

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on January 27, 2011, in Room 548-S of the Capitol.

All members were present except:  
Senator Jay Emler, excused

Committee staff present:  
Matt Sterling, Office of the Revisor of Statutes  
Mary Torrence, Revisor of Statutes  
Cindy Lash, Kansas Legislative Research Department  
Heather O'Hara, Legislative Research Department  
Ann McMorris, Committee Assistant

Conferees appearing before the Committee:

Others attending: See attached list.

Introduction of Bills

Steve Hahn, President, AT&T Kansas, presented conceptual language for a bill to modernize telecommunications laws in Kansas.

Moved by Senator Taddiken, seconded by Senator Petersen, to approve the introduction of such conceptual bill from AT&T, Kansas. Motion carried.

The following information was distributed to the committee by the Research staff:

1. Follow-up Information on Broadband Funding (Attachment 1)
2. Summary of Provisions in **SB 30, concerning 911 emergency services; prepaid wireless fees, collection and distribution.** (Attachment 2)

Explanation of SB 50, concerning emergency communications service

Matt Sterling, Assistant Revisor of Statutes, gave a detailed explanation of the provisions of **SB 50**, an act concerning emergency telephone service and the implementation, collection and distribution of 911 fees. (Attachment 3)

Mr. Sterling offered two technical amendments to **SB 50** - on page 12 of the bill, in New Section 12 (c ) and (f) and on page 14 of the bill, in Section 19 (1). (Attachment 4)

Committee questioned language on amount of fees, delegation of authority, new coordinating council, and related appointments.

The meeting was adjourned at 2:20 p.m.

Respectfully submitted,  
Ann McMorris, Committee Assistant

Attachments - 4

**SENATE UTILITIES  
COMMITTEE GUEST LIST  
JANUARY 27, 2011**

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| Jon Stanton     | NNG                 |
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| Lauren Tutnill  | Federico Consulting |
| Leigh Keck      | Capitol Strategies  |
| Tommy Goodner   | KITET               |
| JAITH BADA      | AA ADVANTAGE        |
| Patrick Fucile  | Sprint              |
| Mike Slatt      | IT                  |
| Stuart Little   | Johnson County      |
| Whitney Samra   | City of Topeka      |
| Colin Jensen    | Corf                |
| Nelsa Vargemann | KAC                 |

**SENATE UTILITIES  
COMMITTEE GUEST LIST  
JANUARY 27, 2011**

[illegible]

# KANSAS LEGISLATIVE RESEARCH DEPARTMENT

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January 27, 2011

**To:** Senate Committee on Utilities

**From:** Cindy Lash, Principal Analyst  
Heather O'Hara, Principal Analyst

**Re:** Follow-up Information on Broadband Funding

During the Committee meeting on Tuesday, January 24, 2011, Senator Taddiken asked the Committee staff to research the number of Kansas companies that have received federal American Recovery and Reinvestment Act (ARRA) funds for broadband through the U.S. Department of Agriculture's Rural Utilities Service (RUS) and the U.S. Department of Commerce's National Telecommunications and Information Administration (NTIA). You also asked whether this information was readily available to the public and whether accountability for expenditures from federal funding could be determined through the information online.

## Background

The ARRA provided the U.S. Department of Agriculture's RUS and the U.S. Department of Commerce's NTIA with \$7.2 billion to expand access to broadband services in the United States. Of the \$7.2 billion, the ARRA provided \$4.7 billion to the NTIA and \$2.5 billion to the RUS.

### *National Telecommunications and Information Administration (NTIA)*

Housed in the U.S. Department of Commerce, the NTIA was established with four goals:

- To support the deployment of broadband infrastructure;
- To enhance and expand public computer centers;
- To encourage sustainable adoption of broadband service; and
- To develop and maintain a nationwide public map of broadband service capability and availability.

For the purposes of disbursing the \$4.7 billion through grant programs, the NTIA administers two programs to which entities may apply. The first is the Broadband Technology Opportunities Program (BTOP), which has three project categories. The BTOP project categories are:

Senate Utilities Committee  
January 27, 2011  
Attachment 1-1



- Comprehensive Community Infrastructure—projects to deploy new or improved broadband internet facilities and to connect “community anchor institutions,” such as schools, libraries, hospitals, and public safety facilities;
- Public Computer Centers—projects to establish new public computer facilities or upgrade existing ones that provide broadband access to the general public or to specific vulnerable populations; and
- Sustainable Broadband Adoption—projects that focus on increasing broadband usage and adoption, including among vulnerable populations where broadband technology traditionally has been underutilized.

The second program, which was launched in 2009, is the State Broadband Data and Development (SBDD) Program, which is led by state entities or non-profit organizations working at the NTIA's direction, to facilitate the integration of broadband and information technology into state and local economies. Grantees use the funding to support efficient and creative use of broadband technology to better compete in the digital economy. The state-created efforts vary depending on local needs. According to NTIA's website, since the program's inception, the NTIA has awarded a total of \$293 million to 56 grantees, one each from the 50 states, five territories, and the District of Columbia.

#### *Rural Utilities Service*

Housed in the U.S. Department of Agriculture, the Rural Utilities Service (RUS) provides programs to finance rural America's telecommunications infrastructure. The ARRA provided additional funding to the RUS, which led to the creation of the Broadband Initiatives Program (BIP). According to the U.S. Department of Agriculture, BIP Funding for loans, grants, and loan and grant combinations will assist with addressing the challenge of rapidly expanding the access and quality of broadband services across rural America and to meet the objectives of the ARRA.

According to the U.S. Department of Agriculture's website, the funding will provide access to 2.8 million households, 364,000 businesses, and 32,000 anchor institutions across more than 300,000 square miles. In addition, the agency states the projects will create more than 25,000 immediate and direct jobs, and are expected to contribute to the long-term economic development opportunities in each rural community where a broadband project is launched.

Eligible entities that were allowed to apply for assistance included:

- States, local governments, or any agency subdivision, instrumentality, or political subdivision;
- Territories in possession of the U.S.;
- Indian tribes, as defined in Section 4 of the Indian Self-Determination and Education Assistance Act (25 USC 450b);
- Native Hawaiian organizations;

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- Non-profit foundations, non-profit corporations, or non-profit associations;
- Other non-profit entities;
- For-profit corporations;
- Limited liability companies and organizations; and
- Cooperative or mutual organizations.

Uses for the funding may include the following:

- Construction or improvement of all facilities required to provide broadband service, including facilities required for providing other services over the same facilities, and including equipment to comply with the Communications Assistance for Law Enforcement Act (CALEA);
- For the cost of leasing facilities required to provide broadband service if such lease qualifies as a capital lease under generally accepted accounting principles (GAAP). Award funds may be used to fund the cost of a capital lease no longer than the first three years after the date of the award documents; and
- For reasonable pre-application expenses in an amount not to exceed five percent of the award. Pre-application expenses may be reimbursed if they are incurred after the publication date of the Notice of Funds Availability (NOFA).

### **Examples**

We have included several handouts for your review. They are as follows:

- "NTIA-1" is the list of the grants awarded by the NTIA to Kansas grantees and provides a summary of each grantee and type of project that will be performed with the awarded funding. The total amount of funding awarded to Kansas grantees is \$84,898,752.
- "NTIA – 2" is a detailed description of the award to Communication Service for the Deaf, Inc., which received \$14,988,657 from the NTIA for a sustainable adoption grant.
- "NTIA – 3" is a progress report provided by Communication Service for the Deaf, Inc., regarding its expenditures during the third quarter of 2010.
- "NTIA – 4" is a detailed description of the award to Connected Nation (Kansas), which received \$6,371,514 from the NTIA for a broadband data and development grant.

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- "NTIA-5" is a detailed description of the award to EON, LCC, which received \$998,419 from the NTIA for an infrastructure grant.
- "NTIA – 6" is a progress report for broadband infrastructure projects from EON, LCC, to the NTIA for the third quarter of 2010.
- "NTIA – 7" is a detailed description of the award to United States Unified Community Anchor Network (US UCAN), which received \$62,540,162 from the NTIA for an infrastructure grant.
- "RUS – 1" is a list of the federal award loans and grants provided through the RUS' Broadband Initiatives Program (BIP).
- "RUS – 2" is a list of all the federal awards allocated by state through the BIP as of September 13, 2010.
- "RUS – 3" is the quarterly report for the RUS that was provided to Congress on December 27, 2010.
- "RUS – 4" is the list of the reporting requirements for BIP compliance.

### Online Resources

There are several websites that provide information to the public on the NTIA and RUS programs.

- <http://www2.ntia.doc.gov> – the NTIA website.
- <http://broadbandusa.sc.egov.usda.gov> – the RUS and NTIA joint website.
- <http://www.connectkansas.org> – the Kansas website for broadband expansion.
- <http://recovery.commerce.gov> – the U.S. Department of Commerce's website on ARRA funding.
- <http://www.rurdev.usda.gov/RUSTelecomPrograms.html> – the U.S. Department of Agriculture's website on RUS programs.
- <http://www.recovery.gov> – the official U.S. Government website on the ARRA.

Please let us know if you require any further information. We may be reached at (785) 296-3181 or at [Cindy.Lash@klrd.ks.gov](mailto:Cindy.Lash@klrd.ks.gov) and [Heather.OHara@klrd.ks.gov](mailto:Heather.OHara@klrd.ks.gov).

HCO/kal

Enclosures

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NTIA-1

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## Kansas



| Grantee  | Total Award  | Type   |
|--|--------------|--|
| <a href="#">Communication Service for the Deaf, Inc.</a>                 | \$14,988,657 | <a href="#">Sustainable Adoption</a>             |
| <a href="#">Connected Nation (Kansas)</a>                                | \$6,371,514  | <a href="#">Broadband Data &amp; Development</a> |
| <a href="#">Level 3 EON, LLC</a>   | \$998,419    | <a href="#">Infrastructure</a>                   |
| <a href="#">University Corporation for Advanced Internet Development</a> | \$62,540,162 | <a href="#">Infrastructure</a>                   |

### **Communication Service for the Deaf, Inc.**

Sustainable Adoption \$14,988,657

Project serves: [Alabama](#), [Alaska](#), [American Samoa](#), [Arizona](#), [Arkansas](#), [California](#), [Colorado](#), [Commonwealth of the Northern Mariana Islands](#), [Connecticut](#), [Delaware](#), [District of Columbia](#), [Florida](#), [Georgia](#), [Guam](#), [Hawaii](#), [Idaho](#), [Illinois](#), [Indiana](#), [Iowa](#), [Kansas](#), [Kentucky](#), [Louisiana](#), [Maine](#), [Maryland](#), [Massachusetts](#), [Michigan](#), [Minnesota](#), [Mississippi](#), [Missouri](#), [Montana](#), [Nebraska](#), [Nevada](#), [New Hampshire](#), [New Jersey](#), [New Mexico](#), [New York](#), [North Carolina](#), [North Dakota](#), [Ohio](#), [Oklahoma](#), [Oregon](#), [Pennsylvania](#), [Puerto Rico](#), [Rhode Island](#), [South Carolina](#), [South Dakota](#), [Tennessee](#), [Texas](#), [U.S. Virgin Islands](#), [Utah](#), [Vermont](#), [Virginia](#), [Washington](#), [West Virginia](#), [Wisconsin](#), [Wyoming](#)

Broadband's ability to expand educational and employment opportunities is especially meaningful for Americans who are deaf or hard of hearing, a community that faces unique challenges in education and that suffers from a rate of unemployment much higher than the national average. Communication Service for the Deaf, Inc. (CSD) intends to expand broadband adoption among people who are deaf and hard of hearing and provide them with online tools to more fully participate in the digital economy. The project proposes to employ a combination of discounted broadband service and specialized computers, technology training from an online state-of-the art support center customized to the community's needs, public access to videophones at anchor institutions from coast to coast, and a nationwide outreach initiative. Thousands will gain online access to all the Internet has to offer, including sign language interpreters, captioned video services, and other content and functionalities designed especially to advance their educational, employment, and healthcare interests.

