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Granholtm Announces \$34 Million in Recovery Act Grants to Expand Broadband Access in Michigan

Funds bring broadband to much of Lower Peninsula, expand public computer centers

LANSING – Governor Jennifer M. Granholtm today announced that two Michigan applicants for federal broadband funding will receive more than \$34 million to expand access to broadband service in communities throughout Michigan. The competitive grants, administered by the U.S. Department of Commerce National Telecommunications and Information Administration (NTIA), are funded through the American Recovery and Reinvestment Act of 2009 (Recovery Act).

“In today’s global economy, communities large and small must have access to broadband service to compete and thrive,” said Granholtm. “These Recovery Act dollars will transform communities all over Michigan, bringing broadband access to the state’s most underserved counties and citizens.”

Merit Network Inc., a not-for-profit broadband service provider, will receive more than \$33.3 million to build a fiber optic network through a large portion of Michigan’s Lower Peninsula. Michigan State University will receive \$895,482 to expand more than 80 existing library computer centers, and establish new centers to provide access for citizens in 15 underserved counties.

“Merit is a non-profit organization,” said Merit CEO Don Welch. “We exist to bring benefit to the state -- that is why we come to work in the morning. We are honored that NTIA has entrusted Merit to put these Recovery Act dollars to work for the people of the state of Michigan.”

“Michigan State University is proud to be leading this important outreach project,” said MSU President Lou Anna K. Simon. “This will assist Michigan in extending the benefits of its technology infrastructure. More importantly it will serve as an economic engine by providing people in underserved areas personal connectivity, networking and myriad educational and economic opportunities.”

The Recovery Act made \$7.2 billion available to two federal agencies for competitive grants and loans to improve broadband access in communities across the nation. From this total, \$4.7 billion will fund grants for building broadband infrastructure, increasing public computer center capacity, funding sustainable broadband adoption programs, and implementing detailed state broadband mapping.

The U.S. Department of Agriculture’s Rural Utilities Service (RUS) will use the remaining \$2.5 billion to fund loans and grants to communities for expanding broadband infrastructure. Funding by both agencies will be awarded through two rounds of competitive grants.

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The Michigan projects announced today include:

- \$33,289,221 to Merit Network Inc., for their REACH Michigan Middle Mile Collaborative project to build a 955-mile advanced fiber optic network through underserved counties in Michigan's Lower Peninsula. The network will serve institutions, businesses, and households, and extend Merit's 1600 miles of existing network to directly connect with 44 anchor institutions including libraries, colleges, and community health centers. The project will make broadband more easily available to more than 886,000 households, 45,800 businesses, and 422 total anchor institutions. Merit Network REACH fact sheet
- \$895,482 to Michigan State University for their Evidence Based Computer Center Deployment project to expand 84 existing library computer centers and establish four new public computer centers to serve 15 counties with limited broadband access and high unemployment, including Chippewa, Clare, Gladwin, Gogebic, Grand Traverse, Huron, Leelanau, Marquette, Menominee, Oakland, Oscoda, Otsego, Sanilac, Tuscola and Van Buren. The project will add 500 new workstations at public computer centers throughout the state, and serve nearly 13,000 additional users per week. Project partners include the Michigan Economic Development Corporation and Michigan Works! agencies for job re-training, and local and county government programs to expand training and business support services.

In December 2009, the Department of Agriculture's Rural Utilities Service announced Recovery Act Last Mile and Middle Mile broadband grants, including \$8.6 million to Michigan's Chatham Telephone Company to bring high-speed DSL broadband service to remote, unserved businesses and households within its rural territory.

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