

American Recovery and Reinvestment Act



Broadband Grant Funding – USDA RUS and NTIA Buy American Waiver

The Recovery Act provides \$2.5 billion to the U.S. Department of Agriculture Rural Utility Service (RUS) Broadband Initiatives Program and \$4.7 billion to the National Telecommunications and Information Administration (NTIA) Broadband Technology Opportunities Program.

As a part of Motorola's continuing effort to report on emerging requirements of the American Recovery and Reinvestment Act (ARRA), this important notice advises that certain ARRA broadband programs have been granted a waiver of the ARRA Buy American restrictions. Motorola's Wireless Broadband products are covered by the waiver making Motorola Point-to-Point, Point-to-Multipoint, and MESH solutions eligible for BIP and BTOP ARRA funding.

This waiver, in combination with the Notice of Funding Availability, will officially kick-off the broadband programs.

The BTOP and BIP waiver covers the following categories of equipment:

- **Broadband Switching Equipment** – Equipment necessary to establish a broadband communications path between two points.
- **Broadband Routing Equipment** – Equipment that routes data packets throughout a broadband network.
- **Broadband Transport Equipment** – Equipment for providing interconnection within the broadband provider's network.
- **Broadband Access Equipment** – Equipment facilitating the last mile connection to a broadband subscriber.
- **Broadband Customer Premises Equipment and End-User Devices** – End-user equipment that connects to a broadband network.
- **Billing/Operations Systems** – Equipment that is used to manage and operate a broadband network or offer a broadband service.

The waiver does not cover fiber optic cables, coaxial cables, cell towers, and "other facilities that are produced in the United States in sufficient quantities to be reasonably available as end products." To the extent that an applicant wishes to use equipment that is not covered by this waiver, it may seek a waiver on a case-by-case basis as part of its application for funds.

Please note: This waiver applies **only** to the current ARRA Broadband Programs: The NTIA BTOP and RUS BIP limited waiver cannot be applied to any other existing or future programs. This is not a complete waiver of other Buy American requirements. **The legacy USDA RUS loan program is not covered by this waiver.**

Key ARRA Buy American Waiver links:

BTOP Provision – Buy American: On June 19, 2009, the Secretary of Commerce granted a limited waiver of the ARRA Buy American provision with respect to certain broadband equipment. For details on the "Buy American" waiver for the NTIA broadband initiative:

<http://broadbandusa.sc.egov.usda.gov/files/BroadbandBuyAmericaNotice7-1-09.pdf>

Effective July 1, The Rural Utilities Service (RUS) also granted a limited waiver of the Buy American requirements for projects funded under the Broadband Initiatives Program (BIP).

<http://www.broadbandusa.gov/files/RUS%20Buy%20American%20Waiver.pdf>