### **Connected Nation (Kansas)**

Broadband Data &amp; Development \$6,371,514

Project serves: [Kansas](#)

## Project Components

### State Broadband Capacity Building:

This project will enhance the existing broadband state program office by continuing support for the state program director position, which serves as an employee of the Kansas Department of Commerce (DOC) and creating a program coordinator position, which will be an employee of Connected Nation whose activities will be directed by DOC. Funding will also support the needs of the new Kansas Broadband Task Force.

### Technical Assistance:

This technical assistance project will support the capacity building and local regional technology planning team activities by engaging local and state-level surveys of broadband adoption and barriers to adoption. This will enable both the state and local teams to develop realistic goals and actionable strategies for broadband deployment and adoption. Through this project, the State of Kansas will also develop an Enterprise Architecture to drive performance improvements in areas such as business processes (Right-of-Way, permitting), the use of state assets to drive infrastructure deployment, and cross-collaboration among state agencies.

### Local Regional Technology Planning Teams:

This project will support the formation of seven regional technology planning teams that will develop localized broadband plans to facilitate broadband deployment and adoption, under the direction of DOC. Connected Nation will fund positions within existing planning organizations in each of these regions to support the work of the teams. This project structure will improve the likelihood of project sustainability after the award period ends.

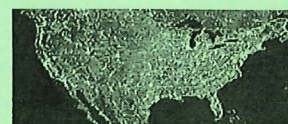
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BTOP in Action

[California Emerging Technology Fund](#)

Representatives from BTOP recipient California Emerging Technology Fund (CETF) spent the weekend...

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[State Broadband Data & Development Grant Program](#)



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NTIA-2

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## Communication Service for the Deaf, Inc.

### Project Endeavor

Broadband's ability to expand educational and employment opportunities is especially meaningful for Americans who are deaf or hard of hearing, a community that faces unique challenges in education and that suffers from a rate of unemployment much higher than the national average. Communication Service for the Deaf, Inc. (CSD) intends to expand broadband adoption among people who are deaf and hard of hearing and provide them with online tools to more fully participate in the digital economy. The project proposes to employ a combination of discounted broadband service and specialized computers, technology training from an online state-of-the-art support center customized to the community's needs, public access to videophones at anchor institutions from coast to coast, and a nationwide outreach initiative. Thousands will gain online access to all the Internet has to offer, including sign language interpreters, captioned video services, and other content and functionalities designed especially to advance their educational, employment, and healthcare interests.

**Total Award:** \$14,988,657[Project Fact Sheet](#)

#### BTOP In Action



Communication Service for the Deaf (CSD) opened its new contact center on December 6, 2010, in Sioux Falls, S.D. This center is supporting a nationwide initiative to provide discounted equipment, high-speed Internet access, and life-skills training to people who are deaf and hard of hearing. Through the center's American-Sign-Language (ASL)-trained staff, individuals who are deaf and hard of hearing will be able to purchase a video-configured Dell 11z notebook and a 3G/4G wireless Internet access plan for \$230. The center's website also contains 10 web-based "how to" training videos. Using ASL, the videos teach computer basics, technical troubleshooting solutions, and Internet search tips.

One focus of the center is to increase employment opportunities. The center will host several career training workshops, teaching interviewing skills and job search techniques for people who are deaf and hard of hearing. The center is also creating 60 new positions for ASL-trained professionals, with 40 of those positions already filled by mid-December 2010.

CSD's ultimate goal is to create easier, more effective communications methods for people who are deaf and hard of hearing. CSD anticipates that when the project is complete, nearly 16,000 people nationwide will have access to discounted computers, high-speed broadband, and life skills training. For more information on the contact center, visit [www.kdlt.com/index.php?option=com\\_content&task=view&id=6471&Itemid=57#video](http://www.kdlt.com/index.php?option=com_content&task=view&id=6471&Itemid=57#video)

#### Reports and Documents

##### Reports to NTIA:

[Third Quarter, 2010](#)

#### Award Documents

##### Award Agreement:

[Financial Assistance Award Form CD-450, Special Award Conditions, Line Item Budget](#)

##### Award Terms and Conditions:

[Department of Commerce Financial Assistance Standard Terms and Conditions](#)[15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations](#)[OMB Circular A-122, Cost Principles for Non-Profit Organizations](#)[OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations](#)[American Recovery and Reinvestment Act of 2009-DoC Standard Terms and Conditions](#)

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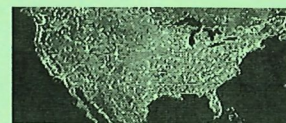
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BTOP in Action



##### Santa Fe Civic Housing Authority

The Santa Fe Civic Housing Authority (SFCHA) opened the new Hopewell Community Center/Public...

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#### State Broadband Data & Development Grant Program

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National Telecommunications and Information Administration, U.S. Department of Commerce  
1401 Constitution Ave., NW Washington, DC 20230

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## FIRST PERFORMANCE PROGRESS REPORT 2010

|   |   |
|---|---|
| <b>1. Recipient Organization (Name and complete address including zip code)</b><br>Communication Service For The Deaf Inc. 102 North Krohn Place, Sioux Falls SD 57103  | <b>2. Award Identification Number</b><br>46-41-B10548 |
| <b>3. Performance Narrative (Q1)</b><br><i>Please describe your project activities and progress for the first quarter of your award period. This should include a description of federal expenditures to date, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any delays or challenges. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i><br><p>As of September 30, 2010, Communication Service for the Deaf (CSD) has expended \$606,294. We filled 14 of the anticipated 60 jobs to be created by the program. Two factors have slowed our job hiring process. First, not needing to fill call center agent positions until the call center is closer to going live and secondly, finding staff with signing ability to fill technical positions. The largest area of expenditure has been for the purchase of computer systems and software for the Project Endeavor call center. The call center consists of 36 work stations equipped with customer relationship management software (CRM) and advanced video and communications technology to work effectively with deaf and hard of hearing participants. The completion of the call center was delayed because the office spaced required remodeling and it has taken longer than expected to integrate video into the CRM. CSD was also delayed in purchasing Notebook computers and broadband service for program participant. The cost for both exceeded what was projected in the project application. We have had to re-bid for broadband services and recalibrate the level of subsidy the project can provide to participants. CSD was not successful in filling the data based programmer or web development positions by the end of the quarter. This delayed the development of the image/preloaded software that will be on the notebooks. CSD has not placed any Public Access Videophones (PAV) as of the end of this quarter. These phones will require a software upgrade that won't be completed until next Quarter. CSD has completed their outreach plan for the project. Ads and articles have been place in 2 publications. Posters, brochures, introductory video, e-blasts and PowerPoint presentations have been developed. CSD made presentation at 2 conference and 1 tradeshow concerning the project. Because of the delay in opening the call center, and necessary service design changes to meet actual costs, outreach activities and the development of materials has been purposely slowed down to ensure accuracy and coordination with the call center launch date. A temporary web site was developed to host introductory information about the project and to accept web based inquiries. CSD has started to develop American Sign Language (ASL) training videos that will eventual be place on our web site and notebook computer to train deaf and hard of hearing participants on how to access and utilize broadband based services. Other consumer friendly web based vocational and independent living training resources are being identified for linkage to the project web site. CSD has not been successful in filling the Employment Specialist position. Building referral and outreach relationships with State VR programs will occur after this position is filled. The project evaluator position has also not been filled. We have developed the basic data set of information that will be gathered on program participants but the overall evaluation plan has not been completed.</p> |   |
| <b>4. Performance Projections (Q2)</b><br><i>Please describe your anticipated project activities and progress for the next quarter. This should include a description of federal expenditures, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any potential delays or challenges you foresee. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i><br><p>We anticipate project expenditures to increase significantly in the second quarter. We plan to be fully staffed (60 full time staff) by the end of the quarter. We also anticipate entering into a bind agreements for broadband and notebook computers for program participants. Our biggest staffing challenge currently is recruiting a data base programmer and project evaluator. We are investigating the possibility of outsourcing the evaluation component. Finding and maintaining call center staff with signing ability will be a challenge throughout the grant. The call center is scheduled for completion the last week of October. Call center agents will be hired in three waves to facility training. The first wave hired in mid October and the third wave in mid to late November. The Center will start to do outbound calling in early November and start accepting program participants in early December. We anticipate our call volume and efficiency will ramp up during December with the first group of program participant receiving their notebooks and broadband access in early January. A significant challenge will be finalizing our procurement agreement for broadband services and notebooks. We have received a favorable proposal for wireless broadband services that include notebooks. The proposed would allow us to subsidize more program participant</p>   |   |



but cannot be execute until permission is granted to make a program change concerning the subsidy levels for income eligible participants. This program change may increase the number of jobs created since CSD may need to image the notebooks in house prior to shipping them to participants. CSD will develop an agreement with ZVRS specifying their responsibility to follow-up with notebook recipients to train them on how to use their VRS software and to assigned them a 10 digit phone number. Emphasis this quarter will be on getting the call center operational and starting to qualify income eligible participants for notebook and broadband services. Since the CSD grant is only for 24 months, we need to execute all subsidized service agreements within the first 12 months of the grant period in order for participants to benefit from a full 12 months of subsidized services. We don't anticipate placing our first Public Access Video Phone until the third quarter however in December we will start loading update software and preparing them for shipment. We plan to complete the development of the project web site by December 1. All tools and functionality will be in place but training resources and updated marketing information will be added throughout the life of the grant. CSD will intensify outreach activity, along with print and web based advertising in November. Letters will be sent out to all community anchors, followed up by calls for our call center in November. The Vocational Specialist will make direct contact with VR and transition programs across the United State to stimulate referral and education them about our web based employment supports. CSD has plans to present or attend 12 outreach events during the quarter. Because of ZVRS existing outreach program to mainstreamed deaf and hard of hearing student we plan to work with their staff to help outreach to transition age students attending public school. .

**5. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.**

|   |  |
|---|--|
| 5a. Typed or Printed Name and Title of Authorized Certifying Official | 5c. Telephone ( <i>area code, number and extension</i> )<br>605-367-5760 |
| Ben Soukup, President and Chief Executive Office                      | 5d. Email Address<br>bsoukup@c-s-d.org                                   |
| 5b. Signature of Authorized Certifying Official                       | 5e. Date Report Submitted ( <i>Month, Day, Year</i> )<br>10/27/2010      |

According to the Paperwork Reduction Act, as amended, no person is required to respond to, nor shall any person be subject to penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 1 hour and 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Anthony G. Wilhelm, Director, Broadband Technology Opportunities Program, Office of Telecommunications and Information Applications, National Telecommunications and Information Administration, U.S. Department of Commerce (DOC), 1401 Constitution Avenue, N.W., HCHB,



NTIA-4

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## Connected Nation (Kansas)

### Designee for the State of Kansas

#### Project Components

##### State Broadband Capacity Building:

This project will enhance the existing broadband state program office by continuing support for the state program director position, which serves as an employee of the Kansas Department of Commerce (DOC) and creating a program coordinator position, which will be an employee of Connected Nation whose activities will be directed by DOC. Funding will also support the needs of the new Kansas Broadband Task Force.

##### Technical Assistance:

This technical assistance project will support the capacity building and local regional technology planning team activities by engaging local and state-level surveys of broadband adoption and barriers to adoption. This will enable both the state and local teams to develop realistic goals and actionable strategies for broadband deployment and adoption. Through this project, the State of Kansas will also develop an Enterprise Architecture to drive performance improvements in areas such as business processes (Right-of-Way, permitting), the use of state assets to drive infrastructure deployment, and cross-collaboration among state agencies.

##### Local Regional Technology Planning Teams:

This project will support the formation of seven regional technology planning teams that will develop localized broadband plans to facilitate broadband deployment and adoption, under the direction of DOC. Connected Nation will fund positions within existing planning organizations in each of these regions to support the work of the teams. This project structure will improve the likelihood of project sustainability after the award period ends.

##### Data Collection, Integration, and Validation:

This project was originally funded for broadband planning activities and two years of data collection. In September of 2010, this project was amended to extend data collection activities for an additional three years and to identify and implement best practices.

