



The Virginia Tobacco and Indemnification and Community Revitalization Commission

FOR IMMEDIATE RELEASE

July 5, 2010

Stephanie Allman
(804) 786-2320
stephanie.allman@tic.virginia.gov

Tobacco Commission Funds Instrumental in Securing Federal Funds for Broadband Expansion in Virginia's Tobacco Region

Richmond - Bristol Virginia Utilities announced last Friday it was successful in securing \$22.7 million in National Telecommunications and Information Administration funds to extend the broadband communications network to eight tobacco region communities in southwest Virginia. The federal program required matching funds totaling \$5.7 million that the Tobacco Commission supplied from its Reserve Fund. "The fund was created in 2009 to be exactly this type of resource for localities in Southside and Southwest Virginia to have the matching funds necessary to compete for federal stimulus and other grant dollars," said Delegate Terry G. Kilgore, Chairman of the Tobacco Commission.

The Commission Reserve Fund has been a successful tool in leveraging federal dollars for three other broadband projects in southwest and southside Virginia in the last year. "Expanding the broadband infrastructure is a critical step in the Commission's efforts to revitalize the region since communities must have the necessary infrastructure in place to successfully compete for private investment and jobs," said Senator William C. Wampler, chair of the Tobacco Commission's Special Projects Committee.

The Tobacco Commission also provided matching funds for the Cumberland Plateau fiber optic backbone project in southwest Virginia that secured more than \$6 million in EDA Funds. "The Cumberland Plateau fiber project along with the Bristol Virginia Utility broadband expansion project will provide businesses and residents in southwest Virginia with affordable broadband services," said Senator Phillip P. Puckett, Chair of the Tobacco Commission's Research and Development Committee.

Southside Virginia has also been successful in using Reserve Fund matching dollars to attain federal funding to expand broadband to underserved areas. Buggs Island Telephone Cooperative was awarded an \$18.9 million dollar federal grant and Mid-Atlantic Broad Band a \$16 million federal grant.