FOA Overview and FAQ Webinar – Talking Points

Webinar Presented 2/13/2019

Talking Points Key -

- Slide numbers and titles/descriptions align with the PowerPoint deck used on February 13, 2019 for the Reconnect Program Overview and Frequently Asked Questions (or FAQ) webinar.
- Slide Titles in (TITLE) are implied by the content of the slide vs. a title bar

Slide 1- Cover Slide

- Welcome to the Reconnect Program Overview and Frequently Asked Questions (or FAQ) webinar.
- This webinar will provide an overview of the ReConnect Funding Opportunity Announcement. We will then cover Frequently Asked Questions and then open the floor to questions from the participants.
- My name is Jessica Hilbrich. I am a member of the ReConnect support team. I will be your guide through this presentation.

Slide 2- Introduction

- Before we get started, I would like to thank Bette Brand, Acting Administrator for Rural Utilities Service for attending today's webinar, I am going share a little bit about her, and then invite her to say a few words about the Reconnect Program
- Serving as the acting administrator for the Rural Utilities Service agency, Bette Brand also serves as the Administrator of the Rural Business-Cooperative Service. She came to USDA after 35 years with Farm Credit of the Virginias, where she most recently served as chief advocate for the agriculture industry and rural businesses, supporting producers at the state and national level and educating policymakers and consumers on agriculture.
- Since her arrival to USDA last January, Bette has prioritized increasing rural America's access to capital, investing in innovative technology, and helping businesses create jobs. She especially enjoys travelling across the country in her

official capacity as Administrator to better understand the specific needs of America's diverse rural communities and to discuss with local leaders the best way to serve them. By focusing on Infrastructure, Partnerships, and Innovation, Administrator Brand looks forward to continuing her work to help revitalize America's rural economy. Bette…

Slide 3- Announcements

- On February 6, 2019, USDA announced that the funding window for ReConnect has
- been extended to allow applicants to access technical assistance provided by USDA and
- its partners
- The first application deadline will be pushed back to May 31, 2019 or later.
- The final funding windows will be announced in a notice in the Federal Register in late
- February 2019

Slide 4- (Broadband Pilot Program)

- The ReConnect program is rooted in the President's Rural Prosperity TaskForce, chaired by Secretary of Agriculture Sonny Perdue. The Task Force found that E-connectivity is fundamental for economic development, innovation, advancements in technology, workforce readiness, and an improved quality of life.
- Access to broadband in our rural communities will have the effect of increasing productivity in farms, mining, factories, forests and small businesses across rural America through access to high-speed internet.
- The ReConnect program will help provide broadband access in rural communities that experience low population or geographical limitations that have limited development in the past.
- The awards made under this program will:
  - Bring high-speed broadband to rural areas that lack sufficient access to broadband;
  - Deliver broadband connection and high-quality service which will enable technologies critical to rural communities, such as precision agriculture; and
  - Fuel long-term economic development and opportunities in rural America

Slide 5- Introducing ReConnect

- Transition Slide

Slide 6- (The Act)

- In the 2018 Consolidated Appropriate Act, Congress provided $600 million dollars to the Broadband Pilot Program, that we are now calling the ReConnect.
- This program is a pilot program offering a unique federal financing option in the form of grants, loans, and combinations thereof to extend broadband service to rural areas.
- The Program focuses on areas that completely lack or have insufficient broadband service.
  - This is defined in the statute as areas that do not have access to connectivity described as 10 Mbps (Megabits per second) downstream and 1 Mbps (Megabits per second) upstream. If an area has less than 10/1 service, then the area is eligible.
- The Program includes incentives, which are built into the application process, that encourage applicants to focus on farms, businesses, education facilities, health facilities, and critical community facilities in solution planning.
- The minimum requirement is to provide 25/3 service to rural America.

Slide 7- Public Comments

- In preparation for launching the program, we engaged with several stakeholder organizations, the private sector, the Federal Communications Commission and our partners at the Department of Commerce National Telecommunications Information Administration to get feedback during the program development process.
- We published a Notice of Inquiry in July 2018 to gather feedback from the public on how to evaluate sufficient access.
  - Of the 280 comments received 83% discussed speed as a critical factor in broadband internet
  - 82 percent of the comments focused on reliability
  - Additional comments focused on availability
  - Some of our respondents provided inspiring and poignant information on their unique situations.