*Note: Project description is based on information supplied by the applicant. For more information, please visit [State Broadband Data and Development Program](#)*

**Original Award:** \$1,974,083**Supplemental Funding:** \$4,397,431**Total Award:** \$6,371,514

##### Award Documents

###### Award Agreement:

[Financial Assistance Award Form CD-450, Special Award Conditions, Line Item Budget](#)

###### Award Amendments:

[Amendment 1 Form CD-451, Special Award Conditions](#)[Amendment 2 Form CD-451, Special Award Conditions, Revised Budget](#)[Amendment 3 Form CD-451](#)

###### Award Terms and Conditions:

[Department of Commerce Financial Assistance Terms and Conditions](#)[15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations](#)[OMB Circular A-122, Cost Principles for Nonprofit Organizations](#)[OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations](#)[American Recovery and Reinvestment Act of 2009-- DoC Standard Terms and Conditions](#)

##### State Broadband Links

[Broadband Map](#)[State Resource](#)

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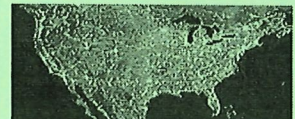
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BTOP in Action



[The Inland Northwest Community Access Network \(Tincan\)](#)

BTOP recipient Tincan celebrated the opening of its new media lab and film production facility..

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## Level 3 EON, LLC

### Expanding Broadband Access Across Kansas

The Expanding Broadband Access Across Kansas project proposes to build four new access points on Level 3's existing broadband network to enable last mile providers to offer affordable high-speed services to underserved areas. The additional points of interconnection will offer broadband speeds between 50 Mbps and 10 Gbps on an open and nondiscriminatory basis to last mile Internet service providers. Similar to on-ramps to the interstate highway system, these points of interconnection will enable last mile providers to transport data to the Internet backbone and provide affordable service to anchor institutions, homes, and businesses. The project could enhance broadband capabilities for as many as 50,000 households, 3,600 businesses, and 150 community anchor institutions, including schools, government agencies, and healthcare providers.

**Total Award:** \$998,419[Project Fact Sheet](#)

#### Reports and Documents

**Reports to NTIA:**[First Quarter, 2010](#)[Second Quarter, 2010](#)[Third Quarter, 2010](#)[American Recovery and Reinvestment Act \(ARRA\) Quarterly Reports](#)

#### Award Documents

**Award Agreement:**[Financial Assistance Award Form CD-450](#)[Special Award Conditions](#)[Line Item Budget Form SF-424C](#)**Project Application:**[Application Part 1 \(Incorporated into the award by reference\)](#)[Application Part 2, Attachments](#)[Application Part 3, Attachments](#)[Application Part 4, Attachments](#)[Application Part 5, Revision, February 2, 2010](#)[Application Part 6, Revision, February 3, 2010](#)**Award Amendments:**[Amendment 1 Form CD-451](#)[Amendment 1 Special Award Conditions](#)[Amendment 2 Form CD-451](#)[Amendment 2 Special Award Conditions](#)[Amendment 3 Form CD-451](#)[Amendment 3 Special Award Conditions](#)**Award Terms and Conditions:**[Department of Commerce Financial Assistance Standard Terms and Conditions](#)[15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations](#)[48 CFR Part 31, Contract Cost Principles and Procedures](#)[Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements \(73 Fed. Reg. 7696 \(Feb. 11, 2008\)\)](#)[American Recovery and Reinvestment Act of 2009-- DoC Standard Terms and Conditions](#)[Department of Commerce American Recovery and Reinvestment Act Award Requirements, Terms and Conditions as set forth in the Notice of Funds Availability \(NOFA\) and Subsequent Amended Notices:](#)[74 Fed. Reg. 33,104 \(July 9, 2009\)](#)[74 Fed. Reg. 41,676 \(Aug. 18, 2009\)](#)[74 Fed. Reg. 42,644 \(Aug. 24, 2009\)](#)

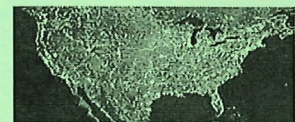
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**State Broadband Data & Development Grant Program**



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National Telecommunications and Information Administration, U.S. Department of Commerce  
1401 Constitution Ave., NW Washington, DC 20230

1-10



PROJECT NAME: GOL  
PROJECT NUMBER: NT10BIX5570043  
DATE: 2010-11-23 17:50:28

NTIA-6

OMB CONTROL NUMBER: 0660-  
EXPIRATION DATE: 12-31-2010

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

| General Information  |   |
|--|---|
| 1. Federal Agency and Organizational Element to Which Report is Submitted<br>GOL   | 2. Award Identification Number<br>NT10BIX5570043  |
| 3a. DUNS Number 831201483  |   |
| 3b. EIN XXXXXXXXXX   |   |
| 4. Recipient Organization (Name and complete address including country, congressional district, and zip code)<br>Level 3 EON, LLC 1025 Eldorado Blvd, Broomfield, CO 80021                   |   |
| 5. Current Reporting Period End Date (MM/DD/YYYY)<br>09-30-2010  | 6. Is this the last Report of the Award Period?<br><br><input type="radio"/> Yes <input checked="" type="radio"/> No  |
| 7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents. |   |
| 7a. Typed or Printed Name and Title of Certifying Official<br><br>Monisha Merchant<br><br>Director, Product Management   | 7c. Telephone (area code, number and extension)<br>1720888603<br><br>7d. Email Address<br>Monisha.merchant@level3.com |
| 7b. Signature of Certifying Official<br>Submitted Electronically   | 7e. Date Report Submitted (MM/DD/YYYY):<br>11-23-2010   |



**Project Indicators (This Quarter)**

1. Please describe significant project accomplishments completed during this quarter (150 words or less).  
 Satisfied Section 106 SAC and revised ASV SAC. Set up and completed procurement processes for equipment and engineering designs. Completed engineering designs for all sites.

2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (100 words or less).

|     | Milestone  | Percent Complete | Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)  |
|-----|--|------------------|--|
| 2a. | Overall Project  | 40               | Ahead  |
| 2b. | Environmental Assessment                                 | 100              | Complete   |
| 2c. | Network Design   | 50               | On track   |
| 2d. | Rights of Way  | 0                | N/A - All construction will be on our own property.  |
| 2e. | Construction Permits and Other Approvals                 | 100              | Completed all engineering designs for all sites simultaneously.  |
| 2f. | Site Preparation   | 25               | On track   |
| 2g. | Equipment Procurement                                    | 0                | During 3Q, was in process of fulfilling the Section 106 and the accounting system verification requirements. With these items completed, will get back on schedule in 4Q10 and early 1Q11. |
| 2h. | Network Build (all components - owned, leased, IRU, etc) | 0                | Pending 2g   |
| 2i. | Equipment Deployment                                     | 0                | Pending 2g   |
| 2j. | Network Testing  | 0                | On track   |
| 2k. | Other (please specify):                                  | 0                | N/A  |

3. To the extent not covered above, please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (150 words or less).

Ahead of schedule on engineering designs. During 3Q, was in process of fulfilling the Section 106 and the accounting system verification requirements. With these items completed, will get back on schedule in 4Q10 and early 1Q11. Worked closely with BTOP program officer throughout the quarter.

4. Please report the following information regarding network build progress. Write "N/A" in the second column if your project does not include this activity. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (100 words or less).

| Indicator  | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|--|-------|---|
| New network miles deployed                           | 0     | N/A   |
| New network miles leased                             | 0     | N/A   |
| Existing network miles upgraded                      | 0     | N/A   |
| Existing network miles leased                        | 0     | N/A   |
| Number of miles of new fiber (aerial or underground) | 0     | See 2g above  |
| Number of new wireless links                         | 0     | N/A   |
| Number of new towers                                 | 0     | N/A   |
| Number of interconnection points                     | 0     | On track  |

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your subrecipient, contractor or subcontractor is negotiating or entered into.



5a. If applicable, please provide the following information with regard to agreements with broadband wholesalers and/or last mile providers as a result of your project.

| Indicators  |   |
|---|---|
| Number of signed agreements with broadband wholesalers or last mile providers                     | 1 |
| Number of agreements currently being negotiated with broadband wholesalers or last mile providers | 1 |
| Average term of signed agreements   | 3 |

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements. Providers:

This is confidential per our contracts.

5c. What wholesale services are being provided by this project? Please describe below. As an attachment to this report, please provide pricing plans (in \$ per month) associated with each wholesale service provided by your product. Wholesale services description: Protected and unprotected transport 50Mbps to 10Gbps to last mile providers. Speeds: 50M, 100M, 150M, 200M, 300M, 400M, 500M, 600M, 1G, 2.5G, 10G, OC-3, OC-12, OC-48, OC-192. Pricing varies based on length of circuit, bandwidth, type of transport, and contract term.

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a subrecipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this third party operates (150 words or less).

N/A

6. Please provide the data according to the type of subscriber. Write "N/A" if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (100 words or less).

| Subscriber Type   | Access Type   | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|---|---|-------|---|
| Broadband Wholesalers or Last Mile Providers                      | Providers with signed agreements receiving new access                                     | 0     | On track  |
|   | Providers with signed agreements receiving improved access                                | 0     | On track  |
|   | Providers with signed agreements receiving access to dark fiber                           | 0     | N/A   |
|   | Please identify the speed tiers that are available and the number of subscribers for each | 0     | See 5c  |
| Community Anchor Institutions (including Government institutions) | Total subscribers served  | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|   | Subscribers receiving new access  | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|   | Subscribers receiving improved access   | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|   | Please identify the speed tiers that are available and the number of subscribers for each | 0     | N/A - Will serve anchor institutions via last mile providers.   |
| Residential / Households  | Entities passed   | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|   | Total subscribers served  | 0     | N/A - Will serve anchor institutions via last mile providers.   |



| Subscriber Type | Access Type   | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|-----------------|---|-------|---|
|                 | Subscribers receiving new access  | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|                 | Subscribers receiving improved access   | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|                 | Please identify the speed tiers that are available and the number of subscribers for each | 0     | N/A - Will serve anchor institutions via last mile providers.   |
| Businesses      | Entities passed   | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|                 | Total subscribers served  | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|                 | Subscribers receiving new access  | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|                 | Subscribers receiving improved access   | 0     | N/A - Will serve anchor institutions via last mile providers.   |
|                 | Please identify the speed tiers that are available and the number of subscribers for each | 0     | N/A - Will serve anchor institutions via last mile providers.   |

7. Please describe any special offerings you may provide (150 words or less).

We will provide four new access points on Level 3's existing broadband network to enable last mile providers to offer affordable high-speed services to under served areas. The additional points of interconnection will offer broadband speeds between 50 Mbps and 10 Gbps.

8a. Have your network management practices changed over the last quarter? ☐ Yes ☒ No

8b. If so, please describe the changes (150 words or less).

N/A

9. Community Anchor Institutions:

Using the table below, please provide a list by service area of the community anchor institutions (including Government institutions) connected to your network as a result of BTOP funds. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent calendar year. Also indicate whether your organization is currently providing broadband service to the anchor institution. Finally, provide a short narrative description with examples of how institutions are using BTOP-funded infrastructure (100 words or less).

| Institution Name | Service Area (town or county) | Type of Anchor Institution (as defined in your baseline) | Are you also the broadband service provider for this institution? (Yes / No) | Narrative description of how anchor institutions are using BTOP-funded infrastructure |
|------------------|-------------------------------|--|--|---|
| N/A              | N/A                           | N/A  | N/A  | N/A   |
|                  |                               |  |  |   |
|                  |                               |  |  |   |



**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (150 words or less).**

Purchase equipment. Deploy equipment. Set up and complete construction RFP process. Begin construction and begin completing interconnection points.

**2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (100 words or less).**

|     | Milestone   | Planned Percent Complete | Narrative (describe reasons for any variance from baseline plan or any other relevant information) |
|-----|---|--------------------------|--|
| 2a. | Overall Project   | 55                       | Ahead  |
| 2b. | Environmental Assessment                                  | 100                      | Complete   |
| 2c. | Network Design  | 100                      | Ahead  |
| 2d. | Rights of Way   | 0                        | N/A constructions will be on our own property.   |
| 2e. | Construction Permits and Other Approvals                  | 100                      | Complete   |
| 2f. | Site Preparation  | 100                      | Ahead  |
| 2g. | Equipment Procurement                                     | 50                       | N/A  |
| 2h. | Network Build (all components - owned, leased, IRU, etc.) | 50                       | Ahead  |
| 2i. | Equipment Deployment                                      | 50                       | Ahead  |
| 2j. | Network Testing   | 25                       | Ahead  |
| 2k. | Other (please specify):                                   | 0                        | 0  |

**3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (150 words or less).**

No challenges anticipated at this time. Possibly limited staff support during Thanksgiving and December holidays.



