

**NWX-DOC-NTIA-OTIA (US)**

**Moderator: Lynn Chadwick  
January 18, 2017  
1:00 pm CT**

Coordinator: This is the conference coordinator. At this time, I'd like to inform all participants that today's call is being recorded. If anyone has any objections, you may disconnect at this time. Thank you. You may begin.

(Karen Hanson): Thank you so much. Good afternoon, everyone. And thank you for joining us today for Broadband USA's Practical Broadband Conversations. A monthly webinar on Broadband's topics of interest to policy makers, practitioners and consumers. These conversations are scheduled the third Wednesday of each month through September 2017.

This afternoon's topic the Broadband Opportunity Council Accomplishments and Outlook. I'm (Karen Hanson) -- Director of Partnerships and (unintelligible) here at Broadband USA. And I've also been NTIA's staff lead on the Broadband opportunity counsel. I will moderate today's presentation. I'm joined by (Doug Pinkoff) -- Associate Administrator at NTIA for OTIA -- which was responsible for the V Top Grant Program and now the Broadband USA Program -- and (Keith Adams) -- Assistant Administrator for Telecommunications at USCA Rural Utilities Service. So (Doug) and (Keith) are co-chairs of the current career level Broadband Interagency Working

Group. We're also joined by (Tim Herwig) -- District Community Affairs Officer at the Office of the Comptroller of the Currency at the US Department of Treasury. During the Q&A period, representatives from other federal agencies will be available to answer questions.

Here's our agenda for today. (Doug) will provide a brief overview of the Broadband Opportunity Council and highlights from the progress report released last Friday. (Doug) will share highlights from NTIA's major action items. (Keith) will then share USDA highlights. And then (Tim) will illustrate the benefits of increased federal attention to Broadband issues by sharing how communities can leverage the Community Reinvestment Act and other investment options to fund Broadband projects. In case anyone missed the release of the progress report, you can find the link by going to NTIA's blog. Questions will be taken following our presenters. Please type your questions by going to webinar Q and A box. Also this webinar is being recorded. The slides and a transcript will be posted to our website within approximately two weeks.

For now, let's begin with (Doug).

(Doug Kinkoph): Well, thank you, (Karen). I'd like to provide a little context about NTIA's role within the government to kick off our update today. Part of our mission to service as a principal and into the president in the executive branch about internet and telecommunications issues. Years ago, we recognized that Broadband issues desire a greater attention across the federal government. And so we recommended that an interagency working group be formed to focus on Broadband. We were pleased our recommendations was accepted and were honored to be asked to co-chair the Broadband Opportunity council with USDA.

The council was formed in March of 2015 and it was the first Broadband interagency group given a broad mandate to look at the issue holistically. In terms of deployment, adoption and competition -- which is how we encouraged states and communities to consider their Broadband road map when we work with them as part of Broadband USA Technical Assistance Program. The council is given an ambitious timeframe in which to examine what could be done within the context of existing programs and affiliates. We conducted stakeholder outreach efforts, issued a request for comments and hosted weekly interagency meetings with our colleagues to explore what could be done.

In August 2015, the council submitted its report to the president which outlined 36 action items with 4 key themes -- To modernize federal programs to expand support of Broadband investment, two, to empower communities with tools and resources to attract Broadband investment, third, to increase access to federal assets from Broadband deployment and, four, to improve data collection analysis and research on Broadband.

Once the report was issued, agencies continued to meet regularly but focused largely on the case of these action items and also to identify in ways that filled the guiding principles that the agencies had agreed to in their report. As (Karen) mentioned in her introduction and as I hope you all notice we issued a progress report last Friday. The report provides status updates from agencies about all of the action items that were met, the ones that are still in progress and even some extra actions that agencies were able to accomplish to address the original mandate we were given. The report highlights the value of the interagency coordination and also points out that we recognize we still had worked today collectively to address existing barriers. For those who wish to follow up a specific agency about their action items, the report also provides

contact information for the agency representative who serve on the interagency working group.

Now I'd like to spend a few moments providing some highlights of NTIA's major action items which were tuition best practice guides in our Broadband USA program, creative portal of interagency information about Broadband creativity connectivity initiative. And with the National Science Foundation producing National Broadband Research Agenda.

