

If you are a businessman, the last thing you want to do is put in an application and wait a year to get

an answer.

So what we have to have is a clear articulation of how the decisions will be made and decisions are actually made.

If you don't qualify, you go back and reinstate yourself.

So NMTC has given a weighting criteria of how you advocate across various projects, I think the key is to make sure NTIA makes a decision, has a peer review process to change and adopt as you learn more about the process, make decisions quickly because if you don't then the whole point of the stimulus goes away.

The economy is not stimulated and you don't have jobs.

How you MECHANize it is important.

>> I think all five should be satisfied and there is enough money here do do it all.

Projects that can do two or three should be weighted more heavily.

We talked about some wireless as one

opportunity for us, rural upgrading some networks.

I think if the criteria are structured clearly and fairly, you have enough money to be able to satisfy a wide variety that we can all decide in the statute.

MODERATOR: Number 1?

>> My name is Brett Calder with globe net services.

I would like to thank you and highlight to the NTIA the potential applicants hosted service partners who have infrastructure already.

To incorporate into your projects on multiple front, in other words, more bang for your buck in terms of capital.

Operating expense times 2, or 4, things like that. My question is really what is your view of leveraging these kinds of network resources to -- across multiple communities and as a selection criteria.

MR. MULETA: It should be part of your business plan.

I think that's something that says we can create more adoption, more populations are covered, and is innovative and leverages existing resources should be one of the criteria in the business plan or what is presented for approval in the application process.

If you don't, I think that kind of calls into question whether or not it's a good plan.

MS. WING: I want to add that do you recall dual use is important.

>> My name is Boyd I am from the city of New Orleans.

I am talking about criteria number 5, public safety and expansion.

We have a number of priority issues that deal both with crime prevention as well as homeland security types of criteria based upon our environment and our culture.

One of the things that we are

concerned about is regionalizing the criteria so we can participate.

But more importantly is it possible that factors like cost savings and service to constituents versus revenue generation could in fact be heightened in terms of your criteria.

MODERATOR: Richard you were out of the public safety world.

MR. MORGON: I think that's what we were trying to show in our matrix that you have to take those things clearly into consideration.

I probably didn't articulate it well in my opening remarks but if you want businesses to grow in a local community, it's got to be safe and to be safe you have got to tie public safety into this, whether it's port security, police, fire, paramedics, and that becomes a key component on it.

And that ties Tom partnerships.

If you have a community that has

infrastructure in place that you can leverage off of it, than you are getting kind of beyond that cross model and you are looking at a benefit to the community.

So there has to be a cost benefit analysis to the project being deployed to ensure that if there is a project out there that meets those things, that it gets a high enough score that it can be awarded because we have got to protect our communities.

And community is an economically viable community.

And that's clearly an important part.

MODERATOR: Microphone number 3?

>> My name is Mike Sapperstein with PCIA and wireless infrastructure association and I have a few comments on the program selection criteria as an initial matter NTIA should find by rule that private sector entities are in the public

interest.

BTOP will not be successful without direct participation by the private sector.

Once it has done so it should ensure that private entities receive the same priority levels as all other entities.

Second, in keeping with the statute's mandate to be technologically neutral, priority should not be assigned based on speed of service.

And finally NTIA should affirm that underserved areas are given at least as high a priority as unserved areas in its funding decisions.

Unserved populations are larger and this application of funds would have more economic and other impacted.

Thank you.

MODERATOR: Number 4?

>> My name is frank Cumberbach president of granite broadband in rural Wisconsin.

Although I think there is some merit to award projects to disadvantaged and small businesses I would advise the NTIA to please do not do so until such organizations meet the basic merits of these proposals. And those merits are that these networks benefit the community in terms of law enforcement, healthcare, education and economic development.

This whole conversation came about to stimulate the economy, but also to benefit our communities.

So I hope that we at the bottom line of all -- after you add up all the points, this conversation comes down to, what is the fundamental toll benefit to the market in which the proposal chooses to serve, and then we can focus on other things like small and disadvantaged or whatever.

>> Microphone number one?

>> John roots I represent galina, Alaska on the Yukon river.

Comments and a question.

