

DEPARTMENT OF COMMERCE**National Telecommunications and Information Administration**

[Docket No. 960205021-6309-03]

RIN 0660-ZA01

Public Telecommunications Facilities Program: Closing Date

AGENCY: National Telecommunications and Information Administration (NTIA), Commerce.

ACTION: Notice of availability of funds.

SUMMARY: Subject to the authority of Title III of the Department of Commerce, Justice and State, the Judiciary and Related Agencies Appropriations Act, (set out in Division A, Title I of the Omnibus Consolidated Appropriations Act, 1997, Pub. L. 104-208), the National Telecommunications and Information Administration (NTIA), U.S. Department of Commerce, announces that applications are available for planning and construction grants for public telecommunications facilities under the Public Telecommunications Facilities Program (PTFP).

Applicants for matching grants under the PTFP must file their applications on or before Wednesday, February 12, 1997. NTIA anticipates making grant awards by September 30, 1997. NTIA shall not be liable for any proposal preparation costs.

Approximately \$15.25 million is available for FY 1997 for PTFP grants pursuant to Pub. L. 104-208 the "Department of Commerce and Related Agencies Appropriations Act of 1997." The amount of a grant award by NTIA will vary, depending on the approved project. For fiscal year 1996, NTIA awarded \$13.4 million in funds to 96 projects. The awards ranged from \$3,592 to \$791,727.

The applicable Rules for the PTFP were published on November 8, 1996. These rules, 15 CFR Part 2301 et seq. will be in effect for FY 1997 PTFP applications. Copies of these new Rules will be distributed as part of the PTFP Application Kit and applicants are cautioned not to use older versions of the PTFP Rules which they may have on hand. Parties interested in applying for financial assistance should refer to these rules and to the authorizing legislation (47 U.S.C. §§ 390-393, 397-399b) for additional information on the program's goals and objectives, eligibility criteria, evaluation criteria, and other requirements.

DATES: Pursuant to 15 CFR § 2301.8(b), the Administrator of NTIA hereby

establishes the closing date for the filing of applications for grants under the PTFP. The closing date selected for the submission of applications for 1997 is Wednesday, February 12, 1997.

Applications delivered by mail or by hand must be received at the address referenced below by 5 p.m. on or before Wednesday, February 12, 1997.

Applicants whose applications are not received by the deadline are hereby notified that their applications will not be considered in the current grant cycle and will be returned to the applicant. See 15 CFR § 2301.8(c); but see also § 2301.26. NTIA will also return any application which is substantially incomplete, or when the Agency finds that either the applicant or project is ineligible for funding under 15 CFR § 2301.3 and § 2301.4. The Agency will inform the applicant the reason for the return of any application.

ADDRESSES: To obtain an application package, submit completed applications, or send any other correspondence, write to: Office of Telecommunications and Information Applications, NTIA/DOC, 14th Street and Constitution Ave., NW, Room H-4625, Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Dennis R. Connors, Director, Public Broadcasting Division, telephone: (202) 482-5802; fax: (202) 482-2156. Information about the PTFP can also be obtained electronically via Internet (send inquiries to <http://www.ntia.doc.gov>) or through the NTIA BBS at (202) 482-1199 (set computer modems for 8 stop bits, 0 polarity).

SUPPLEMENTARY INFORMATION:**I. Application Forms and Regulations**

To apply for a PTFP grant, an applicant must file an original and two copies of a timely and complete application on a current form approved by the Agency. The current application form will be provided to applicants as part of the application package. This form expires on October 31, 1997, and no previous versions of the form may be used. (In accordance with the Paperwork Reduction Act, the current application form has been cleared under OMB control no. 0660-0003.) Applications submitted by facsimile or electronic means are not acceptable.

All persons and organizations on the PTFP's mailing list will be sent a copy of the current application form and the Final Rules. Those not on the mailing list may obtain copies by contacting the PTFP at the address or telephone, fax, computer bulletin board, or Internet numbers noted above. Prospective applicants should read the Final Rules

carefully before submitting applications. Applicants whose applications were deferred in FY 1996 will be mailed pertinent PTFP materials and instructions for requesting reactivation of their applications.