A Broadband USA Program who fills its initial commitment to produce best practice guides and more. Today, we've provided a one to one technical assistance to over 129 communities in 36 states and hosted four regional events and supported partners at a state, local and federal level. I would encourage you to visit our Broadband USA website, find all the resources we've developed. The URL will be posted at the end of this deck which will be provided to you.

I'm pleased to share that our website will soon be relaunched with more resources and fitting those from our federal colleagues. Initial launch will have some interagency information that will become more robust as we updated with the information agencies provided in the progress report including up to date ABC points of contacts for the options, toolkits and more.

In this action item, we committed the stakeholders to design and launch creativity and connectivity initiative. True in person meetings, workshops and webinars, Broadband USA has met with nearly 1,000 stakeholders from across the country and from all sectors including government leaders, civic non-profits, industry and business leaders. Those stakeholders have helped co-design the community connectivity initiative which includes an online plan tool that will include a quick start guide, robust planning framework, online

tools, local views and national data and aligned resources recommendations. The Community Connect Initiative supports local conversations about Broadband availability and infrastructure, adoption and skills in the community context and leadership.

Initially, the online tool will leverage national data from the FCC, NTIA and US Census. It provides opportunities for local teams to add their own insights. All this will accelerate as far as Broadband planning, action and progress result in a better outcome for less time and engage communities more. It will be launched - we anticipate launching it later this quarter. Finally, we've been pleased to collaborate with the national science foundation and other agencies that put in the permanent education to prepare a Broadband Research Agenda to identify key research questions that need to be addressed to advance the field.

The report is close to be finalized. And of course, in addition to those action items, we have continued to provide inner agency leadership as co-chairs in the Broadband Opportunity Counsel and now going forward as the Broadband Inner Agency Working Group.

So at this time, I'm going to hand it back over to (Karen).

(Karen Hanson): Thanks, (Doug). Now we're going to hear from (Keith Adams). But first, let me remind our viewers to submit questions so we can start getting them in the queue for our Q&A period. During that time, representatives from the Department of Education, Department of Homeland Security, US Treasury and Department of Housing and Urban Development will be available. And if you have questions for other agencies that are on the call today, please submit them anyway and we'll make sure they get to the people.

With that, please go ahead, (Keith).

(Keith Adams): Good afternoon. Thank you, (Karen). Thank you, (Doug). I just want to start out and say it's been an honor to be chosen co-chair. The Broadband Interagency Working Group, pleasure to work you with such committed and professional civil servants and political appointees from 20 plus executive branch agencies and the White House during this process.

I'm going to talk a little bit about the USDA actions. These actions were in the original report (Doug) mentioned submitted to the President last August. But these are in addition to the great work that we do in rural American with our two loan and our two programs -- two telecommunications program.

The first one if you go to the next slide is an action we had from our rural business cooperative service. And this was information about our rural business loan guaranty program expanding the eligibility. We issued two letters. The first one was in April of 2016 and it was more so a letter that was informing our state offices -- we have 47 state offices who distribute those loan and grant programs -- about why we were using this now and making Broadband eligible and making sure that people knew about it.

The other letter dated on April 29th was more external facing talking about the program and the procedures. Many people have people have submitted loan applications here for non-construction expenses, consulting expenses. These funds can be used for proposal, preparation. For some of our loan and grant program, they have interim financing in some cases.

Next slide. The next program we'll talk about is our rural utility service rural electric program. And we've been really working hard with our partners here in electric program to encourage partnerships between electric cooperation's

and rural telcos. And we issued as you see here a couple of links, a couple of presentations where we are outlining the benefits of electric borrowers working with our smart grid loan program. And this year, we issued that on track in the first quarter of 2016 and we were able to make a substantial loan to an electric cooperative in the Eastern Iowa. And it was one of the successes of our Broadband Opportunity Council action items for the year.

Next slide. The next program we're going to talk about is our rural housing service community facility program. Now this what we were doing with this program, it was always eligible for Broadband purposes. But a lot of people didn't know how to access it. So we're updating our guidance. This program will allow people, communities that are larger than the communities that we typically work with up to 20,000 and target the municipal Broadband programs. The challenges here were mandated regulatory restrictions and existing rural development Broadband funding. So we had to make sure that we weren't duplicating any funding. And we want to make sure that we are definitely differentiating between our community facilities program and our telecommunications program.

