

ReConnect Program: Frequently Asked Questions

Eligibility Inquiries for Round 4 Funding Opportunities

Updated: November 7, 2022

Question: Who is eligible to receive ReConnect funds?

Answer: As defined in 7 CFR 1740.9 (available at this link: <https://go.usa.gov/xextf>) to be eligible for funding, an applicant can be either a nonprofit or for-profit organization, and must take one of the following forms:

- Corporation
- Limited Liability Companies and Limited Liability Partnerships
- Cooperative or mutual organizations
- 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 – available at this link: <https://go.usa.gov/xexF9>)

Individuals and legal general partnerships are not eligible entities. In addition, co-applicants are not eligible. If two entities want to partner in delivering broadband to areas without sufficient access, 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. However, based on the existing financial and security agreements, Rural Development can require that both – or other entities – be parties to the award documents, or to guarantee the award.

Question: What kinds of partnerships are eligible to apply for ReConnect funding?

Answer: Limited Liability Partnerships (LLP) can apply as eligible entities. An LLP has at least two partners in the relationship, and all partners are equally responsible for all considerations of the relationship including management, liability, and taxes, among other considerations. Co-applicants and legal general partnerships formed with individuals are not eligible entities. See 7 CFR 1740.9(b) – available at this link: <https://go.usa.gov/xexFP> - for additional details on the eligibility of partnerships.

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

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

Question: Where can I get financial assistance paying to help pay for internet service?

Answer: The FCC's Affordable Connectivity Program (ACP) was created to increase access to affordable internet services. The program provides eligible households \$30 per month off their internet bills. More information about ACP can be found at: <https://www.fcc.gov/acp>.

Question: Is an applicant eligible if current network speeds are less than 100 Mbps downstream, 20 Mbps upstream, but more than 25 Mbps downstream, 3 Mbps upstream?

Answer: If your organization is not currently providing 100 Mbps downstream, 20 Mbps upstream in the proposed funded service area, and your application meets all other program requirements, your organization is eligible to apply for the ReConnect program.

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

Answer: You may propose fiber facilities in an ineligible area in to serve both eligible and ineligible areas; however, you cannot use award funds or matching funds to fund the portion of the fiber facilities that serve the ineligible area. 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 percent of the total cost of the fiber facility (installation and materials) must be funded through non-ReConnect and non-matching funds.

Question: Is a Wireless Internet Service Provider eligible for ReConnect funds?

Answer: Technology which can deliver 100 Mbps downstream, 100 Mbps upstream service at the same time to every premises in the Proposed Funded Service Area (PFSA) is eligible for funding. However, if the wireless service is overlaid on top of a cellular network, it is not eligible for funding. More information about the ReConnect program can be found at: <https://www.usda.gov/reconnect>.

Question: Can areas under consideration for Rural Digital Opportunity Fund money be eligible for ReConnect?

Answer: Yes. The Funding Opportunity Announcement published on August 4, 2022 provides that areas receiving, or under consideration for other Federal funds are eligible for ReConnect funding as long as the areas in question do not have existing service at the minimum level of sufficient access to broadband, (100/20 Mbps for the current FOA) or as long as an entity has not already received other Federal funding to construct facilities providing at least 100/20 Mbps service in those areas. Applicants submitting a project to serve an area in which an entity has already received, or will be receiving, other Federal funding should explain in the application why ReConnect funding is being requested and why RUS should provide additional funding. Awardees that receive both other Federal funds and ReConnect funding must submit a statement certifying that the funds requested from ReConnect have not and will not be reimbursed by another Federal award and must keep separate accounts for each source of funding to track the uses of the funding to support the certification statement submitted with the ReConnect application.

Question: Can I apply for ReConnect funding to serve an area where I have received funding from another federal program to serve?

Answer: Yes, as long as the area in question does not have existing service at the minimum level of sufficient access to broadband, (100/20 Mbps as defined in the Funding Opportunity Announcement (FOA published on August 4, 2022) or as long as an entity has not already received other federal funding to construct facilities providing at least 100/20 Mbps service in that area. If you have applied for or are receiving other federal funds to deploy broadband in all or part of the Proposed Funding Service Area (PFSA) you propose to serve with ReConnect funds, you must explain why additional funding is necessary, why RUS should provide that funding, and how RUS funding will not be duplicative of the other funding. ReConnect awardees are required to submit a statement certifying that the funds requested from ReConnect have not been – and will not be – reimbursed by any other federal funding mechanism.

Question: If a company applies for the 100 percent grant product and USDA finds households with 100 Mbps downstream, 20 Mbps upstream service, will the entire application be thrown out, or can the applicant modify its Proposed Funded Service Area (PFSA) in the application?