## Infrastructure Budget Execution Details

### Activity Based Expenditures (Infrastructure)

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

| Budget for Entire Project                            |                   |                       |                      | Actuals from Project Inception through End of Current Reporting Period |                |               | Anticipated Actuals from Project Inception through End of Next Reporting Period |                |               |
|--|-------------------|-----------------------|----------------------|--|----------------|---------------|---|----------------|---------------|
| Cost Classification                                  | Total Cost (plan) | Matching Funds (plan) | Federal Funds (plan) | Total Cost   | Matching Funds | Federal Funds | Total Costs   | Matching Funds | Federal Funds |
| a. Administrative and legal expenses                 | \$80,000          | \$20,000              | \$60,000             | \$0  | \$0            | \$0           | \$4,000   | \$1,000        | \$3,000       |
| b. Land, structures, right-of-ways, appraisals, etc. | \$10,800          | \$2,700               | \$8,100              | \$0  | \$0            | \$0           | \$3,200   | \$800          | \$2,400       |
| c. Relocation expenses and payments                  | \$0               | \$0                   | \$0                  | \$0  | \$0            | \$0           | \$0   | \$0            | \$0           |
| d. Architectural and engineering fees                | \$2,500           | \$625                 | \$1,875              | \$0  | \$0            | \$0           | \$0   | \$0            | \$0           |
| e. Other architectural and engineering fees          | \$0               | \$0                   | \$0                  | \$0  | \$0            | \$0           | \$0   | \$0            | \$0           |
| f. Project inspection fees                           | \$0               | \$0                   | \$0                  | \$0  | \$0            | \$0           | \$0   | \$0            | \$0           |
| g. Site work   | \$45,000          | \$11,250              | \$33,750             | \$2,000  | \$500          | \$1,500       | \$32,000  | \$8,000        | \$24,000      |
| h. Demolition and removal                            | \$0               | \$0                   | \$0                  | \$0  | \$0            | \$0           | \$0   | \$0            | \$0           |
| i. Construction                                      | \$145,800         | \$36,450              | \$109,350            | \$0  | \$0            | \$0           | \$120,000   | \$30,000       | \$90,000      |
| j. Equipment   | \$1,047,125       | \$261,781             | \$785,343            | \$0  | \$0            | \$0           | \$480,000   | \$120,000      | \$360,000     |
| k. Miscellaneous                                     | \$0               | \$0                   | \$0                  | \$0  | \$0            | \$0           | \$0   | \$0            | \$0           |
| l. SUBTOTAL (add a through k)                        | \$1,331,225       | \$332,806             | \$998,418            | \$2,000  | \$500          | \$1,500       | \$639,200   | \$159,800      | \$479,400     |
| m. Contingencies                                     | \$0               | \$0                   | \$0                  | \$0  | \$0            | \$0           | \$0   | \$0            | \$0           |
| n. TOTALS (sum of l and m)                           | \$1,331,225       | \$332,806             | \$998,418            | \$2,000  | \$500          | \$1,500       | \$639,200   | \$159,800      | \$479,400     |

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

|   |                                |
|---|--------------------------------|
| a. Application Budget Program Income: \$0 | b. Program Income to Date: \$0 |
|---|--------------------------------|



NTIA-7

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## University Corporation for Advanced Internet Development

### United States Unified Community Anchor Network (US UCAN)

As part of a longstanding project to connect essential community anchor institutions across the country, and facilitate closer collaboration and long-term benefits for education, research, healthcare, public safety, and government services, the University Corporation for Advanced Internet Development (UCAID) proposes a comprehensive 50-state network benefitting approximately 121,000 community anchors. The project proposes a large-scale, public-private partnership to interconnect more than 30 existing research and education networks, creating a dedicated 100-200 Gbps nationwide fiber backbone with 3.2 terabits per second (TBps) total capacity that would enable advanced networking features such as IPv6 and video multicasting. The project plans to connect community anchors across all disciplines into virtual communities with shared goals and objectives, including colleges, universities, libraries, major veterans and other health care facilities, and public safety entities, with additional benefits to tribes, vulnerable populations, and government entities.

**Total Award:** \$62,540,162[Project Fact Sheet](#)

#### Reports and Documents

**Reports to NTIA:**[Third Quarter, 2010](#)

#### Award Documents

**Award Agreement:**[Financial Assistance Award Form CD-450](#)[Special Award Conditions](#)[Line Item Budget Form SF-424C](#)**Project Application:**[Application Part 1 \(Incorporated into the award by reference\)](#)[Application Part 2, Attachments](#)[Application Part 3, Attachments](#)[Application Part 4, Attachments](#)**Award Terms and Conditions:**[Department of Commerce Financial Assistance Standard Terms and Conditions](#)[15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations](#)[OMB Circular A-122, Cost Principles for Non-Profit Organizations](#)[Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements \(73 Fed. Reg. 7696 \(Feb. 11, 2008\)\)](#)[Department of Commerce American Recovery and Reinvestment Act of 2009 -- DOC Standard Terms and Condition](#)[Department of Commerce American Recovery and Reinvestment Act Award Requirements, Terms and Conditions as set forth in the Notice of Funds Availability \(NOFA\) and Subsequent Amended Notices:](#)[75 Fed. Reg. 3792 \(Jan. 22, 2010\)](#)

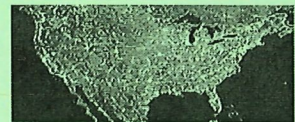
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1401 Constitution Ave., NW Washington, DC 20230

1-17



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|                     |   |
|---------------------|---|
| APPLICANT NAME      | Winnebago Cooperative Telecom Association |
| PROJECT NAME        | WCTA 2010 Broadband Initiative            |
| PROJECT TYPE        | Last Mile                                 |
| FEDERAL AWARD LOAN  | \$8,245,610                               |
| FEDERAL AWARD GRANT | \$8,245,610                               |
| ROUND               | Round 2                                   |

RUS-1



## KANSAS

|                     |  |
|---------------------|--|
| APPLICANT NAME      | H & B Communications, Inc.               |
| PROJECT NAME        | FTTH - Rural Ellinwood & Claflin, Kansas |
| PROJECT TYPE        | Last Mile                                |
| FEDERAL AWARD LOAN  | \$1,965,455                              |
| FEDERAL AWARD GRANT | \$4,586,064                              |
| ROUND               | Round 2                                  |

---

|                     |  |
|---------------------|--|
| APPLICANT NAME      | Iowa Tribe Of Kansas And Nebraska                      |
| PROJECT NAME        | Iowa Tribe of Kansas and Nebraska Fiber-to-the-Premise |
| PROJECT TYPE        | Last Mile  |
| FEDERAL AWARD LOAN  | \$0  |
| FEDERAL AWARD GRANT | \$764,833  |
| ROUND               | Round 2  |

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|                     |                                |
|---------------------|--------------------------------|
| APPLICANT NAME      | J.B.N. Telephone Company, Inc. |
| PROJECT NAME        | JBN East Towns                 |
| PROJECT TYPE        | Last Mile                      |
| FEDERAL AWARD LOAN  | \$1,000,568                    |
| FEDERAL AWARD GRANT | \$2,323,576                    |
| ROUND               | Round 2                        |

---

|                     |   |
|---------------------|---|
| APPLICANT NAME      | South Central Telephone Association, Inc. |
| PROJECT NAME        | KS551 - Lake City & Sun City Rural FTTH   |
| PROJECT TYPE        | Last Mile Remote                          |
| FEDERAL AWARD LOAN  | \$0                                       |
| FEDERAL AWARD GRANT | \$871,200                                 |
| ROUND               | Round 1                                   |

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|                     |                        |
|---------------------|------------------------|
| APPLICANT NAME      | Madison Telephone, LLC |
| PROJECT NAME        | Madison-Lamont FTTP    |
| PROJECT TYPE        | Last Mile Non-remote   |
| FEDERAL AWARD LOAN  | \$3,519,750            |
| FEDERAL AWARD GRANT | \$3,519,750            |
| ROUND               | Round 1                |

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|                     |                                       |
|---------------------|---------------------------------------|
| APPLICANT NAME      | People's Telecommunications, LLC      |
| PROJECT NAME        | Peoples Telecommunications Rural FTTP |
| PROJECT TYPE        | Last Mile                             |
| FEDERAL AWARD LOAN  | \$3,891,062                           |
| FEDERAL AWARD GRANT | \$3,891,061                           |
| ROUND               | Round 2                               |

---



|                     |  |
|---------------------|--|
| APPLICANT NAME      | Home Communications, Inc.                                    |
| PROJECT NAME        | Rural Canton FTTP  |
| PROJECT TYPE        | Last Mile  |
| FEDERAL AWARD LOAN  | \$601,464  |
| FEDERAL AWARD GRANT | \$1,403,415  |
| ROUND               | Round 2  |
| APPLICANT NAME      | Rural Telephone Service Co., Inc.                            |
| PROJECT NAME        | Rural Opportunities Delivered                                |
| PROJECT TYPE        | Last Mile Non-remote   |
| FEDERAL AWARD LOAN  | \$51,612,842   |
| FEDERAL AWARD GRANT | \$49,588,807   |
| ROUND               | Round 1  |
| APPLICANT NAME      | South Central Wireless, Inc.                                 |
| PROJECT NAME        | South Central Wireless - Attica, Kansas Fiber to the Premise |
| PROJECT TYPE        | Last Mile  |
| FEDERAL AWARD LOAN  | \$560,000  |
| FEDERAL AWARD GRANT | \$557,621  |
| ROUND               | Round 2  |
| APPLICANT NAME      | Totah Communications, Inc.                                   |
| PROJECT NAME        | Totah Broadband Expansion Project                            |
| PROJECT TYPE        | Last Mile Non-remote   |
| FEDERAL AWARD LOAN  | \$2,426,053  |
| FEDERAL AWARD GRANT | \$1,830,180  |
| ROUND               | Round 1  |
| APPLICANT NAME      | Wave Wireless, L.L.C.  |
| PROJECT NAME        | Wave Wireless Southeast Kansas Broadband Expansion Project   |
| PROJECT TYPE        | Last Mile  |
| FEDERAL AWARD LOAN  | \$619,147  |
| FEDERAL AWARD GRANT | \$1,857,441  |
| ROUND               | Round 2  |
| APPLICANT NAME      | J.B.N. Telephone Company, Inc.                               |
| PROJECT NAME        | West Cluster Plus Barnes FTTP                                |
| PROJECT TYPE        | Last Mile Non-remote   |
| FEDERAL AWARD LOAN  | \$5,489,250  |
| FEDERAL AWARD GRANT | \$5,489,250  |
| ROUND               | Round 1  |

**KENTUCKY**

|                     |   |
|---------------------|---|
| APPLICANT NAME      | Thacker-Grigsby Telephone Company, Incorporated |
| PROJECT NAME        | Breathitt County Broadband                      |
| PROJECT TYPE        | Last Mile                                       |
| FEDERAL AWARD LOAN  | \$2,222,542                                     |
| FEDERAL AWARD GRANT | \$5,185,932                                     |
| ROUND               | Round 2   |



