

Funding to facilitate broadband deployment in underserved rural areas



What does this program do?

The ReConnect Program provides loans, grants, and loan-grant combinations to bring high-speed internet to rural areas that lack sufficient access to broadband. ReConnect Program funds can be used to fund the costs of construction, improvement, or acquisition of facilities and equipment needed to provide broadband service.

The ReConnect Program fosters private-sector investments in broadband infrastructure to deploy high-speed internet service to rural homes, businesses, and essential community facilities that support public safety, health care, schools, libraries, business and industry, and agricultural operations, among other sites.

Who can apply?

Eligible applicants can be either for- or nonprofit organizations, and include:

- Cooperatives or mutual associations
- Corporations, limited liability companies, or limited liability partnerships
- States, local governments, or any agency, subdivision, instrumentality, or political subdivision thereof
- A territory or possession of the U.S.
- Tribes, Tribal organizations, and governments as defined in the current Funding Opportunity Announcement (FOA)

You must be able to supply broadband service — at speeds defined in the most recent FOA — simultaneously to all customers in your proposed funded service area (PFSA).

What is an eligible area?

For a geographic area to be eligible, it must meet two criteria:

1. The area must be rural.
2. Fifty percent of households in the area must lack sufficient access to broadband service.

What is considered “rural?”

Service areas cannot be located in a city, town, or incorporated area with a population greater than 20,000, or an urbanized area adjacent to a city or town with a population greater than 50,000.

Eligible areas must be completely contained within a rural area, or composed of multiple rural areas. Visit the mapping tool at <https://www.usda.gov/reconnect> for additional eligibility information.

What is “sufficient access?”

For ReConnect, sufficient access to broadband is defined as “fixed terrestrial broadband service at 100 megabits per second (Mbps) downstream and 20 Mbps upstream.”

How can funds be used?

- The construction or improvement of facilities capable of delivering 100 Mbps symmetrical service to every premises in the PFSA at the same time
- Under certain circumstances — and with restrictions — the acquisition of an existing system not currently providing sufficient access to broadband service
- Up to 5 percent of the requested amount can be used for pre-application expenses, and up to 3 percent of this amount can be used to cover the costs of the environmental review.

How do we apply?

Applications must be submitted through Rural Development’s online application system, available at this link: <https://www.usda.gov/reconnect>. All materials required for completing an application are included in the online system. The ReConnect webpage also includes basic program information and detailed application guidance.

Where can we find technical assistance?

Rural Development will host several technical assistance webinars and workshops during the application window. Webinar and workshop dates and times, along with additional technical assistance, can be found at <https://www.usda.gov/reconnect>.

You also can contact your Telecommunications General Field Representative (GFR) for assistance. A map and list of GFRs can be found at: <https://www.rd.usda.gov/contact-us/telecom-gfr>.

When are applications due?

The application deadline is determined by the most recent FOA.

What governs this program?

In 2018, Congress passed the Consolidated Appropriations Act (available at this link: <https://go.usa.gov/xea7W>), which established the broadband loan and grant pilot program, now known as ReConnect.

In February 2021, USDA codified the program's policies and procedures in a published ReConnect Program Regulation (available at this link: <https://go.usa.gov/xexPT>). In addition to the regulation, Rural Development publishes a FOA in the *Federal Register*.

The ReConnect FOA published on August 4, 2022 will use funds appropriated and requirements established under the Infrastructure Investment and Jobs Act (Pub. L. 117-58 - available at this link: <https://go.usa.gov/xSUfp> - PDF).

What kind of funding is available?

ReConnect offers grants, loans, and loan-grant combinations. The minimum request for funding across all categories is \$100,000. Applicants can submit only one application for one of the five following funding options:

Type of Funding Available	Total Funding and Maximum Award Available	Key Funding Requirements
100 Percent Grant	<ul style="list-style-type: none"> \$150 million total funds \$25 million maximum, per project \$35 million maximum per project if the PFSA meets certain guidelines detailed in the FOA 	<ul style="list-style-type: none"> Competitive review based on scoring criteria 25 percent cash match requirement
Loan-Grant Combination (50-50)	<ul style="list-style-type: none"> Total funds: \$150 million for loans, \$150 million for grants \$25 million maximum for the grant, per project \$25 million maximum for the loan, per project Loan and grant amounts will always be equal 	<ul style="list-style-type: none"> Competitive review based on scoring criteria Interest rate set at the U.S. Treasury rate at the time of each advance of funds
100 Percent Loan	<ul style="list-style-type: none"> \$150 million total funds \$50 million maximum, per project 	<ul style="list-style-type: none"> Funds are awarded on a rolling basis until exhausted Interest rate is fixed at 2 percent
100 Percent Grant for Tribal Governments, Alaska Native Corporations, Colonias, Persistent Poverty Areas, and Socially-Vulnerable Communities	<ul style="list-style-type: none"> \$350 million total funds \$25 million maximum, per project \$35 million maximum per project if the PFSA meets certain guidelines detailed in the FOA 	<ul style="list-style-type: none"> Only available to those entities and areas defined in the FOA No cash match is required if the applicant meets the requirements for this type of funding as set forth in the FOA
100 Percent Grant for projects where 90 percent of households lack sufficient access to broadband	<ul style="list-style-type: none"> \$200 million total funds \$25 million maximum, per project 	<ul style="list-style-type: none"> Must demonstrate that at least 90 percent of homes in the proposed service area do not have sufficient access to broadband as defined in the FOA No matching funds required

NOTE: Because citations and other information change, always consult the program instructions listed in the *Federal Register*. You can also contact your General Field Representative for assistance. A map and list of GFRs can be found at this link: www.rd.usda.gov/contact-us/telecom-gfr. You will find additional forms, resources, and program information at www.usda.gov/reconnect. USDA is an equal opportunity provider, employer, and lender.