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United States Department of Agriculture • Office of Communications • 1400 Independence Avenue, SW
Washington, DC 20250-1300 • Voice: (202) 720-4623 • Email: oc.news@usda.gov • Web: <http://www.usda.gov>

Contact:
Jay Fletcher (202) 690-0498

USDA RURAL DEVELOPMENT CELEBRATES 60 YEARS OF FINANCING TELECOMMUNICATIONS AND HOUSING PROGRAMS THROUGHOUT RURAL AMERICA

PALMER, Alaska, October 24, 2009 - Under Secretary for Rural Development Dallas Tonsager today participated in events commemorating the 60th anniversary of the creation of the U.S. Department of Agriculture's housing programs. The Under Secretary went to Palmer and Wasilla, Alaska, where he visited with families who have built and are currently constructing their own homes through USDA's "Self Help" Housing program. Tonsager was joined by U.S. Senator Mark Begich and by Alaska Rural Development State Director Jim Nordlund. The Agency is also observing the 60th anniversary of the establishment of its telecommunication program.

"In looking back over the last 60 years I can see how providing basic services like housing assistance and telephone services to residents of rural communities like these has played a fundamental part in shaping not only rural America, but the whole fabric of the economy of the United States," said Tonsager. "The Obama Administration celebrates these great milestones in America's history. Today, we are building on the successes of the past by promoting infrastructure development that helps families, and also deploying new technology like broadband to make rural America a better place in which to live."

While in Wasilla, the Under Secretary met with Mary Beall, a single mother of eight who spent a year building her own home. Shortly after moving into her house, Ms. Beall was involved in a serious auto accident. After learning of the mishap, employees of the non-profit agency that oversaw construction of the home volunteered to landscape the yard of the residence, providing both materials and labor.

Under the Self Help program, families spend up to a year under the guidance of a non-profit agency building their own homes. After completion, their work becomes their "sweat equity." The non-profit is funded by a grant from USDA.

In 1949, USDA's telecommunications loan program was established to provide telephone service to rural America. At the time, only one in three farms had access to telephone service. As it did with the rural electrification program, the Telephone Loan Program revolutionized the lives of millions of rural families and businesses by providing connectivity, access to emergency services and business activities that fueled economic growth. Today, Rural Utilities Service (formerly REA), provides loans and grants for telecommunication, electricity and water and environmental services. It is also administering a program, funded through the American Recovery and Reinvestment Act, to provide broadband service to underserved communities.

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Also in 1949, passage of the Housing Act marked a turning point the nation's history by establishing the Farmer's Home Administration. To date, three million rural Americans have benefited by receiving housing loans, grants and guarantees totaling \$124.6 billion.

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development fosters growth in homeownership, finances business development and supports the creation of critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting www.rurdev.usda.gov.

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