

**Remarks of
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-- As prepared for delivery--

**Broadband Policy Summit VI
Washington, DC
June 11, 2010**

Thank you, Dorothy, for that kind introduction.

At NTIA, we are playing a leadership role to implement President Obama's vision of a nationwide, 21st century communications infrastructure and to look to the future of Internet and telecommunications policy. Broadband investments will help stimulate economic growth and create jobs immediately, putting people back to work quickly, while also helping entrepreneurs and local businesses better compete in the global economy. These investments will also help address our health care, education and energy challenges. If we are going to build sustainable, durable job and economic growth, we must ensure that all Americans have access to affordable broadband services and the opportunity to develop the skills to use these services.

Today, I would like to talk about three important tasks we are carrying out at NTIA. First, I will update you on the work we are doing, literally day and night, to award and manage Recovery Act grants to increase broadband access and adoption across the country and to develop the national broadband map. Second, I will discuss the importance of spectrum in meeting the nation's broadband needs and the role NTIA plays in that effort as the administrator of the use of spectrum by federal agencies. And third, I will share some of the early work the Administration is doing to evaluate the Federal Communication Commission's (FCC) National Broadband Plan and to implement many of the good ideas set forth in that plan.

I'll start with the Recovery Act. We have a deadline of September 30th to complete the award of over \$4 billion in grants for three types of broadband projects: infrastructure, sustainable broadband adoption and public computer centers. In our first round, we awarded \$1.2 billion of grants to 82 projects in 45 states. These projects will not only meet the near-term economic stimulus objectives of the Recovery Act, but they will also continue to pay dividends far into the future in the form of improved education and health care, heightened innovation, long-term local, national, and global economic growth, as well as increased competition. We have another \$3 billion to award by September 30th—we will begin to announce awards early in July--and our team will be working day and night to meet that deadline.

So what have we learned from round one and where do we expect to end up with this program? Let me start with the infrastructure projects. In the Recovery Act, Congress gave us many tasks—expand capacity in unserved and underserved areas, meet the needs of anchor institutions, give priority to public safety needs. But what we learned from our first round applications helped us focus in on what we think are the key types of projects that we funded in round one and will continue to fund in round two. First, we learned that when talking about unserved and

underserved areas, there is a huge difference in the needs of the anchor institutions and the needs of families and small businesses. The anchors—the schools, libraries, hospitals and government facilities—have needs for faster and faster speeds, as well as services such as dark fiber capacity, and we could not evaluate how well they are served in an area just by looking at the consumer market. Second, we also learned that the middle mile is incredibly important in the business plan of a last mile provider—if there are not adequate middle mile facilities to connect the community or region back to Internet gateways, then the ability of last mile providers to build out to homes and small businesses is greatly hampered.

We concluded that investing in middle mile networks that bring high-speed Internet access to communities and connect key anchor institutions, such as schools, libraries, community colleges and hospitals, to the Internet allows us to get the most bang for every grant dollar. We call these projects “comprehensive community” projects. The “middle mile” portion of the overall network provides the critical link between the Internet backbone and “last mile” networks that connect to homes and businesses, and is usually a substantial investment. By bringing the necessary bandwidth into a community and connecting the key community institutions, we accomplish two things. First, we reduce the cost to last mile providers and thus will spur private investment to build connections from the local consumers and businesses. Second, by connecting the key anchor institutions, we encourage people to discover the benefits of broadband access at work or at school, making them more likely to adopt broadband at home.

In Round 1, we funded infrastructure projects of all sizes that embodied this comprehensive community idea – from projects that will create county-wide networks in Hardy County, West Virginia and DeKalb County, Illinois to another that will cover nearly the entire state of West Virginia. In addition, recognizing that these projects must be able to serve their communities years after the federal dollars run out, we invested in projects with ample resources, experience, and expertise in building regional networks. For example, in North Carolina, a not-for-profit broadband provider, MCNC, has been operating the North Carolina Research and Education Network in the urbanized, central region of the state for several years. Now, thanks to our grant, MCNC will expand this network to the underserved, mostly rural eastern and western regions of the state.

And we are very pleased to see that our open network approach is attracting last mile providers, just as we expected. The Recovery Act requires that our infrastructure projects be open to interconnection by any provider. That makes sense—if the public money is constructing these facilities, the public should have access to them. As I have been meeting and getting to know our grant recipients, I’m hearing from nearly all of them that they are being contacted by last mile providers, both new entrants and incumbents, who want to take advantage of the new infrastructure to better meet the needs of their customers. This will pay dividends for years to come and demonstrates the multiplier effect of our focus on investing in the middle mile.

