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News Release

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USDA Invests \$23 Million in Broadband for Rural North Dakota Communities

FARGO, N.D., Jan. 7, 2020 – Today, U.S. Department of Agriculture (USDA) Rural Development North Dakota State Director Clare Carlson announced USDA has invested \$23 million in two high-speed broadband infrastructure projects that will create or improve rural e-Connectivity for 2,643 rural households and 78 businesses in North Dakota. This is one of many funding announcements in the first round of [USDA's ReConnect Pilot Program](#) investments.

“Providing critical communications investments in rural areas of North Dakota is important because when rural America thrives, all America thrives,” Carlson said. “Polar Communications and Daktel Communications will use USDA’s ReConnect Program to provide essential broadband technology to rural areas, which is a utility as important as water, sewer and electricity. North Dakota farms and ranches, small businesses and families in these communities will experience a positive economic impact from access to broadband e-Connectivity.”

Polar Communications will use a \$21.2 million loan and grant combination in ReConnect Program funding to construct a fiber-to-the-premises network encompassing 1,870 square miles. The service area is expected to reach 2,237 households, six educational facilities, one health care center and one critical community facility in Grand Forks, Walsh and Pembina counties. Polar Communications provides telecommunications services to more than 8,000 subscribers in North Dakota and Minnesota. Its fiber-optic network provides voice, video and broadband services. Polar Communications also provides advanced business services such as phone systems, video surveillance and advanced networking.

Daktel Communications will use a \$1.8 million ReConnect Program grant to provide broadband service to 406 households and three educational facilities over 354 square miles. Daktel Communications is a Competitive Local Exchange Carrier that provides services within the Jamestown, N.D., exchange.

Background:

In March 2018, Congress provided \$600 million to USDA to expand broadband infrastructure and services in rural America. On Dec. 13, 2018, Secretary Sonny Perdue announced the rules of the program, called “[ReConnect](#),” including how the loans and grants will be awarded to help build broadband infrastructure in rural America. USDA received 146 applications between May 31, 2019, and July 12, 2019, requesting \$1.4 billion in funding across all three ReConnect Program funding products: 100 percent

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loan, 100 percent grant, and loan-grant combinations. USDA is reviewing applications and announcing approved projects on a rolling basis. Additional investments in all three categories will be made in the coming weeks.

These grants, loans and combination funds enable the federal government to partner with the private sector and rural communities to build modern broadband infrastructure in areas with insufficient internet service. Insufficient service is defined as connection speeds of less than 10 megabits per second (Mbps) download and 1 Mbps upload.

In December 2019, Agriculture Secretary Perdue announced USDA will be making available an additional \$550 million in ReConnect funding in 2020. USDA will make available up to \$200 million for grants, up to \$200 million for 50/50 grant/loan combinations, and up to \$200 million for low-interest loans. The application window for this round of funding will open Jan. 31, 2020. Applications for all funding products will be accepted in the same application window, which will close no later than March 16, 2020.

A full description of 2020 ReConnect Pilot Program funding is available on page 67913 of the Dec. 12, 2019, [Federal Register](#) (PDF, 336 KB). To learn more about eligibility, technical assistance and recent announcements, visit www.usda.gov/reconnect.

In April 2017, President Donald J. Trump established the [Interagency Task Force on Agriculture and Rural Prosperity](#) to identify legislative, regulatory and policy changes that could promote agriculture and prosperity in rural communities. In January 2018, Secretary Perdue presented the Task Force's findings to President Trump. These findings included 31 recommendations to align the federal government with state, local and tribal governments to take advantage of opportunities that exist in rural America. Increasing investments in rural infrastructure is a key recommendation of the task force. To view the report in its entirety, please view the [Report to the President of the United States from the Task Force on Agriculture and Rural Prosperity](#) (PDF, 5.4 MB). In addition, to view the categories of the recommendations, please view the [Rural Prosperity infographic](#) (PDF, 190 KB).

USDA Rural Development provides loans and grants to help expand economic opportunities and create jobs in rural areas. This assistance supports infrastructure improvements; business development; housing; community facilities such as schools, public safety and health care; and high-speed internet access in rural areas. For more information, visit www.rd.usda.gov.

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