Applicants should note that they must comply with the provisions of Executive Order 12372, "Intergovernmental Review of Federal Programs." The Executive Order requires applicants for financial assistance under this program to file a copy of their application with the Single Points of Contact (SPOC) of all states relevant to the project. Applicants are required to provide a copy of their completed application to the appropriate SPOC on or before February 12, 1997. Applicants are encouraged to contact the appropriate SPOC well before the PTFP closing date.

NTIA requires that all applicants whose proposed projects need authorization from the Federal Communications Commission (FCC) tender an application to the FCC for such authority on or before February 12, 1997. (An application is tendered to the FCC when it has been received by the Secretary of the FCC.) However, applicants are urged to submit it with as much lead time before the PTFP closing date as possible. The greater the lead time, the better the chance the FCC application will be processed to coincide with NTIA's grant cycle. NTIA will return the application of any applicant that fails to tender an application to the FCC for any necessary authority on or before February 12, 1997.

Indirect costs for *construction* applications are not supported by this program. The total dollar amount of the indirect costs proposed in a *planning* application under this program must not exceed the indirect cost rate negotiated and approved by a cognizant Federal agency prior to the proposed effective date of the award or 100 percent of the total proposed direct costs dollar amount in the application, whichever is less.

All primary applicants must submit a completed Form CD-511, "Certifications Regarding Debarment, Suspension, and Other Responsibility Matters; Drug-Free Workplace Requirements and Lobbying," and the following explanations are hereby provided:

(1) *Nonprocurement Debarment and Suspension.* Prospective participants (as defined at 15 CFR Part 26, Section 105) are subject to 15 CFR Part 26, "Nonprocurement Debarment and Suspension" and the related section of the certification form prescribed above applies;

(2) *Drug Free Workplace.* Grantees (as defined at 15 CFR Part 26, Section 605) are subject to 15 CFR Part 26, Subpart F, "Government-wide Requirements for Drug-Free Workplace (Grants)" and the related section of the certification form prescribed above applies;

(3) *Anti-lobbying.* Persons (as defined at 15 CFR Part 28, Section 105) are subject to the lobbying provisions of 31 U.S.C. 1352, "Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions," and the lobbying section of the certification form prescribed above applies to applicants/bidders for grants, cooperative agreements, and contracts for more than \$100,000, and loans and loan guarantees for more than \$150,000, or the single family maximum mortgage limit for affected programs, whichever is greater; and

(4) *Anti-lobbying Disclosures.* Any applicant that has paid or will pay for lobbying using any funds must submit an SF-LLL, "Disclosure of Lobbying Activities," as required under 15 CFR Part 28, Appendix B.

Recipients shall require applicants/bidders for subgrants, contracts, subcontracts, or other lower tier covered transactions at any tier under the grant award to submit, if applicable, a completed Form CD-512, "Certifications Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions and Lobbying" and disclosure form, SF-LLL, "Disclosure of Lobbying Activities." Form CD-512 is intended for the use of recipients and should not be transmitted to the Department. SF-LLL submitted by any tier recipient or subrecipient should be submitted to the Department in accordance with the instructions contained in the award document.

If an application is selected for funding, the Department of Commerce has no obligation to provide any additional future funding in connection with that award. Renewal of an award to increase funding or extend the period of performance is at the total discretion of the Department.

Recipients and subrecipients are subject to all Federal laws and Federal and DOC policies, regulations, and procedures applicable to Federal assistance awards. In addition, unsatisfactory performance by the applicant under prior Federal awards may result in the application not being considered for funding.

If applicants incur any costs prior to an award being made, they do so solely at their own risk of not being reimbursed by the Government. Notwithstanding any verbal or written

assurance that they have received, there is no obligation on the part of the Department to cover preaward costs.

No award of Federal funds shall be made to an applicant who has an outstanding delinquent Federal debt until either: (1) the delinquent account is paid in full; (2) a negotiated repayment schedule is established and at least one payment is received, or (3) other arrangements satisfactory to the Department are made.

Applicants are reminded that a false statement on the application may be grounds for denial or termination of funds and grounds for possible punishment by a fine or imprisonment as provided in 18 U.S.C. 1001.