The Galina school district has developed a successful nonprofit distance learning home schooling education program that has 35 hundred students across the entire State of Alaska.

It goes from K through 12th grade. It includes native American children as well as children of military families.

Galina is contemplating expanding that to maybe military families that are serving overseas.

Professor Noam's referenced three matrix, one was network efficiency and other people efficiency and the third was employment efficiency.

We suggest that this distance learning expansion to the U.S. military overseas would address at least two of those.

The people efficiency providing service to the underserved military families and the deployment

efficiency deploying jobs.

So the question is does it make sense for building time and effort in a broadband stimulus proposal that would create a distance learning pilot program to reach children of military families serving overseas.

MODERATOR: Thank you.

Anyone wish to respond yes or no?

I guess the answer would be --

MS. WING: I would say yes.

MODERATOR: The answer will be submit the proposal.

MS. WING: I think your distance learning example could be replicated by many other regions and states and school districts for many other kinds of constituencies, so that would be a great example.

MODERATOR: The person at microphone number 2, have you asked a question?

>> I made a comment.

MODERATOR: Let me go to the gentleman at number 3 because he has

not said anything.

>> My name is Donnie Smith with Jaguar communications we are a broadband provider in southern Minnesota this is a comment on things I haven't heard and most of the comments has been for NTIA but since RUS is also represented I want to ask about morality as being a factor and also unserved and underserved as being factorial in other positions MODERATOR: What was the first word?

>> Rurality.

MODERATOR: Rurality.

Comment?

MR. TURNER: It's an eligibility requirement to get an RUS grant or loan.

That box has to be checked the 75% threshold has to be met.

What was the second part?

MODERATOR: Same thing, basically.

>> Unserved, underserved and rurality, has RUS currently done

this a rate based on how rural it is?

MR. TURNER: Right.

And now that we have to all hug and kiss and makeup.

We were a big critic of RUS leading up to this and didn't think it was a best allocation of seed funding having said that there were a lot of changes made to the RUS program.

And unfortunately and hopefully they will pay catch up soon.

Not a lot of those changes have been made into rules.

When they do catch up they will address the issue of suburbs getting broadband and rich suburbs of Dallas Texas, I hope that will be addressed.

>> Two quick questions for NTIA.

Will there be access that doesn't require E-Govern to be able to apply because there are communities that don't have broadband and 2, will we go back to having some of these

reports around the digital divide that was created back in 1995?

MODERATOR: Those questions will go to NTIA and they will be in the record and they will read it.

I have one from the IM world.

The person asks, basically to those who have criteria lists, are there threshold questions?

Or criteria, i.e., if you don't meet some criteria, you are out of the ball game.

Kind of suggests, for example, should every project demonstrate sustainability and if not is the panel suggesting that it should fund a project that will not last.

MS. SCALPONE: The reason why we are here is not to fund experimental projects enemas; in mass.

But the reason we are here is capital markets are closed to private entities because of the mess we are in.

These projects need to jump start

the economy.

It's not a long-term bailout program.

That's why the issue of whether middle mile funds would be -- could be eligible for funding at all.

This is a one time jump-start and these projects need to be viable after the money runs out in the long-term.

MR. MULETA: I have a fundamental divide here where I do believe that this -- there is not an issue that there isn't capital in the marketplace it's not being deployed in sectors for a variety of reasons especially when it comes to small businesses so I think what we are trying to do is jump-start that in small businesses by their very nature.

If you can last five years, two years, three years, you get evidence of success.

If you get a two year run way for a

small business to try its ideas then I think there is a big difference in its potential for success.

I want to point out one pernicious thing that has happened in terms of doing grants in other places which is an application of a competitive market test.

Not giving grants to applications that compete with other applications in the same market.

I think that significantly limits innovation and sort of retards the availability of new innovative services.

So one thing NTIA can do is it doesn't apply this market test where we granted money for Derek and we won't grant money to Jenny because they are in the same market.

What we want is where we have competitors the competition helps consumers.

MODERATOR: We will have to end it here.

I would like to thank the panel.

I appreciate their input.

The next roundtable will commence in ten minutes at 3:15.