



NEWS RELEASE

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VENEMAN LAUNCHES \$1.4 BILLION PROGRAM TO EXPAND TELECOMMUNICATION AND BROADBAND TECHNOLOGY IN RURAL AMERICA

WASHINGTON, January 29, 2003, Agriculture Secretary Ann M. Veneman today announced that USDA will expand efforts to bring farmers, rural residents and businesses greater access to improved telecommunication technology through the financing of more than \$1.4 billion in loans and loan guarantees to rural telecommunications providers. In addition, Veneman announced that President Bush will propose spending \$196 million for the program in its FY 2004 budget.

“In his message to the American people last evening, the President discussed the importance of continued economic growth and opportunity for all Americans,” said Veneman. “The expansion of this technology initiative will better equip our rural communities to enhance opportunities for economic development. These tools will help farmers, rural businesses, students and health care recipients, with new technologies and telecommunications services.”

The Secretary also announced that the Administration will propose investing \$177 million in FY 2004, an increase of \$44.5 million, to upgrade its County Service Centers, most of which will be used to provide Geographic Information System (GIS) technologies to these offices, allowing farmers and ranchers more access to satellite mapping and planting information. County Service Centers are located throughout the U.S. and utilized by producers and other constituents to receive vital programs and services administered by USDA.

“More effective computer systems and satellite technologies will help USDA provide better services to our nation’s farmers and ranchers, who rely so heavily on our services and programs,” said Veneman. “These efforts announced today are part of the Bush Administration’s continued commitment to invest in rural areas throughout the country.”

In making the announcement, the Secretary and Undersecretary for Rural Development Thomas Dorr joined Rural Utilities Service Administrator Hilda Legg in demonstrating how new technology can be used to serve rural areas. During a live two-way webcast linked to various rural businesses and community centers from across the country, they talked with residents and businesses benefiting from the USDA loan program.

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Officials from NEX-Tech Corporation in Kansas explained how they were able to develop broadband infrastructure to service all homes and businesses in three rural communities. Several local businesses have reported increased economic opportunities as a result.

One such example is Osborne Industries, a local agricultural services manufacturing company that through the high-speed connection has been better able to manage and market their products competitively in domestic and international markets.

Members of the University of Virginia Medical School in Charlottesville also discussed how they used the advanced technology to treat patients at a hospital in rural Virginia. Medical staff talked about how they were able to help a two-year old rural West Virginia boy who suffered from a severe heart condition. Through the expansion of broadband infrastructure to this rural community the child was provided medical treatment without having to travel from hospital to hospital.

“Economic and quality of life opportunities largely depend on access to markets and the ability to compete in the global digital economy,” said Dorr. “The return on this investment will be the opportunity to create more jobs and stronger rural economies.”

Building high-speed technology infrastructure is an investment in the future of rural America and a key element of President Bush’s economic agenda. Stressing the importance of broadband during his August Economic Forum in Waco, Texas, President Bush said, “In order to make sure the economy grows, we must bring the promise of broadband technology to millions of Americans....broadband technology is going to be incredibly important for us to stay on the cutting edge of innovation here in America.”

Guidelines for the program and information on how to apply for loans, is available today in the Federal Register. Interested applicants can also obtain information by visiting USDA’s web at <http://www.usda.gov/>.

USDA Rural Development is the lead federal entity for rural economic and community development needs. It administers financial and technical assistance through a network of state Rural Development offices, various non-profit and educational institutional partners, and its national office. Further information on these and other rural programs is available at a local USDA Rural Development office or by visiting USDA’s web site at <http://www.rurdev.usda.gov/>.

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