So we enlisted the help of our Office of General Counsel. And they have suggested that we go out for a request for comment. So community facilities program will be very soon issuing some requests for comments so that we can find just what the interest is and what we will we have to do to assist them to evaluate applications. So please stay tuned for that.

The next slide we'll talk about our rural utility service telecommunication program. That's our standard program that we have been implementing since 1949. And we wanted to look at expanding the eligibility for telecommunication programs mostly for our independent local exchange carriers. We had a recommendation from our Office of General Counsel that

we not expand the program past its intended use by Congress and the legislation. And we had another program that would be able to accomplish basically the same thing with Farm Bill Broadband Program that seeks applications in competitive areas. We will in fact update our regulation because it is over 30 years old and it doesn't include terms like Broadband and the different fiber options. So we will be doing that as soon as we get some clear directions from our new administration when they join us. But we will not be using this particular program to expand usage for competitive areas.

And finally if we go to the next slide, I would like to talk about partnership with the Environmental Protections Agencies and cool and connective initiatives. When this is just a fantastic partnership that we've had not only with the EPA. Also we partnered in one of two locations with the Appalachian Resource Commission. And this is really using Broadband as a backbone to revitalize communities, draw people in the communities, especially targeting younger people who are looking for internet access and different creatives and environments for socializing and for educational opportunities. We've done pilots in Colorado, Iowa, Tennessee, Delaware and Washington State. And this year, we're just expanding that a little more.

So I will leave time for questions. Or I will be happy to turn it back over to (Karen) and we'll happy to answer any questions that you may have. Thank you.

(Karen Hanson): Thank you so much, (Keith). We certainly have been getting a lot of questions. So we'll point them to you as they come in for clarification. We also noticed a lot of questions coming in about the slides. And, yes, they will be posted and they will be made available on our Broadband USA website. Just so everyone knows they will be made available.

So now we're going to hear from (Tim Herwig) who will illustrate how some of the programs within treasury purview can be leveraged by communities for Broadband investments. (Tim)?

(Tim Herwig): Thank you. Hello, everyone. My name is (Tim Herwig). I'm a District Community Affairs Officer with the OCC. My role and my colleagues' role is to essentially advocate for community development by working with financial institutions, bank examiners and community development organizations representing the communities in which the banks operate.

The OTC or the Office of the Comptroller of the Currency is one of the three federal bank regulatory agencies. The OCC supervises national banks and federal savings and loan associations. And among those regulations is the Community Reinvestment Act. But before talking a bit about that, I just want to summarize the information that we're going to be sharing in these slides.

The OCC has set a precedent by approving a National Bank request to invest in a community fiber optic network that has been demonstrated public welfare purpose. In addition, the FDIC and the Federal Reserve Bank and the OCC have jointly proposed that bank financing of Broadband infrastructure has been given consideration under the Community Reinvestment Act as a qualified activity. These two developments should have the effect of encouraging more banks to consider financial support in the form of investments and loans in fiber optic or broadband networks that meet certain public welfare and community development purposes.

The Community Reinvestment Act was drafted to encourage financial institutions to extend banking services and credit to communities that might not ordinarily be served under conventional banking practice. It was an Act in 1977 and it is the regulation which we measured the extent to financial

institutions are engaging in this activity and perhaps most importantly to the extent that they are engaged in community development support.

When we speak about community development, we're really talking about banks lending, investing or providing deposit services or community services in support of affordable housing and community services for low and moderate low income people in support of small business and small farm development and related activities as well as lending and investing or providing services that have the effect of revitalizing or stabilizing certain distressed areas.

When we talk about community development, we're talking about financial institutions which have an obligation to undertake that whose asset size is in excess of \$307 million. Financial institutions smaller than that do not have the same obligation to engage in community development. So as we sit here talking about broadband, we're really from the CRA side of things, we're really talking about institutions with assets greater than \$307 million.

A document called the Interagency Q&A contains ongoing interpretations of the law in a question and answer format. This document is prepared cooperatively by the three regulatory agencies. The agencies periodically review comments that have been submitted to them and also can be public hearings around the country about various aspects of the law. Having done so, the agencies may choose to rebuy existing Q&As or to add additional ones. And this is what has happened with respect to broadband.

