



# AZBSN Arizona Broadband Stakeholder Network

Arizona Telecommunications and Information Council & Greater Arizona eLearning Association



Rural Development

May 2, 2024

# Background

- USDA's Rural Utilities Service (RUS) provides much-needed infrastructure or infrastructure improvements to rural communities. These include water and waste treatment, electric power and telecommunications services. All of these services help to expand economic opportunities and improve the quality of life for rural residents.
- Created in 1935 as the Rural Electrification Administration (REA), a New Deal agency promoting rural electrification.
- Under the Department of Agriculture Reorganization Act of 1994, the REA was absorbed by the Rural Utilities Service (RUS).
- Today's talk is about the Telecommunications programming within RUS.

# Background

The Telecommunications Program improves the quality of life in rural America by providing funding for the deployment of rural telecommunications infrastructure. USDA Rural Development is committed to ensuring that rural areas have access to affordable and reliable telecommunications services comparable to those available throughout the rest of the United States. With this access, rural America will see improved educational opportunities, health care, safety, security, and higher employment.

## Departmental Key Priorities:

### **Addressing Climate Change and Environmental Justice**

Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.

### **Advancing Racial Justice, Place-Based Equity, and Opportunity**

Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects.

### **Creating More and Better Market Opportunities**

Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure.

We will be incorporating these priorities into the work we do across the Agency and with our partners to incentivize strategic engagement and investment.

## Telecommunications Infrastructure Loans & Loan Guarantees

Provides financing for the construction, maintenance, improvement and expansion of telephone service and broadband in rural areas.

### What governs this program

Rural Electrification Act of 1936, as amended in 7 U.S.C. 901 et seq.

[7 CFR 1735](#)

### Why does USDA Rural Development do this

By helping private and non-profit providers secure the necessary financing, this program helps maintain a seamless nationwide telecommunications network that also provides access to broadband for education, healthcare, public safety and jobs for all Americans regardless of where they live.

[https://www.rd.usda.gov/sites/default/files/fact-sheet/508\\_RD\\_FS\\_RUS\\_TelecommunicationsLoan.pdf](https://www.rd.usda.gov/sites/default/files/fact-sheet/508_RD_FS_RUS_TelecommunicationsLoan.pdf)

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

## Rural Broadband Loans, Loan/Grant Combinations, and Loan Guarantees

The Rural Broadband Loans, Loan/Grant Combinations, and Loan Guarantees (Farm Bill Broadband Program) furnishes loans and loan guarantees to provide funds for the costs of construction, improvement, or acquisition of facilities and equipment needed to provide service at the broadband lending speed in eligible rural areas.

### **Broadband loans provide funding on a technology-neutral basis for financing:**

Construction, improvement, and acquisition of facilities required to provide service at the broadband lending speed including facilities required for providing other services through the same facilities.

The cost of leasing facilities required to provide service at the broadband Lending speed if such lease qualifies as a capital lease under Generally Accepted Accounting Principles (GAAP).

An acquisition, under certain circumstances and with restrictions.

For additional detail see [7 CFR 1738](#).

### **What governs this program**

This program is authorized by the Agricultural Act of 2014, Title VI, Sub. Title A Sec. 6001 (2014 Farm Bill)

[7CFR chapter 1738](#) [Federal Register Interim Rule July 30, 2015](#) [Federal Register Final Rule June 9,2016](#)

# Programs

## **ReConnect Loan and Grant Program**

The ReConnect Program offers loans, grants, and loan-grant combinations to facilitate broadband deployment in areas of rural America that currently do not have sufficient access to broadband. In facilitating the expansion of broadband services and infrastructure, the program will fuel long-term rural economic development and opportunities in rural America.

### **Eligible Funding Purposes**

1. To fund the construction or improvement of facilities required to provide fixed terrestrial broadband service.
2. To fund reasonable pre-application expenses.
3. To fund the acquisition of an existing system that does not currently provide sufficient access to broadband (eligible for 100 percent loan requests only).

### **Service Area Eligibility Requirements**

<https://www.usda.gov/reconnect/service-area-eligibility-requirements>

## Community Connect Program

The purpose of the Community Connect 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.

- The Community Connect Program helps rural communities extend access where broadband service is least likely to be commercially available, but where it can make a tremendous difference in the quality of life for people and businesses. The projects funded by these grants help rural residents tap into the enormous potential of the Internet for jobs, education, healthcare, public safety, and community development.

