

GOVERNOR BILL RITTER, JR.

Colorado's Recovery Act Broadband Framework



7/16/2009

Executive Summary

As Colorado's economy and government transition further into an information age, it is essential that the state utilize every possible avenue to increase access to broadband technologies. The American Recovery and Reinvestment Act, which President Obama signed in Denver, presents a unique opportunity to increase broadband in all four corners of our state.

Broadband enables communication and information sharing which connects communities. As we become increasingly dependent on Internet technologies to share information and access resources, there is a need to make sure that Colorado's citizens have access to high-speed internet. Broadband will soon be a requirement for our classrooms, hospitals and other community sites to engage not only others around the state, but throughout the world.

Colorado has already made significant steps to bring a more comprehensive telecommunications network to the state. Through public, private and nonprofit partnerships, we have created and consolidated systems to expand Colorado's path to ubiquitous broadband coverage. With our Multi-use Network, Colorado Telehealth Network and other existing programs, we can use the Recovery Act to help Colorado communities thrive and compete for jobs in the information economy.

We are all well aware of how the Internet impacts our lives and will continue to play a vital role in our economic and educational future. Furthering our telecommunications infrastructure is a top priority and the Recovery Act offers us a tremendous opportunity.

To help move Colorado toward ubiquitous coverage, the State has established a framework of priorities to help guide Recovery Act grant applications. The State of Colorado is looking at all options as we move to enhance broadband coverage. However, for the first round of funding - and while subject to change - the state decided to allow the private sector to take full advantage of this opportunity. Many of the services provided by the State of Colorado depend on broadband, but the government's best role is to facilitate the building of broadband networks rather than taking the place of private industry. Our primary focus is to work with industry around the state to provide broadband to community sites that are unserved or underserved. The state will prioritize applications that seek to create or improve high-speed Internet access at community anchor institutions. The best application(s) will coordinate with industry partners, local governments and other public entities to create a comprehensive approach to providing broadband coverage throughout the state. The state would like to see proposals that build off of our state's existing infrastructure instead of building new lines where there is existing access.

While the state as a government entity will not submit an application during the first round, we will be thoroughly engaged in the process and will aid the private and non-profit sectors with their applications. As we work together on this first round of funding we will learn where the barriers are and potentially how to remove those barriers. If necessary, the State will apply for funding in rounds two or three of the process.

Our Priorities

The Recovery Act includes two major competitive grants for broadband projects that can go to public and private entities. The National Telecommunications Information Administration (NTIA), part of the U.S. Department of Commerce, is distributing \$4.7 billion through the Broadband Technology Opportunities Program (BTOP). The Rural Utility Service (RUS), a division of the U.S. Department of Agriculture, is distributing \$2.5 billion through the Broadband Initiatives Program (BIP) to rural communities.

For the rural program, the Notice of Funds Availability did not define the state's role. Therefore, the state will provide assistance to entities that wish to apply for these funds. The BTOP program guidelines indicate that the NTIA may consult with states regarding funding priorities.

Under the BTOP Program, the NTIA has prioritized three categories of available funds: Broadband Infrastructure (projects focused on Last Mile and Middle Mile in unserved and underserved areas), Public Computing Centers (projects focused on expanding public access and capacity to these locations) and Sustainable Broadband Adoption (projects focused on broadband education, awareness, training, access equipment or support). The following contains the Governor's Office's priorities for each of these categories.

Broadband Infrastructure (up to \$1.2 billion available)

The highest priority of the Governor's Office regarding broadband stimulus funds is to support services to community anchor institutions. In accordance with the NTIA, for purposes of this framework, a 'community anchor institution' is defined as: schools, libraries, medical and healthcare providers, public safety entities, community colleges and other institutions of higher education, and other community support organizations and agencies that provide outreach, access, equipment and support services to facilitate greater use of broadband service by vulnerable populations, including low-income, unemployed, and elderly residents. The Governor's Office intends to support applications that:

1. Focus on providing broadband services to one or more community anchor institutions currently without access to broadband services and not already

covered by a binding, legally-enforceable commitment to provide broadband by the end of 2010;

2. Uses infrastructure that currently exists as opposed to overbuilding a community or service area.
3. Enhance the speed or other aspects of broadband services performance to areas which currently have no service or only lower-quality service; and
4. Can show long-term sustainability.

Public Computer Centers (up to \$50 million available)

The Governor's Office will support applications that focus on maximizing the accessibility of these centers by either increasing the number of computers available or the number of participants that can access the site. Additionally, priority will be given to projects that:

1. Uses infrastructure that currently exists as opposed to overbuilding a community or service area.
2. Enhance the speed or other aspects of broadband services performance to areas which currently have no service or only lower-quality service.
3. Can show long-term sustainability.

Sustainable Broadband Adoption (up to \$150 million)

The Sustainable Broadband Adoption Category is designed to fund innovative projects that promote broadband strategies and access around the state. For this category, the Governor's Office will give priority to applications that:

1. Includes a combination of rural and urban territories.
2. Increases the overall penetration rate of new subscribers.
3. Contains the lowest cost per new subscriber.

Other proposed projects may receive secondary support, but in the ranking of state priorities and recommendations, coverage of community anchor institutions will receive the highest level of support from the Governor's Office and the State of Colorado. The Governor's Office may

also solicit additional proposals from entities which have not responded to help meet community anchor needs that aren't met by existing applications.

The State of Colorado reserves the right to apply for funding if it becomes apparent that the private and non-profit sector are not adequately addressing the needs of the public through their applications. It is strongly encouraged that potential applicants inform the State of their plans prior to submitting an application. . Following the initial awards, the Governor's Office will evaluate coverage gaps and why they were not addressed. The state will then evaluate possible solutions and ideas for second-round funding, which may include an application from the state itself.

Additionally, the State of Colorado will apply for Broadband Data Improvement Act mapping funds that will ensure Colorado's maps are updated to include the new requirements set forth by this initiative.

Timeline and Process

1. July 14, 2009 www.connectcolorado.org will be available on the Internet. This website is dedicated to the Colorado's broadband mapping project.
2. July 14, 2009 Application can be submitted for Broadband funding
3. On or before July 16, 2009 a release of Colorado's priorities. These priorities will allow applicants to ensure their proposal is aligned with the State's priorities and create a coordinated process.
4. July 16, 2009 a map will be posted to www.colorado.gov/recovery showing the rural and remote areas of Colorado. The definitions used are those contained within the rules of the federal programs.
5. July 16, 2009 a meeting will be held at the Old Supreme Court Chambers with streaming audio. Members of the Public Utilities Commission, Governor's Office of Information Technology, and others will be on hand to discuss the rules and answer questions. These meetings will occur weekly through August 13, 2009.
6. Colorado will release updated maps on July 21st, 30th and August 6th.
7. August 14, 2009 applications are due for broadband funding.

8. 20 calendars after receipt of applications from the federal government, a list of Colorado projects will be prioritized and made publicly available. It is unknown precisely when the states will receive this list.