Most recently broadband has been added to the list of qualified investment activities that a financial institution can undertake most specifically in non-metropolitan underserved middle income census tracts -- which is a mouthful. And I dare anyone to say that quickly three times in a row. But officially,

we're calling about our middle census tracts in rural areas that are underserved by financial institutions as well as other characteristics which aren't necessary to govern at the moment.

It should be understood though that there is some flexibility in the Q&As for the application of this authority or consideration. And so please keep that in mind. The example had been placed somewhere and that seems to be the most purposeful place to do so. So what this essentially means is that financial institutions with assets greater than \$307 million now have a community development incentive for looking at opportunities to support broadband infrastructure in rural communities.

Next slide, please. Now the public welfare investment authority is a cousin to the CRA in a sense. And all financial institutions have the authority to exercise this. And that goes for institutions of all asset sizes whether they have \$25 million dollars in assets or if they have a trillion dollars in assets. So it has a much broader scope than the CRA reign which is especially important I think in rural areas because there are a lot of institutions out there who might want to take a leadership role and development of broadband that are not going to be incented by community development because they have assets under \$307 million dollars. So for those of you who are listening and from rural areas, this is an important fact to keep in mind.

The public welfare investment authority allows national banks to make investments that are not otherwise expressly permitted under the National Banking Act. Investments that are permitted are restricted for those are directly related to the business of banking. This is an exception thereto. And that exception being is that the investment has a public welfare purpose which is a largely similar to a community development purpose.

The OCC is the implementing federal bank regulatory agency of the public welfare investment authority. Because public welfare investments are permissible for national banks, a state bank would be permitted to make public welfare investments if permitted by its governing state law. So if any advocates for broadband are interested in seeking out potential financing, equity financing from a financial institution that is not supervised by the OCC so it would supervised by the FDIC or the Federal Reserve System. They would want to make sure that the banker check with their regulator before proceeding. But the precedent has been set by the OCC.

Next slide, please. Now this was undertaken in conjunction with the development of a fiber optic cooperative in South Western Minnesota. A small national bank within the area of our fiber optic contacted us at the OCC -- and eventually it landed on my desk -- to inquire if they could use their public welfare investment authority to purchase preferred stock in this case and this particular cooperative. And after some considerable research we've determined that doing so would meet the definition of the public welfare purchase which is to say then that this for profit cooperative who was in the process of developing the financing to begin construction of the fiber optic network was deemed a public welfare entity engaged in activities consist with that definition. And so as a result they were able to proceed. Now this institution has assets far below \$15 million dollars so what's good about this particular enabling, the legislation has the words that really reaches out to institutions of all sizes.

Next slide, please. I've already covered some of this information. But in essence the bank was able to demonstrate that the RS Fiber had a primary purpose that met the definition of a public welfare investment. And this slide provides some of the details that they would primarily benefit low to moderate individuals and low and moderate income areas and other areas targeted by a

government entity for redevelopment with particular points down below which I think are relatively self explanatory. Should we move onto the next slide please?

So what are we talking about? What kind of geographies are we talking about? Well, this is a slide that I borrowed from the Housing Assistance Council. And what it does is that it illustrates all the non-MSA or rural low and moderate income census tracts and distressed and underserved non-metropolitan middle income census tracts. So those are on a relatively grand scale and I think it's more focused on. It's on track. And of course as we all know rural census tracts can be quite large. This would indicate for any advocate for broad band development whether their particular service area might coincide or meet the definition -- geographic definition -- for a public welfare investment or for a community development loan investment. Or technical assistance through PMA service activities. This doesn't tell the whole story. The application process is far more detailed. But you get a general snapshot of what that is.

We can move on to the next slide, please. Also important in considering whether an activity might receive consideration under CRA or whether a bank might be able to use their public investment authority to make an equity investment is whether an area is designated by a government entity for reinvestment. And as you can see from this map, I just pulled this off a FCC website which shows areas that they have deemed to be underserved which in this case are areas that have up and down a broadband speed of 35 megabytes and the blue areas are unserved and the yellow areas are served. And this is showing us both urban and rural. But you can see there are vast areas of blue around the country where a government entity has determined that they are underserved by broadband and therefore could benefit from a reinvestment

towards a redevelopment activity that would support it that infrastructure buildup.

