

Rural Utilities Service Offers Grants For Internet Access

The Rural Utilities Service (RUS) recently announced the availability of grant funds under a new pilot program to promote Internet access in rural communities.

Program funds may be used to finance the acquisition, construction, and installation of equipment, facilities, and systems to provide dial-up Internet services to communities of up to 20,000 inhabitants. Grants may also be used to fund lease costs for transmission equipment, facilities, and systems for up to two years.

A total of \$2 million in grant funding is available, with a maximum award of \$400,000 and a minimum award of \$10,000, with no matching fund requirement. Grants will be made to legally organized entities providing or proposing to provide dial-up services in rural areas. Such entities include public bodies and commercial businesses, cooperatives, and nonprofit organizations.

Applicants must show that the proposed project will be sustainable for five years. Factors to be considered are whether there will be sufficient revenues in excess of operating expenditures and whether there is a reasonable assurance of achieving proposed market penetration projections.

Funding will be awarded on a competitive basis until the \$2 million appropriation is used in its entirety. The application deadline is November 13, 2001.

A copy of the grant announcement, which contains more information about the application process, is available online at:

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=2001_register&docid=01-20560-filed.pdf

For more information, contact NCAI at (202) 466-7767.

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