

USDA awarding \$310 million for broadband projects

January 25 2010, By JOELLE TESSLER , AP Technology Writer

(AP) -- The Agriculture Department is handing out nearly \$310 million in stimulus money to bring high-speed Internet connections to 14 rural communities around the country.

The awards being announced Monday amount to the largest round of government funding for broadband since Congress included \$7.2 billion for high-speed networks and adoption programs in last year's stimulus bill.

The money is intended to bring jobs and economic opportunities to rural communities, poor neighborhoods and other parts of the country that are falling behind in the information age. It is also intended to pay for the network infrastructure needed to deliver telemedicine services, offer online classes and provide other applications that require a lot of bandwidth.

"This big batch of projects will create urgently needed jobs now and also build networks that will fuel rural economic development for years to come," said Jonathan Adelstein, who heads the Agriculture Department's Rural Utilities Service, which is awarding the money.

The awards being announced Monday include:

- an \$88.1 million grant and loan to an Alaskan telecommunications company that will build "middle mile" networks to connect 65 Eskimo towns and villages in southwestern Alaska to the Internet.

- a \$19.1 million grant and loan to a Missouri electric cooperative to build a fiber-optic network that will reach nearly 5,000 homes, businesses, public safety entities and community organizations in rural Ralls County, Mo.

- a \$3.9 million grant to a unit of TDS Telecommunications Corp. to build a digital subscriber line network to serve homes, businesses and community institutions in sparsely populated parts of Alabama.

- a \$376,000 grant and loan to a telephone company to build a WiMax network that can deliver [wireless broadband](#) connections to nearly 325 homes in northeast Iowa.

Including the latest round of funding, the Rural Utilities Service has doled out \$363.7 million for 22 broadband projects across the country. The Agriculture Department will award a total of \$2.5 billion in stimulus money for broadband programs.

The National Telecommunications and Information Administration, an arm of the Commerce Department, is handing out the remaining \$4.7 billion in stimulus funding for broadband. As of last week, NTIA had awarded roughly \$200 million in grants for 15 projects.

Applications for the next and final round of broadband funding are due by March 15.

In the second round, the Agriculture Department will focus on projects that provide "last-mile" connections that link homes, businesses and other end users to the Internet. The Commerce Department will focus on "middle-mile" projects that connect anchor institutions such as libraries, colleges and public safety agencies. It will also award some money for computing centers in libraries, colleges and other public facilities, and adoption programs that teach people how to use the Internet.

Demand for the broadband money has been intense, far outstripping the amount available. The Commerce and Agriculture departments already have received nearly 2,200 applications requesting a total of \$28 billion.

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