Turning to the second type of project in our portfolio, public computer center grants, we have found that spending a small amount of money can impact a large number of people by providing them access to computers and broadband services. Public computer centers are a lifeline for people who do not have a computer or Internet access at home, enabling them to learn job skills,

apply for jobs, and access health and education information online. In fact if you do not have computer skills and Internet access these days, you may not even be able to apply to many jobs.

In state after state, a fairly modest investment in public computer centers can reach thousands of users. Michigan State University is using our grant of \$900,000 to add 500 new workstations at public computer centers in libraries throughout the state, serving nearly 13,000 additional users per week in targeted, economically distressed areas.

In South Carolina, our \$6 million grant to the Technical College System in the state will create a center at every community college in the system and serve 21,000 new users per week.

In Rhode Island, our \$1.2 million grant will expand capacity at all the state's public libraries and will serve an additional 7,000 users per week.

The third category of project we are funding is sustainable broadband adoption. Congress directed to spend at least \$250 million on programs to determine how we can improve the adoption rate in the US. The studies that have been done on adoption, including our recent report on the Census survey that we did last fall, have identified several different reasons that people do not subscribe to broadband service including a lack of digital literacy skills and not seeing the need to purchase the service.

Our grants are designed to address many of these barriers to adoption. So, in Miami, New York and Los Angeles, the focus is on reaching out to public middle school students, with the goal of engaging both parents and students by focusing on how broadband access can improve the students' academic experience.

Projects in New Mexico and Lowell, Massachusetts, will seek to boost adoption rates with programs geared towards specific cultural groups and populations that lag in broadband adoption.

Several other grants focus on linking individuals to local community resources and engaging local residents in expanding broadband awareness: for example, in 50 cities and towns across 31 states and the District of Columbia, the One Economy Corporation will train 2,500 youth to become "Digital Connectors," who will go on to provide digital literacy training to others in their communities.

One of the key benefits of expanding broadband services is improved public safety communications. We've known since 9/11 of the critical need for fire, police, and other safety officials to communicate seamlessly and reliably with one another to prevent and respond to emergencies. Recognizing the need for improved public safety communications, Congress cited public safety broadband projects as one of our funding priorities in the Recovery Act. So, last month, when the FCC cleared the way for 21 state and local governments to deploy new public safety broadband systems, we quickly responded and opened up our round two application window to these governments to give them the opportunity to apply for funding to build these wireless networks. Applications are due in a few weeks and we are hoping that we will have

some quality applications to fund the initial 4G interoperable public safety networks around the country.

In the short term, these broadband investments promise to create jobs building infrastructure, installing computers, and educating consumers about using the Internet. At this early stage, it is impossible to predict the precise number of jobs our program will create or save, but they will range from manufacturing fiber-optic cable and other high-tech components, to installing fiber and broadband networking hubs. Computer centers need to be built, and new computers and related hardware and software will be installed and networked into public computing centers. Outreach strategies need to be planned and executed, and trainers will need to be deployed to show how best to provide communities with needed broadband information and skills.

With all this funding, there is a large responsibility on us to provide management and oversight of these grants and to evaluate whether these grants deliver the benefits they promise. We intend to collect significant amounts of data about the performance of these projects from our grantees and we will make all of it public to encourage researchers around the country to assess and measure the impact these broadband initiatives have, not just in terms of higher speeds and more subscriber, but also in terms of jobs created and increased economic activity.

Congress also directed NTIA to use Recovery Act funding to develop a national broadband map and to implement the Broadband Data Improvement Act, passed in 2008. Under our program, we have now awarded 54 grants to 50 states, three territories, and the District of Columbia, totaling more than \$100 million. States are using these grants to collect and verify data on broadband availability in the states as well as to develop to support statewide broadband planning and implementation efforts.

We have already received initial data sets from nearly every grantee and are now in the process of working with the FCC to evaluate and integrate this data into the national broadband map, which will be available to the public no later than February 2011. The map will educate consumers and businesses about broadband availability, enable broadband providers and investors to make better-informed decisions regarding the use of their private capital, and allow federal, state, and local policy-makers to make more data-driven decisions on behalf of their constituents.