Special Note: NTIA has established a policy which is intended to encourage stations to increase from 25% to 50% the matching percentage for those proposals that call for equipment replacement, improvement, or augmentation (PTFP Policy Statement, (56 FR 59168 (1991))). The presumption of 50% funding will be the general rule for the replacement, improvement or augmentation of equipment. Exceptions to this general policy direction are as follows: small community-licensee stations will not be subjected to this policy. The same is true of a station that is licensed to a large institution (e.g., a college or university) documenting that it does not receive direct or in-kind support from the larger institution. Also, a showing of extraordinary need or an emergency situation will be taken into consideration as justification for grants of up to 75% of the project cost for such proposals.

A point of clarification is in order: NTIA expects to continue funding projects to activate stations or to extend service at up to 75% of the total project cost. NTIA will do this because applicants proposing to provide first service to a geographic area ordinarily incur considerable costs that are not eligible for NTIA funding. The applicant must cover the ineligible costs including those for construction or renovation of buildings and other similar expenses.

Since NTIA has limited funds for the PTFP program, the PTFP Final Rules published November 8, 1996 modifies NTIA's policy regarding the funding of planning applications. Our policy now includes the general presumption to fund planning projects at no more than 75% of the project costs. NTIA notes that most of the planning grants awarded by PTFP in recent years include matching in-kind services and funds contributed by the grantee. The new NTIA policy therefore codifies what already has become PTFP practice. NTIA, however, is mindful that

planning grants are sometimes the only resource that emerging community groups have with which to initiate the planning of new facilities in unserved areas. We therefore will continue to award up to 100% of total project costs in cases of extraordinary need.

We wish to take this opportunity to restate the policy published in the November 22, 1991, PTFP Policy Statement (56 FR 59168 (1991)), regarding applicants' use of funds from the Corporation for Public Broadcasting (CPB) to meet the local match requirements of the PTFP grant. NTIA continues to believe that the policies and purposes underlying the PTFP requirements could be significantly frustrated if applicants routinely relied upon another Federally supported grant program for local matching funds. Accordingly, NTIA has limited the use of CPB funds for the non-Federal share of PTFP projects to circumstances of "clear and compelling need" (15 CFR § 2301.6(c)(2)). NTIA intends to maintain that standard and to apply it on a case-by-case basis.

The November 22, 1991, PTFP Policy Statement (56 FR 59168 (1991)) also discussed a number of issues of particular relevance to applicants proposing nonbroadcast educational and instructional projects and potential improvement of nonbroadcast facilities. These policies remain in effect and will be distributed to all PTFP applicants as part of the Guidelines for preparing FY 1997 PTFP applications.

II. Eligible and Ineligible Costs

Eligible equipment for the 1997 grant round includes apparatus necessary for the production, interconnection, captioning, broadcast, or other distribution of programming, including but not limited to studio equipment; audio and video storage, processing, and switching equipment; terminal equipment; towers, antennas, transmitters, remote control equipment, transmission line, translators, microwave equipment, mobile equipment, satellite communications equipment, instructional television fixed service equipment, subsidiary communications authorization transmitting and receiving equipment, cable television equipment, and optical fiber communications equipment.

NTIA recognizes that digital technology will be an important means for the more efficient creation and distribution of programming in the future. Consequently, public broadcasters seeking to replace, upgrade, and buy new equipment that employs digital technology will be

permitted, when appropriate, to use PTFP funds for such purposes.

The following list provides clarification regarding several equipment and other cost areas that will be helpful in preparing applications. NTIA also reserves the right to eliminate any costs, whether specified here or not, that it determines are not appropriate prior to the awarding of a grant.

A. Equipment and Supplies

(1) Buildings and Modifications to Buildings. (a) Eligible: Small equipment shelters that are part of satellite earth stations, translators, microwave interconnection facilities, and similar facilities. (b) Ineligible: Purchase or lease of buildings and modifications to buildings, including the renovation of space for studios intended to house eligible equipment; costs associated with removing old equipment.

(2) Land and Land Improvements. (a) Eligible: Site preparation necessary to construct towers and guy anchors for transmission and interconnection equipment. (b) Ineligible: Purchase or lease of land.

(3) Moving Costs. (a) Ineligible: Moving costs required by relocation of any facilities. (b) Eligible: Shipping and delivery charges for equipment acquired within the award.