RUS-2

**USDA Broadband Initiatives Program**  
**Federal Awards Through September 13, 2010 Allocated by State**  
**Round 1 and Round 2**

| State     | Federal Award   |
|-----------|-----------------|
| AK        | \$122,372,223   |
| AL        | \$32,708,553    |
| AR        | \$16,378,325    |
| AS        | \$91,034,763    |
| AZ        | \$41,045,137    |
| CA        | \$24,466,807    |
| CO        | \$24,873,820    |
| FL        | \$52,342,881    |
| GA        | \$99,261,243    |
| HI        | \$106,503       |
| IA        | \$127,447,392   |
| ID        | \$15,568,651    |
| IL        | \$61,073,879    |
| IN        | \$58,537,254    |
| → KS      | \$148,368,789   |
| KY        | \$305,371,427   |
| LA        | \$89,890,468    |
| MA        | \$486,349       |
| MD        | \$4,409,352     |
| ME        | \$9,404,866     |
| MI        | \$123,855,880   |
| MN        | \$192,288,352   |
| MO        | \$180,062,293   |
| MS        | \$21,394,014    |
| MT        | \$113,901,388   |
| NC        | \$146,708,201   |
| ND        | \$77,477,324    |
| NE        | \$12,042,292    |
| NH        | \$3,378,729     |
| NM        | \$108,463,535   |
| NV        | \$12,990,222    |
| NY        | \$58,393,260    |
| OH        | \$31,462,410    |
| OK        | \$185,934,503   |
| OR        | \$21,937,491    |
| PA        | \$58,509,761    |
| SC        | \$25,680,028    |
| SD        | \$26,671,016    |
| TN        | \$210,675,942   |
| TX        | \$206,762,233   |
| UT        | \$11,670,038    |
| VA        | \$53,181,749    |
| VT        | \$122,390,810   |
| WA        | \$61,974,435    |
| WI        | \$90,461,565    |
| WV        | \$43,626,288    |
| Satellite | \$100,000,000   |
| Total     | \$3,627,042,440 |



# December 27, 2010 RUS Quarterly ARRA Report

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RUS-3

## **Broadband Initiatives Program Quarterly Program Status Report**

Submitted to:  
The Committee on Appropriations  
United States Senate  
and  
The Committee on Appropriations  
U.S. House of Representatives

December 27, 2010

U.S. Department of Agriculture Rural Development  
Rural Utilities Service (RUS)

### **Executive Summary**

USDA's Rural Utilities Service (RUS) is pleased to provide a quarterly status report to Congress on the Broadband Initiatives Program (BIP), established under the American Recovery and Reinvestment Act of 2009 (Recovery Act). The Recovery Act authorized RUS to provide grants and loan awards to fund the deployment and construction of new broadband infrastructure through BIP.

This report focuses on key steps RUS has taken to advance the directives established by Congress in the Recovery Act, including the release of a first and second Notice of Funds Availability (NOFA I and NOFA II, respectively); public outreach to increase participation among all eligible entities, application review, and announcement of awards. In addition, it summarizes the final results of the NOFA I and NOFA II of the BIP funding.

To ensure prudent utilization of Recovery Act funds, RUS is coordinating closely with other Federal agencies to expand the current level of broadband access available in rural America. Since the enactment of the Recovery Act in February 2009, RUS has worked jointly with the National Telecommunications and Information Administration (NTIA) and the Federal Communications Commission to leverage core competencies and program resources to achieve the Obama Administration's objectives for economic recovery, job creation, and broadband deployment. RUS intends that all of America will be the ultimate beneficiary of these efforts by bridging the digital divide faced by rural communities, which inhibits rural economic development. Consequently, RUS and NTIA have coordinated their respective program requirements and provided applicants with one web portal: [www.broadbandusa.gov](http://www.broadbandusa.gov). This portal is used by interested parties to access information on broadband Recovery Act initiatives, including funding notices, frequently asked questions, an online application data base, pending applications, and project awards.



## December 27, 2010 RUS Quarterly ARRA Report

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**NOFA II RESULTS.** As of September 30, 2010, RUS completed the review process for 747 NOFA II Last Mile applications, 29 NOFA II Middle Mile applications, 27 Satellite applications, 51 Technical Assistance (TA) Grant applications, and 2 Rural Library Grant applications. Application funding requests under NOFA II totaled \$11.2 billion. Two hundred and fifty-nine awards were obligated that total \$2.57 billion in obligations under NOFA II, which represent \$1.85 billion in budget authority. These projects consisted of 229 Last Mile projects, 7 Middle Mile projects, 4 satellite awards, and 19 TA grant awards.

**Cumulative Results.** RUS invested nearly all of the budget authority provided by Congress by the September 30, 2010, deadline. For both NOFA I and NOFA II combined, the obligations were \$3.53 billion, representing \$2.42 billion in budget authority. Administrative costs composed the remainder of the \$2.5 billion approved by Congress. In total, 320 awards were obligated, consisting of 285 Last Mile projects, 12 Middle Mile projects, 4 Satellite awards, and 19 TA grants.

RUS hosted an educational workshop for awardees in Atlanta, Georgia, from September 28-30, 2010. More than 700 people participated in the workshops where they were introduced to RUS staff, including their designated RUS field contacts, and received training on both RUS and Recovery Act requirements.

RUS staff is now working with awardees to initiate loan and grant oversight, monitoring, and reporting compliance processes.

RUS staff is developing a final public report on the BIP program results similar to the NOFA I funding report, and we are also coordinating a joint final Recovery Act broadband report with our colleagues at the Department of Commerce.

### Summary of Previous Reports

The NOFA I for the BIP and NTIA's Broadband Technology Opportunities Program (BTOP) was announced by Vice President Biden on July 1, 2009. The joint NOFA provided for an application window from July 14, 2009, through August 14, 2009. As a consequence of unanticipated demand and technical shortcomings, both NTIA and RUS extended the application deadline until August 20, 2009, for those entities that had begun the application process by the original deadline of August 14, 2009.

NTIA and RUS received over 2,200 applications requesting over \$28 billion in funding, nearly 7 times the amount of funds available in the first round. Among this total, 401 were BIP-only applications that requested \$4.974 billion; another 833 applications were joint applications to BIP and BTOP totaling \$12.791 billion. The application summaries and associated proposed service area maps were posted on [www.broadbandusa.gov](http://www.broadbandusa.gov). For USDA, this Web site gave incumbent service providers the opportunity to review applicant maps and comment on the status of broadband availability in the proposed service areas.

Between December 2009 and March 2010, RUS announced a total of 61 awards under NOFA I totaling \$1.067 billion for broadband projects in 31 states and 1 territory.



## December 27, 2010 RUS Quarterly ARRA Report

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On January 15, 2010, RUS and NTIA jointly announced separate but coordinated BIP and BTOP NOFAs for round two funding on [www.broadbandusa.gov](http://www.broadbandusa.gov). The two NOFAs were published in the Federal Register on January 22, 2010. The BIP application window initially was to close on March 15, 2010, and was extended to March 29, 2010, to provide customers with an extended application window. RUS received 776 applications for BIP under the second funding notice totaling almost \$11.2 billion in loan and grant requests.

Similar to the applicant workshops held for the NOFA I, in January and February 2010, RUS and NTIA conducted 9 joint workshops to help prospective applicants better understand the mission, scope, process, and application requirements of the BIP and BTOP programs.

RUS published a Request for Proposals (RFP) on May 7, 2010, seeking applications for grants for Satellite Projects for premises that remain unserved after all other Recovery Act broadband funding is awarded, for TA grants available to awardees under NOFA I or applicants under NOFA II and tribal governments for developing regional broadband development strategies using broadband for rural regional economic development, and for grants to provide broadband service to rural libraries that received funding from USDA's Community Facilities program. The application window closed on June 7, 2010, with grant requests received for 27 Satellite grants totaling \$980 million, 50 TA Grants for \$9.3 million, and 2 Rural Library grants totaling \$146,693. The total of all grant requests for this RFP is approximately \$989 million.

Between June 14 and 24, 2010, RUS conducted two workshops for NOFA I award recipients to instruct them on the reporting and compliance requirements with the acceptance of awards. The workshops also featured panels focusing on successful broadband deployment and maximizing economic development opportunities.

On July 2, 2010, President Barack Obama announced the first awards for NOFA II for both USDA and NTIA. For USDA, a total of \$390.9 million was invested in 37 awards in 23 states and Native American lands.

In October 2009, following extensive review of the process and results of the NOFA I, RUS and NTIA concluded that issuing only one additional NOFA would better achieve the goals and funding objectives outlined by Congress and the Administration. Concurrently, representatives of the Government Accountability Office testified before the Senate Committee on Commerce, Science, and Transportation, and similarly recommended that both RUS and NTIA issue only one additional NOFA. The goal was to allow applicants more time to develop and submit viable applications.

A joint Request for Information (RFI) by RUS and NTIA was published in the Federal Register on November 16, 2009. The RFI solicited public comment on ways to improve upon the NOFA I and sought suggestions on how the agencies could streamline and simplify the application process. The public comment period concluded on November 30, 2009, thereby allowing sufficient time to design, publish, and implement the second NOFA.

**NOFA II Results.** As of September 30, 2010, RUS has completed the review process for 747 NOFA II Last Mile applications, 29 NOFA II Middle Mile applications, 27 Satellite applications, 51 TA Grant applications, and 2 Rural Library Grant applications. Application funding requests



## December 27, 2010 RUS Quarterly ARRA Report

under NOFA II totaled \$11.2 billion. Two hundred and fifty-nine awards were obligated for a total of \$2.57 billion in obligations under NOFA II, representing \$1.85 billion in budget authority. These projects consisted of 229 Last Mile projects, 7 Middle Mile projects, 4 satellite awards, and 19 TA grant awards.

RUS staff is now working with awardees to initiate loan and grant oversight, monitoring, and reporting compliance processes. This will be a tremendous challenge for the Agency due to the unprecedented number of awards all beginning around the same time. RUS staff is developing a final public report on the BIP program results similar to the NOFA I funding report. RUS is also coordinating a joint final Recovery Act broadband report with colleagues at the Department of Commerce, which will include information on all BIP and BTOP awards.

The following chart reflects NOFA I and NOFA II awards by project type:

### Obligated Awards by Project Type NOFA I and II 9/30/2010

| Project Type         | No.<br>Awards | Total Grant            | Total Loan             | Total Award            | Budget Authority       |
|----------------------|---------------|------------------------|------------------------|------------------------|------------------------|
| Last Mile            | 285           | \$2,142,948,997        | \$1,110,114,917        | \$3,253,063,914        | \$2,223,321,317        |
| Middle Mile          | 12            | \$90,913,112           | \$81,729,661           | \$172,642,773          | \$96,830,339           |
| Satellite            | 4             | \$100,000,000          | 0                      | \$100,000,000          | \$100,000,000          |
| Technical Assistance | 19            | \$3,384,202            | 0                      | \$3,384,202            | \$3,384,202            |
| <b>Total Awards</b>  | <b>320</b>    | <b>\$2,337,246,311</b> | <b>\$1,191,844,578</b> | <b>\$3,529,090,889</b> | <b>\$2,423,535,858</b> |



## December 27, 2010 RUS Quarterly ARRA Report

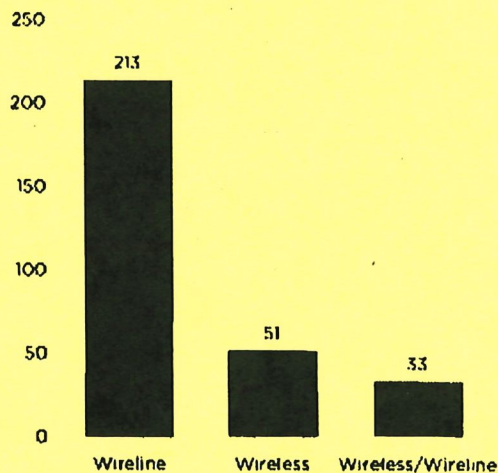
The following chart reflects NOFA I and NOFA II awards by applicant entity:

### Obligated Awards by Entity Type NOFA I and II 9/30/2010

| Entity Type                 | No. Awards | Total Grant            | Total Loan             | Total Award            |
|-----------------------------|------------|------------------------|------------------------|------------------------|
| For Profit Corporation      | 202        | \$1,183,070,141        | \$544,221,401          | \$1,727,291,542        |
| Cooperative or Mutual       | 65         | \$740,029,688          | \$486,021,128          | \$1,226,050,816        |
| Public Entity               | 13         | \$209,056,427          | \$123,751,488          | \$332,807,915          |
| Non-profit Corporation      | 8          | \$67,167,982           | \$20,591,251           | \$87,759,233           |
| Indian Tribe                | 9          | \$34,537,871           | \$17,259,310           | \$51,797,181           |
| <b>Total Infrastructure</b> | <b>297</b> | <b>\$2,233,862,109</b> | <b>\$1,191,844,578</b> | <b>\$3,425,706,687</b> |
| Satellite                   | 4          | \$100,000,000          | 0                      | \$100,000,000          |
| Technical Assistance        | 19         | \$3,384,202            | 0                      | \$3,384,202            |
| <b>Total Awards</b>         | <b>320</b> | <b>\$2,337,246,311</b> | <b>\$1,191,844,578</b> | <b>\$3,529,090,889</b> |

The following chart reflects NOFA I and NOFA II awards by technology type.

