



United States
Department of
Agriculture

Rural Development



USDA Rural Development Broadband Programs

One USDA, Eight Mission Areas

**Farm Production
and Conservation**

**Food, Nutrition &
Consumer Services**

Food Safety

**Marketing &
Regulatory
Programs**

**Natural Resources
& Environment**

**Research,
Education &
Economics**

**Trade and Foreign
Agricultural Affairs**

Rural Development

Rural Development Offices



RUS Telecommunications Programs 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 provided \$6.2 billion in loans and grants to build out broadband infrastructure in rural areas |

National RUS Broadband Funding Since 2010

Since FY2010, RUS has invested approximately \$6.4 Billion in projects serving rural residents in the United States:

Program	Projects Approved	Funds Awarded
Telecommunications Infrastructure Program	176	\$2.9 Billion
Farm Bill Broadband Program	7	\$225.6 Million
Distance Learning and Telemedicine Program	807	\$249.7 Million
Community Connect Grant Program	91	\$144.9 Million
Broadband Initiatives Program	258	\$2.9 Billion
Grand Total	1,339	\$6.4 Billion

Telecommunications Infrastructure Program

Available Funding

FY 2017

- **\$690 million** available in FY 2016

FY 2018

- **\$690 million** available in FY 2017

FY 2019

- **\$690 million** available in FY 2018
- Loans finance new & improved telecommunications infrastructure, primarily for the benefit of rural populations of 5,000 or less <Typically>
- Loans may serve non-rural subscribers in some cases

Program Updates

FY 2017

- **21** loans approved: **\$427.4 million**

FY 2018

- **13** loans approved: **\$161.9 million**
 - **NV, SD, VA, IA (x3), MN, WI, SD, MO, AZ, NM, KY**

FY 2019

- **8** loans approved: **\$135 million**
 - **KY, IL (x2), TN, NM, SC, WI, IN**
- **9** loans in process: **\$119.8 million**
- Applications are accepted year round
- RD Apply online application system

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

Telecommunications Farm Bill Broadband Program (aka Rural Broadband Access Loan and Loan Guarantee Program)

Available Funding

FY 2016

- **\$64 million** available in FY 2016

FY 2017

- **\$27 million** appropriated in FY 2017

FY 2018

- **\$29.9 million** available in FY 2018

FY 2019

- **\$29.851** available in FY 2019 *

* Additional Carry over funding is available from previous fiscal years

- Loans finance the costs of constructing a broadband network
- Amounts from \$100,000 to \$25 million
- Broadband Service and Broadband Lending Speed is defined as 25 Mbps (download) and 3 Mbps (upload)
- Serving rural communities of 20,000 or less <typically>
- At least 15% of the proposed funded service area households in unserved
- Cannot have 3 or more incumbent service providers
- Service area cannot be in a RUS previously funded area

Program Updates

FY 2016

- **1 loan approved: \$4.1 million**

FY 2017

- **2 loans approved: \$24.0 million**

FY 2018

- **1 loan approved: \$19.9 million**

FY 2019

- **1 loans approved: \$17.7 million**
- **4 loans in process: \$48.6 million**

- **RD Apply** online application system
- **NOSA Released** on November, 15, 2018. Accepting applications through 9/30/19.
- The 2018 Farm Bill made changes to the program. Currently being implemented.

<https://www.rd.usda.gov/programs-services/farm-bill-broadband-loans-loan-guarantees>

Updated: 09/04/19

Notable 2018 Farm Bill Changes to Broadband Programs

Section 6201: Access to broadband service in rural areas –

Expands the funding authorities to include grants, loans, loan guarantees and payment assistance; modifies some of the program priority and eligibility requirements; and increases the potential funding level for the program

- Adds Grant Funding and Payment Assistance
- Requires Guarantee Program
- Modifies Required “unserved” HH percentage from 15% to 50% for loans and 90% for grants
- Establishes New Priorities
- Increases Authorized Funding Level from \$25 million to \$350 million
- Establishes new “broadband buildout” standards associated with the life of the loan
- Requires additional communication and coordination with NTIA and FCC

Section 6202: Expansion of Middle Mile Infrastructure

- Authorizes the agency to provide funding for stand alone middle mile projects

Section 6214: Rural broadband integration working group

- Establishes a rural broadband working group across Federal agencies to identify, assess, and determine possible actions relating to barriers and opportunities for broadband deployment in rural areas

Community Connect Program

Available Funding

FY 2016

- **\$11.74 million** available in FY 2016

FY 2017

- **\$34.5 million** available in FY 2017

FY 2018

- **\$30.0 million** available in FY 2018

FY 2019

- **\$33.0 million** available in FY 2019

General provisions as of the latest NOSA:

- Grant funds for Broadband Service deployment
- Population of 20,000 or less
- Amounts from \$100,000 to \$3 million
- Service Area must be **entirely** unserved
- Minimum Broadband Service is defined as 10 Mbps (download) and 1 Mbps (upload)
- Minimum Broadband Grant Speed is defined as 25 Mbps (download) and 3 Mbps (upload)
- 15% Matching Requirement

