

Nebraska Internet Enhancement Fund Program Description and Grant Application Guidelines

Program Description

Purpose of the NIEF Grant Program

The Nebraska Internet Enhancement Fund (NIEF) was created by state statute in 2001 (Neb. Rev. Stat. § 86-2306) with the following purpose:

The fund shall be used to provide financial assistance to install and deliver broadband or other advanced telecommunications infrastructure and service throughout the state.

Sources of Funding

The Legislature appropriated \$250,000 in seed money to start the program. The fund may receive gifts, contributions, property, and equipment from public and private sources for purposes of the fund. One such source is from agencies and political subdivisions that lease dark fiber pursuant to Neb. Rev. Stat. § 86-2301 et seq., which requires that fifty percent of profits derived from such leases be remitted to the NIEF.

Furthering NIEF Goals and Priorities

The Commission is required to establish a system to prioritize applications. By law, highest priority must be given to applicants based on high-cost factors, including population scarcity and location remoteness. Other factors, including financial need, may be considered by the Commission as deemed necessary.

NIEF Goals:

The NIEF endeavors to provide start-up funding for economically viable and sustainable projects that bring Internet and advanced telecommunications services to communities where such improvements are needed. Consideration of grant applications for NIEF will be technology-neutral.

NIEF Priorities:

Grant applications for projects that will provide service in areas of the state that are unserved, i.e. have no advanced telecommunications or internet availability beyond dial-up and satellite services, will be given priority. Prioritization between grant applications for projects in unserved areas and between applications for projects in areas of the state that are not unserved will be evaluated and scored based upon the extent to which each of the following priorities are met by the proposed project:

- Provide financial assistance to communities/counties that are subject to factors that make the provision of Internet and advanced telecommunications

services challenging, including, but not limited to, population scarcity, location remoteness, cost of providing service and other considerations of geographic context.

- Provide resources to communities/counties that demonstrate a financial need to carry out projects that will improve access to Internet and advanced telecommunications services.
- Support projects that will be economically viable and sustainable.
- Support projects that will provide the most benefit to the community/county in terms of the availability and access to the Internet and advanced telecommunications services.
- Support projects that further or enhance one or more of the following purposes: rural development, economic development, education, or telemedicine.

As part of the prioritization process, the Commission shall consider the information regarding broadband offerings in the proposed grant area contained on the Broadband Map for Nebraska, produced as a part of a national effort to document the availability of broadband services across the U.S. The Broadband Map for Nebraska is available at <http://broadbandmap.nebraska.gov>.

Grant Application Guidelines

Deadlines

Applicable deadlines will be announced upon approval of the Commission.

Eligible/Ineligible Activities

Any project that purports (1) to provide broadband or other advanced telecommunications infrastructure to a community and/or (2) to enhance Internet service to a community in Nebraska may be eligible for funding from the NIEF.

Eligible Entities

Any county or municipality in the state may apply for financial assistance from the fund. An application or pre-application may be prepared on behalf of the applicant by a third party, such as a consultant or a representative of the service provider.

Expected Range of Awards

Grants may be awarded in amounts up to \$50,000, however, larger projects of exceptional merit will be considered.

Match Requirement

The applicant must provide matching funds of at least 25 percent of the total projected cost. The match may be in the form of public or private funds or in-kind services including personnel, equipment, supplies and materials, etc. The value of in-kind services must be calculated at the standard or market rate,¹ and the applicant must set forth the basis upon which the applicant determined the standard or market rate for such services. The costs or value of preparing the application may not be used as part of the match nor are such costs eligible for funding from NIEF.

Pre-Application

Persons and entities seeking funds from NIEF are required to submit a pre-application. The purpose of the pre-application is to help the Commission determine whether a particular project would be considered for funding as a threshold matter, in order to avoid unnecessary expense of resources associated with preparation of a full application. The NIEF Advisory Board and the Commission will review pre-applications and invite applicants with proposed projects the Board is considering for funding to participate in the full application process.

The pre-application should:

- Describe the purpose of the project;
- Provide a brief overview of the project;
- Set forth an estimated cost of the project and the grant amount requested;
- Identify the segment of the population and approximate number of people that will benefit from the project, as well as the geographic area that will be served by the project;
- Describe the internet service currently available to the community. (e.g. Dial-up, Cable, Wireless, Satellite or DSL); and
- Include any other information that the applicant deems helpful to the Commission in reviewing pre-applications.

The NIEF Advisory Board and the Commission will review pre-applications and will invite applicants to submit a full application for funding from the program.

The Commission and the Advisory Board reserve the right to request additional information for a pre-application.

Application Requirements

An application must include the following information, unless the Advisory Board or Commission otherwise specifies:

1. State total projected cost.

¹ Neb. Admin. Code Title 291, Chapter 5, Rule 006.09.

2. Identify service provider and the technology selected and describe the reasons for selecting the particular technology and service provider.
3. Provide terms and conditions of any agreement between the applicant and the service provider. (Copy of a contract would be sufficient) If the service provider is contributing any amounts or in-kind service toward the matching funds required, such contribution must be disclosed and the nature of the contribution described.
4. Provide a detailed project plan that:
 - a. Demonstrates the sustainability of the project;
 - b. Identifies all start-up expenses, including capital costs and equipment;
 - c. Describes the overall goals and purpose of the project;
 - d. Identifies all benefits of the project (such as creation of jobs, improvement of healthcare or education, etc.);
 - e. Sets forth a timeline for completion of the project and identifies potential project milestones;
5. Identify the preparer of the application, and if different than the applicant, provide a contact person for the applicant.

Application Review Process

The NIEF Advisory Board will review applications and score them, then forward its recommendations to the Commission for final approval. The attached score sheet will be used for each application.

Contractual Agreement

Grant recipients will be required to sign an assurance with the NIEF Fund Administrator, which may include any terms or conditions that the Commission finds are appropriate and necessary for a particular grant.

Disbursement of Funds

Funds will be awarded by a majority vote of the Commissioners, and recipients will be notified of the date by which they can expect to receive funds.

Reporting Requirements

The contractual agreement will specify any reporting requirements with which the grant recipient must comply following the award of the grant, including the ability of the Commission to monitor the project and to require the recipient to report project milestones as they are achieved.

Right to Audit

The Commission reserves the right to audit any project that is awarded funds from the NIEF.