

Rural Internet Access**FY2004 Request: \$7,500,000****Reference No: 37909****AP/AL:** Appropriation**Project Type:** Equipment**Category:** Development**Location:** Statewide**Contact:** Nan Thompson**House District:** Statewide (HD 1-40)**Contact Phone:** (907)276-6222**Estimated Project Dates:** 07/01/2003 - 06/30/2008**Brief Summary and Statement of Need:**

Grants to local governments and non-profit organizations to expand internet service throughout rural Alaska.

Funding:	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>Total</u>
Fed Rcpts	\$7,500,000						\$7,500,000
Total:	\$7,500,000	\$0	\$0	\$0	\$0	\$0	\$7,500,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

The Legislative Budget & Audit Committee previously approved \$7.5 million for this project as an operating budget item. That appropriation will terminate June 30, 2003 (FY03) even though the project will not be completed. Language will be included in the supplemental budget to convert the initial request to a capital project.

Project Description/Justification:

The internet has become an essential tool for individuals seeking employment and educational information.

There are approximately 68 communities throughout Rural Alaska that have fewer than 250 residents and an unemployment rate of twenty percent or more. These communities are also geographically isolated, are not accessible by road, have extreme climate conditions, and have limited educational and economic opportunities. The residents also do not have access to the internet since local providers do not exist. Access to the Internet will provide economic, employment, and educational opportunities to the residents and their communities.

Following an application and review process, the intent is to provide grants to local governments and non-profits to assist them in initiating, establishing, and/or expanding Internet services by providers that will become self-sufficient and able to continue providing services on a long-term basis without government support.

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