Program Updates

FY 2016

- **Over 70** applications processed: **\$120 million**
- **9** grants approved: **\$15.6 million**
- States (x6): IN*, KY, OK, TN, VA, WV

FY 2017

- **48** Applications processed: **\$90.8 million**
- **16** grants approved: **\$35.3 million**
- States (x11): AL, GA*, ID, ME, MN, NC, OK, TN, VA, WA, WY

FY 2018

- **124** Applications processed: **\$225.6 million**
- **14** grants approved: **\$30.0 million**
- States (x9): KY*, MN, NC, ND, OK, NC, TN, VA*, UT

FY 2019

- **62 applications in process: \$100.1 million. Still in progress.**

* HQ State, but grant benefited additional state(s)

Distance Learning and Telemedicine (DLT) Program

Available Funding

FY 2016

- **\$23.4 million** available in FY 2016

FY 2017

- **\$23.6 million** available in FY 2017

FY 2018

- **\$29.0 million** available in FY 2018
- **\$20.0 million** additional available in FY 2018 in rural areas to help address the opioid epidemic in rural America

FY 2019

- **\$37.9 million** available for traditional DLT
- **\$26.1 million** available for Opioid DLT
- Grants fund equipment needed to provide Distance Learning and Telemedicine services
- 15% Matching Requirement
- Minimum Grant amount: \$50,000
- Maximum Grant Amount: \$500,000
- Only grants are available-no loans or combo loan/grants

Program Updates

FY 2016

- **182** applications received
- **98** applications approved: **\$27.7 million**
- **35** States & Territories represented

FY 2017

- **208** applications received
- **86** applications approved: **\$27.7 million**
- **46** distance learning & **40** telemedicine projects
- **30** States & Territories represented

FY 2018

- **225** applications received for **\$68.4 million**
- **132** applications approved for **\$40.8 million**:

DL	TM	Overall
67 awards	65 Awards	132 awards
32 States	39 states	45 states & Territories represented
\$22.7 million	\$18.1 million	\$40.8 million

STEM & Opioid Special Consideration Point Projects

63 Opioid	51 STEM	18 None	132 awards
\$17.9 million	\$18.6 million	\$4.4 million	Tot: \$40.8 million

FY 2019

- Opioid DLT FY2019 – 15 Submissions received , 12 grants approved for \$2.75 million
- Traditional DLT FY2019 –166 Applications received & being processed

ReConnect Program

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

Must serve communities with fewer than 20,000 people with no broadband service or where service is slower than 10 megabits per second (mbps) download and 1 mbps upload.

FY 2019 three funding streams:

- 100 % loan (90% unserved)
- 50% loan / 50% grant (90% unserved)
- 100 % grant (100% unserved)

No matter which funding type the applicant requests, the proposed network must be capable of providing service to every premise in the proposed funded service area at a speed of at minimum, 25 Mbps downstream and 3 Mbps upstream.

ReConnect Program

2019 Program:

- Received 78 applications requesting more than \$522 million in grant only funding (\$200 million available).
- Received 53 applications requesting \$635 million in loan-grant combination funding (\$200 million available)
- Received 15 applications requesting more than \$258 million in loan only funding (\$200 million available).

2020 Program:

- Some changes from 2019, unknown at this time.
- Approximately \$500 million available.

Substantially Underserved Trust Areas (SUTA)

Modified Loan Terms for Serving a Substantially Underserved Trust Area (SUTA).

At the discretion of Administrator, RUS can modify certain loan terms or application requirements, which may include:

- Interest rates as low as 2%, extended amortization period, and/or priority processing
- Loan interest rates as low as 2 percent;
- Waiver of certain documentation requirements regarding non-duplication of service;
- Waiver of matching funds or credit support requirements for loans;
- Extension of the time period in which loans are repaid; and
- Providing the highest priority for funding to eligible projects that will serve trust areas.
- *** Please see final and individual program regulations for details and specifics.

Rural Utilities Service (RUS)

[USDA Launches High-Speed Broadband e-Connectivity Resource Guide.](https://www.rd.usda.gov/files/508_RDeConnectivityToolkit121918.pdf)
https://www.rd.usda.gov/files/508_RDeConnectivityToolkit121918.pdf

This [e-Connectivity Toolkit](#) features 27 USDA programs that support broadband deployment. The easy-to-use resource is a simple guide that allows customers to identify their type of e-Connectivity project and locate resources the federal government offers for planning, equipment, construction, research and other e-Connectivity projects. A [resource matrix](#) illustrates resources such as grants, loans and technical assistance are available from multiple Mission Areas at USDA, including Rural Development, National Institute of Food and Agriculture, Farm Service Agency, Natural Resources Conservation Service, and Forest Service. The toolkit also highlights examples of how e-Connectivity resources are being used to increase access to broadband services in rural communities.

Primary USDA Telecommunications Program Website (All telecommunications programs can be found at):
<http://www.rd.usda.gov/programs-services/all-programs/telecom-programs>

Rural Utilities Service (RUS)

Program alerts, please sign up at:

<https://public.govdelivery.com/accounts/USDARD/subscriber/new>

Grants.Gov alerts, please sign up at:

<https://www.grants.gov/manage-subscriptions.html>

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