

Introduction to the USDA & Overview of Rural Utilities Service Programs

PSRC Broadband Working Session
Zoom
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Presented by:
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Coordinator

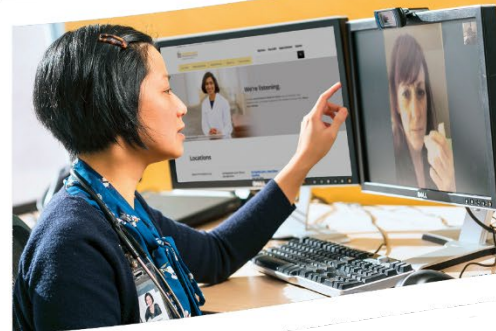


Rural Development's (RD) Mission

USDA Rural Development

Committed to helping improve the economy and quality of life in rural America.

- Provide **loans, grants, and loan guarantees** that support essential services, such as:
 - Housing
 - Economic Development
 - Health Care
 - First Responder Services and Equipment
 - Water, Electric, and **Telecommunications Infrastructure**



RUS Telecommunications Program History

From electricity to broadband...

1935	Rural Electrification Administration (REA) created and began providing financing to promote rural electrification
1949	REA received authority to finance telephone service in rural communities
1995	Evolving from the REA, the Rural Utilities Service (RUS) required all financed telecommunications networks have the capacity to deliver broadband
2010 to present	RUS has approved over \$8 billion in loans and grants to build out broadband infrastructure and expand distance learning and telemedicine services in rural areas

Funding for Rural Broadband

- Telecommunications Infrastructure Loan Program
- Rural Broadband Program
- Community Connect Grant Program
- ReConnect Program



Telecommunications Infrastructure Loan Program

Funding Type	Rural Focus	Funding Thresholds	How to Apply	When Applications are Accepted
Loans/Loan Guarantees	Primarily benefits communities ≤5K	N/A	Submit through the RD Apply online application system	Year-round

Available Funding	Program Updates
<p><u>FY2019</u> \$690 million available</p> <p><u>FY2020</u> \$690 million available</p> <p><u>FY2021</u> \$690 million available</p>	<p><u>FY2019</u> 12 loans approved: \$181.5 million/10 states impacted</p> <p><u>FY2020</u> 8 loans approved: \$98.6 million/10 states impacted</p> <p><u>FY2021</u> 2 loans approved: \$57.5 million/1 state impacted 5 loans in process: \$58.9 million</p>

<https://www.rd.usda.gov/programs-services/telecommunications-infrastructure-loans-loan-guarantees>

Telecommunications Infrastructure Loan Program

Standard Loan Terms include:

- 2 Year Principal Deferral
- Interest Rate at the Cost-Of-Money
- Loan Maturity - Life of the Facilities Financed Plus 3 Years

Staff can assist and review loan applications before submission

Community Connect Grant Program

Funding Type	Rural Focus	Funding Thresholds	Matching Requirement	Broadband Service Speeds	How to Apply	When Applications are Accepted
Grants	Areas with populations ≤ 20K	\$100,000 - \$3,000,000	15% of requested grant amount	Broadband Service: <10/1 Mbps Broadband Grant Speed: ≥25/3 Mbps	Submit through the Community Connect Portal	Applications are not accepted at this time

Available Funding

FY2019

\$33 million available

FY2020

\$29 million available in FY2020 after awarding 8 grants from FY2019 application cycle

FY2021

\$35 million available

Program Updates

FY2019

12 grants approved: **\$24.3 million**/9 states impacted

FY2020

8 grants approved: **\$15.7 million** (from the FY2019 Application window)/7 states impacted

- No FY2020 application window due to regulation update

FY2021

Application window closed on December 23, 2020

73 Applications received: **\$146.4 million**

<http://www.rd.usda.gov/programs-services/community-connect-grants>

Community Connect Grant Program

Applications were submitted electronically through the new online application system.

Resources are available on the website at:
<http://www.rd.usda.gov/programs-services/community-connect-grants>

Contact Information

Loan Origination and Approval Division
Email: community.connect@wdc.usda.gov
Call: 202-720-0806

Home

Welcome, Toby

Central Internet Company

[Switch Entity View](#)

Community Connect

Thank you for your interest in the Community Connect Grant Program. The purpose of the Community Connect Grant Program is to provide financial assistance in the form of grants to eligible applicants that will provide, on a "community-oriented connectivity" basis, broadband service that fosters economic growth and delivers enhanced educational, health care, and public safety benefits.

