



NEWS RELEASE

United States Department of Agriculture • Rural Development
1550 Earl Core Road, Suite 101 • Morgantown, WV 26505

Phone: 304.284.4860 OR 1.800.295.8228 • Fax: 304.284.4893 • TDD: 304.284.4836 • Web: <http://www.rurdev.usda.gov/wv>

Gail Bennett, Public Affairs Specialist – (304) 304-366-2921, ext. 214
Contact: Office of Communications (202) 720-4623

Agriculture Secretary Vilsack Announces Projects to Provide Broadband to Rural Communities *West Virginia Entity is Recipient*

WASHINGTON, D.C., August 22, 2011 – Agriculture Secretary Tom Vilsack announced today that 18 recipients will receive more than \$103 million in funding for 23 projects to provide broadband services to unserved and underserved rural communities. Residents and businesses that will benefit from this funding include those in an Oklahoma community damaged by a tornado earlier this year.

“Without broadband, rural communities, agricultural producers and business owners face a substantial challenge,” Vilsack said. “These loans and grants will bring the benefits of broadband, including new educational, business and public health and safety opportunities, to residents living in some of the most remote parts of our Nation.”

One of the successful applications is from Wichita Online, Inc., which will use a USDA Rural Development Community Connect program grant to provide broadband to the rural community of Tushka Town, Okla. The community was hit by a tornado on April 14, 2011, that killed two people and destroyed or damaged a number of buildings in the community. Rural Development’s \$480,000 grant to Wichita Online, Inc. will provide residents with broadband service and new opportunities for economic development.

Another successful application came from Crystal Broadband Networks, Inc., which will also use a USDA Rural Development Community Connect program grant. However, their grant in the amount of \$571,900 will be leveraged with other funding to provide broadband services to the community of Panther, McDowell County, West Virginia, through a hybrid fiber coax network.

The Community Connect program has been instrumental in providing broadband access to residents in remote areas and low-income communities. This year, the Karuk Tribe in Orleans, Calif., will receive a Community Connect grant to provide Internet services to 570 tribal members in a mountainous region of Northern California. Of the Community Connect grants being announced today, seven grants will provide broadband to communities that are plagued by persistent poverty.

In addition to the Community Connect grants, Secretary Vilsack announced \$90 million in loan funding for five broadband infrastructure projects. For example, the Dubois Telephone Exchange, for example, has been selected for an \$11.4 million loan to provide broadband to nearly all of the businesses and residents in Wyoming’s Upper Wind River country and Little Snake River Valley. The loan is expected to create 100 jobs and save up to 150 others. Recreation and tourism are the leading industries in Dubois and the Upper Wind River Country, and broadband will enable those industries to thrive. The Vernon Telephone Cooperative, in Westby, Wis., has been selected for a \$24 million loan to build a Fiber-To-The-Premises (FTTP)

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system in areas outside the town. Vernon also plans to make other system improvements in several area exchanges.

The infrastructure loans announced today are in addition to \$192 million in loans Secretary Vilsack announced on July 27, 2011, through USDA Rural Development's Telecommunications Infrastructure Program.

The Community Connect program provides grants to rural, economically challenged communities. Funds can be used to construct, acquire or lease facilities to deploy broadband to community facilities such as schools and public safety buildings, as well as residents and businesses in the community. Each project requires a matching contribution and must serve an area where broadband is not available. The grantee must agree to provide local community centers in the selected towns with at least 10 computers which are accessible free for two years. USDA funding for all loans and grants is contingent upon the recipient meeting the terms of the loan or grant agreement.

For a complete list of the awardees, go to the following website:

<http://www.rurdev.usda.gov/supportdocuments/CommConnectInfrastructureAwardsAugust2011.pdf>

In June, President Obama signed an Executive Order establishing the first White House Rural Council, chaired by Agriculture Secretary Tom Vilsack. The White House Rural Council will work throughout government to create policies to promote economic prosperity and a high quality of life in rural communities.

Since taking office, President Obama's Administration has taken significant steps to improve the lives of rural Americans and has provided broad support for rural communities. The Obama Administration has set goals of modernizing infrastructure by providing broadband access to 10 million Americans, expanding educational opportunities for students in rural areas, and providing affordable health care. In the long term, these unparalleled rural investments will help ensure that America's rural communities are repopulating, self-sustaining and thriving economically.

USDA, through its Rural Development mission area, administers and manages housing, business and community infrastructure and facility programs through a national network of state and local offices. Rural Development has an existing portfolio of more than \$155 billion in loans and loan guarantees. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers and ranchers and improve the quality of life in rural America.

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