

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

[Docket No. 960205021-6021-01]

Public Telecommunications Facilities Program: Closing Date

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

ACTION: Notice of closing date.

SUMMARY: Subject to the authority of the continuing resolution (P.L. 104-99), 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). In order to make any awards this fiscal year, it is necessary to begin the application process now.

Applicants for matching grants under the PTFP must file their applications on or before Thursday, March 28, 1996. NTIA anticipates making grant awards by September 30, 1996, provided that funding for PTFP is continued beyond the March 15, 1996 expiration date of the continuing resolution. This continuing resolution includes \$15.5 million for the PTFP. Issuance of grants is subject to the availability of FY 1996 funds. Further notice will be made in the Federal Register about the final status of funding for this program at the appropriate time. NTIA shall not be liable for any proposal preparation costs.

The amount of a grant award by NTIA will vary, depending on the approved project. For fiscal year 1995, NTIA awarded \$27.6 million in funds to 142 projects. The awards ranged from \$5,694 to \$954,518.

The applicable Rules for the PTFP were published on November 22, 1991 and amended on December 22, 1995 (60 FR 66491). These rules, codified at 15 CFR part 2301, will be in effect for FY 1996 PTFP applications. Parties interested in applying for financial assistance should refer to these rules and to the authorizing legislation (47 U.S.C. 390-393 and Pub. L. 104-99) for additional information on the program's goals and objectives, eligibility criteria, evaluation criteria, and other requirements.

DATES: Pursuant to 15 CFR 2301.5(c), 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 1996 is Thursday, March 28, 1996. Applications delivered by mail or by hand must be delivered to the address referenced below by 5 p.m. on or before Thursday, March 28, 1996. 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. 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 the Public Telecommunications Financing Act of 1978, as amended (47 U.S.C. 390-393). 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 1995 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 March 28, 1996. 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 March 28, 1996. (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 March 28, 1996.

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.

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" (CFR 2301.16(a)(4)). 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 1996 PTFP applications.

II. Documentation Concerning Discrimination Complaints

The NTIA Administrator is hereby extending a blanket waiver to all PTFP FY 1996 applicants and grant recipients exempting them from the requirements contained at 15 CFR 2301.5(d)(2)(xvii) and 2301.21(b)(1-2) with regard to discrimination complaints. Based on its experience, NTIA has found these requirements to be too burdensome and generally not pertinent to the PTFP's selection criteria. This blanket waiver means that FY 1996 PTFP applicants will not be required to provide a detailed list and explanation of any complaints of discrimination currently pending or decided against the applicant before any court or governmental agency. Moreover, FY 1996 PTFP grant recipients, once their projects are completed, will not be required to submit such documentation on their Annual Status Reports; nor will recipients be required to provide the special academic certification concerning their admissions policies or their policies regarding the receiving or providing of services. Applicants are reminded, however, that they are still obligated to comply with the general Federal statutes relating to nondiscrimination, as stated in 15 CFR 2301.22(b)(15) and in Assurance No. 36 of the PTFP Application Form.

III. Eligible and Ineligible Costs

Eligible equipment for the 1996 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. Ineligible: Moving costs required by relocation of transmitter or studio equipment.

(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 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 and sound effects equipment, 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, telephones and 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 § 2301.1.) 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, 56 FR 59172 (1991)).

(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 15 CFR Part 29a, Audit Requirements for State and Local Governments, for recipients that are state or local governments; and 15 CFR Part 29b, Audit Requirements for Institutions of Higher Education and Other Nonprofit Organizations, 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.

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.

IV. Notice of Applications Received

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.

V. Evaluation Process

PTFP grants are awarded on the basis of a competitive review process. The evaluation of the applications is based upon the evaluation criteria provided in 15 CFR 2301.13 and 2301.14. The review may include the following: an evaluation by PTFP staff; a technical assessment by staff engineers using relevant evaluation criteria; outside readers, all of whom have demonstrated expertise in either public broadcasting or distance learning; and a rating by a national advisory panel, composed of representatives of the major national public radio and television organizations. The Agency shall consult, as necessary, with interested Federal and state agencies or other organizations.

VI. Special Consideration

In accordance with section 390 of the Act, one purpose of this program is to "increase public telecommunications services and facilities available to, operated by, and owned by minorities

and women." Under section 392(f) of the Act, the Agency "shall give special consideration to applications which would increase minority and women's ownership of, operation of, and participation in public telecommunications." The Agency will accord special consideration only where there is more than 50 percent (50%) ownership or control of a telecommunications entity by minorities and/or women. The applicant must establish ownership of or control of a public telecommunications facility through the normal incidents of ownership, or by demonstrating participation by minorities and/or women on the Board of Directors, Executive Directors, governing body, management positions, or policy-making positions.

The special consideration element is provided as one of several funding criteria contained in the regulations, specifically, at 15 CFR 2301.13(e) for construction grants and 2301.14(c)(4) for planning grants. Those applicants demonstrating substantial ownership of or control of a public telecommunications entity by minorities and/or women shall receive a higher rating for the above-cited special consideration elements only.

VII. 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 ranks the applications into three categories: "Recommended for Funding," "Recommended for Funding if Funds Available," and "Not Recommended for Funding." In ranking the applications, the Director considers the following discretionary selection factors:

- the program staff evaluations, including the outside reviewers;
- the program's priorities and the special applications category, as stated in the appendix to 15 CFR part 2301;
- whether the application is for a broadcast or a nonbroadcast project
- the geographic distribution of the proposed grant awards; and
- the availability of funds.

The Director presents recommendations 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 (see 47 U.S.C. 390 and 15 CFR 2301.2). 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. When the negotiations are completed, the PTFP Director recommends final selections to the NTIA Administrator applying the same factors as listed above. 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 (see 47 U.S.C. 390 and 15 CFR 2301.2).

VIII. Policy on Sectarian Activities

Applicants are advised that on December 22, 1995, NTIA issued a notice and an amendment to the PTFP regulations in the Federal Register on its policy with regard to sectarian activities. Under NTIA's prior policy, NTIA funds could not be used for any sectarian purposes. Under the revised policy, while religious activities cannot be the essential thrust of a grant, an application will not be ineligible where sectarian activities are only incidental or attenuated to the overall project purpose for which funding is requested. Applicants should read the policy that was published at 60 FR 66491, Dec. 22, 1995, and that will be included with the application materials.

IX. 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 (Act).

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11.550)

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