Slide 8- Timeline

- Walk through program timeline

- Key dates include:
    - The official program announcement and the release of the Funding Opportunity Announcement in December 2018.
    - Upcoming Federal Register notice providing guidance on application deadlines.
    - Applications will be due on May 31, 2019 or later.

Slide 9- Understanding ReConnect

- The next section of the presentation will provide a high-level overview of components of the Funding Opportunity Announcement: Eligibility, Award Type, Program Design, Eligible Costs, and Evaluation Factors.
- We will highlight important reminders and resources before going into Frequently Asked Questions and some live Q&A.

Slide 10- Eligibility

- Transition slide

Slide 11- Who can apply?

- USDA wanted to keep eligibility open to a wide range of entities in this program and is encouraging the development of partnerships to deliver broadband service when applying.
- Eligible entities include:
    - States, local governments, or any agency, subdivision, instrumentality, or political subdivision thereof
    - A territory or possession of the United States
    - An Indian tribe (as defined in section 4 of the Indian Self Determination and Education Assistance Act)
    - Non-profit entities
    - For-profit corporations
    - Limited liability companies
    - Cooperative or mutual organizations

Slide 12- Application Eligibility Factors

- The following factors should be considered when deciding to apply.
- The FOA indicates that applicants should be able to provide:
    - Unqualified Audited Financial Statements for the past 2 years

- - - Startups from partnerships from existing utilities can submit financials from partners, but those partners must guarantee the debt.
  - ○ A Complete Application
  - ○ Evidence of a timely Buildout Completion
    - ■ Buildout must be completed within 5 years from the date funds are first made available.
  - ○ The project should be financially feasible and sustainable.
  - ○ A technically feasible solution
    - ■ Applicants must include a solution that can provide 25/3 service to all premises in the proposed funded service area and these plans must be certified by a licensed engineer.
  - ○ Providing service to eligible service areas
    - ■ Applications must prove the service area is eligible.
  - ○ The project should be fully funded; and,
- ● The applicant must provide documentation to address these factors as part of their application.

Slide 13- Program Design

- ● Transition slide
- ● Next, we will discuss product types, proposed service areas, eligible costs, and how to maximize your score if applying for the grant and loan-grant combination products.

Slide 14- (Grant and Loan Products)

- ● There are three products offered through this program:
  - ○ Loan
  - ○ A Combination Loan and Grant
  - ○ Grant
- ● The Loan product has:
  - ○ $200 million in available funding
  - ○ The maximum award will be $50 million
    - ■ The interest rate will be 2%. USDA is proud to be able to offer these low-interest loans.
  - ○ This product will be awarded on a rolling basis.
- ● The Loan/Grant Combo product has:
  - ○ $200 million available funding split in $100 million grant/$100 million loan

- The maximum award will be $50 million
- Loan and grant amounts will always be equal
- This product will be awarded through a competitive process and these applications will be scored based on the evaluation criteria in the FOA.
- The interest rates for this product will be based on the Treasury rate at the time of advance.
- The Grant product has:
  - $200 million available funding
  - The maximum award will be $25 million
  - This product will be awarded through a competitive process and these applications will be scored based on the evaluation criteria in the FOA.
  - Applicants are required to provide 25% match.
    - Match can be in cash only.
- Across all products, there is a minimum speed requirement of 25/3 and the combo and 100% grant products will be incentivized to provide higher speeds via the scoring criteria.
- Applicants must meet at least two of the following by year 5: a minimum TIER of 1.2, a minimum DSCR (Debt Service Coverage Ratio) of 1.2, or a minimum current ratio of 1.2.
- Applicants must have a positive cash flow from operations by year 5 of their financial forecast.

Slide 15- Eligible Proposed Service Areas

- 100% Loan Products
  - PFSA must be located in an area where 90% of households do not have sufficient access to broadband.
- 50/50 Loan/Grant Products
  - PFSA must be located in an area where 90% of households do not have sufficient access to broadband.
- 100% Grant Products
  - PFSA must be located in an area where 100% of households do not have sufficient access to broadband.