Originally, we had planned to fund the state data collection efforts for five years. However, to give us an opportunity to assess the state activities before committing too much money to the effort, we initially awarded only two years of funding to the states. Now, having had the chance to evaluate the states' initial data sets, we are proceeding to make all five years of funding available, as well as provide additional funding for other broadband improvement activities specified by the Broadband Data Improvement Act.

In addition to pursuing these Recovery Act initiatives, NTIA, as the President's principal adviser on communications and information policy issues, also works on broadband-related issues in the course of our more traditional duties. One issue of particular relevance to our mission as the administrator of federal spectrum use, and a significant focus of the FCC's National Broadband Plan, is the effort to find more radio spectrum to support the increasing demand for mobile

broadband.

I do not need to tell this audience that in the United States and around the world, we are seeing a virtual explosion of uses for wireless technologies. Mobile broadband use, in particular, has experienced growth in the United States that was unimaginable only a few short years ago, and which is requiring more and more radio spectrum as a result.

Finding more spectrum will require the reallocation of spectrum from both commercial and federal users, and it will likely involve both the relocation of current users as well as implementing more efficient sharing methods to allow existing resources to support additional users. This will not be a simple process. Only 17% of that spectrum between 300 MHz and 3.5 GHz is used exclusively by federal agencies. 51% of spectrum is shared by federal and non-federal users. In addition, we have to keep in mind that federal spectrum is often used to support sensitive national security and law enforcement applications that must be protected and preserved, even if the bands these uses occupy do not appear to be actively used every hour of the day.

When we do get involved in evaluating specific spectrum bands for reallocation, it is an increasingly complex process. Many federal systems such as radar or satellite systems have unique capabilities that cannot be met by commercial services, easily replaced with off-the-shelf equipment, or moved to other bands. This means it may not be possible to relocate these uses or would require many years and large expenditures to do so. In addition, even in bands that appear relatively straight-forward candidates for reallocation, questions must be answered about where to move existing operations, how to identify all the users (including unlicensed users) and identifying alternatives for these users. For a deep discussion about these spectrum issues, I refer you to a speech I gave last week at [Public Knowledge's Federal Spectrum Conference](#).

This spectrum issue is just one of the many recommendations presented in the FCC's National Broadband Plan. NTIA is playing a pivotal role in an Administration-wide review of all these recommendations. Upon release of the plan, the National Science and Technology Council established a Broadband Subcommittee. Chief Technology Officer Aneesh Chopra appointed Scott Blake Harris, General Counsel of the Department of Energy, and myself as co-chairs. The White House directed this group to review the Plan and advise the Administration on actions it can take to increase broadband access and adoption, and use broadband to address many of the nation's challenges.

To start the process, the subcommittee is collecting information from the Executive Branch agencies which have a role to play in the coordinated effort to increase nationwide access to broadband. The interagency group will consider the programmatic, legislative, and policy actions that may be appropriate for the Administration to undertake in furtherance of its broadband objectives. The interagency group is mindful that the plan is not the end of the story but an opportunity to reinvigorate existing broadband-related initiatives and policies and to build on them. We look forward to considering the plan's recommendations in the coming months.

A key challenge for NTIA will be to assimilate the data and assets created by the Recovery Act grants and make them available as broadly as possible. Let me give you an example. The plan

recommends the development of a digital literacy curriculum and also the creation of a digital literacy corps to deliver this training. Many of our sustainable broadband adoption and public computer center projects will be developing or utilizing digital literacy course materials. At NTIA, we would like to assemble and evaluate these materials—perhaps we can create a digital literacy portal on our website to provide digital literacy training directly to people who want to learn about how to use digital technology.

Similarly, many of our projects are creating prototype digital literacy training teams, utilizing high school students, college students, or community residents. We would like to take the best of these ideas and perhaps create a toolkit that could be used by states, municipalities, or even a local library that wants to create its own digital literacy corps. In both of these efforts, we will team with other agencies, particularly the Education Department, to pair its expertise with ours to develop a high-quality program.

This is just an example of the type of project that can emerge from the Recovery Act and the National Broadband Plan. And it can be done with minimal federal budget dollars. We'll be looking to find other projects of this nature as the committee proceeds with its work.

In conclusion, I thank you again for the opportunity to speak here today. We at NTIA are proud to be on the forefront of implementing this Administration's broadband policy, both through the Recovery Act as well as through broader interagency projects, to fulfill the goal of enabling all Americans to have access to broadband and the transformative opportunities it affords.