



United States
Department of
Agriculture

Rural Development



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Rural e-Connectivity

Program Introduction & Frequently Asked Questions

Introduction



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Announcements

- Funding window as been extended to allow applicants to access technical assistance provided by USDA and its partners
- First application deadline will be pushed back to May 31, 2019 or later
- Final funding windows will be announced in a notice in the Federal Register in late February 2019



Bring high-speed
broadband to
rural areas that
lack access.



Fuel long-term
economic
development in
rural America.



Enable
technologies
critical to rural
communities.



Introducing ReConnect

Where the project came from



2018
Consolidated
Appropriations
Act

ReConnect Program

Pilot program that
provides loans and
grants to extend
broadband service
to rural areas.

\$600 million in funding

Assist rural areas where 90%
of households do not have
sufficient access to broadband

Required: 25Mbps down/3 up



Public Comments

Notice of Inquiry:
July 2018

280 comments
received

Comments focused on

- Speed
- Reliability
- Availability

Program Timeline

Dec. 13, 2018

A new way forward

ReConnect Program and funding opportunity announced by Sec. Perdue.

Dec. 14, 2018

Officially Released

ReConnect Program Funding Opportunity Announcement released in the Federal Register.

February 2019

Get Started

Application deadlines released in notice in the Federal Register.



Understanding ReConnect

An introduction to eligibility, the application process and other critical information

Eligibility

Who can apply and what funding opportunities are available to you.

Who can apply?

- 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



Application Eligibility Factors

- Unqualified Audited Financial Statement
- Fully Complete Application
- Timely Buildout Completion
- Financial Feasibility and Sustainability
- Technical Feasibility
- Service Areas
- Fully Funded



Program Design

Key factors, eligible costs and how to maximize your score

Program Funding

Loan

Buildout speed: 25/3 mbps minimum

Terms: Max award: \$50 million, 2% interest rate

Application review: Open (non-competitive)

Round 1 Federal Funds: \$200 million

Combo

Buildout speed: 25/3 mbps minimum, incentive for higher speeds

Terms: Max award: \$50 million, 50/50 Loan/Grant, Fed. Fund Interest = ~3%

Application review: Competitive scoring

Round 1 Federal Funds: \$100 million grant + \$100 million loan

Grant

Buildout speed: 25/3 mbps minimum, incentive for higher speeds

Terms: Max award: \$25 million, 25% match

Application review: Competitive scoring

Round 1 Federal Funds: \$200 million

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.



Eligible Costs

- 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 and be documented.
- Terrestrial-based facilities for satellite broadband service.
- Costs must be reasonable, allocable, and necessary.
- Applications that propose to use any portion of the award or matching funds for any ineligible cost may be rejected.



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).

Ways to maximize your score



Rurality of proposed funded service area



Farms served



Performance of the offered service



Business



Healthcare centers



Educational facilities



Critical community facilities



Tribal lands



State broadband activity

Critical Reminders and Information

Information you need before starting the application process

Important Reminders



Online Applications

All applications must be submitted through the online system at <https://reconnect.usda.gov/>



System Registration

A DUNS number and registration at SAM.gov are required to submit application.

Available Resources

What resources are available and how you can get help during the application process.

List of Available Resources

- Workshops
 - Multiple Workshops to be Held Across the Country
 - RD Experts and Detailed Application Information
- Webinars
 - Multiple Webinars to be Held
 - RD Experts and Detailed Application Information
- Resources
 - ReConnect Website <http://reconnect.usda.gov/>
 - Electronic Application Intake System
 - Program FAQs
- OneRD Coordination
 - Resources Across RD
 - Help Desk
 - Technical Assistance and Support to Applicants



Frequently Asked Questions

RUS has received several questions about the ReConnect Program to date

Eligibility Question 1

Question:

Is a mix of technologies used in a single project (e.g., to address terrain challenges) considered an eligible project design?

Answer:

Yes, a mix of technologies is allowed in a single project in alignment with the guidelines outlined in the FOA.

Eligibility Question 2

Question:

Who or what determines sufficient access to broadband?

Answer:

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.

Mapping Question 1

Question:

Does the map show areas with sufficient access, or does it show areas in which 90-100% of households lack sufficient access?

Answer:

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.

Mapping Question 2

Question:

Must the proposed funded service area (PFSA) be contiguous?

Answer:

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.

Other FAQs- Eligible Service Area Question 1

Question:

Would a PFSA defined by a large map polygon that contains “donut holes” to remove areas that already have sufficient broadband access be eligible?

Answer:

Yes, a proposed funded service area can have “donut holes” as long as all areas included in the PFSA meet eligibility requirements.

Other FAQs- Eligible Service Area

Question 2

Question:

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?

Answer:

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.

Other FAQs- Application Process

Question 3

Question:

May an applicant submit multiple applications for different funding categories?

Answer:

No, an applicant is only able to submit one application.

Other FAQs- Application Process

Question:

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?

Answer:

No, an applicant may only submit one application.

Other FAQs- Financial Question 1

Question:

Should the Pro-Forma financial forecast include both existing and proposed operations?

Answer:

The pro-forma must include a complete financial picture of the entire operation of the applicant including existing and proposed operations.

Other FAQs- Financial Question 2

Question:

Does the ReConnect Program permit multiple sources of federal funding for project financing?

Answer:

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.

Other FAQs- Financial Question 3

Question:

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?

Answer:

A private loan can be used for the match component only if the loan is not secured by the applicant.

Q & A

For help or questions contact us at

ReConnect Support Desk

<https://reconnect.usda.gov>

