

Rural Broadband Access Loan & Loan Guarantee

What does this program do?

This loan and loan guarantee program offers financial assistance to eligible applicants that will construct, improve, or acquire facilities and equipment needed to provide service at the broadband lending speed as defined in the most recent funding announcement in eligible rural areas.

Who may apply for this program?

Eligible applicants that may be organized on a for-profit or nonprofit basis, include:

- **Corporation**
- **Limited Liability Company (LLC)**
- **Cooperative or mutual organization**
- **A state or local unit of government**
- **Federally recognized Tribes**

What is an eligible area?

Eligible areas must be completely contained within a rural area or composed of multiple rural areas.

- At least 15 percent of the households in the proposed area must not have access to broadband service as defined in the most recent funding announcement
- No part of the proposed area may have three or more incumbent service providers
- No part of the proposed area may overlap with the service area of current RUS borrowers or grantees

How may funds be used?

This program provides funding for:

- The construction, improvement, and acquisition of facilities required to provide service at the broadband lending speed as defined in the latest funding announcement
- Refinancing of existing RUS debt with certain restrictions
- An acquisition, under certain circumstances and with restrictions
- For additional details, see 7 CFR 1738

What kind of funding is available?

- **Direct loans:** Cost-of-Money Loans

What are the loan terms?

- In general Loan Terms are limited to the expected composite economic life of the assets to be financed plus 3 years
- Interest rates are set at the time funds are advanced

How do we get started?

- Application periods for this program are announced through the national office on a periodic basis
- Program Resources are available online at rd.usda.gov (includes forms, guidance, certifications, etc.)

Who can answer questions about this program?

- Contact our Loan Origination and Approval Division at (202) 720-0800
- Contact the General Field Representative who serves your area

Why does USDA Rural Development do this?

The Rural Broadband Access Loan and Loan Guarantee program increases economic opportunities and improves the quality of life for families and businesses in rural America by providing investment capital in the form of loans and loan-guarantees for the deployment and improvement of telecommunications/broadband infrastructure in rural areas. The program helps maintain a seamless nationwide telecommunications/ broadband network that also provides access to broadband for education, healthcare, public safety and jobs for all Americans regardless of where they live. Expansion of modern broadband service is essential for rural America to be able to access Web-based information and services that will allow rural communities to compete in the global economy and offer the quality of life necessary to attract and retain residents and businesses.

NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled “*What Governs This Program?*” You may also contact your local office for assistance. You will find additional forms, resources, and program information at rd.usda.gov. *USDA is an equal opportunity provider, employer, and lender.*