

Community Connect Grants

What does this program do?

The grant program offers financial assistance to eligible service providers that will construct, improve, or expand broadband networks in rural areas.

Who may apply for this program?

Eligible applicants include:

- State and local governmentsFederally recognized Tribes
- Nonprofits
- · For-profit corporations

Limited liability companies

What is an eligible area?

Rural areas that lack any existing broadband speed as defined in the most recent funding announcement are eligible.

 The Broadband Mapping Tool provides guidance on rural areas currently eligible for Community Connect Grants

How may the funds be used?

- The construction, acquisition, or leasing of facilities, spectrum, land or buildings used to deploy broadband service for:
- all residential and business customers located within the Proposed Service Area
- all participating critical community facilities (such as public schools, fire stations, public libraries, and public safety stations.)
- The cost of providing broadband service free of charge to the critical community facilities for 2 years
- Up to 10 percent of the grant may be used for the improvement, expansion, construction, or acquisition of a community center that provides online access to the public

Are there other requirements?

Other program requirements include:

- Documentation supporting the scoring criteria
- An executive summary of the propsed project
- Grantees must have legal authority to provide, construct, operate and maintain the proposed facilities or services
- Partnerships with other federal, state, local, private, and nonprofit entities are encouraged
- For additional detail see 7 CFR, 1739

Matching funds of at least 15 percent from non-federal sources are required and can be used for operating costs.

How do we get started?

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



Community Connect Grants

Who can answer questions about this program?

- Email us at community.connect@wdc.usda.gov
- Contact our Loan Origination and Approval Division at (202) 720-0800
- · Contact your General Field Representative

What governs this program?

· 7 CFR, Part 1739

Why does USDA Rural Development do this?

The Community Connect program helps rural communities extend access where broadband service is least likely to be commercially available, but where it can make a tremendous difference in the quality of life for people and businesses. The projects funded by these grants help rural residents tap into the enormous potential of the Internet for jobs, education, healthcare, public safety and community development.

Distance Learning & Telemedicine Grants

What does this program do?

This grant program helps rural communities acquire the technology and training necessary to connect educational and medical professionals with the teachers and medical providers who serve rural residents at the local level.

Who may apply for this program?

Eligible applicants, which are providing education or healthcare services through telecommunication facilities, include:

- State and local governmental entities
- Nonprofit organizations
- · Consortia of eligible entities

- Federally recognized Tribes
- · For-profit businesses

What is an eligible area?

The intent of the DLT program is to benefit rural areas with populations of 20,000 or less.

How may funds be used?

Grant funds may be used for:

- · Audio, video and interactive video equipment
- Broadband facilities that support distant learning or telemedicine
- Computer hardware, network components and software
- Acquisition of instructional programming
- Acquisition of technical assistance and instruction for using eligible equipment

What kinds of funding are available?

Grant funds are awarded through a nationally competitive process. Funding is not currently available for DLT loans or loan / grant combinations.

What are some grant requirements?

- Awards can range from \$50,000 to \$500,000
- A minimum 15 percent match is required and cannot be from another federal source.

How do we get started?

- Application windows for this program are announced through the national office on a periodic basis.
- Program Resources are available online at <u>www.rd.usda.gov</u> (includes forms, quidance, certifications, etc.)

Who can answer questions?

Contact a General Field Representative that serves your area, call (202) 720-0800 or email **dltinfo@wdc.usda.gov**.

What governs this program?

Code of Federal Regulation: 7 CFR Part 1734

Why does USDA Rural Development do this?

The DLT program helps rural residents tap into the enormous potential of modern telecommunications and the Internet for education and healthcare, two of the keys to economic and community development.



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, which 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 detail 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 <u>www.rd.usda.gov</u> (includes forms, guidance, certifications, etc.)



Rural Broadband Access Loan & Loan Guarantee

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.

What does this program do?

The ReConnect Program is an innovative new pilot program that offers unique federal financing and funding options in the form of loans, grants, and loan/grant combinations to facilitate broadband deployment in areas of rural America that don't currently have sufficient access to broadband. This pilot program will generate private sector investment to deploy broadband infrastructure to provide high-speed internet e-Connectivity to as many rural premises as possible, including homes, community facilities for healthcare and public safety, schools, libraries, farms, ranches, factories, and other production sites.

Who may apply for this program?