### BIP Technology Type in number of projects.





# December 27, 2010 RUS Quarterly ARRA Report

## Awards by State

### Federal Awards Obligated Allocated by State *NOFA I and II*

9/30/2010

| State          | Project Type         | No. Projects | Federal Award |
|----------------|----------------------|--------------|---------------|
| ALABAMA        | Last Mile            | 6            | \$32,708,553  |
|                |                      | 6            | \$32,708,553  |
| ALASKA         | Last Mile            | 2            | \$25,507,920  |
|                | Middle Mile          | 3            | \$96,864,303  |
|                | Technical Assistance | 1            | \$153,112     |
|                |                      | 6            | \$122,525,335 |
| AMERICAN SAMOA | Last Mile            | 1            | \$91,034,763  |
|                |                      | 1            | \$91,034,763  |
| ARIZONA        | Last Mile            | 5            | \$28,074,204  |
|                | Middle Mile          | 3            | \$12,970,933  |
|                |                      | 8            | \$41,045,137  |
| ARKANSAS       | Last Mile            | 4            | \$16,378,325  |
|                |                      | 4            | \$16,378,325  |
| CALIFORNIA     | Last Mile            | 6            | \$24,466,807  |
|                |                      | 6            | \$24,466,807  |



# December 27, 2010 RUS Quarterly ARRA Report

| State         | Project Type         | No. Projects | Federal Award |
|---------------|----------------------|--------------|---------------|
| COLORADO      | Last Mile            | 7            | \$25,665,767  |
|               | Satellite            | 2            | \$33,692,694  |
|               | Technical Assistance | 1            | \$200,000     |
|               |                      | 10           | \$59,558,461  |
| FLORIDA       | Last Mile            | 4            | \$52,342,881  |
|               |                      | 4            | \$52,342,881  |
| GEORGIA       | Last Mile            | 10           | \$99,261,243  |
|               |                      | 10           | \$99,261,243  |
| HAWAII        | Last Mile            | 1            | \$106,503     |
|               |                      | 1            | \$106,503     |
| IDAHO         | Last Mile            | 3            | \$15,568,651  |
|               | Technical Assistance | 1            | \$115,000     |
|               |                      | 4            | \$15,683,651  |
| ILLINOIS      | Last Mile            | 9            | \$38,305,280  |
|               |                      | 9            | \$38,305,280  |
| INDIANA       | Last Mile            | 7            | \$20,808,111  |
|               |                      |              |               |
| KANSAS        | Last Mile            | 11           | \$137,390,289 |
|               |                      | 11           | \$137,390,289 |
| KENTUCKY      | Last Mile            | 12           | \$305,371,427 |
|               |                      | 12           | \$305,371,427 |
| LOUISIANA     | Last Mile            | 4            | \$82,792,091  |
|               |                      | 4            | \$82,792,091  |
| MAINE         | Last Mile            | 3            | \$9,404,866   |
|               |                      | 3            | \$9,404,866   |
| MARYLAND      | Last Mile            | 2            | \$4,409,352   |
|               | Satellite            | 1            | \$58,777,306  |
|               |                      | 3            | \$63,186,658  |
| MASSACHUSETTS | Last Mile            | 1            | \$486,349     |
|               |                      | 1            | \$486,349     |
| MICHIGAN      | Last Mile            | 9            | \$123,855,880 |
|               |                      | 9            | \$123,855,880 |
| MINNESOTA     | Last Mile            | 14           | \$148,790,132 |
|               | Middle Mile          | 1            | \$43,498,220  |
|               | Technical Assistance | 2            | \$247,380     |
|               |                      | 17           | \$192,535,732 |



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## December 27, 2010 RUS Quarterly ARRA Report

| State          | Project Type         | No. Projects | Federal Award |
|----------------|----------------------|--------------|---------------|
| MISSISSIPPI    | Last Mile            | 5            | \$15,585,158  |
|                |                      | 5            | \$15,585,158  |
| MISSOURI       | Last Mile            | 15           | \$180,062,293 |
|                |                      | 15           | \$180,062,293 |
| MONTANA        | Last Mile            | 4            | \$110,050,701 |
|                | Middle Mile          | 1            | \$3,850,687   |
|                |                      | 5            | \$113,901,388 |
| NEBRASKA       | Last Mile            | 2            | \$12,042,292  |
|                |                      | 2            | \$12,042,292  |
| NEVADA         | Last Mile            | 3            | \$12,990,222  |
|                | Middle Mile          | 1            | \$7,588,832   |
|                | Technical Assistance | 2            | \$264,300     |
|                |                      | 6            | \$20,843,354  |
| NEW HAMPSHIRE  | Last Mile            | 3            | \$3,378,729   |
|                |                      | 3            | \$3,378,729   |
| NEW MEXICO     | Last Mile            | 7            | \$92,425,567  |
|                |                      | 7            | \$92,425,567  |
| NEW YORK       | Last Mile            | 8            | \$58,393,260  |
|                |                      | 8            | \$58,393,260  |
| NORTH CAROLINA | Last Mile            | 9            | \$146,708,201 |
|                |                      | 9            | \$146,708,201 |
| NORTH DAKOTA   | Last Mile            | 10           | \$77,477,324  |
|                |                      | 10           | \$77,477,324  |
| OHIO           | Last Mile            | 9            | \$29,028,498  |
|                | Middle Mile          | 1            | \$2,433,912   |
|                | Technical Assistance | 2            | \$375,000     |
|                |                      | 12           | \$31,837,410  |
| OKLAHOMA       | Last Mile            | 16           | \$183,542,114 |
|                | Middle Mile          | 1            | \$2,392,389   |
|                | Technical Assistance | 3            | \$572,500     |
|                |                      | 20           | \$186,507,003 |
| OREGON         | Last Mile            | 7            | \$21,193,355  |
|                | Technical Assistance | 1            | \$200,000     |
|                |                      | 8            | \$21,393,355  |
| PENNSYLVANIA   | Last Mile            | 4            | \$58,509,761  |
|                |                      | 4            | \$58,509,761  |



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## December 27, 2010 RUS Quarterly ARRA Report

| State          | Project Type         | No. Projects | Federal Award     |
|----------------|----------------------|--------------|-------------------|
| SOUTH CAROLINA | Last Mile            | 3            | \$25,680,028      |
|                | Technical Assistance | 1            | \$199,920         |
|                |                      | 4            | \$25,879,948      |
| SOUTH DAKOTA   | Last Mile            | 3            | \$26,671,016      |
|                | Technical Assistance | 2            | \$360,750         |
|                |                      | 5            | \$27,031,766      |
| TENNESSEE      | Last Mile            | 10           | \$210,675,942     |
|                |                      | 10           | \$210,675,942     |
| TEXAS          | Last Mile            | 13           | \$203,718,736     |
|                | Middle Mile          | 2            | \$3,043,497       |
|                |                      | 15           | \$206,762,233     |
| UTAH           | Last Mile            | 2            | \$11,670,038      |
|                | Technical Assistance | 1            | \$100,000         |
|                |                      | 3            | \$11,770,038      |
| VERMONT        | Last Mile            | 2            | \$122,390,810     |
|                |                      | 2            | \$122,390,810     |
| VIRGINIA       | Last Mile            | 5            | \$53,181,749      |
|                | Satellite            | 1            | \$7,530,000       |
|                | Technical Assistance | 1            | \$199,920         |
|                |                      | 7            | \$60,911,669      |
| WASHINGTON     | Last Mile            | 6            | \$61,974,435      |
|                | Technical Assistance | 2            | \$396,320         |
|                |                      | 8            | \$62,370,755      |
| WEST VIRGINIA  | Last Mile            | 4            | \$43,626,288      |
|                |                      | 4            | \$43,626,288      |
| WISCONSIN      | Last Mile            | 15           | \$90,461,565      |
|                |                      | 15           | \$90,461,565      |
| Total          |                      | 339*         | \$3,529,090,889** |

\* Total number of projects exceeds total number of applications awarded because some projects include more than one state

\*\* Federal Dollars are allocated by state



## December 27, 2010 RUS Quarterly ARRA Report

### BIP PROGRAM PHASES AND ANTICIPATED MILESTONES

| Activity   | Dates                      | Status    |
|--|----------------------------|-----------|
| <b>Phase 1: Program Design</b>   | February-June 2009         | Completed |
| <b>Phase 2: Program Implementation</b>   | June 2009-September 2010   |           |
| NOFA I Published   | July 9, 2009               | Completed |
| Outreach Workshops   | July-August 2009           | Completed |
| Submission of Applications   | July 31-August 20, 2009    | Completed |
| NOFA I Funding Awards Announced  | December 2009-March 2010   | Completed |
| RFI Published and Comment Period   | November 16-30, 2009       | Completed |
| NOFA II Published  | January 22, 2010           | Completed |
| Outreach Workshops   | January-February 2010      | Completed |
| Submission of Applications   | February 16-March 29, 2010 | Completed |
| Published RFP for Satellite, Technical Assistance, and Rural Libraries programs                      | May 7, 2010                | Completed |
| Submission of Applications for RFP for Satellite, Technical Assistance, and Rural Libraries programs | May 7- June 7, 2010        | Completed |
| Award recipient Informational Training Workshops for NOFA I  | June 14-24, 2010           | Completed |
| First NOFA II awards announced   | July 2, 2010               | Completed |
| NOFA II Funding Awards Announced   | Before September 30, 2010  | Completed |
| <b>Phase 3: Final Program Audits and Shutdown</b>  | September 30, 2014         |           |



RUS-4



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### BIP Compliance

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#### Cost Principles

- 48 CFR Part 31.2 for For Profit Entities
- 2 CFR Part 220 (OMB Circular A-21) for Higher Education Institutions
- 2 CFR Part 230 (OMB Circular A-122) for Non-Profit Organizations
- 45 CFR Part 74(E) for Hospitals
- 2 CFR Part 225 (OMB Circular A-87) for State, Local, and Indian Tribal Governments

#### Audit Requirements

- OMB Circular A-133 for Higher Education, Non-Profit, Hospitals, and State, Local, and Indian Tribal Governments
- Revised Audits of States, Local Governments and Non-Profit Organizations
- Audits of States, Local Governments and Non-Profit Organizations, June 26, 2007
- OMB Circular A-133, Compliance Supplement, March 2009
- Compliance Supplement Addendum #1
- RUS BIP Audit Requirements for For-Profit Entities

#### BIP Environmental Requirements

- USDA Rural Utilities Service environmental review information
- Environmental Policies and Procedures
- Round One Environmental Review Process Guidance
- Scoping Guide for RUS Funded Projects Requiring Environmental Assessments with Scoping and Environmental Impact Statements
- Additional Useful Links Related to Environmental Compliance

#### ARRA Reporting Requirements

- OMB M-10-08: Updated Guidance on the American Recovery and Reinvestment Act - Data Quality, Non-Reporting Recipients, and Reporting of Job Estimates
- OMB M-10-05: Improving Compliance in Recovery Act Recipient Reporting
- OMB M-9-21: Implementing Guidance for the Reports on Use of Funds Pursuant to the American Recovery and Reinvestment Act of 2009
- OMB M-9-19: Guidance on Data Submission under the Federal Funding Accountability and Transparency Act
- Webinar Training Materials on ARRA Reporting
- [FederalReporting.gov](#)

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### Program Information

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- ◊ [Recovery Act Broadband Initiatives Program](#)
- ◊ [Community Connect Grant Program](#)
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- ◊ [Public Television Digital Transition Grant Program](#)
- ◊ [Telecommunications Infrastructure Loan Program](#)
- ◊ [Weather Radio Transmitter Grant Program](#)