Answer: No. You cannot modify your application to remove one or more PFSA's found ineligible by USDA. Multiple Proposed Funded Service Areas (PFSA's) are treated as separate, standalone service

areas when determining the percentage of a PFSA that lacks sufficient access to broadband. This means each individual PFSA must meet the eligibility requirement (50 percent of the households in a PFSA cannot have access to broadband service at a speed of 100 Mbps downstream, 20 Mbps upstream). If any service area in a competitive application does not meet these eligibility requirements, the entire application will be disqualified.

This requirement for at least 50 percent of the households to lack access to sufficient broadband service to be eligible does not apply to those applications which seek funds from the “Projects serving areas where 90 percent of households lack sufficient access to broadband” funding category. For this funding source, not more than 10% of homes in the PFSA can have sufficient access to broadband. If any service area in a competitive application does not meet these eligibility requirements, the entire application will be disqualified.

Question: How will USDA staff judge applications which propose service to the same Proposed Funded Service Area (PFSA)?

Answer: USDA will not fund more than one project that serves a sole geographic area. Invariably, applicants do propose service areas that overlap – varying from minor areas of the territory that can be significant with respect to households involved – to larger areas of the service territory that contain few, if any, households or businesses. As a result, accounting for every overlap circumstance is not possible. Nevertheless, it is the agency’s intent to make as many eligible applications viable for consideration as possible. This means we can:

- Determine the overlap to be so insignificant that no action by RUS is necessary
- Request one or more of the applications be revised to eliminate the overlapping territory
- Choose one application over another, considering factors such as:
 - the amount of assistance requested
 - the number of awards already selected in the region or state
 - an assessment of area needs
- Simply choose the project that scores higher – or in the judgement of the agency – is more financially feasible

We reserve the right to request additional information concerning any part of your application, including the Proposed Funded Service Area. The applicant has 30 days to return the requested information. Failure to do so can result in application rejection.

Question: Are service areas covered by RUS Broadband Loan borrowers eligible for ReConnect funding?

Answer: As detailed in the Consolidated Appropriations Act, 2021 (Public Law 116-260 – available at this link: <https://go.usa.gov/xexM2>), the service areas of existing RUS borrowers without sufficient access to broadband (as defined in the August 4, 2022 Funding Opportunity Announcement) are eligible for ReConnect funding. However, current RUS Broadband Borrowers that have received funding to provide sufficient access to broadband but have not yet built-out their system are ineligible to apply for funding for these service areas.

Question: Are areas that received grants under the RUS Community Connect Grant Program eligible for ReConnect funding?

Answer: Service areas that received grants under the RUS Community Connect Grant Program are eligible if they do not have sufficient access to broadband, except for those grants still under construction and proposing a service speed of at least 100 Mbps downstream, 20 Mbps upstream. The ReConnect Program Service Area Map (located at this link: <https://tinyurl.com/4m7bax9m>) provides a layer that illustrates current RUS borrowers and projects still under construction.

Question: Are service areas that received 100 percent grants under the RUS Broadband Initiatives Program (BIP) eligible for ReConnect funding?

Answer: Service areas that received a 100 percent BIP grant are eligible if they do not have sufficient access to broadband.

Question: Are areas that received smart grid funding under an RUS Electric Program loan eligible for ReConnect Funding?

Answer: Areas that receive smart grid funding from the RUS Electric Program can be eligible for ReConnect funding as long as the smart grid facilities are not leveraged to provide sufficient access to broadband.

Question: What is the definition of a “Broadband Loan” for the purposes of the ReConnect Program?

Answer: For the ReConnect Program only, an RUS broadband loan is defined as “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.”

Broadband loans that were rescinded, are in default, or loan terms and conditions of which were not met, are not included in the ReConnect definition of a “broadband loan” as long as the entity under consideration for ReConnect funding has not previously defaulted on, failed to meet the terms and conditions of, or had rescinded, an RUS broadband loan.

Question: Will my project be disqualified if FCC Form 477 data indicates my PFSA has sufficient access to broadband?

Answer: Rural Development uses several methods to verify whether a particular Proposed Funded Service Area (PFSA) currently has 100 Mbps downstream, 20 Mbps upstream broadband service. We will post a Public Notice Filing (PNF) of the proposed service area on the ReConnect webpage under the “Public Notice Filings” tab at <https://www.usda.gov/reconnect>, and service providers in those areas can submit a Public Notice Response (PNR) indicating whether they already provide 100 Mbps downstream, 20 Mbps upstream service. Then, USDA will conduct Service Area Validations (SAVs) within the areas of the PFSA(s) where a PNR is filed.