Next slide, please. So how in the world do you find out more precisely if your area is low or moderate income or distressed or underserved? The website for the Federal Financial Institution of Examination Council or the FFIEC -- yet one more acronym -- is an extremely helpful place to be able to zero in. And if you follow these links, it should be relatively self explanatory about how you can identify your particular area and also where you can get access to some really terrific economic development housing population and demographic information about your particular area. This is especially important information for working with a financial institution.

Next slide, please. How do you locate who the banks are in your particular area? The FDIC has a really terrific website and it's called the Summary of Deposits website. And through that you can identify the banks that serve that serve the county or counties in which you are developing, have developed in part, or advocating develop of a fiber optic or a broadband network. And it will show you their deposits and what branches those deposits are concentrated in so you can see where they're doing most of their business. And also you can follow links to their CRA public evaluation so you can see how they did on their last CRA evaluation. As well as to their balance sheet. So you can see what lines of business they're engaged in and where their assets are concentrated. So what kinds of loans they're making. So this is especially helpful.

Before we move on to the next slide, I just want to make a point and that's just the CRA is not a leverage. It's really a tool for encouraging a bank to engage in community development activity. So really it's an opportunity to form an relationship with the bank. So you don't go banging on their door and say I

have a deal that you have to comply with CRA. You say I've got an opportunity which I think might be of interest to you and would enable you to receive consideration under the CRA. Or I've got something here that you might be able to exercise your public welfare investment authority to participate in and start a conversation. Bankers are natural community leaders and ultimately they're going to be very open to this kind of thing.

Next slide, please. So moving very quickly. A sister agency within the treasury department is the CDFI Fund and their role is to certify for and non-profit financial institutions that have a primary lending purpose of community development. And they also provide grants, other financing and most especially technical assistance to these institutions.

Among the authorities where the CDFI Fund administers the new market tax credit program which is you see it in the first bullet and sense community development and economic growth traverse of tax credits like the (unintelligible) tax credit or the historic tax credit -- it's our preservation tax credit -- that attracts private investment to distressed communities.

Moving on to the next slide. So it is a very useful tool but most especially with the larger financial institution -- and in particular the equity side of these deals -- they've very complicated and they've time consuming. And they require a fair amount and volume of legal assistance either internal or external and this is difficult to find in smaller institutions who are not human resourced really to undertake such large and complicated transactions. But in many cases smaller community institutions can come in on the debt financing sides of these larger transactions and play a very important opportunities available to the communities they serve.

And I have just a couple examples here. The first one was for the financing of a very large fiber optic Wi-Fi network in rural Alaska and the US Bank was the financial institution that came in on the equity side of that. The second is also primary rural. That's when I read it, they're looking at Northeast Ohio. You've got Cleveland there. But evidently this was parsed out to serve rural hospitals through a fiber optic network to enable them to provide more significant telemedicine opportunities for patients who are homebound or who otherwise find it difficult to get into the hospital.

Next slide, please. For new market tax credits, there's a mapping program on the CDFI -Fund which will show you how they defined distressed areas which would then be areas that would qualify for tax credit applications. And finally I have colleagues all across the country and you can go to that website and find their contact information. I've developed some expertise in this area.

So if you want to reach out to me first, I'm more than happy if not thrilled to take any questions you might have. Thank you very much.

(Karen Hanson): Thank you so much, (Tim). We will now be addressing the questions that have come in. But while folks who have been submitting questions, we really appreciate those that have come in. I also want to point out that this webinar was really intended to just provide highlights of the progress report and then really do a deep dive into one of the agency experts. So that's why we really appreciate (Tim's) real deep dive into what treasury is doing.

But we encourage those of you who are submitting questions to also send us ideas if there are other agencies you'd like us to feature in follow up conversations or post things on our website.

So Lynn Chadwick of our Broadband USA team has been monitoring the questions and she'll be posing them to our speakers.

Lynn Chadwick: Well, we have a question that just came in for (Daryl Smith). No, I'm sorry. For (Alejandro Willets). Can you explain the rules that you've issued and how they will help promote broadband?

(Alejandro Aviles): All right. Thanks so much for the call. (Alejandro Aviles) here. Senior Advisor Public Engagement here in HUD.