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- ◊ [Borrower Payments](#)
- ◊ [Broadband Borrowers \(Non-ARRA\) Financial Reporting- PDF](#)
- ◊ [List of Materials](#)
- ◊ [Telecom Forms](#)
- ◊ [Telecom Bulletins](#)
- ◊ [Telecom Regulations](#)
- ◊ [Borrower Directory](#)

Last Modified:01/10/2011

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## Summary of Provisions, SB 30

### 911 Fees

#### Wireline, Wireless, VoIP, or Other Service Capable of Contacting a PSAP

A 911 fee of **\$0.55 per month** per subscriber account is imposed, effective Jan. 1, 2012. New Sec. 7(a)

#### Prepaid Wireless

A prepaid wireless 911 fee of **1 percent per retail transaction** is imposed, **effective Jan. 1 2012**. New Sec 9(a)

The prepaid 911 fee is increased or decreased proportionately when other 911 fees change. New Sec. 9(f)

A procedure is set out for calculating 911 tax when the 911 wireless service is sold in a package for a single price. New Sec 9(g)

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### Collection of fees

#### Wireline, Wireless, VoIP, or Other Service Capable of Contacting a PSAP

Every billed service user is liable for 911 fees until paid to the provider. New Sec. 8(a)

The provider has no obligation to take legal action to enforce collection of 911 fees. New Sec. 8(c)

911 fees are collected by the provider at the same time as charges for service. New Sec. 8(d)

#### Prepaid Wireless

The fee is collected by the seller from the consumer for each retail sale in Kansas. New Sec. 9(b)

### Remittance of fees

#### Wireline, Wireless, VoIP, Other Service Capable of Contacting a PSAP

Fees are due monthly. Amounts collected in one month must be **remitted to the local collection point administrator within 15 days** of the end of the calendar month, along with a return. The service provider must keep records of collections for three years. New Sec. 8(e)

## Prepaid Wireless

The **seller is required to remit** to the Department of Revenue **all prepaid wireless 911 fees collected** from consumers. Remittance is by electronic filing consistent with provisions for remitting sales tax. **Sellers with \$50 or less** in prepaid wireless sales per month per month may remit fees on a biannual basis. New Sec. 10(a)(b)

The fee imposed by this act shall be the only 911 funding obligation imposed on prepaid wireless service in Kansas. New Sec. 11(a)

The Department must **transfer all remitted prepaid wireless 911 fees to the LCPA with 30 days** of receipt. New Sec. 10(e)

## Administrative fees

### Wireline, Wireless, VoIP, Other Service Capable of Contacting a PSAP

**Providers** may retain a fee **not to exceed 2 percent** of moneys collected. New Sec. 8(f)

## Prepaid Wireless

The **Dept. of Revenue** may retain **up to 1 percent** of remitted charges on prepaid wireless for administration. **In FY 2012 only**, the Dept. may retain an **additional \$70,000** for programming and other startup costs. New Sec. 10(f)

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## 911 State Fund, 911 State Grant Fun, 911 Federal Grant Fund

LCPA, upon advice and consent of the 922 Coordinating Council establishes the 911 state fund and the 911 state grant fund, which are not part of the state treasury. On the effective date of the act, unobligated state grant funds in the wireless enhanced 911 grant fund are transferred to the LCPA to be deposited in the 911 state grant fund. New Sec. 6(a) A 911 federal grant fund is established in the state treasury. New Sec.4 (a)

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The **local collection point administrator** must **distribute fees to PSAPs within 30 days of receipt**, based on county population and place of primary use as follows (**direct distribution**):      New Sec.12(a)

- a county with population **greater than 75,000** receives **82%** of money collected from its users
- a county with population **between 65,000 and 74,999** receives **85%** of money collected from its users
- a county with population **between 55,000 and 64,999** receives **88%** of money collected from its users
- a county with population **between 45,000 and 54,999** receives **91%** of money collected from its users
- a county with population **between 35,000 and 44,999** receives **94%** of money collected from its users
- a county with population **between 25,000 and 34,999** receives **97%** of money collected from its users
- a county with population **less than 25,000** receives **100%** of money collected from its users

An annual **minumum distribution of \$50,000 per county** is established, and provisions are made for proportionally dividing minimum distribution between PSAPs if the county has more than one PSAP. New Sec. 12(a)

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## **Use of Fee Proceeds**

Fee moneys (including earned interest) can be used only for necessary and reasonable costs incurred by PSAPs for the following:      New Sec. 13 (a)

- Implementation of 911 services
  - Purchase of 911 equipment and upgrades
  - Maintenance and license fees for 911 equipment
  - Training of personnel
  - Monthly recurring charges billed by service suppliers
  - Installation, service establishment, and nonrecurring start-up charges billed by service suppliers
  
  - Charges for capital improvements and equipment or other physical enhancements to the 911 system
  - The original acquisition and installation of road signs designed to aid in delivery of emergency service
  - Costs shall not include expenditures to lease, construct, expand, acquire, remodel, renovate, repair,
  - Costs shall not include purchase of subscriber radio equipment
- 

## **Use of State Grant Proceeds**

Grant moneys (including earned interest) may be used for projects involving development and implementation of NG 911, costs associated with PSAP consolidation or cost-sharing projects, expenses related to the coordinating council, costs of audits, and uses allowable for regular 911 fee proceeds. New Sec. 6(b)



## 9.1.1 Coordinating Council

Creates the 911 Coordinating Council charged with monitoring the delivery of 911 services, developing strategies for future enhancements to the 911 system and distributing available grant funds to PSAPs. As possible, shall include individuals with technical expertise regarding 911 systems, internet technology and GIS technology. New Sec. 3(a)(1)

The Committee is made up of **16 voting members**: 12 appointed by the Governor and 4 appointed by legislative leadership. It also has **9 non-voting members** appointed by the Governor. New Sec. 3(a)(2-4)

**Governor's appointees to voting positions** shall include:

- 2 representing IT personnel from government units
- 1 representing a law enforcement officer
- 1 representing a fire chief
- 1 recommended by the Adjutant General
- 1 recommended by the KS Emergency Medical Services Board
- 1 recommended by the KS Commission for the Deaf and Hard of Hearing
- 2 representing PSAPs located in counties with less than 75,000 in population
- 2 representing PSAPs located in counties with more than 75,000 in population
- 1 representing PSAPs without regard to size

**Legislative appointees to voting positions** shall include:

- 1 Representative appointed by the Speaker
- 1 Representative appointed by the Minority Leader
- 1 Senator appointed by the President
- 1 Senator appointed by the Minority Leader

**Governor's appointees to non-voting positions** shall include:

- 1 representing rural telecom. company, recommended by KS Rural Indep. Telephone Cos.
- 1 representing incumbent local exchange carriers with more than 50,000 exchanges
- 1 representing large wireless providers
- 1 representing VoIP providers
- 1 recommended by League of KS Municipalities
- 1 recommended by KS Association of Counties
- 1 recommended by KS GIS policy board
- 1 recommended by KAN-ED
- 1 recommended by DISC
- 1 recommended by MidAmerica Regional Council (KS resident)

**Governor designates chairperson** from among voting members

Voting members have a 3-year term of office, and are limited to 2 terms New Sec. 3(b)



## Ot      **ecific authority of the Council**

**Select the Local Collection Point Administrator** to collect and distribute 911 fees to PSAPs and distribute 911 state grants as directed by the Council. **Set compensation for LCPA.** New Sec. 3(d) **Limited to 1-year contracts with LCPA,** reviewed annually. New Sec. 5

Adopt rules and regulations necessary to effect the provisions of the act, including **creating a standard form for PSAPs to report 911 expenditures, requiring service providers to notify the council, setting standards for coordinating and purchasing equipment, and assessing civil penalties.** **Rules & regs to begin administration of the Act must be adopted by 12/31/11.** New Sec. 3(e)

Pursuant to rules and regs, to **raise or lower the 911 fee (not lower than \$0.50 nor higher than \$0.60)** based on a finding that fees are above or below the cost to operate PSAPs in the state. New Sec. 3(f)

Can appoint subcommittees to administer grants, oversee collection/distribution of money, develop tech standards, training recommendations and others as needed. New Sec 3(g)

**Reimburse independent contractors or state agencies for expenses incurred in assisting the Council.** Paid from 911 grant fund. New Sec. 3(h)

Make annual reports to the Legislature's utilities committees. New Sec. 3(p)

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## **Funding for Council**

All expenses of the Council are paid from the 911 state grant fund. Limited to **2% of total receipts** from providers and Dept. of Revenue remitted to LCPA. Council may be **reimbursed for meals and travel, but otherwise without compensation,** except legislators. New Sec. 3(i)

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## **Staffing and Expenses**

Create the position of statewide 911 Statewide coordinator, appointed by the Governor from nominees submitted by the Council. The Governor determines compensation. Duties include coordinating E-911 and NG911 services in the state, implementing statewide 911 planning, ensuring policies of the Council are carried out, act as a liason between the LCPA and the Council, assist in development of regulations, administer federal grant fund, and distribute federal grants as recommended by the council.

## **Immunity**

Except as provided by the KS Tort Claims Act, and except for failure to use ordinary care, or for intentional acts, the LCPA and each provider, and their employees and agents, and each seller and their employees and agents, shall not be liable for payment of damages resulting directly or indirectly from the total or partial failure of any transmission to an emergency communication service or for damages resulting from performance of installing, maintaining, or providing enhanced 911 service. New Sec. 14



## Audits and Reviews

Receipts and disbursements of the LCPA shall be audited yearly by a licensed municipal accountant or a CPA.  
New Sec. 15(a)

The LCPA may require an audit of any provider's books and records concerning collection and remittance of 911 fees. The audit cost is to be paid from the 911 state grant fund. New Sec 15(b)

By 12/31/13, and every three years thereafter, Legislative Post Audit shall contract for an audit of the 911 system to determine the following: New Sec. 15( c)

- Whether PSAPs are using fee money appropriately;

- Whether the amount of moneys collected is adequate; and

- The status of 911 service implementation.

The cost of the audits are paid from the 911 state grant fund

The Legislature shall review the act in the 2014 Session and every five years thereafter. New Sec. 15(d)

## Provider Costs

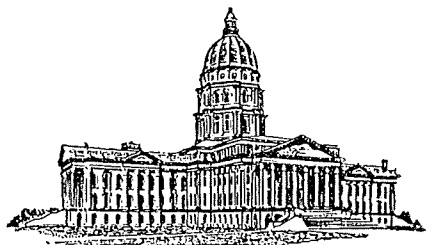
Providers are not limited from recovering directly from their customers costs associated with designing, developing, deploying and maintaining 911 service and its cost of collection and administration of the 911 fees. New Sec 16



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OFFICE OF REVISOR OF STATUTES  
KANSAS LEGISLATURE

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Legislative Committees and Legislators  
Legislative Bill Drafting  
Legislative Committee Staff  
Secretary—  
Legislative Coordinating Council  
Kansas Commission on  
Interstate Cooperation  
Kansas Statutes Annotated  
Editing and Publication  
Legislative Information System

MEMORANDUM

To: Chairman Apple and members of the Senate Utilities Committee  
From: Matt Sterling, Assistant Revisor of Statutes  
Date: January 27, 2011  
Subject: Senate Bill 50

Senate Bill 50 is an act concerning emergency telephone service and the implementation, collection and distribution of 911 fees. The current statutes concerning the 911 system and fees are set to sunset on July 1, 2011. This act would create a new fee structure for the 911 fees, as well as creating a 911 coordinating council. The bill would be effective upon publication in the Kansas register, but many of the provisions of the bill would not go into effect until January 1, 2012. Below is a more detailed listing of the provisions of the bill.

**Section 2.** is the definitions section. It uses many of the same definitions from current law and adds several new definitions, such as, "consumer," "department," "next generation 911," "retail transaction," "seller" and statewide 911 coordinator.

**Section 3.** This section creates the coordinating council and describes its duties. The council is responsible for monitoring the delivery of 911 services, developing strategies for future enhancements to the 911 system and to distribute grant funds to PSAPs. The council would consist of 12 voting members appointed by the governor, 4 voting members from the legislature and 10 non-voting members appointed by the governor to represent various interests.

This section also establishes the statewide 911 coordinator, appointed by the governor, who will serve as the coordinator of E-911 and NG-911 services, apply for federal grants, administer the federal grant fund and serve as the liaison between the council and the LCPA.