Service area validations also include desktop research using currently available data. Additionally, we will send subject matter experts (SMEs) to service area locations where a PNR is filed to oversee field tests to determine if the area(s) meet eligibility requirements, to verify the availability of 100 Mbps downstream, 20 Mbps upstream service, and validate other aspects of the application.

Additionally, RUS does not maintain or control FCC Form 477 data. To the extent possible, you must identify all existing providers in the PFSA and indicate what level of service is actually being provided. You are not required to treat current, publicly-available FCC Form 477 data (additional information is available at this link: <https://go.usa.gov/xeqdX>) as unquestionable proof of what speed service currently exists. FCC Form 477 data can be used as one source of data regarding sufficient access to broadband.

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

Answer: A Competitive Local Exchange Carrier (CLEC) is an eligible entity as long as it meets all eligibility requirements as outlined in the August 4, 2022 Funding Opportunity Announcement (FOA).

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

Answer: A single application can propose multiple service areas. For eligibility purposes, if you are applying for multiple Proposed Funded Service Areas (PFSAs), each service area will be evaluated on a standalone basis when determining whether a PFSA has sufficient access to broadband. If any service area in a competitive application does not meet the eligibility requirements, the entire application will be disqualified.

When an application is evaluated for **technical feasibility**, the proposed PFSAs are evaluated together. The determination of technical feasibility is based on the entire network proposed for construction with ReConnect funds.

Question: What is a Socially-Vulnerable Community?

Answer: Socially-Vulnerable Community means a community or area identified in the Center for Disease Control's Social Vulnerability Index with a score of .75 or higher. For the purposes of the Funding Opportunity Announcement (FOA) published on August 4, 2022, Puerto Rico, Guam, American Samoa, Northern Mariana Island, Palau, Marshall Islands, the Federated States of Micronesia, and the U.S. Virgin Islands are considered Socially-Vulnerable Communities. A GIS layer identifying Socially-Vulnerable Communities is available at this link: <https://www.usda.gov/reconnect>.

Question: Colonias are very small geographic areas. How do we meet the 75% test for the 100% grant category that requires no match for when serving Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas and Socially Vulnerable Communities?

Answer: A proposed project can meet any of the five tests listed in that funding category.

Specifically with regard to Colonias, 75% of the total number of your proposed funded service areas (PFSAs) must include one or more eligible Colonias to be eligible for the 100% grant category that requires no match for projects serving Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas and Socially Vulnerable Communities.

For example, if your proposed project has one PFSA, then that PFSA would need to cover at least one eligible Colonia. If the proposed project has five PFSAs, then at least four of the five PFSAs would each need to cover at least one eligible Colonia.

Question: I am applying for the 100 Percent Grant for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas and Socially Vulnerable Communities. Can we have our PFSAs be a mix of Colonias, Persistent Poverty Areas and Socially Vulnerable Communities with the combined total of the three being at least 75% of all PFSAs combined?

Answer: No. An applicant's PFSAs cannot contain a combination of Colonias, Persistent Poverty Areas, and Socially-Vulnerable Communities to meet the 75 percent eligibility threshold. Applicants must meet the 75 percent threshold by serving Colonias, Persistent Poverty Areas, *or* Socially Vulnerable Communities.

Question: I am a Tribal applicant. Can I self-certify whether broadband service exists on land owned by the Tribe?

Answer: Yes, Tribes may self-certify whether or not broadband service exists on their own land.

Question: If a Tribe has funding pending from another agency's program can the Tribe still self-certify that they are unserved?

Answer: Yes, a tribe can still self-certify to the existence of broadband service but will have to justify why ReConnect funds would not duplicate the purposes of the other federal award.

Question: Does another agency's funding approval on tribal lands to an entity other than the tribe constitute final approval on Tribal lands for federal awards or is another funding agency's approval contingent on the Tribe's approval/concurrence/consent?

Answer: Starting with Rounds 3 of the ReConnect Program, USDA empowers Tribes to self-certify if they are served by broadband providers or not. If an entity other than the tribe received a federal award to provide broadband service on tribal lands the Tribe can still certify that broadband does not exist on the tribal land.

Question: Do I need to comply with the Davis-Bacon Act?

Answer: Applicants are not required to comply with the Davis-Bacon Act in order to be eligible to apply. However, applicants may receive 20 points on their application for demonstrating strong labor standards, compliance with and plans for future compliance with labor and employment laws, and a plan to support an appropriately skilled, trained, and credentialed workforce. Applicants may demonstrate strong labor

standards by providing documentation that workers will be paid at or above the prevailing rate in accordance with the Davis-Bacon Act.