

## Colorado Telecommunications Association Winter Meeting

Armando Valdez State Director, Colorado

February 15, 2023











# USDA Rural Development

www.rd.usda.gov/co

**Armando Valdez** 

Colorado State Director armando.valdez@usda.gov





## Colorado Telecommunications Association Winter Meeting

Rural Utilities Service Telecommunications Programs

February 15, 2023

Presented by: Brad Clausen



### Funding for Rural Broadband

- Telecommunications
   Infrastructure Loan Program
- Rural Broadband Program
- Community Connect Grant
   Program
- ReConnect Program



### Telecommunications Infrastructure Loan Program

Available Funding	Program Updates		
<ul><li>FY2020</li><li>\$690 million available in FY2019</li></ul>	<ul> <li>FY2021</li> <li>4 loans approved: \$71.1 million</li> <li>States (x3):</li> </ul>		
<ul> <li>FY2021</li> <li>\$690 million available in FY2020</li> </ul>	<ul> <li>CA x 2, NM, IN</li> <li><u>FY2022</u></li> <li>5 loans approved: \$106.3 million</li> <li>State(s):         <ul> <li>OK, VA, AK, GA, AZ</li> </ul> </li> </ul>		
<ul> <li>FY2022</li> <li>\$690 million available in FY2022</li> </ul>	<ul> <li>FY2023</li> <li>0 loans approved</li> <li>2 loans in process for \$17.1 million.</li> </ul>		
<ul> <li>Loans finance new &amp; improved telecommunications infrastructure, primarily for the benefit of rural populations in communities of 5,000 or less</li> </ul>	<ul> <li>Applications are accepted year round</li> <li><u>RD Apply</u> online application system</li> </ul>		
Loans may serve non-rural subscribers in some cases			

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

### Community Connect Grant Program

Funding Type	Rural Focus	Funding Thresholds	Matching Requirement	Broadband Service Speeds	How to Apply	When Applications are Accepted
Grants	Areas with populations ≤ 20K	\$100,000 - \$3,000,000	15% of requested grant amount	Broadband Service: <10/1 Mbps Broadband Grant Speed: ≥25/3 Mbps	Submit through the Community Connect Portal	Applications are not accepted at this time

Available Funding	Program Updates			
FY2019	FY2019			
<b>\$33 million</b> available	12 grants approved: \$24.3 million/9 states impacted			
<u>FY2020</u>	<u>FY2020</u>			
<b>\$29 million</b> available in FY2020 after awarding 8 grants	8 grants approved: \$15.7 million/7 states impacted(from the FY2019 Application			
from FY2019 application cycle	window)			
<u>FY2021</u>	<u>FY2021</u>			
<b>\$35 million</b> available	73 Applications received: \$146.4 million			
<u>FY2022</u>	23 grants approved: \$47 million/15 states impacted			
\$35 million received in appropriations	<u>FY2022</u>			
	4 grants approved: \$10 million/3 states impacted (from the FY2021 Application			
	window)			
http://www.rd.usda.gov/programs-services/community-connect-grants	FY2023: Anticipate FOA in early 2023			

### **Community Connect Grant Program**

Applications were submitted electronically through the new online application system.

Resources are available on the website at: http://www.rd.usda.gov/programsservices/community-connect-grants

#### **Contact Information**

Loan Origination and Approval Division Email: <u>community.connect@wdc.usda.gov</u> Call: 202-720-0806

#### Home

Welcome, Toby

#### **Community Connect**

Thank you for your interest in the Community Connect Grant Program. The purpose of the Community Connect Grant 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.

You can create your Proposed Funded Service Area and upload your Community Connect Grant application by clicking the button below.

