

# United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

June 10, 2009

The Honorable Gary Locke  
Secretary  
U.S. Department of Commerce  
Room 5421  
14th Street and Constitution Avenue, NW  
Washington, DC 20230

The Honorable Tom Vilsack  
Secretary  
U.S. Department of Agriculture  
212A Whitten Building  
14<sup>th</sup> Independence Avenue, SW  
Washington, DC 20250

Ms. Anna M. Gomez  
Acting Administrator  
National Telecommunications and  
Information Administration  
U.S. Department of Commerce  
Herbert Hoover Building, Room 4898  
14th Street and Constitution Avenue, NW  
Washington, DC 20230

The Honorable Michael J. Copps  
Acting Chairman  
Federal Communications Commission  
Room 8-C445  
Washington, DC 20554

Dear Secretary Locke, Secretary Vilsack, Assistant Secretary Gomez, and Commissioner Copps:

As you finish drafting the Notice of Funds Availability (NOFA) to implement broadband-related provisions of the American Recovery and Reinvestment Act of 2009 (ARRA), I write in strong support of your efforts to ensure that national deployment and investment plans address the needs of small businesses. In particular, ARRA broadband loan and grant programs established will benefit small businesses nationwide by expanding access to advanced telecommunications technology and services. This expanded access will promote small business competitiveness by improving efficiency, lowering costs, and reducing geographic barriers to commerce. It is also my hope that small broadband providers will be crucial stakeholders in the public-private partnerships deploying these technologies.

In my capacity as Chair of the Senate Committee on Small Business and Entrepreneurship, I am particularly interested in two issues related to these broadband programs. First, I am excited at the opportunities for socially and economically disadvantaged small businesses (SDB's) in the Broadband Technologies Opportunities Program (BTOP). As you know, Section 6001(h) of ARRA provided for priority consideration for applications from an SDB, as defined under Section 8(a) of the Small Business Act. I believe that any definition should be flexible enough to reflect current telecommunications market conditions and ensure maximum participation by SDB applicants.

Next, as a representative from a state with many rural communities, I reiterate my call for a priority to be given to applications deploying broadband in unserved rural areas. This is because these technologies will particularly benefit our rural small businesses. The Federal Communications Commission (FCC) noted this in their recent report on a rural broadband strategy citing that "...With broadband, running a small web-based businesses in a rural

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location becomes a reality.” Furthermore, according to the Department of Commerce, only about 25 percent of rural households that use the Internet have high-speed access, compared with more than 40 percent of urban households. In comparison to all U.S. households, farm households have only half the level of broadband access. Rural small businesses stand to benefit greatly from this funding, particularly when one factors in the \$2.5 billion in ARRA funds that were allocated to the Department of Agriculture’s Rural Utilities Service (RUS) for broadband loans and grants.

It is my understanding that the National Telecommunications and Information Administration (NTIA) and RUS intends to conduct three rounds of grants for their respective programs, beginning in the summer of 2009. As NTIA and RUS release the NOFAs for their ARRA broadband programs and begin conducting a series of regional grant workshops around the country, I would like to offer the services of my committee with these events. Please do not hesitate to contact me if my committee can provide a forum to distribute information on this program and encourage applications from small businesses. I am also interested, at the appropriate time, to invite NTIA, RUS, and the FCC to testify before my committee. Your agencies could provide an update on the progress of these programs in spurring job growth and competitiveness among U.S. small businesses.

In closing, I thank you for your efforts to improve the lives of everyday Americans and small business owners through deployment of these important technologies. I look forward to working closely with you, both through these and existing programs, to help the United States assume its rightful place as a leader in broadband deployment, availability, and adoption.

Sincerely,



Mary L. Landrieu  
Chair

Cc: The Honorable Jonathan S. Adelstein, Commissioner  
The Honorable Robert M. McDowell, Commissioner