## Distance Learning & Telemedicine Grants

This competitive program helps rural communities use advanced telecommunications technology to connect to each other - and the world - overcoming the effects of remoteness and low population density. We encourage you to consider projects that promote equity and economic opportunity in rural America, specifically those that advance these key priorities:

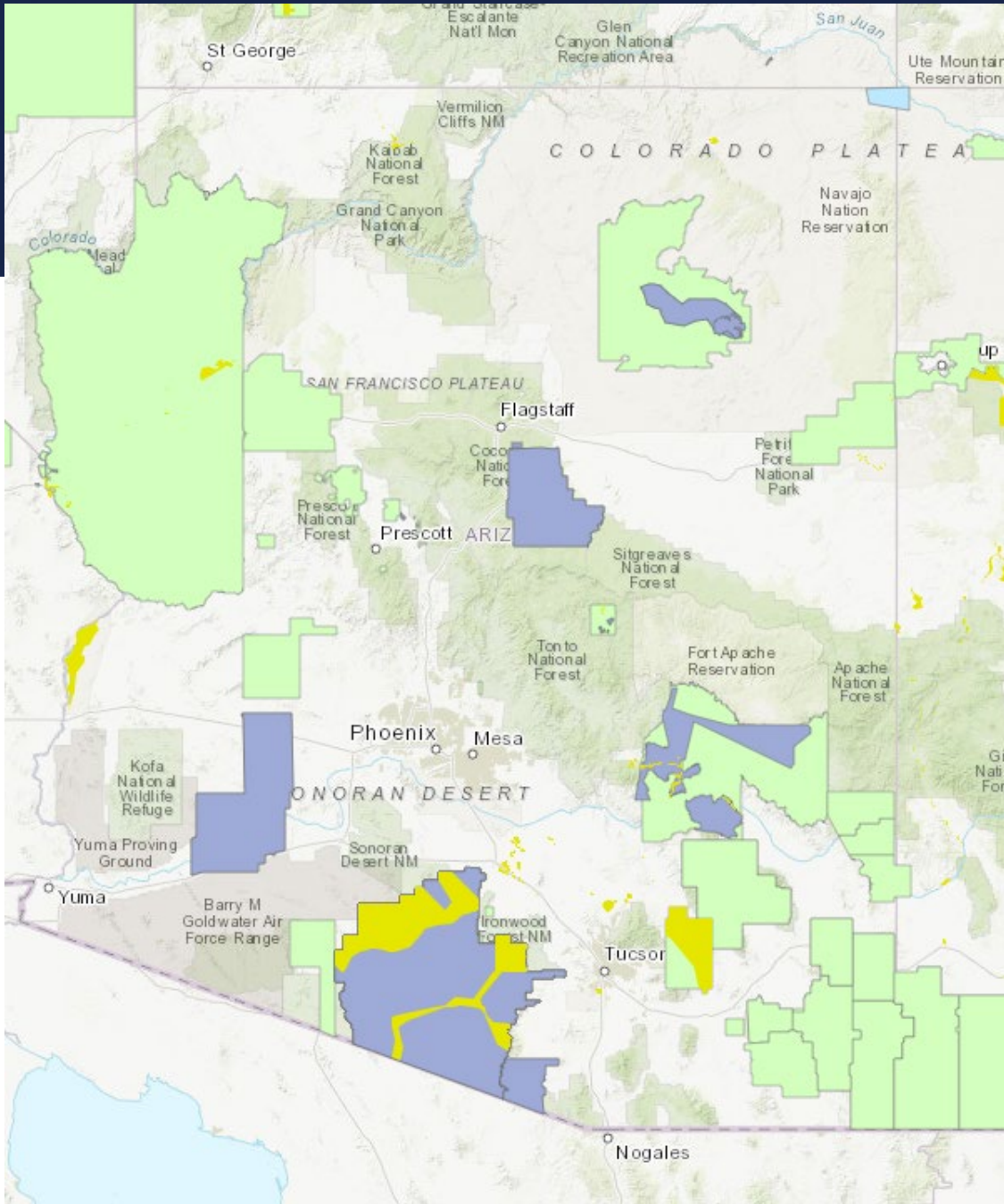
- Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure.
- Ensuring all rural residents have equitable access to Rural Development programs and benefits from Rural Development funded projects; and
- Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.



## Broadband Technical Assistance

BTA provides financial assistance through cooperative agreements to eligible entities to receive or deliver broadband technical assistance and training and supports the development and expansion of broadband cooperatives.

