

# Introduction to the USDA & Overview of Rural Utilities Service Programs

WI TRIBAL BROADBAND WORKSHOP  
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Rural Utilities Service/Telecommunications Program



# Rural Development's (RD) Mission

*Committed to helping improve the economy and quality of life in rural America.*

Provide loans, grants, and loan guarantees that support essential services, such as:

- Housing
- Economic Development
- Health Care
- First Responder Services and Equipment
- Water, Electric, and **Telecommunications Infrastructure**



# Funding for Rural Broadband

- Telecommunications Infrastructure Loan Program
- Rural Broadband Program
- Community Connect Grant Program
- ReConnect Program
- Broadband Technical Assistance



# Telecommunications Infrastructure Loan Program Eligibility

## Eligibility:

- State and local government entities
- Federally Recognized Tribes
- Cooperatives and limited dividend or mutual associations
- Areas without telecommunication facilities or areas where the applicant is the recognized telecom provider are eligible

## Eligible Area

- Rural areas and towns with a population of 5,000 or less
- Check with local GFR to determine eligibility

## How may funds be used?

- Improvements, expansion and construction
- Acquisitions and Refinancing in certain cases

# Telecommunications Infrastructure Loan Program

## Standard Loan Terms include:

- 2 Year Principal Deferral
- Interest Rate at the Cost-Of-Money
- Loan Maturity - Life of the Facilities Financed Plus 3 Years
- Features
  - Applications can be submitted year round
  - Eligible Speed Threshold is 25Mbps/3Mbps
  - Towns with populations under 5,000 are eligible
  - Must provide voice service

Staff can assist and review loan applications before submission

# Rural Broadband Program

Recent regulatory changes include:

- Lengthening build-out period of the broadband system from 3 to 5 years
- Tying the required broadband lending speeds to the term of the award
- Providing technical assistance and training through grant funding to help applicants intending to serve the most rural areas prepare an application

See [7 CFR 1738](#) published in the [Federal Register](#) on March 12, 2020 for a comprehensive review of the updated content.

*This program is not taking applications at the present time.*

# Rural Broadband Program

Funding Type	Rural Focus	Funding Thresholds	How to Apply	When Applications are Accepted	Website
Loans/Loan Guarantees/Loan-Grant Combinations	Areas with populations ≤ 20K	TBA in the Federal Register	Submit through the <b>RUS</b> online application system	Applications are not accepted currently	<a href="https://www.rd.usda.gov/programs-services/rural-broadband-access-loan-and-loan-guarantee">https://www.rd.usda.gov/programs-services/rural-broadband-access-loan-and-loan-guarantee</a>

## Available Funding

### FY2019

**\$121.7 million** available

### FY2020

**\$91.9 million** available

### FY2021

**\$11.9 million** available

### FY2022

**\$2 million** available

### FY2023

**\$3 million** available

## Program Updates

### FY2019

**3 loans approved: \$47.8 million**

### FY2020

Closed

### FY2021

Closed

### FY2022

Closed

### FY2023

**The program is closed and will open when a Funding Opportunity Announcement (FOA) is published.**

# ReConnect Program

“Rural eConnectivity Program” regulation has been published. Highlights of the new regulation include:

- Broadband speeds, funding limits, scoring criteria, and protected areas will be announced in Federal Register notices or Funding Opportunity Announcements published to the Federal Register
- If awarded, grant funds may be used for eligible preapplication expenses in the first advance request

See [7 CFR 1740](#) published in the [Federal Register](#) on February 26, 2021 for the regulation text.



# ReConnect Program

## Eligibility:

- Corporations, LLC, cooperative, state and local governments, Indian Tribes. Individuals and partnerships are not eligible.

## Eligible Purposes

- Construction or improvement to provide fixed terrestrial broadband service
- Reasonable pre-application purposes
- Acquisitions not to exceed 40% of requested funds

## Funding Types

- 100% grant
- 100% grant for Tribal Governments, Persistent Poverty Areas and Socially Vulnerable Communities
- 50% Loan / 50% Grant combination
- 100 Percent loan at 2%

# ReConnect Program

## Service Area Eligibility:

- Areas with speeds slower than 25Mbps/3Mbps are eligible
- Must provide speeds at 100Mbps symmetrical as a minimum

The threshold speed is subject to change.

Approximately \$5.28b has been invested over five years.

- Third Round (FY 22) \$1.66b
- Fourth Round (FY 23) \$1.8b
- Fifth Round (FY 24) \$172.8m to date
- [ReConnect Loan and Grant Program | USDA](#)

The application window for this program is currently closed.