Slide 16- Proposed Funded Service Areas

- As part of the application, applicants will draw their proposed funded service areas or PFSA.

- Applicants can utilize the mapping tool available on the ReConnect portal to identify if their proposed service areas are eligible.
- Proposed funded service areas must meet the eligibility criteria defined by the product for which they are applying.
- These areas do not need to be contiguous.

Slide 17- Eligible Costs

- This slide includes an overview of eligible costs associated with this project.
- Funds may be used for the construction or improvement of facilities, including buildings and land, required to provide broadband service.
- Pre-application expenses (not to exceed 5% of the total award).
  - Costs must be incurred after the publication date of the FOA (December 14, 2018) and be documented.
- For 100% loans only: The acquisition of an existing system that does not currently provide sufficient access to broadband (limited to 40% of the total loan amount).
- All costs must be reasonable, allocable, and necessary and operating expenses are not allowed.

Slide 18- Ways to maximize your score

- For grant and combination loan-grant products, there are a number of ways to maximize your score. These include -
  - Rurality of proposed service area:
    - 25 points for serving areas with population densities of 6 or less.
  - Farms:
    - Up to 20 points for serving farms.
  - Performance of offered service:
    - 20 points will be awarded for providing 100 Mbps symmetrical service.
    - 25/3 is the minimum threshold.
  - Business
    - Up to 15 points for serving businesses
  - Education
    - Up to 15 points for serving educational facilities
  - Health
    - Up to 15 points for serving healthcare facilities
  - Critical Community Facilities

- Up to 15 points for serving critical community facilities
  - ○ Tribal
    - Up to 5 points for serving tribal lands
  - ○ State Broadband Activity
    - Up to 20 points would be provided for state broadband activity.
    - This is broken up into 3 components
      - 10 points for projects in states with a State Broadband Plan
      - 5 points for projects in states that do not restrict utilities from providing broadband
      - 5 points for projects in states that expedite right of way and environmental requirements
      - Applicants will need to provide documentation from a state official that addresses these three factors.

Slide 19- Critical Reminders and Information

- Transition Slide

Slide 20- Important Reminders

- Applicants will be accepted electronically through the application website: https://reconnect.usda.gov
- You will need to set up a login and password to enter the site
- In addition to the application itself, this website contains additional information to help you develop your application
  - ○ We are updating look and feel of the website over the next few weeks.
- In order to apply, you will need a DUNS number and a SAM.gov registration
- These may take a little bit of time to get, so please start getting these numbers and registrations prior to the application deadline.
- Application deadlines will be published in a forthcoming Federal Register notice.

Slide 21- Available Resources

- Transition Slide

Slide 22- Available Resources

- USDA Rural Development is providing the following resources and technical assistance to applicants as they prepare to apply for ReConnect.
- RD will conduct a series of workshops around the country designed to provide assistance to applicants as they apply.

- These workshops will have RD experts and provided detailed walkthroughs of the applications.
- RD will continue to facilitate webinars addressing Frequently Asked Questions and specific aspects of the application.
- RD's ReConnect website contains information, fact sheets, and other resources that can be used when developing applications.
  - Information on the site will be updated and added to as we approach the application windows.
- RD is maintaining a Help Desk to respond to questions submitted via the ReConnect website.

Slide 23 - Frequently Asked Questions

- Transition Slide

Slide 24- Number of ReConnect Program Questions (by Topic)

- As of January 2019, RD had received around 300 public inquiries through all channels
- Eligibility is by far top-of-mind with 58 individual questions on eligibility criteria
- Mapping questions came in second with 30 individual mapping questions submitted
- Other top categories of interest include the Service Area Validation process, Eligible service Areas, CAF II questions, financial questions, and application process questions

Slide 25- Eligibility

- Does cellular service count as terrestrial internet service?
  - **Response:** Per the FOA, mobile broadband service (cellular service) will not be considered for eligibility purposes and it is also not an eligible purpose for funding.

