

**Before the
U.S. Department of Commerce
Washington, D.C. 20230**

In the Matter of)	
)	
The American Recovery and)	Docket No. 090309298-9299-01
Reinvestment Act of 2009)	
Broadband Initiative)	
)	

To: The National Telecommunications and Information Administration

**COMMENTS OF THE
NATIONAL ASSOCIATION OF MANUFACTURERS**

The National Association of Manufacturers (NAM) hereby submits its comments on certain aspects of the Request for Information (ROI), Docket No. 090309298-9299-01, released March 9, 2009, in the above-captioned matter. These comments are limited to the Section 6001 of the American Recovery and Reinvestment Act of 2009 (Recovery Act) that requires the National Telecommunications and Information Administration (NTIA), in consultation with the Federal Communications Commission (FCC), to establish the Broadband Technology Opportunities Program (BTOP).

INTRODUCTION

The NAM is the nation’s largest industrial trade association, representing small and large manufacturers in every industrial sector and in all 50 states. The NAM’s mission is to enhance the competitiveness of manufacturers by shaping a legislative and regulatory environment conducive to U.S. economic growth. Headquartered in Washington, D.C., the NAM has 10 additional offices across the country.

The U.S. manufacturing sector and the broader business community have derived tremendous benefits from our nation’s competitive telecommunications market. Moving away from the early days of simple voice calls transferred over copper wires, today’s manufacturers utilize VoIP calls, email and instant messaging services, with information and data racing over

high-speed fiber optic networks literally at the speed of light. American businesses are truly the beneficiaries of a globally-deployed broadband infrastructure, which has transformed the way they operate.

Economists project that just a seven percentage point increase in broadband adoption could result in 2.4 million jobs created or saved annually, resulting in over \$92 billion in wages.¹ In the area of health care alone, effective use of broadband could cut \$800 billion from health care costs over the next 25 years.² Access to broadband provides limitless opportunities for advancing technology, innovation, investment and job creation. Future economic growth depends on the ability of businesses and individuals to easily secure broadband services. It is in this interest that the NAM submits these comments on the BTOP, so that the NTIA may craft the rules surrounding the BTOP to best foster an environment where businesses and consumers in unserved areas can obtain the critical broadband services and content they need.

DISCUSSION

The NAM's comments focus on five separate policy-oriented goals that the NTIA should consider when creating the rules that govern the BTOP. First, we recommend that the NTIA place the highest priority on deploying broadband into unserved areas first through the use of broadband mapping. Broadband mapping using stimulus funds should be done to gather data specific enough to identify block-by-block broadband availability in a community, and should be completed before the end of FY'09. Where detailed maps are not yet available, the NTIA should grant awards based on objective, quantifiable, and verifiable data that an area is unserved. Further, interested parties must be given the opportunity to comment on any prospective grant.

Secondly, we recommend that the NTIA expedite the flow of funds by awarding grants to states or regional public-private partnerships that will be responsible for implementing and overseeing the grants. State and local governments are in the best position to understand the

¹ ["The Economic Impact of Stimulating Broadband Nationally,"](#) Connected Nation, February 21, 2008.

² ["The Broadband Fact Book,"](#) Internet Innovation Alliance, 2008.

needs of their communities and how their local economies may best be stimulated by the deployment of broadband infrastructure. In addition, they are also in the best position to create effective private-public partnerships to meet local and regional needs. We recommend that each state be required to develop a plan, outlining how it would use BTOP funds to meet the goals of ensuring broadband deployment and availability in all unserved areas.

Thirdly, in order to eliminate potential waste and ensure the timely deployment of broadband infrastructure, we recommend that the NTIA coordinate its efforts with state and local governments to ensure transparency and accountability. NTIA oversight should ensure a number of safeguards that will benefit the quick and efficient rollout of broadband. Specifically, broadband maps for each state should be publicly available online and updated regularly. Each map should include information on which project is funded and by which agency. State proposals should highlight how funds will be used to reach priority, unserved areas. Further, proposals must include sufficient information to ensure transparency, including funding, expenditure, and progress reports.

Fourthly, funds must be prioritized for areas that are truly unserved by broadband infrastructure. State and local governments have the expertise to implement existing bid/RFP processes to effectuate a fair, effective and speedy broadband build-out. Once all unserved areas are taken care of, attention can then be focused to underserved areas – with the same attention to transparency, accountability and effective management so that federal funds are not used to duplicate improvements that would have been done anyway or that receive other funding. Further, grants should be provided directly to public and non-profit anchor institutions to purchase the broadband services and equipment they need. These entities are automatically eligible under the ARRA; no rule is required to clarify their status. Moreover, these entities are in the best position to understand their own broadband needs, and have projects on the planning board that are ready for immediate implementation. In this sense, the grant program should be flexible enough to allow applicants to self-identify themselves and their requirements. Rigid definitions or bright-line eligibility preferences will take valuable time to craft, will not reflect the varied needs of underserved communities, and will constrain applicants from getting the technologies and applications that best fit their circumstances. Finally, by focusing on these

“community anchor institutions,” NTIA can quickly get funding to broadband projects that fulfill all the statutory goals of the ARRA , in particular improving access to and use of broadband services by schools, libraries and healthcare institutions that support vulnerable populations most in need of broadband services.

Lastly, in enforcing the nondiscrimination and network interconnection requirements, the NTIA should defer to the FCC and not go beyond the principles contained in the FCC’s broadband policy statement (FCC 05-151, adopted August 5, 2005). It should be further noted that these principles apply solely to wireline broadband, and should not be construed to extend to wireless broadband applications. Creation of additional principles beyond the FCC’s broadband policy statement will only serve to slow down the grant process, and ultimately, the deployment of broadband services to the unserved areas that need it the most.

CONCLUSION

Accordingly, with the foregoing comments in mind, the NAM urges the NTIA to move forward the BTOP, along with the grant and loan program through the Rural Utility Service, so as to accelerate broadband deployment in unserved areas.

Respectfully submitted,

**NATIONAL ASSOCIATION OF
MANUFACTURERS**

By:  _____

Marc-Antony Signorino
Director of Technology Policy
National Association of Manufacturers
1331 Pennsylvania Avenue, N.W.
Suite 600
Washington, D.C. 20004

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