- Eligible applicants include:
- Federally-recognized Tribes and Tribal entities
- State or local governments, including agencies and subdivisions, among others
- Territories or possessions of the United States
- Institutions of higher education (including 1862 Land-Grant Institutions, 1890 Land-Grant Institutions, 1994 Land-Grant Institutions, Hispanic-Serving Institutions, and Historically Black Colleges and Universities)
- Nonprofit organizations with 501(c)(3) IRS status
- Cooperatives or mutual organizations
- Corporations
- Limited Liability Companies or Limited Liability Partnerships



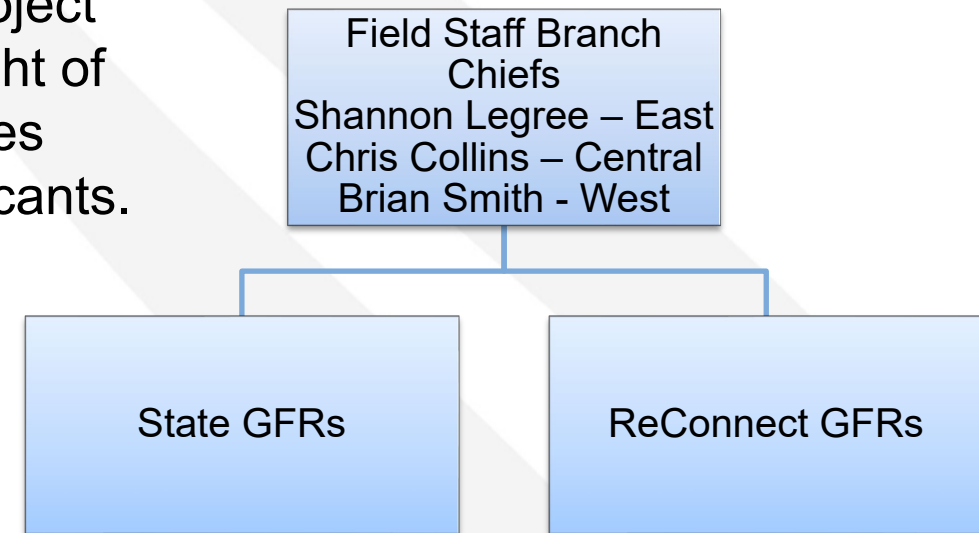
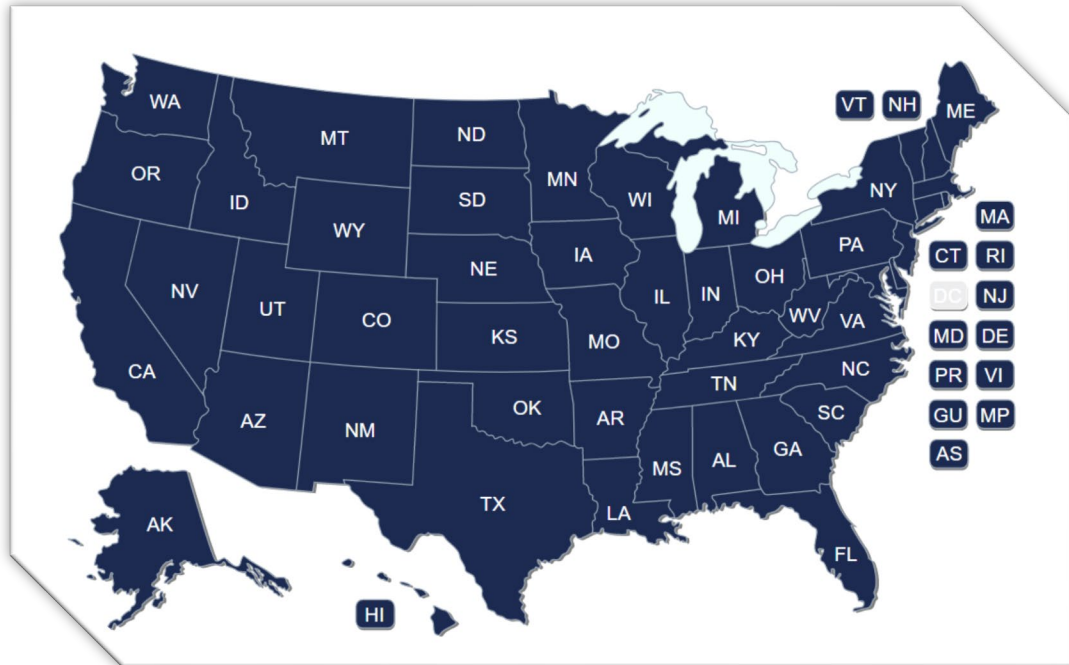
## Thank you, Arizona Broadband Stakeholder Network

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So exactly what is a GFR??

# Construction Monitoring – General Field Representative (GFR)

**What is a GFR?** – National Office field personnel providing project support and monitoring through completion and overall oversight of awardee compliance with project's approved purposes. Provides outreach and assistance as needed for potential projects/applicants.



[Telecom GFR Contacts | Rural Development \(usda.gov\)](#)

[ReConnect GFRs | Rural Development \(usda.gov\)](#)

# Construction Monitoring – Overall Communication

**GFR is the primary point of contact for an Awardee.**

- Questions/Concerns
- Desired Changes
- Initial review of construction contract documents
- Reimbursement requests
- Challenges with Project Completion
- Requests to National Office
- Inquiries from National Office





**Rural Development**