The council is also tasked with selecting the local collection point administrator to collect 911 fees and to distribute the fees to PSAPs and the state grant fund as directed by the council. Currently, the LCPA is defined as the association of cities and counties. After implementation, the local collection point administrator would be the entity that the council selects to administer these provisions of the act.

The council is authorized to adopt rules and regulations to effectuate this act, including raising or lower the 911 fee within a set range. The expenses of the council are to be paid from

Senate Utilities Committee



the 911 state grant fund and shall comprise no more than 2% of the total receipts of all state 911 fees. The council would be reimbursed for travel expenses and meals, but would serve without compensation. Finally, the council is authorized to impose civil penalties on providers that are acting in bad faith in failing to comply with the provisions of this act.

**Section 4.** This section establishes the 911 federal grant fund within the state treasury and makes the statewide 911 coordinator the administrator of the fund. The fund would be comprised of the moneys received in federal grants for implementation of 911 services. Subject to the limitations imposed by the act and the applicable federal regulations, the coordinator would distribute the federal grant funds pursuant to the recommendations of the council.

**Section 5.** This section requires the council to select the local collection point administrator. It limits the agreement between the council and the LCPA to a one year maximum and would need to be reviewed annually.

**Section 6.** This section directs the LCPA, upon the advice of the council, to create the 911 state fund and the 911 federal grant fund outside of the state treasury. After implementation of this section, the secretary of administration, the current administrator of the wireless enhanced 911 grant fund, would certify the sources of money contained in such fund and transfer all funds from state fee sources to the 911 state grant fund and all funds from federal sources to the 911 federal grant fund. The LCPA would be authorized to maintain an action to collect any funds owed by providers.

The council is tasked with ensuring that the funds in the 911 state grant fund be used for the listed purposes and to develop criteria for eligible purchases and for grant applicants, as well as to make the final decision on grant awards.

**Section 7.** This section establishes a 911 fee of \$.55 per month per subscriber account of any land line, wireless device, VoIP service or any other service capable of contacting a PSAP. The providers of these services would be required to remit the 911 fees collected to the LCPA pursuant to section 8. This section does not apply to any prepaid wireless service.

**Section 8.** This section requires the providers to remit the fees collected to the LCPA within 15 days after the end of the calendar month in which they were received. The providers are also required to file a return for such remitted fees to the LCPA to include information required by the LCPA. This section authorizes providers to retain an administrative fee of up to 2% of the moneys it collected from the 911 fee.

**Section 9.** This section imposes a prepaid wireless 911 fee of 1.1% per retail transaction to be collected by sellers of prepaid wireless service. The amount of the fee is required to be stated separately on the invoice or receipt or otherwise disclosed to the consumer by the seller. The prepaid wireless fee would be changed proportionally to any change to the 911 fee authorized by the council.

**Section 10.** This section requires sellers to remit any prepaid wireless 911 fees collected to the department of revenue consistent with the provisions of the Kansas retailers' sales tax act.



Sellers that sell less than \$50 per month of prepaid wireless service may submit fees on a biannual basis. The department is authorized to audit sellers to minimize additional costs to the department as well as initiate collection or audit procedures on sellers if collection efforts by the LCPA are unsuccessful. The department is required to remit all prepaid wireless 911 fees to the LCPA within 30 days of receipt. The department is authorized to retain 1% of the remitted fees for administrative uses and up to \$70,000 in fiscal year 2012 only to pay for programming and other one-time costs for establishing a collection system for prepaid wireless 911 fees.

**Section 11.** This section states the prepaid wireless 911 fee imposed by this act shall be the only 911 funding obligation imposed on prepaid wireless service in the state.

**Section 12.** This section establishes a sliding scale for the distribution method for 911 fees to the PSAPs. The place of primary use information determines the location of a user and which PSAP the corresponding 911 fees should be distributed to. From that pool of money determined by place of primary use information, counties with a population over 75,000 would receive 82% of that total amount. The distribution system scales up for smaller counties by increments of 3% corresponding to every 10,000 person drop in county population. Counties with a population of 65,000 to 74,999 would receive 85% of the pool of money collected from service users with corresponding place of primary use information, counties with a population between 55,000 and 64,999 would receive 88%. This sliding scale continues until it reaches counties with a population of less than 25,000 people. Such county would receive 100% of the pool of money collected from service users with place of primary use information corresponding with such county. All moneys remaining after distribution to the PSAPs, as well as any money which cannot be attributed to a specific PSAP shall be transferred to the 911 state grant fund.

All fees that are remitted to the LCPA shall be deposited in the 911 state fund and be treated as if they are public funds pursuant to the banking code for deposit of public moneys. Moneys from the prepaid wireless 911 fee shall be deposited in the 911 state grant fund unless \$2 million of such moneys has been deposited in the state grant fund in any year then any additional moneys received shall be distributed to PSAPs pursuant to the sliding scale method. Information provided by providers to the LCPA or the council will be treated as proprietary records and withheld from the public upon request of the party submitting such records.

**Section 13.** This section prescribes the ways that the moneys collected from the 911 fees may be spent. These purposes include: implementation of 911 services; purchase of 911 equipment and upgrades; maintenance and license fees for 911 equipment; training of personnel; monthly recurring charges billed by service suppliers; installation, service establishment and nonrecurring start-up charges billed by the service supplier; charges for capital improvements and equipment or other physical enhancements to the 911 system; or the original acquisition and installation of road signs designed to aid in the delivery of emergency service. Expenditures to lease, construct, expand, acquire, remodel, renovate, repair, furnish or make improvements to buildings or similar facilities or purchase of subscriber radio equipment shall not be approved costs.

**Section 14.** This section provides immunity from liability to the LCPA, each provider and each seller, as well as their employees, for any damages resulting from the failure of any



transmission to an emergency communication service or for damages resulting from the performance of installing, maintaining or providing 911 service. This immunity does not shield the LCPA, the providers and the sellers from immunity under the Kansas Tort Claims Act, intentional acts or negligence.

**Section 15.** This section requires the receipts and disbursements of the LCPA to be audited yearly by a licensed municipal accountant or certified public accountant. It authorizes the LCPA to require an audit of any provider's books and records concerning the collection and remittance of fees.

This section also requires an audit to be performed by legislative post audit, at least once every three years, of the 911 system to determine: Whether moneys distributed to PSAPs are being used appropriately; whether the amount of 911 moneys is adequate; and to evaluate the status of 911 service implementation. The costs of these audits would be paid from the 911 state grant fund. The audit report would be submitted to the council, the LCPA, the House Energy and Utilities Committee and the Senate Utilities Committee. This section also states that the legislature shall review the act during the 2014 legislative session and at least once every 5 years thereafter.

**Section 16.** This section states that the act does not limit the ability of a provider to recover its costs associated with designing, developing, deploying and maintaining 911 service, as well as its cost of collection and administration of 911 fees, from its customers.

**Section 17.** This section requires a provider of wireless service to receive prior approval of the PSAP before directing emergency calls to that PSAP and to establish the emergency telephone number "911" across the state.

**Section 18.** This section requires the governing body of every city and county in the state to provide or contract for 24-hour receipt of wireless emergency calls for all wireless service areas within such city or county.

**Section 19.** This section extends the sunset of the wireless enhanced 911 grant fee to January 1, 2012, and directs any unobligated balance in the fund existing on January 1, 2012, to be distributed by the secretary of administration pursuant to subsection (a) of section 6. On January 1, 2012, the wireless enhanced 911 grant fee and the wireless enhanced 911 grant fund would be abolished.

**Section 20.** This section extends the sunset of the VoIP enhanced 911 grant fee until January 1, 2012.

**Section 21.** This section adds an exception to the open records for information provided to the LCPA or the council pursuant to this act upon request by the party submitting the records.

**Section 22.** This section permits the secretary of revenue to provide information concerning remittance of prepaid wireless fees by sellers to the LCPA in order to verify compliance.



1 the direct distribution allocated to that county by population shall be  
2 deducted from the minimum county distribution and the difference  
3 shall be proportionately divided between the PSAPs in the county. All  
4 moneys remaining after distribution and any moneys which cannot be  
5 attributed to a specific PSAP shall be transferred to the 911 state grant  
6 fund.

7 (b) All fees remitted to the LCPA shall be deposited in the 911  
8 state fund and for the purposes of this act be treated as if they are public  
9 funds, pursuant to article 14 of chapter 9 of the Kansas Statutes  
10 Annotated, and amendments thereto.

11 (c) Upon receipt of the moneys collected from the prepaid  
12 wireless 911 fee, all such moneys shall be deposited in the 911 state  
13 grant fund, unless \$2 million of such moneys has been deposited in any  
14 given year then all remaining moneys shall be distributed to the PSAPs  
15 pursuant to subsection (a).

16 (d) The LCPA shall keep accurate accounts of all receipts and  
17 disbursements of moneys from the 911 fees.

18 (e) Information provided by providers to the local collection point  
19 administrator or to the 911 coordinating council pursuant to this act will  
20 be treated as proprietary records which will be withheld from the public  
21 upon request of the party submitting such records.

22 (f) The provisions of subsection (e) shall expire on July 1, 2017,  
23 unless the legislature acts to reenact such provision. The provisions of  
24 subsection (e) shall be reviewed by the legislature prior to July 1, 2016.

25 (g) This section shall take effect on and after January 1, 2017.

26 New Sec. 13. (a) The proceeds of the 911 fees imposed pursuant  
27 to this act, and any interest earned on revenue derived from such fee,  
28 shall be used only for necessary and reasonable costs incurred or to be  
29 incurred by PSAPs for: (1) Implementation of 911 services; (2)  
30 purchase of 911 equipment and upgrades; (3) maintenance and license  
31 fees for 911 equipment; (4) training of personnel; (5) monthly recurring  
32 charges billed by service suppliers; (6) installation, service  
33 establishment and nonrecurring start-up charges billed by the service  
34 supplier; (7) charges for capital improvements and equipment or other  
35 physical enhancements to the 911 system; or (8) the original acquisition  
36 and installation of road signs designed to aid in the delivery of  
37 emergency service. Such costs shall not include expenditures to lease,

Comment [ 1]: All

Comment [ 2]: in the 911 state fund that have been

Comment [ 3]: 2012



thereafter.

(e) This section shall take effect on and after January 1, 2012.

New Sec. 16. (a) Nothing in this act shall be construed to limit the ability of a provider from recovering directly from the provider's customers its costs associated with designing, developing, deploying and maintaining 911 service and its cost of collection and administration of the fees imposed by this act, whether such costs are itemized on the customer's bill as a surcharge or by any other lawful method.

(b) This section shall take effect on and after January 1, 2012.

New Sec. 17. A provider of wireless telecommunications service shall: (1) Receive prior approval of the PSAP of that jurisdiction before directing emergency calls to such PSAP; and (2) establish the unique emergency telephone number "911" across the state, excluding the Kansas turnpike assistance telephone number.

New Sec. 18. The governing body of each city and county shall provide or contract for the 24-hour receipt of wireless emergency calls for all wireless service areas within the jurisdiction of the city or county.

Sec. 19. K.S.A. 2010 Supp. 12-5338 is hereby amended to read as follows: 12-5338. (a) On ~~July 1, 2011~~ January 1, 2012;

(1) the wireless enhanced 911 grant fee shall be discontinued, the advisory board shall be abolished, any unobligated balance of the wireless enhanced 911 grant fund shall be paid to the local collection point administrator for distribution to PSAP's based on the population of the municipality or municipalities served by the respective PSAP distributed pursuant to subsection (b) of section 5, and amendments thereto, and the fund shall be abolished.

(2) Within any county which has a population of 125,000 or more, the amount of the tax imposed pursuant to K.S.A. 12-5302, and amendments thereto, shall not exceed \$.25 per month per access line or its equivalent and the amount of the wireless enhanced 911 local fee within such jurisdiction shall be an equal amount per month per wireless subscriber account.

(3) Within any county which has a population of less than 125,000 the amount of the tax imposed [pursuant] to K.S.A. 12-5302, and amendments thereto, shall not exceed \$.50 per month per access line or

Comment [ 4]: (a)

Comment [ 5]: 6

H-2