So we recently issued two rules and I have my colleague here (Amanda) who will give a little bit more details. But essentially they touch base on a number of two different communities. One are the communities that receive HUD funding on their formula grant programs. Many people may know that community development block grant program, the home investment partnership program, the emergency solutions grant and also the housing opportunity for people with AIDs. Those are formula block grant that are required to present a consolidated plan for a strategic development in their community. And what our rule did was more or less help guide these communities to tell us what is the status of broadband connectivity in your community. And HUD would like to know what you're doing to address that. That's one rule.

The second rule develops procedures on how to look at what HUD funding does in order whenever we are newly constructing multi-family housing as well as significantly rehabilitating it. And what are the thresholds for integrating broadband connectivity within those newly constructed or rehabilitated multi-family residents. I think I can provide a little bit more. But those are basically the concepts in those two rules and they have been recently implemented and finalized this January.

Lynn Chadwick: Thank you for that. We have a question that just came in from the Department of ED for (Susan). Can you tell us about the Department of ED has been doing as part of the council? (Susan)?

(Susan): Yes, absolutely. Can you hear me?

Lynn Chadwick: Yes.

(Susan): Yes. We have spent a lot of time and energy working on our digital resources available for digital learning initiatives. In particular, the future ready initiative. If you look in actually the report for the Broadband Opportunity Council, we discuss a lot of our future initiatives with the future ready dashboard which is the planning tool for school and district leaders. The Future Leaders Projects which provides a systematic review of research and personalized learning professional development for district leaders. Our building technology infrastructure for learning guides which is actually going to revised this spring and we will be including a special section on rural broadband connectivity. We also are in the process of revising the National Education Technology Grant actually this month. Also we have been partnering with HUD. We just helped worked with them on the developments of a connect home playbook to help public housing authorities help build relationships for school districts around home connectivity initiatives especially connect homes.

So we're very excited about our ongoing initiatives but we're also very excited about the upcoming updates to our infrastructure guide. We want to focus more on the challenges that a rural broadband that rural schools have in acquiring rural broadband and then making best use of those resources and then once you have the fiber or the broadband out to the school building, how

do you make sure that the internal network has what it needs for students to be able to take advantage of that and to make sure that all the other pieces are in place for successful digital learning and communications.

Lynn Chadwick: Thank you for that, (Susan). We've got a question that just came in. If I have a question or an issue with a particular agency's policies or programs regarding their broadband potential, what should I do? Can you handle that one, (Doug)?

(Doug Kinkoph: Sure. Well, I suggest that you reach out to the representatives listed in the report -- in the back of the report -- to see if they can help you. And then of course always feel free to loop in NTIA because sometimes we've been able to spot patterns and issues that are cropping up across the country. And that helps us work through the issues with our fellow agencies. Sometimes the issues though require legislative bids where the choir working with Congress. But I would ask you to start with the list of contacts in the back of the report.

Lynn Chadwick: Thanks, (Doug). (Karen)?

(Karen Hanson): I actually wanted to see if (Darrell Smith) from the Department of Homeland Security would like to say a few words about his role on the Broadband Opportunity Council and how his agency is going to continue working on permitting issues going forward with us.

(Darell Smith): Oh, great. Thank you, (Karen). I would more than happy to chime in on that one.

So what we've been working with the - first off, just a little background in case those on the phone are not familiar with what we've been working on. I am the co-chair of the Broadband Infrastructure Deployment Working Group

which is out of Executive Order 13616. And in the past, we've been working on policies for federal agencies to assist the agencies or work with the agencies on accelerating broadband deployment on federal land. So that would assist vendors and other interested parties in putting up broadband technology, broadband infrastructure on those properties to of course extend coverage of broadband across the United States. So with that, what we're working with on the box, we're rolling in some current work streams as well as future work streams regarding broadband deployment.

We're currently working on a program comment that's already at the advisory council for the stroke preservation. And that program comment deals with historic preservation reviews of permit applications for broadband employment and that's out for comment with the state historic preservations officers as well as the tribal historic preservation officers and industry representatives. So we're continuing that effort. So we're also working with just another office within the HS who is going to adopt the rural utility services categorical exclusions for environmental policy. And they're adopting those and we're going to put out a federal register notice related to that which will, of course, provide information on those categorical exclusions and which will also help identifying those categorical exclusions with haves applicability across the federal government. The similar type of categorical exclusions that other agencies have.

