

Funding to facilitate  
broadband  
deployment in  
underserved rural  
areas



## What does this program do?

The ReConnect Program 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 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 [section 4 of the Indian Self-Determination and Education Assistance Act](#) (25 U.S.C. § 450b))

## What is an eligible area?

For a geographic area to be eligible to receive federal funds from this pilot program, it must meet two criteria:

(1) it must be rural and (2) most households must currently have insufficient internet service.

### • 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 [www.usda.gov/reconnect](http://www.usda.gov/reconnect) 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 [www.usda.gov/reconnect](http://www.usda.gov/reconnect). Detailed application guidelines are available at this site, and USDA will accept applications via this portal.

# ReConnect Program

## 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. Regional in-person workshops will also be held across the country. Webinar

and workshop dates and times, and additional technical assistance is available through [www.usda.gov/reconnect](http://www.usda.gov/reconnect). Rural Development's General Field Representatives and State Directors can also assist with general questions.

## 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 | Up to \$200 million in federal funds available/<br>\$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         | March 16, 2020       |
| Grant + Loan Combo (50% of award as a grant/50% of award as a loan at Treasury rate)             | Up to \$200 million in federal funds available/<br>\$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 | March 16, 2020       |
| Low Interest Rural Broadband Loan (fixed at 2%)  | Up to \$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   | March 16, 2020       |

## Why does USDA Rural Development do this?

In 2019, Congress passed the Consolidated Appropriations Act, 2019 which provided Federal funds

for the ReConnect Program. Originally authorized in 2018, this program is used, through loans and grants, to build infrastructure for essential internet e-Connectivity services to

rural areas without sufficient access to broadband, defined by the law as 10 Mbps (megabits per second) downstream and 1 Mbps upstream.

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

<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 [www.usda.gov/reconnect](http://www.usda.gov/reconnect) USDA is an equal opportunity provider, employer, and lender.**

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