

State of Alaska
Office of the Governor

Tony Knowles
Governor
P.O. Box 110001
Juneau, Alaska 99811-0001
NEWS RELEASE



Bob King
Press Secretary
Julie Penn
Deputy Press Secretary
907-465-3500
FAX: 907-465-3633
www.gov.state.ak.us

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STATE RECEIVES \$7.5 MILLION FOR RURAL INTERNET ACCESS
RCA to Administer Grant Program for Communities Lacking Basic Service

In an effort to extend Internet service to areas of high unemployment in the state, the State of Alaska will distribute \$7.5 million in grants to rural communities not currently online, Gov. Tony Knowles announced today. The Regulatory Commission of Alaska designed and will administer the program that is funded by the U.S. Department of Agriculture's Community Facilities Grant program.

"The Internet has quickly become an essential tool for people seeking information about job availability, work skills, and education and that's why improved online access is so important for rural Alaska," Knowles said. "This program, administered by the state and funded by the federal government, is targeted at bringing basic online services to even the remotest communities in Alaska."

According to the State Department of Labor and the Denali Commission, some 68 communities in Alaska lack local Internet service. Most of these communities are not accessible by road, have fewer than 250 residents, and have unemployment rates of 20 percent or more. The Rural Alaska Internet Access Grant Program was designed by the Regulatory Commission of Alaska (RCA) and funded by the U.S. Department of Agriculture community facilities grant.

"There's a huge digital divide in rural Alaska that can only be addressed if state, federal and local governments, as well as the private sector and the telecommunications industry work together," said Lt. Governor Fran Ulmer, chair of the state's Telecommunications Information Council. "Thanks to the RCA, more rural communities will be able to build the infrastructure we in urban Alaska take for granted."

"The RCA will review applications and award grants to programs serving qualified communities to achieve the goal of sustainable Internet service," said RCA chair Nan Thompson. "The applicants' plans for continuation of the program after the grant funds are expended will be crucial. The goal is to provide seed money to programs that will be able to continue without government support. Sen. Ted Stevens' support for the development of a reliable, modern communications infrastructure throughout Alaska was instrumental to the RCA obtaining this grant award."

The RCA and its parent agency, the Department of Community and Economic Development, will advertise the program and begin to seek grant applications next month.