So hopefully those will help streamline the historic preservation -- I mean I'm sorry -- the environmental reviews as well for applicants on permits. And that's basically what we're working on now. There's probably some other work streams that will identified in the future and we definitely want to invite other agencies to participate in this effort. If there's anything that we need to bring up as far as any policy or any type of streamlining work for any

broadband deployment then we certainly welcome those agencies to participate.

Lynn Chadwick: Thank you for that. I now got a question I think I'm going to pitch it (Keith) first come in. This is what the question says. I'm working with a group trying to bring broadband to our rural county. The largest community is under 5,000 and much of the county is unincorporated. Many of the speakers so far referred to community but are there considerations for regional areas such as opposed to a specific community? (Keith), can you handle that?

(Keith Adams): Sure, sure. As far as core programs are concerned, all we need is someone who would be operating in that service area. So if you have an independent local exchange carrier or a rural telephone company or a rural provider who's serving that area, that's who we give a loan or grant to. Our loan programs are different and one of our grant programs specifically targets areas that have little or no service -- less than four megabytes up and one down. And that program the provider can actually draw their service area. So I would encourage you to visit our website or contact me directly and we can get you in touch with our general field representatives. We have 25 of them throughout the country and they can specifically talk to you about what the possibilities are and what the options are.

Lynn Chadwick: Thanks for that, (Keith). A question just came in. How's is this group going forward in the next - how do you see it going forward? (Doug), can you answer that?

(Doug Kinkoph): Yes. So what we've done is as the official work of the Broadband Opportunity Counsel has kind of completed its work as assigned by the president, I can't really directly state how we will operate under the new administration. But what we've done is we've moved the group into a career

level staff. (Keith) from USDA and myself from NTIA will be co-chairing it. And we've moved it into the interagency working group. So the intent is to have the team continue to focus on those items that are still open and finish the work that we have in front of us. And then start to identify new work streams and issues that can be addressed across interagency across agencies.

Lynn Chadwick: Well, folks keep asking about where they can see the slides in the future. And I just want to say that this is being recorded. We will have a transcript, a recording and the slides duly posted on the Broadband USA website along with the others that have been posted from our previous webinars. I just wanted to let you know that because people always keep asking that. Do you have a comment, (Karen)?

(Karen Hanson): Actually I wanted to ask (Alejandro) if he wouldn't mind talking about some of the other HUD actions that were taken. But I think from our perspective, it's always been an interest of ours that a larger ongoing federal program make it really explicit that broadband is an eligible expense. And HUD has done tremendous work to make that happen. So I just want to give, (Alejandro), I want to give a chance to talk a little bit about HUD did and explain what the impact could be going forward.

(Amanda Wallack): Hi. This is (Amanda Wallack). I'm with HUD and the Office of Legislation Regulations and Office of General Counsel.

Thanks very much for that question. I think it goes to the fact in HUD a lot of our grant cover a long list of eligible expenses that people can spend the money on. And in some cases, we have great regulatory flexibility as to what type of things can be included on eligible expenses. And so where possible we have tried to include broadband expenses, whether it be in infrastructure or where it's actually providing internet access as an eligible expense. However,

in some cases we are bound by the statute and have to seek legislative fixes to make that happen.

(Karen Hanson): Thank you, (Amanda). I just wanted to give you guys a chance to share what you've done with the big list on your end and I also want to point out to folks that all the information in great detail is included in the progress report. So links are available there to each of the agency's actions. So please be sure to check the progress report for all those details.

Lynn, do we have any more questions?

Lynn Chadwick: We got a question for (Tim) here. As discussed in the federal closing the digital divide of framework at CRA obligations digital inclusion of affordability and training programs for LMI also quality under CRA. And there was an important 2016 Q&A around the CRA services that guidelines were established and evaluating (unintelligible) reaching LMI people via online and mobile banking. Can you explain that? That's a mouthful, (Tim). I can say that again.

(Tim Herwig): Yes, could you please.

(Karen Hanson): I think the general question may be about digital inclusion eligibility if I'm reading between the lines.

Lynn Chadwick: Yes. I would say that sums it up.

