

## 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 may apply for this program?

Eligible applicants can be either non-profit or for-profit 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.

- Federally recognized Tribes as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 USC Section 450b, available at this link: <https://go.usa.gov/xexQP>)

You must be able to supply broadband service, at the speeds defined in the latest Funding Opportunity Announcement (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. Ninety 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 this program, sufficient access to broadband is defined as fixed terrestrial broadband service at 100 megabits per second (Mbps) downstream and 20 Mbps upstream.

### How may funds be used?

This program provides funding for:

- The construction or improvement of facilities capable of delivering 100 Mbps symmetrical service to every premises in the PFSA at the same time.
- The acquisition of an existing system not currently providing sufficient access to broadband service, under certain circumstances, and with restrictions.
- 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 throughout 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 latest 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*.

**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 four following funding options:

Type of Funding Available	Total Funding and Maximum Award Available	Key Funding Requirements
<b>100 Percent Grant</b>	<ul style="list-style-type: none"> <li>\$350 million total funds</li> <li>\$25 million maximum, per project</li> <li>\$35 million maximum, per project, if the PFSA meets certain guidelines. Refer to the FOA for details.</li> </ul>	<ul style="list-style-type: none"> <li>Competitive review based on scoring criteria.</li> <li>25 percent cash match requirement.</li> </ul>
<b>Loan-Grant Combination (50-50)</b>	<ul style="list-style-type: none"> <li>\$250 million total funds</li> <li>\$25 million maximum for the grant, per project</li> <li>\$25 million maximum for the loan, per project</li> <li>Loan and grant amounts will always be equal</li> </ul>	<ul style="list-style-type: none"> <li>Competitive review based on scoring criteria.</li> <li>Interest rate is set at the U.S. Treasury rate at the time of each advance of funds.</li> </ul>
<b>100 Percent Loan</b>	<ul style="list-style-type: none"> <li>\$200 million total funds</li> <li>\$50 million maximum, per project</li> </ul>	<ul style="list-style-type: none"> <li>Funds are awarded until exhausted on a first-come, first-served basis.</li> <li>Interest rate is fixed at 2 percent.</li> </ul>
<b>100 Percent Grant for Tribal Governments and Socially Vulnerable Communities</b>	<ul style="list-style-type: none"> <li>\$350 million total funds</li> <li>\$25 million maximum, per project</li> <li>\$35 million maximum, per project, if the PFSA meets certain guidelines. Refer to the FOA for details.</li> </ul>	<ul style="list-style-type: none"> <li>Only available to Tribal governments or a corporation owned by a Tribal government proposing service on its own lands, OR applications where 75 percent of the geographic area consists of Socially Vulnerable Communities (available at this link: <a href="https://www.usda.gov/reconnect/service-area-map-datasets">https://www.usda.gov/reconnect/service-area-map-datasets</a>). Competitive review based on scoring criteria available in the FOA.</li> <li>No cash match requirement.</li> </ul>

**NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the *Federal Register*. You may also contact your General Field Representative for assistance. A map and list of GFRs can be found at this link: <https://www.rd.usda.gov/contact-us/telecom-gfr>. You will find additional forms, resources, and program information at <https://www.usda.gov/reconnect>.**

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