



# NEWS RELEASE

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## OBAMA ADMINISTRATION LAUNCHES INITIATIVE TO BRING BROADBAND, JOBS TO MORE AMERICANS

### *Vice President Kicks-Off Administration's Rural Tour, Announces Availability of the \$4 Billion in Recovery Act Funding to Increase Broadband Access and Adoption*

WATTSBURG, Pa., July 1, 2009 – Vice President Joe Biden today announced the availability of \$4 billion in loans and grants to bring broadband to unserved and underserved communities. This is the first round of Recovery Act funding aimed at expanding broadband access to help bridge the technological divide and create jobs building out Internet infrastructure.

“Today’s announcement is a first step toward realizing President Obama’s vision of a nationwide 21<sup>st</sup> century communications infrastructure – one that encourages economic growth, enhances America’s global competitiveness, and helps address many of America’s most pressing challenges,” Biden said.

“The Department of Agriculture’s Broadband Initiatives Program will bring high-speed Internet service to communities across the country, create thousands of jobs, and improve economic, healthcare, and educational opportunities available in rural communities,” Vilsack said. “This funding is a down payment on the President’s commitment to bring the educational and economic benefits of the internet to all communities.”

Vice President Biden was joined by Agriculture Secretary Tom Vilsack, Commerce Secretary Gary Locke, and Federal Communications Commission Chair Julius Genakowski at a local high school in Wattsburg, Pa., the first stop on the President’s National Rural Tour. USDA also announced the launch [www.RuralTour.gov](http://www.RuralTour.gov), where all Americans can follow the progress of the Rural Tour with additional cabinet secretaries in the coming months.

“The Commerce Department’s Broadband Technology Opportunities Program will reach the last frontiers of America’s information landscape, and the investments it makes in inner-city neighborhoods and rural communities will spur innovation and pave the way for private capital to follow,” Locke said. “This first wave of funding will help create jobs, jumpstart additional investment and provide model projects that can better inform our national broadband strategy.”

The Recovery Act provided a total of \$7.2 billion to the Commerce Department’s National Telecommunications and Information Administration (NTIA) and the U.S. Department

of Agriculture's Rural Utilities Service (RUS) to accelerate broadband deployment in unserved, underserved and rural areas.

Among the \$4 billion in Recovery Act funds announced today, USDA will use approximately \$2 billion to provide grants, while the remaining funds will be used to make up to \$7 billion in loans, for a potential total investment in rural broadband of \$9 billion. This assistance is especially critical in rural communities where it can provide citizens with job opportunities and help create wealth by driving economic growth, advancing education, fostering innovation, ensuring first responders have the tools they need, and enhancing and improving the delivery of healthcare.

The Recovery Act allocated \$4.7 billion for NTIA to implement the Broadband Technology Opportunities Program, intended to deploy broadband infrastructure in unserved and underserved areas in the United States, expand public computer center capacity, and encourage sustainable adoption of broadband service.

NTIA and RUS will be accepting applications for loans, grants and loan/grant combinations to be awarded by each agency under a single application form. This collaborative approach will ensure that the agencies' activities are complementary and integrated, make the best use of taxpayer funds, and make it easier for applicants to apply for funding. This is the first of three rounds of funding the Agriculture and Commerce Departments will provide.

Vice President Biden also announced today there will be public workshops jointly sponsored by Commerce and USDA in July to inform prospective applicants about available funding and the application process. Workshop locations are: Boston; Charleston, W.Va.; Minneapolis; Memphis, Tenn.; Lonoke, Ark.; Birmingham, Ala.; Billings, Mont.; Albuquerque, N.M.; and Los Angeles.

Applications will be accepted beginning July 14, 2009 through 5:00 p.m. EDT August 14, 2009. The complete details of this Notice of Funding Availability, the applications forms and application guidelines are available at [www.broadbandusa.gov](http://www.broadbandusa.gov).

The American Recovery and Reinvestment Act of 2009 (Recovery Act) was signed into law by President Obama on Feb. 17, 2009. It is designed to jumpstart the nation's economy, create or save millions of jobs and put a down payment on addressing long-neglected challenges so our country can thrive in the 21<sup>st</sup> century. The Act includes measures to modernize our nation's infrastructure, enhance energy independence, expand educational opportunities, preserve and improve affordable health care, provide tax relief, and protect those in greatest need.

To date, USDA has announced or committed \$24 billion of the \$28 billion of budget authority appropriated through the Recovery Act, which, combined with \$12 billion of loans, will provide funding for more than 40,000 projects. USDA is committed to helping rural Americans weather the impact of the current economic downturn while making a down payment on building communities that will thrive and compete in the 21<sup>st</sup> century.

More information about efforts regarding the Recovery Act is available at [www.usda.gov/recovery](http://www.usda.gov/recovery) and [www.commerce.gov/recovery](http://www.commerce.gov/recovery). More information about the Federal government's efforts on the economic stimulus is available at [www.recovery.gov](http://www.recovery.gov).