(Tim Herwig): Well, the first thing I want to do is make a plug for that publication. That Federal Reserve Bank Analysis Closing Digital Divide is an excellent document. It explains CRA and public welfare investment uses for financing for broadband infrastructure.

With respect to the question that was asked what concepts could activities intended to bridge the digital divide be considered under the CRA either service activities or otherwise. The digital divide is not a term of use in the CRA Q&As. But I think when we talk about broadband infrastructure, we're really talking about the mechanics that go into place that can be financed by financial institutions that have that effect. With respect to service activities, I think any roles that a banker might play on a community or regional committee trying to organizing the development of a local network. Or if they are involved in the financial development providing technical assistance in addition to lines of credit and other kinds of loan that technical assistance would receive consideration. But only if the broadband network meets the definition of community development or can be determined as a public welfare purpose.

(Barry Whitus): This is (Barry). I'm going to jump in. (Barry Whitus) with the OCC. I also work with (Tim). I'll just say for those that are interested in pursuing this with the bank or if there's any banks on the line, this is not an area that there's a lot of specificity in the CRA Questions and Answers. So my advice would be for a banker that's interested in knowing whether or not a particular activity would qualify for CRA, we always encourage the banks to contact their supervisory teams. And really all the bank regulatory agencies encourage that if that is a really important factor in the bank's decision as to whether or not it would receive CRA consideration for a particular activity. So that would be my two cents.

So if it's somebody on the phone interested in approaching a bank about doing an activity in hopes that the bank receive CRA consideration, you know the bank will, you know, will be the ultimate decision maker there as to whether or not that's something they want to pursue either as part of their CRA

program or even if they're not sure if it's going to receive CRA consideration but they believe it's a good and worthy activity to pursue as part of their broader community objectives. That's really going to be a call that anyone bank can make. I think it would be difficult for somebody that's not, you know, in the banking world very conversant with CRA to opine, you know, whether it's going to receive CRA consideration or not.

I think at the end of the day because it's an area where there isn't a huge amount of guidance other than what (Tim) had gone over today, that it's best for a banker, you know, to reach out and certainly as (Tim) mentioned earlier, we the OCC have community affairs officers all over the country. I think in his PowerPoint provided a link to the website where one can reach the community affairs officer at the OCC that's assigned to their geographic territory.

You know pose a specific question to that community affairs officer and, you know, they'll respond. You know if it's somebody that's not a national bank, you know, we'll direct them to the appropriate regulatory agency if it's a banker. And if it's a member of the public who's not a bank, we'll certainly give you our best advice. So unfortunately, I would say it's not an area of black and white given that every deal is a little bit different. But I think as Tim mentioned earlier the door has been opened considerably in this last round of Q&As around how the bank regulators do see this as an important activity to support community development.

Lynn Chadwick: Thank you for that. We had a question and maybe you can answer this for us, (Karen). What was the FCC's role or is the FCC's role in this?

(Karen Hanson): Sure. So as part of the original presidential memorandum, the FCC was included as a consultative entity. As most folks know, they're not a cabinet

level agency. They were not a part of the original member agency group. But we certainly they were included in our interagency meetings and considerations and they had a chance to contribute to the report, to review it. But I think it was always very clear that as an independent regulatory body, they were not going to be in the same position that federal agencies were to make, you know, proposed changes to their programs and such. But I do think it was important. They were an important partner and collaborator and they're continuing to collaborate with the interagency working group going forward at the career level. So that was a very good question.

Lynn Chadwick: Thank you for that. Okay, folks. We are wrapping up today's webinar here. Once again I want to let you know this will be posted with the recording and the transcript on our website and we got to talk to a few more next steps coming up.

(Karen Hanson): So we will as mentioned earlier the interagency working group will continue to work monthly as agencies continue to address the remaining action items. As Lynn has mentioned, the recording and transcript from today's presentation will be available on our website. These webinars are scheduled the third Wednesday of each month at two o'clock Eastern. So please join us on February 15th for the next practical broadband conversations webinar Leveraging National Data to Jump Start Your Broadband Plan. Please check the Broadband USA website under events for a link to register. Thank you again to today's presenters and today's webinar producers and thanks to all of you for your interest and attention. Thank you very much.

Lynn Chadwick: Signing off.

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