You can create your Proposed Funded Service Area and upload your Community Connect Grant application by clicking the button below.

Funding Window Open: July 01, 2020 - August 15, 2020

[Get Started](#)



ReConnect Program

Funding Type	Rural Focus	Funding Thresholds	Matching Requirement	Broadband Service Speeds	How to Apply	When Applications are Accepted
Loan/Grants/ Loan-Grant Combinations	Areas with populations ≤ 20K	≤\$50 million for loans & loan-grant combinations ≤\$25 for grants	For grant-only: 25% of requested grant amount	Broadband Service: <10/1 Mbps Broadband Buildout Speed: ≥25/3 Mbps	Submit through the ReConnect online application system	Applications are not accepted at this time

Available Funding

FY2019

\$550 million available

FY2020

\$655 million available in FY2020 (includes CARES funding)

FY2021

\$635 million available

Program Updates

FY2019 – “Round One”

146 Applications processed: **\$1.4 billion**

- **78** 100% Grant applications
- **53** 50/50 Loan/Grant applications
- **15** 100% Loan applications
 - **77** awards approved: **\$663 million**/33 States impacted

FY2020 – “Round Two”

172 Applications submitted: **\$1.57 billion** requested

- **88** awards approved: **\$675 million**/35 States impacted

<https://www.usda.gov/reconnect>

Distance Learning & Telemedicine Grant Program – The Basics

Funding Type	Rural Focus	Funding Thresholds	Matching Requirement	DLT System	How to Apply	When Applications are Accepted
Grants	Primarily benefits rural areas	\$50,000 - \$1,000,000	15% of requested grant amount	Must include hub and end-user sites	Submit through the Grants.gov	Applications are not accepted at this time

Available Funding

FY2019

\$64 million available

FY2020

\$95 million available

FY2021

\$57 million available

Program Updates

FY2019

181 applications received for **\$58.1 million**

- **145** grants approved for **\$45.4 million**/38 states & 2 territories impacted

FY2020

FOA #1: 276 applications received for **\$155.9 million**

- **117** grants approved for **\$72.4 million**

FOA #2: 534 applications totaling **\$252.1 million (85 awards - \$41.4 million)**

FY2021

- **Announcements from FOA #2 pending.**

<https://www.rd.usda.gov/programs-services/distance-learning-telemedicine-grants>

Telecommunications Programs – All State Investments

Since FY2010, RUS has approved over \$8 billion in funding for broadband and distance learning and telemedicine projects that serve rural residents.

Program	Projects Approved	Funds Approved
Telecommunications Infrastructure Program	195	\$3.2 Billion
ReConnect Program	165	\$1.3 Billion
Rural Broadband Access Program	10	\$273.4 Million
Distance Learning and Telemedicine Program	1,153	\$408.1 Million
Community Connect Grant Program	111	\$185.0 Million
Broadband Initiatives Program	258	\$2.9 Billion
Grand Total	1,892	\$8.3 Billion

*Table shows award data **at time of obligation** for all programs except ReConnect and BIP, which show present award data.

Updated: 3/2/2021

Telecommunications Programs – Tribal Investments – All States

In FY 2018 and 2019, RUS approved approximately \$20.3 million in telecommunications projects serving Tribal Lands, Tribal Organizations, American Indians, and Alaska Natives.

Program	Funds Approved
Telecommunications Infrastructure Program	\$9.8 Million
Distance Learning and Telemedicine Program	\$7.1 Million
Community Connect Grant Program	\$3.4 Million
Grand Total	\$20.3 Million

Telecommunications Programs –Washington Investments

Since 2010, RUS has approved over \$125 million in projects serving Washington residents:

Program	Funds Approved
Telecommunications Infrastructure Program	\$75.0 Million
ReConnect Program	\$2.0 Million
Distance Learning and Telemedicine Program	\$6.5 Million
Community Connect Grant Program	\$3.6 Million
Broadband Initiatives Program	\$36.0 Million
Grand Total	\$125.0 Million

Rural Utilities Service Telecommunications Key Contacts

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