Slide 26- Eligibility

- Is a mix of technologies used in a single project (e.g., to address terrain challenges) considered an eligible project design?
  - **Response:** Yes, a mix of technologies is allowed in a single project in alignment with the guidelines outlined in the FOA

Slide 27- Eligibility

- Who or what determines sufficient access to broadband?

○ **Response:** Sufficient access to broadband means any rural area that has fixed, terrestrial broadband service delivering at least 10 megabits per second (Mbps) downstream and 1 Mbps upstream. Applicants make the initial determination and RUS will validate this determination via site visits.

Slide 28- Eligibility

- Will ReConnect fund middle-mile only projects?
  - **Response:** Stand-alone middle-mile projects are not eligible under the program. Middle-mile facilities are eligible if they are needed to bring sufficient broadband service to all premises in the PFSA.

Slide 29- Eligibility

- Does this solution need to be fiber?
  - **Response:** The program is technology neutral. As long as the minimum of 25/3 Mbps service is met the applicant can provide any mix of technology solutions or a single technology solution.

Slide 30- Eligibility

- Can a CAF II awardee also receive ReConnect funds?
  - **Response:** Entities that received CAF II funding under the auction held in Fall 2018 are only eligible to receive a loan at a fixed interest rate of 2%. They are not eligible for a combo or 100% grant award.

Slide 31- Eligibility

- Are legal partnerships eligible?
  - **Response:** No, legal partnerships and individuals are not eligible. Legal partnerships can be too easily dissolved, creating too high of a risk.

Slide 32- Eligibility

- Is a public-private partnership required?
  - **Response:** USDA strongly encourages public-private partnerships, but this is not an eligibility requirement.

Slide 33- Eligibility

- Is satellite service considered broadband?
  - **Response:** Certain satellite service can be considered broadband if it can deliver simultaneous 25/3 Mbps service to every premise in a service area. Satellite service does have some challenges, but it is eligible.

Slide 34- Mapping

- Does the map show areas with sufficient access, or does it show areas in which 90-100% of households lack sufficient access?
  - **Response:** The Agency does not have a Mapping Tool that will definitively indicate whether or not a proposed funded service area has sufficient access to broadband. However, a Mapping Tool is available at https://reconnect.usda.gov that very clearly displays those areas that are ineligible for funding. A potential applicant must do their own due diligence in making the determination that households in the proposed funded service area do not have sufficient access to broadband.

Slide 35- Eligible Service Area

- Must the proposed funded service area (PFSA) be contiguous?
  - **Response:** No, a proposed funded service area does not need to be contiguous. However, if multiple service areas are proposed, each service must meet the eligibility requirements.

Slide 36- Eligible Service Area

- Would a PFSA defined by a large map polygon that contains "donut holes" to remove areas that already have sufficient broadband access be eligible?
  - **Response:** Yes, a proposed funded service area can have "donut holes" as long as all areas included in the PFSA meet eligibility requirements.

Slide 37- Eligible Service Area

- Is a ReConnect project that proposes routing "Common Network" facilities (no distribution) through an ineligible service area (e.g., CAF II, RUS borrower) to reach an eligible area acceptable?
  - **Response:** Yes, this type of network facility is eligible as long as it is required to bring broadband service to an eligible PFSA. This facility cannot be used to deliver service in the ineligible service area.

Slide 38- Application Process

- May an applicant submit multiple applications for different funding categories?
  - **Response:** No, an applicant is only able to submit one application.

Slide 39- Application Process

NOTE: Because citations and other information may be subject to change please always consult the program instructions listed in the Federal Record. You may also contact your General Field Representative (see https://www.rd.usda.gov/contact-us/telecom-gfr) for assistance. You will find additional forms, resources, and program information at reconnect.usda.gov. *USDA is an equal opportunity provider, employer, and lender.*

- If an applicant applies for but does not receive a 100% grant, may they then be considered for the 50/50 combination loan-grant category?
  - **Response:** No, an applicant may only submit one application.

Slide 40- Application Process

- Where can applicants find an explanation of application evaluation points?
  - **Response:** The point system is laid out in the FOA that was published in December 2018. The Evaluation Criteria can also be found at https://reconnect.usda.gov under Scoring Criteria. Additional explanations will be provided in the application guide that will be published prior to the start of accepting applications.

