

TELEPHONY ONLINE

Broadband stimulus 'underserved' rule becomes more flexible

[Ed Gubbins](#) July 24th, 2009

The federal government's [definition of "underserved areas"](#) for purposes of awarding [broadband stimulus](#) funds has caused [consternation among some applicants](#) – in particular municipal leaders who feel it excludes them from the program. For example, the chief information officer for San Jose, Calif., recently [complained](#) of a downtown fire station that is underserved but sits in an area that wouldn't qualify. A city official in Northfield, Minn., said she doubted any of her state's cities would qualify.

But [further clarification of these rules](#) may ease some applicants' minds as they prove more flexible than previously thought. The feds have defined "underserved areas" as areas in which:

- at least half of all households lack broadband or
- fewer than 40% of households subscribe to broadband or
- no service provider advertises broadband transmission speeds of at least 3 Mb/s.

But that's actually the definition of "underserved." It's up to applicants to define the term "area."

Say an applicant wants to bring broadband to three given [census blocks](#) – two qualify as underserved, but one doesn't. If, when grouped together into one proposed service "area," they **do** qualify as "underserved," then a census block that would have been disqualified by itself becomes fair game.

The more broadband in a particular block, the more truly underserved blocks you'd have to add in order for it to qualify. And they'd have to be contiguous, which may make the question moot in plenty of cases. But this seeming loophole may also allow fiber to some firehouses if the lines are drawn in the right places.