Eligible applicants must be able to supply retail broadband to customers. Applicant types include:

- · Cooperatives, non-profits, or mutual associations
- For-profit corporations or limited liability companies
- States, local governments, or any agency, subdivision, instrumentality, or political subdivision thereof
- A territory or possession of the U.S.
- An Indian tribe (as defined in <u>section 4 of the</u> <u>Indian Self-Determination and Education</u> <u>Assistance Act</u> (25 U.S.C. § 450b))

What is an eligible area?

For a geographic area to be eligible to receive federal funds from the ReConnect program, it must meet two criteria: (1) it must be rural and (2) 90% of households proposed to be served must not have sufficient access to broadband.

- WHAT IS CONSIDERED "RURAL"?
- Service areas shall not be located in a city, town or incorporate area that has a population greater than 20,000 or an urbanized area adjacent to a city or town with a population greater than 50,000 people
- Eligible areas must be completely contained within a rural area or composed of multiple rural areas. Visit the mapping tool at <u>reconnect.usda.gov</u> for additional eligibility information.
- WHAT IS "CURRENTLY INSUFFICIENT SERVICE"?
- At least 90 percent of households in the proposed area must not have sufficient access to broadband service
- For this program, sufficient access is defined as fixed terrestrial broadband service at 10 Mbps (megabits per second) downstream and 1 Mbps upstream
- No part of the proposed area may overlap with the service area of a company that has received a broadband loan from the Rural Utilities Service (RUS) as defined in this Funding Opportunity Announcement (FOA).

How may funds be used?

This program provides funding for:

- The construction, improvement, and acquisition of facilities required to provide service at a minimum of 25 Mbps downstream and 3 Mbps upstream
- An acquisition of an existing system not currently providing sufficient access to broadband, under certain circumstances and with restrictions
- Some pre-application expenses may also be eligible for reimbursement.

How do we apply?

Basic information may be viewed at <u>reconnect.usda.gov</u>. Detailed application guidelines are available at this site, and USDA will accept applications via this portal. The opening date for applications will be announced at a later date.

Where can we find technical assistance?

USDA and its partners will hold technical assistance webinars that will be recorded and available for viewing on demand after their initial broadcast. Six regional in-person workshops will also be held across the country. Webinar and workshop dates and times, and additional technical assistance is available through reconnect.usda.gov. Rural Development's General Field Representatives and State Directors can also assist with general questions.

ReConnect Program

What kind of funding is available?

The type and amount of award will depend on the type of financing or funding that best fits the applicant's business model, service area, and financial plan. An applicant may submit only one application, for one of the following three options:

Type of Funding Available	Total Funding Available for the Funding Type/ Maximum Award	How USDA Will Select Projects	Application Deadline
Rural Broadband Grant, with applicant supplying a cash contribution equal to 25% of project cost	Total of \$200 million in federal funds available/\$25 million maximum award per project	Competitive review based on criteria, such as the number of rural premises connected by the project and service speed that will be provided, for areas where 100% of households do not have sufficient access to broadband	May 31, 2019
Grant + Loan Combo (50% of award as a grant/50% of award as a loan at Treasury rate of approximately 3.875%)	Total of \$200 million in federal funds available/\$50 million maximum award per project	Competitive review based on criteria, such as the number of rural premises connected by the project and service speed that will be provided, for areas where at least 90% of households do not have sufficient access to broadband	June 21, 2019
Low Interest Rural Broadband Loan (fixed at 2%)	Total of \$200 million in federal funds available/\$50 million maximum award per project	Funds to be awarded on a "first-come- first-served" basis while available for areas where at least 90% of households do not have sufficient access to broadband	July 12, 2019

Why does USDA Rural Development do this?

On March 23, 2018, Congress passed the Consolidated Appropriations Act, 2018 which provided \$600 million in Federal funds for a pilot program for rural broadband loans and grants. This appropriation created the **Rural eConnectivity Pilot Program** (**ReConnect Program**) to build infrastructure for essential internet e-Connectivity services to rural areas without sufficient access to broadband, defined by the new law as 10 Mbps (megabits per second) downstream and 1 Mbps upstream.

http://reconnect.usda.gov http://www.usda.gov/broadband

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 for assistance. You will find additional forms, resources, and program information at teconnect.usda.gov. USDA is an equal opportunity provider, employer, and lender.