Slide 41- Application Process

- Will consulting engineers have access to the online application site for clients?
  - **Response:** Applicants can grant access to consulting engineers and other consultants. Consultants will not be granted access unless they are associated with an applicant.

Slide 42- Application Process

- Are there any application fees required in the ReConnect application? *
  - **Response:** There are no application fees associated with submitting an application. However, although certain pre-application expenses are eligible if an award is approved, applicants are at risk for pre-application expenses if an award is not approved.

* Please note, this question was answered incorrectly on the live webinar, the answer has been adjusted in these talking points.

Slide 43- Financial

- Should the Pro-Forma financial forecast include both existing and proposed operations?
  - **Response:** The pro-forma must include a complete financial picture of the entire operation of the applicant including existing and proposed operations.

Slide 44- Financial

- Does the ReConnect Program permit multiple sources of federal funding for project financing?
  - **Response:** Other federal funds cannot be used for matching funds unless there is specific statutory language in the other program that allows for this. Other federal funds can be used to support the overall project but evidence must be included in the application that demonstrates that the funds have already been received.

Slide 45- Financial

- May an applicant use a current private loan (active project) for a rural underserved area as all or part of the 25% match for a 100% grant?
  - **Response:** A private loan can be used for the match component only if the loan is not secured by the applicant.

Slide 46- Financial

- Can State Community Development Block Grant funds be used toward match?
  - **Response:** State funds can be used for matching purposes as long as they are committed/approved for the proposed project at time of application submission. Please note that other sources of Federal funds cannot be used for matching purposes unless the other federal program as statutory authority to do so.

Slide 47- Question and Answer

- We will now take some questions that have been submitted through the chat during this presentation
- Chad Parker, USDA Rural Development Assistant Administer of the Telecommunications Program has joined us today to provide some answers to our audience. We're happy to have you with us.

Live Questions

- What type of license must the licensed engineer have to certify the project?
  - **Response:** The engineer must have a professional engineering license issued by at least one of the States where the project is proposed.
- Can a cooperative participate? What are the audit requirements?

- **Response:** Yes, cooperatives may participate as long as they have two years' worth of unqualified audited financial statements and meet all other eligibility requirements.
- Is there a minimum number of customers served by a PFSA?
  - **Response:** There is no specific minimum number of customers in an area. The number of customers will have an impact on potential revenue. A project will need sufficient subscribers to ensure financial feasibility.
- How can we successfully challenge FCC 477 data?
  - **Response:** FCC 477 data is one source of information that USDA will consider. It is not used as a sole source of information to validate 10/1 service. To challenge FCC data, please contact the FCC. Please note that USDA will validate the existence of 10/1 service utilizing various sources of information including sending staff out to test the area.
- Can an applicant use their RD Apply or e-Auth login for access to ReConnect?
  - **Response:** An applicant will have to go through the ReConnect login process. If an applicant has a level II e-Auth, they should be able to get into the application and the application will walk them through the process of registering for the ReConnect system.
- Can USDA money fund backbone? Can State money fund drops?
  - **Response:** If an applicant wants to use a combination of State and Federal money, it is allowed as long as the State funds have been committed to the eligible costs and this commitment has been established in detail in the application. If an applicant wants to use State funds for the matching component that is allowable but please note that matching funds will be used before grant funds can be advanced.
- Can applicants form a consortium to submit an application that includes numerous counties and projects?
  - **Response:** As long as the consortium is a legal consortium designating a fiscal agent, it is possible for that consortium to submit an application and be eligible. However, all requirements and guidelines established in the FOA must be followed. USDA has had challenges in the past when working with consortia. The application must include a management plan fully explaining how the consortium will operate. It is recommended that a core team be established outside the consortia membership to manage the operation.
- Is there an allocation by region or State in terms of funding?