# Community Connect Grant Program

Funding Type	Rural Focus	Funding Thresholds	Matching Requirement	Broadband Service Speeds	How to Apply	When Applications are Accepted	Website
Grants	Areas with populations ≤ 20K	\$100,000 - \$5,000,000	15% of requested grant amount	Broadband Service: <25/3 Mbps Broadband Grant Speed: ≥100/20 Mbps	Submit through the <b>Community Connect Portal</b>	Applications are not accepted currently	<a href="http://www.rd.usda.gov/programs-services/community-connect-grants">http://www.rd.usda.gov/programs-services/community-connect-grants</a>

## Available Funding

### FY2019

**\$33 million** available

### FY2020

**\$29 million** available in FY2020 after awarding 8 grants from FY2019 application cycle

### FY2021

**\$35 million** available

### FY2022

**\$35 million** available

### FY2023

**\$35 million** available

## Program Updates

### FY2019

**12 grants approved: \$24.3 million/9 states served**

### FY2020

**8 grants approved: \$15.7 million/7 states served**

### FY2021

**23 grants approved: \$47 million/15 states served**

### FY2022

**4 grants approved: \$10 million/3 states served**

### FY2023

Application window closed on February 20, 2024.

### FY2024

**57 Applications received: \$188.4 million**

# Community Connect Grant Program

## Eligible Applicants:

Incorporated organizations, Federally Recognized Tribes, State and Local Units of Government and any other legal entity such as cooperatives, private corporations, LLC organized on a profit or not for profit basis.

## Service Area Eligibility:

Areas with speeds slower than 10Mbps/1Mbps are eligible, but improved service must be at least 100M/20M speeds.

## How may the funds be used?

- Construction, acquisition or leasing of facilities, spectrum, land and buildings to deploy broadband service to:
  - Residential and business customers
  - Participating critical community facilities. Free broadband service for 2 years must be provided
- Less than 10% of grant or up to \$150k for improvement or construction of a community facility

The application window for this program is currently closed.

# All Broadband Programs Applications Include:

- Legal Information
- Audited Financial Information
- Proforma financial statements
- Mapping Information regarding areas and routes
- Capital Investment Worksheets
- Engineering studies
- Regulatory Information
- Managerial and Operational Information
- Environmental Review Information
- Certifications

# Broadband Technical Assistance

Funding Type	Rural Focus	Funding Thresholds	Matching Requirement	How to Apply	When Applications are Accepted	Website
Cooperative Agreement	Areas with populations ≤ 20K	<b>\$50,000 - \$1 million</b> for TA Providers and projects supporting cooperatives <b>\$50,000 - \$500,000</b> for TA recipients	No match required	Submit through the <a href="https://www.grants.gov">grants.gov</a> online application system	Applications currently being accepted through August 20, 2024	<a href="https://www.rd.usda.gov/programs-services/telecommunications-programs/broadband-technical-assistance-program">https://www.rd.usda.gov/programs-services/telecommunications-programs/broadband-technical-assistance-program</a>

## Available Funding

### FY2023

#### **\$20 million**

- This BTA FOA used technical assistance funds appropriated under the Infrastructure Investment and Jobs Act (IIJA).
- Additional funding received through the Consolidated Appropriations Act, 2023

### FY2024

#### **\$25 million**

- This BTA NOFO used technical assistance funds appropriated under the Infrastructure Investment and Jobs Act (IIJA).

## Program Updates

### FY2023

- Applications accepted from April 19 to June 20, 2023
- **40 Grants approved: \$15.3 million**
  - 16 Grants to TA Providers: **\$8.9 million**
  - 20 Grants to TA Recipients: **\$3.5 million**
  - 4 Grants to projects supporting Cooperatives: **\$2.8 million**
- **24 States served**

### FY2024

- Applications accepted from June 21 – August 20, 2024

# Broadband Technical Assistance

The FY 2024 Broadband Technical Assistance (BTA) NOFO is published

- BTA refers to activities that support broadband expansion into rural areas and may include project planning and community engagement, financial sustainability, environmental compliance, construction planning and engineering, accessing federal resources, and data collection and reporting.
- Funding is provided through Cooperative Agreements, allowing RUS staff to participate more closely in project activities.
- Applicants are scored based on their work plan, organizational capacity, performance measures, service to targeted communities, and the rurality and economic need of the communities to be served.

See the [FY 2024 NOFO](#) and [BTA website](#) for additional details.

The program application window is presently closed.

# Distance Learning & Telemedicine Grant Program

**Distance Learning** means a telecommunications link to an end user through the use of eligible equipment to provide educational programs, instruction, or information originating in one area, whether rural or not, to students and teachers who are located in rural areas.

- Provide educational programs, instruction, or information originating in one area, whether rural or not, to students and teachers who are located in rural areas; or
- Connect teachers and students, located in one rural area with teachers and students who are located in a different rural area.

**Telemedicine** means a telecommunications link to an end user through the use of eligible equipment which electronically links medical professionals at separate sites in order to exchange health care information in audio, video, graphic, or other format for the purpose of providing improved health care services primarily to residents of rural areas.

- Benefits rural residents both in reduced travel and improved access to service

**Awards** range from \$50k to \$1m with a 15% match

**The program** window for this program is presently closed.



# Program Historic Numbers





# Questions?

# Rural Utilities Service Telecommunications Key Contacts

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