

ReConnect Program: Frequently Asked Questions

Eligibility Inquiries

Updated February 28, 2020

Question: Who is eligible to receive the funds?

Answer: As defined in the 2019 FOA (published on December 12, 2019), the following entities are eligible to apply for assistance:

- 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 (25 U.S.C. 450b))
- Non-profit entities
- For-profit corporations
- Limited liability companies;
- Cooperative or mutual organizations

Individuals and legal partnerships are not eligible for ReConnect funding. In addition, co-applicants are not eligible. If two entities would like to partner with each other in delivering broadband to areas without sufficient access, then one entity must take the lead on submitting an application. In this case, intercompany agreements can be used to account for revenues and expenses on the applicant's financial projections.

Question: I'm looking for help getting broadband internet at my residence. Is this program for me?

Answer: Individuals are not eligible for funding under this program.

Question: Is there a limit on the number of applications an entity may submit?

Answer: Yes. An entity may submit only one application. Although the online application system will allow you to create multiple applications, you can only submit one.

Question: Is an applicant eligible if current network speeds are more than 10/1 Mbps, but less than 25/3 Mbps?

Answer: If an area has 10/1 Mbps service or greater, the Proposed Funded Service Area (PFSA) is ineligible for ReConnect funds. 10/1 Mbps service for households is the minimum requirement to determine if an area has sufficient access to broadband. 25/3 Mbps is the minimum construction requirement required for all proposed projects. Applicants must propose to build a network that is capable of providing service to every premise located in the PFSA at the time the application is submitted at a speed of 25 Mbps downstream and 3 Mbps upstream.

Question: If an applicant is proposing to place fiber facilities through an ineligible area to get to an area eligible area, can the fiber facilities be used to provide service to the ineligible areas?

Answer: An applicant may propose fiber placement in an ineligible area in order to reach an eligible area. However, the applicant must fund the portion of the fiber facilities that serve the ineligible area with non-award funds. For example, if a 100-count fiber cable is proposed to pass through ineligible and eligible areas and 30 fibers will serve the ineligible area, then 30% of the total cost of the fiber facility (installation and materials) must be funded through non-ReConnect funds.

Question: Is a WISP eligible for ReConnect funds?

Answer: A Wireless Internet Service Provider (WISP) would generally be considered an eligible entity, as long as they meet all of the eligibility requirements of the program. All applicants must propose to build a network that is capable of providing service to all premises in the PFSA at a speed of 25/3 Mbps using a technology that provides fixed, terrestrial broadband service. Fixed wireless services are eligible and are considered terrestrial services.

Question: What areas are eligible for ReConnect funding?

Answer: To be eligible for ReConnect Funding, a Proposed Funded Service Area (PFSA) must be (1) rural and (2) lack sufficient access to broadband service:

1. According to the 2019 FOA, a rural area is any area which is not located within: (1) A city, town, or incorporated area that has a population of greater than 20,000 inhabitants; or (2) an urbanized

area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants.

2. Sufficient access to broadband is defined in the FOA as any rural area in which households have fixed, terrestrial broadband service delivering at least 10 Mbps downstream and 1 Mbps upstream. Mobile and satellite services will not be considered in making the determination of sufficient access to broadband. Note, for all funding categories, 90% of households within each proposed service area must lack sufficient access to broadband.

In addition, a PFSA may not include areas that have been previously funded by other RUS telecommunications programs, or areas covered by CAF II Auction 903 winners. The RUS Mapping Tool shows all ineligible areas and the FOA has detailed information on all eligibility requirements. Ineligible areas include:

- Non-rural areas
- Overlapping service areas
- Areas where there are pending applications for USDA Rural Utilities Service programs
- Protected Broadband Borrowers
- CAF II Auction 903 Winners

Question: If a company applies for the 100% grant product and USDA finds one location with 10/1 service, will the entire application get thrown out or can the applicant remove that PFSA from the application?

Answer: Multiple PFSAs will be treated as separate standalone service areas when determining how much of a PFSA does not have sufficient access to broadband. This means that each individual PFSA must meet the 90% eligibility requirement (90% of the households in a PFSA cannot have access to broadband service at a speed of 10 Mbps downstream and 1 Mbps upstream). If any service area in a competitive application does not meet the eligibility requirements, the entire application will be disqualified. In other words, the applicant cannot modify the application to remove one or more PFSAs that USDA finds to be ineligible.

Question: Can USDA define ineligible areas that relate to RUS lending like the RUS broadband loan, telecommunication infrastructure loan, and RUS electric loans including smart grid funding?

Answer: For the ReConnect Program only, an RUS broadband loan means any loan that has been approved or is currently under review by RUS after the beginning of Fiscal Year 2000 in the Telecommunications Infrastructure Program, Farm Bill Broadband Program, Broadband Initiatives Program or the ReConnect Program. Loans that were approved and then subsequently fully de-obligated are not included in this definition. RUS electric loans are also not included in this definition. If a borrower's service area is eligible for protection under the ReConnect Program, the borrower's entire service territory is protected. The service areas of Community Connect grant recipients still under build-out are also protected.

The Eligibility Area Map located on the ReConnect website at <https://reconnect.usda.gov/> provides map layers for each protected type of current RUS borrower, as well as a layer that shows tribal lands. Additional layers show CAF II Auction 903 winners and features that contribute to evaluation criteria scores.

Question: How can we successfully challenge FCC 477 data?

Answer: FCC 477 data is one source of information that USDA will consider in its review of applications. However, it is not used as a sole source of information to validate 10/1 Mbps service. To challenge FCC data, please contact the FCC.

Question: Can a competitive local exchange carrier (CLEC) apply for funding?

Answer: A CLEC is an eligible entity as long as they meet all eligibility requirements as outlined in the FY2020 Funding Opportunity Announcement (FOA).

Question: Are legal partnerships eligible to apply for ReConnect funding?

Answer: No, legal partnerships and individuals are not eligible.

Question: Can applicants apply for more than one service area?

Answer: A single application may propose multiple service areas. For eligibility purposes, if an applicant is applying for multiple PFSA's, each service area will be evaluated on a stand-alone basis.