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- - **Response:** Funds are not allocated by State or region.
- Are data caps allowed?
  - **Response:** USDA will not say that data caps are not allowed, but there has to be unrestricted access to data to all households and businesses in the PFSA at a minimum of 25/3.
- When is the ReConnect portal expected to open?
  - **Response:** USDA is currently finalizing the system and plans to announce the launch date in late February in a publication of the Federal Register.
- Can States apply?
  - **Response:** Yes, if a State can meets all eligibility requirements it can apply. USDA recommends that States set up separate entities. If the State comes in as the applicant, security arrangements for the award may be an issue.
- Will an application guide be available?
  - **Response:** Yes, USDA is currently developing the application guide. It will be available when the application system goes live. Additionally, the application system will include the capability to prompt the applicant with information.
- Please explain the 10/1 Mbps versus 25/3 Mbps.
  - **Response:** 10/1 Mbps service is the minimum requirement to determine an area does not have sufficient access to broadband. 25/3 Mbps is a construction requirement that must be provided to every premise in the PFSA.
- When will awards be announced?
  - **Response:** Until USDA sets all of the deadlines for the application process there is no definitive answer. The timeline will also depend on the number of applications that are received. The 100% grant and 50/50 loan-grant combination will be reviewed as a competition. 100% loan applications will be processed on a first come, first served basis.
- Can an applicant partner with a larger broadband provider?
  - **Response:** USDA encourages applicants to partner. In general, an applicant could partner with a larger service provider, but USDA would have to evaluate how the partnership was established to determine if the particular partnership with the larger service provider is eligible. USDA strongly encourages an applicant to put more detail in the application versus less.

- For letters of support, who should they be addressed to?
  - **Response:** Letters of support can be addressed to a number of different people. They can be addressed to the Secretary of Agriculture, the Assistant to the Secretary for Rural Development, the RUS Administrator or the Assistant Administrator for the Telecommunications Program.
- Is broadband speed testing required for recipients?
  - **Response:** This is not a specific requirement. If USDA does that kind of speed testing, it will most likely be similar to what the FCC does for CAF.
- What is a loan term?
  - **Response:** A loan term will be based on the composite economic life of facilities funded. A proposal leaning more towards electronic elements may have a shorter term of 12 to 13 years. An application that proposes more cable facilities will probably have a term closer to 18, 20, or 21 years. It depends on the facilities proposed for funding. Applicants will propose a loan term for feasibility purposes and USDA will analyze the proposal to determine composite economic life.
- Can an applicant apply for Community Connect and ReConnect for the same area?
  - **Response:** USDA recently opened up the Community Connect program again. USDA cannot stop an applicant from submitting applications to both; however, the applicant is taking a risk as they are only allowed funds for one or the other.
- Is there a minimum latency requirement?
  - **Response:** There is no specific latency requirement; however, information needs to be provided via the application that demonstrates the applicant's ability to provide 25/3 Mbps service to every household in the service area.
- Can data be extracted from the mapping tool?
  - **Response:** USDA does not have the capability to extract currently, but is looking into options. USDA understands that people have GIS capability and would like to obtain shapefiles, but that functionality currently unavailable.
- If there is a parent company with multiple subsidiaries, can each subsidiary apply?
  - **Response:** Each subsidiary may apply on its own, but will have to provide two years of audited financial Statements.

- Can a competitive local exchange carrier (CLEC) apply for funding?
  - **Response:** As long as the CLEC meets all the eligibility requirements, they can apply.
- Will this presentation be available for download?
  - **Response:** Yes, this presentation will be posted to the ReConnect website at https://reconnect.usda.gov. A recording of this webinar will also be posted.
- Is the max $25 million per applicant or per application?
  - **Response:** $25 million is the upper limit of a 100% grant product. For a 100% grant, the match must be 25% of the total project cost. $50 million is the upper limit for 100% loan and 50/50 loan-grant combination products. For the combination product, the amounts awarded for loan and grant will always be equal.
- Is there required Mbps for end users, residential or commercial?
  - **Response:** The proposed system must have the capability to provide 25/3 Mbps service to all premises in the PFSA. In reviewing the application, USDA will evaluate the proposed solution to make sure that the level of service can be provided to all of the premises at the same time.
- What are the requirements for State broadband activity requirements?
  - **Response:** Points are awarded as follows:
    - 10 points for a project in a State with a State Broadband plan
    - 5 points for projects in States that do not restrict utilities for providing broadband
    - 5 points for States that expedite right of way and environmental requirements
  - Applicants claiming any points for State Broadband Activity will need to provide documentation from the State Governor's office that addresses these three factors to receive the points. If the project is in multiple states, each State Governor must respond.
- Can applicants apply for more than one service area?
  - **Response:** A single application may propose multiple service areas. Each PFSA will be evaluated separately for eligibility. During this round of funding applicants can only submit a single application for one of the products. They cannot submit multiple applications for any one product or applications for different products. (Added for clarity)
- Can one applicant request funding from all three sources?