(4) Reception Equipment. (a) Eligible: Fixed frequency demodulator, as required by good engineering practice for monitoring the off-air transmission of signals; subcarrier demodulator; telemetry transmitters and receivers; satellite receivers; and subcarrier decoders for the handicapped. (b) Ineligible: Consumer-type TV sets and FM receivers.

(5) Tower Modifications. (a) Eligible: Strengthening or modifying a commercial entity's tower to accommodate a public broadcasting entity (structural modifications on towers and/or antenna changes must meet EIA (Electronic Industries Association) and any required local standards). (b) Ineligible: Modifying or strengthening the applicant's tower to accommodate a commercial entity.

(6) Production and Control Room Equipment. (a) Eligible: Standard production studio and control room equipment for TV or radio program production. (b) Ineligible: Consumer-type mixers, tape recorders, turntables, CD players, etc; ancillary production devices such as stopwatches and stop-clocks, building lights, sound effects, scenery and props, cycloramas, sound insulation devices and materials, draperies and related equipment for production use, film and still

photography processing, film sound synchronization editing.

(7) Video Equipment. (a) Eligible: Videotape editing and processing equipment that conforms to broadcast-standard quality equipment for field recording and production editing. (b) Ineligible: Consumer level videotape recording formats not accepted in the industry as broadcast-standard quality.

(8) Furniture and Office Equipment. (a) Eligible: Consoles required to mount equipment such as audio consoles and video switchers. (b) Ineligible: Such items as office furniture, office equipment, studio clocks and systems, blackboards, office intercoms, equipment inventory labels and label-makers, word processors, telephone systems, and printing and duplication equipment.

(9) Expendable Items and Spare Parts. (a) Eligible: A transmitter spare parts kit and one set of final and driver tubes for a transmitter awarded in the grant; a spare parts kit for video tape recorders awarded in the grant. (b) Ineligible: Spare lenses, spare circuit components, spare parts kits for studio equipment, except as noted above; recording tape, film, reels, cartridge tapes, records, compact discs, and record or tape cleaning equipment; art and graphics supplies; maintenance supplies, including replacement final and driver tubes normally considered in the industry as normal maintenance-budget-provided items and similar items.

(10) Backup Equipment. (a) Eligible: Hot standby or backup microwave for the main studio-to-transmitter link only; a backup or spare exciter for a television transmitter, as required by good engineering practice. (b) Ineligible: Redundant equipment, such as spare transmitters, or costs associated with them, as well as backup microwave equipment (except as noted above).

(11) Electric Power. (a) Eligible: Generally, all primary power costs from the output of the main power meter panel; regulators and surge protectors, as required by good engineering practice, to stabilize transmitter RF output. Where primary power is not available or is unusable for broadcast, then PTFP may provide funding for those devices needed to power the facility if the need for that equipment is fully documented in the application. (b) Ineligible: Costs of installing primary power to the facility, including transformers, power lines, gasoline or diesel powered generators, and related equipment.

(12) Test and Maintenance Equipment. (a) Eligible: Required test equipment, as indicated by good engineering practice for the

maintenance of the project equipment. (b) Ineligible: Maintenance equipment such as hand and power tools, storage cabinets, and maintenance services.

(13) Air Conditioning and Ventilation.

(a) Eligible: The costs to provide ventilation of eligible project equipment, such as ducting for transmitters, as required by good engineering practice. Transmitter air conditioning can be applied for and will be supported if the need is well-documented in the application. (b) Ineligible: Unless exceptionally well-documented, air conditioning for transmitters, control rooms, or equipment rooms, studios, mobile units, and other operational rooms and offices.

(14) Remote Vans. (a) Eligible: Items to equip a remote van for audio/video production. (b) Ineligible: All vehicles.

B. Other Costs

(1) Construction Applications: NTIA generally will not fund salary expenses, including staff installation costs, and pre-application legal and engineering fees. Certain "pre-operational expenses" are eligible for funding. (See 15 CFR § 2301.2.) Despite this provision, NTIA regards its primary mandate to be funding the acquisition of equipment and only secondarily funding of salaries. A discussion of this issue appears in the PTFP Final Rules under the heading Support for Salary Expenses in the introductory section of the document.

(2) Planning Applications. (a) Eligible: Salaries are eligible expenses for all planning grant applications, but should be fully described and justified within the application. Planning grant applicants may lease office equipment, furniture and space, and may purchase expendable supplies under the terms of Section 392 (c) of the Act. (b) Ineligible: Planning grant applications cannot include the cost of constructing or operating a telecommunications facility.