- - **Response:** One applicant cannot request funding from all three sources. An applicant must choose which funding source to apply for.
- Will there be at least one workshop in each State?
  - **Response:** Unfortunately, USDA does not have enough time to do a workshop in each State. Some of the RD State offices will hold workshops in their own State with the support of USDA. The National office will only be providing six regional workshops spread out across the country.
  - Please note that USDA originally planned six workshops. Unfortunately, because of the lapse in funding, some of those workshops had to be postponed. USDA is giving strong preference to the previously identified locations, but it is not yet known if those locations and the venues in those locations will be available for the dates that are being considered for those workshops.
- Who determines what areas meet the 90% underserved eligibility criteria?
  - **Response:** It is the applicant's responsibility to use all available sources to determine if an eligible area does not have 10/1 service. The applicant then draws a map polygon on the USDA mapping tool for the PFSA. Once a map polygon is submitted, USDA will publish the map to solicit public comment regarding the area. USDA will also validate broadband speeds on project sites.
- How do applicants know if a local provider has applied for funds?
  - **Response:** Once an applicant applies for funds with USDA, a polygon is established for their PFSA. The polygon will be published on the USDA website so others can identify if there is already 10/1 service in the specified area. In addition, third parties will know where applicants have applied.
- Is fixed wireless an eligible technology?
  - **Response:** Yes, fixed point to point is an eligible technology under the program.
- What are the primary differences between ReConnect and USDA's Community Connect program?
  - **Response:** The Community Connect grant program has a maximum grant size of $3 Billion and there is a total of $30 Million in funding on an annual basis for that program. Applicants for Community Connect have to provide access to the internet at a community center. The ReConnect Program

does not have a community center requirement and there are three types of funding sources for the program.

- Will there be any ReConnect funding allocated for precision agriculture pilots or trials?
  - ○ **Response:** The statute for the program requires that the funding be used for rural areas to gain sufficient access in areas where there is less than 10/1 Mbps service. The service requirements will help with precision agriculture, but the funding is not specific for that purpose.
- Will the grant funded program be more competitive than the 50/50 combination product?
  - ○ **Response:** Currently, there is no data to measure which application is more competitive. Applicants are encouraged to apply to one of three different funding sources.
- Is there a way to contest areas deemed ineligible on the USDA map?
  - ○ **Response:** There is no formal process in place to appeal the map. If someone believes the designated areas are incorrect, please contact USDA through the Contact Us at https://reconnect.usda.gov.
  - ○ If an area is deemed ineligible on the map because it is receiving CAF II support, only the entity receiving the CAF II support can apply for ReConnect and the funding is limited to 100% loan.
- Is this program going to be offered annually?
  - ○ **Response:** The ReConnect Program funding was provided in the Consolidated Appropriations Act, 2018 and is a pilot program. The current FOA offers a portion of that funding. This means that there are plans for additional rounds of funding.
- How long will the awardee have to complete buildout?
  - ○ **Response:** The awardee will have five years to complete the buildout.
- Where is the map?
  - ○ **Response:** The eligibility map can be found on the ReConnect website https://reconnect.usda.gov.

Slide 48- Closing

- Thank you everyone for attending today's webinar. We wanted to remind you to visit the ReConnect website at https://reconnect.usda.gov/ for additional information and resources for the program. This website has Fact Sheets and

FAQs, as well as information about outreach events like webinars and workshops. These resources continue to be updated and we expect to post materials from this webinar within a couple days.