(3) Audit Costs. Organization-wide audits shall be performed in accordance with the Single Audit Act Amendments of 1996, for audits of state and local governments; and Office of Management and Budget Circular A-133, Audits of Institutions of Higher Education and Other Non-Profit Institutions for recipients that are educational institutions or nonprofit organizations. Additionally, when required under a special award condition, a project audit shall be performed in accordance with Federal Government Auditing Standards in lieu of an organization-wide audit.

Federal guidelines allow NTIA to include an amount for audit costs as part of a grant award. NTIA policy permits non-profit organizations to

include up to \$5,000 for audit costs in an application. Because audit costs may vary depending on the size and scope of an organization's operations, NTIA recommends that applicants obtain estimates from auditors to determine the appropriate amount to include in their applications. Construction Grant Applicants should list the amount requested for audit costs in Part II, Section D—Other Project Costs, 1. Outside Services of the PTFP Application Form. Planning Grant Applicants should include the amount on line 7, Other, in Part III—Budget Information for Planning Grant Applicants of the PTFP Application Form.

III. Notice of Applications Received

In accordance with 15 CFR § 2301.13, NTIA will publish a notice in the Federal Register listing all applications received by the Agency. Listing an application in such a notice merely acknowledges receipt of an application to compete for funding with other applications. Publication does not preclude subsequent return of the application for the reasons discussed under the Dates section above, or disapproval of the application, nor does it assure that the application will be funded. The notice will also include a request for comments on the applications from any interested party.

IV. Evaluation Process

See 15 CFR § 2301.16 for a description of the Technical Evaluation and 15 CFR § 2301.17 for the Evaluation Criteria.

V. Selection Process

Based upon the above cited evaluation criteria, the PTFP program staff prepares summary evaluations. These incorporate the outside reviewers recommendations, engineering assessments, and program staff evaluations. The PTFP Director will consider the summary evaluations prepared by program staff, rank the applications, and present recommendations to the OTIA (Office of Telecommunications and Information Applications) Associate Administrator for review and approval. The PTFP Director ranks the applications into three categories: "Recommended for Funding," "Recommended for Funding if Funds Available," and "Not Recommended for Funding." See 15 CFR § 2301.18 for a description of the selection factors retained by the Director, OTIA Associate Administrator, and the Assistant Secretary for Telecommunications and Information.

Upon review and approval by the OTIA Associate Administrator, the Director's recommendations will then be presented to the Selection Official, the NTIA Administrator. The NTIA Administrator selects the applications to be negotiated for possible grant award taking into consideration the Directors recommendations and the degree to which the slate of applications, taken as a whole, satisfies the program's stated purposes set forth at 15 CFR § 2301.1(a) and (c). These applications are negotiated between PTFP staff and the applicant. The negotiations are intended to resolve whatever differences might exist between the applicant's original request and what PTFP proposes to fund. During negotiations, some

applications may be dropped from the proposed slate, due to lack of Federal Communications Commission licensing authority, an applicant's inability to make adequate assurances or certifications, or other reasons. Negotiation of an application does not ensure that a final award will be made. When the negotiations are completed, the PTFP Director recommends final selections to the NTIA Administrator applying the same factors as listed in 15 CFR § 2301.18. The Administrator then makes the final award selections from the negotiated applications taking into consideration the Director's recommendations and the degree to which the slate of applications, taken as a whole, satisfies the program's stated purposes in 15 CFR § 2301.1(a) and (c).

VI. Project Period

Planning grant award periods customarily do not exceed one year, whereas construction grant award periods commonly range from one to two years. Although these time frames are generally applied to the award of all PTFP grants, variances in project periods may be based on specific circumstances of an individual proposal.

Authority: The Public Telecommunications Financing Act of 1978, as amended, 47 U.S.C. §§ 390–393, 397–399(b) (Act). (Catalog of Federal Domestic Assistance No. 11.550)

Bernadette McGuire-Rivera,
*Associate Administrator, Office of
Telecommunications and Information
Applications.*

[FR Doc. 96–28772 Filed 11–7–96; 8:45 am]

BILLING CODE 3510–60–P