Funding Window Open: July 01, 2020 - August 15, 2020

Get Started

Central Internet Company

Switch Entity View



# ReConnect Program

Funding Type	Rural Focus	Funding Thresholds	Matching Requirement	Broadband Service Speeds	How to Apply	When Applications are Accepted	
Loan/Grants/ Loan-Grant Combinations	Areas with populations ≤ 20K	≤\$50 million for loans & loan-grant combinations ≤\$25 for grants	For grant-only: 25% of requested grant amount*	Broadband Service: <100/20 Mbps Broadband Buildout Speed: ≥100/100 Mbps	Submit through the <b>RUS</b> online application system	Applications are not accepted at this time	
	Available Funding			Program Updates			
<ul> <li><u>FY2019</u></li> <li>\$550 million available</li> <li><u>FY2020</u></li> <li>\$655 million available in FY2020 (includes CARES funding)</li> <li><u>FY2021</u></li> <li>\$635 million available</li> <li><u>FY2022</u></li> <li>\$2.3 billion received in appropriations</li> <li>\$1.9 billion received in the Infrastructure Investments and Jobs Act (IIJA)</li> <li>\$436.6 million received in annual appropriations</li> </ul>				<ul> <li><u>FY2019</u> – "Round One"</li> <li>146 Applications processed: \$1.4 billion <ul> <li>76 active awards: \$656 million/33 States impacted</li> </ul> </li> <li><u>FY2020/FY2021</u> – "Round Two"</li> <li>172 Applications submitted: \$1.57 billion requested <ul> <li>181 active awards: \$1.5 billion/38 States impacted</li> </ul> </li> <li><u>FY2022</u> – "Round 3"</li> <li>305 Applications submitted: \$4.81 billion requested <ul> <li>103 projects funded totaling \$1.68 billion</li> </ul> </li> <li><u>FY20233-2023</u> – "Round 4" <ul> <li>FOA released on 8.4.22, application window closed 11.2.22</li> <li>\$1.15 billion available</li> <li>258 Applications submitted: \$4.4 billion requested</li> </ul> </li> </ul>			

### ReConnect Round 4 Updates

Total Amounts	100% Loan	50% Loan/50% Grant		100% Grant-90%	100% Grant for Special Considerations	All Categories
Number of Applications	18	52	61	57	70	258
Total Amount Requested	\$443,185,850	\$955,240,361	\$677,745,172	\$939,497,358	\$1,373,749,766	\$4,389,418,507

### **ReConnect Program**

"Rural eConnectivity Program" regulation has been published. Highlights of the new regulation include:

- Broadband speeds, funding limits, scoring criteria, and protected areas will be announced in Federal Register notices or Funding Opportunity Announcements when new application windows are opened
- If awarded, grant funds may be used for eligible preapplication expenses in the first advance request

# See <u>7 CFR 1740</u> published in the <u>Federal Register</u> on February 26, 2021 for the regulation text.

## Keys to Consider

- Sign up for GovDelivery: USDA Rural Development (govdelivery.com)
- Maximize your points in ReConnect FOA Funding Category, competitive scoring
- Research Proposed Funding Service Area (PFSA) for level of existing service
- ReConnect Loan and Grant Program | USDA (Website is a great resource)
  - Awardees, Mapping Tools, Funding Categories, FAQs, Webinars, Workshop Materials
- Don't wait until the last day to submit application
- · Be realistic on project costs, overages will fall back on the awardee
  - Consider inflation
  - Increasing supply and labor costs
  - Project start date
- Be aware of Environmental Costs and include on application (Environmental consultants, Class 1 reports, etc.)
- Accurate timelines and managing expectations
  - Application deadline to award notification, ER Clearance, Legal Documents, Release of Funds, Engineering Contracts, Construction Contracts



# Questions?



### **Rural Utilities Service Telecommunications Key Contacts**

#### Assistant Administrator

Laurel Leverrier, Assistant Administrator, Telecommunications laurel.leverrier@usda.gov / 202.720.3416

Shawn Arner, Deputy Assistant Administrator, Telecommunications <a href="mailto:shawn.arner@usda.gov">shawn.arner@usda.gov</a> / 202.720.0800

Deputy Assistant Administrators

Peter Aimable, Office of Portfolio Management & Risk Assessment peter.aimable@usda.gov / 202.720.1025

Randall Millhiser, Office of Loan (& Grant) Origination & Approval <u>Randall.millhiser@usda.gov</u> / 202.578.6923

Kenneth Kuchno, Office of Policy & Outreach <u>kenneth.kuchno@usda.gov</u> / 202.720.9424

June 2022 - USDA Broadband & Telecommunications Updates



#### Brad Clausen CO/UT GFR bradley.clausen@usda.gov

Rural Development | Telecommunications Program Rural Utilities Service U.S. Department of Agriculture 1400 Independence Ave., S.W. Washington, D.C. 20250 www.rd.usda.gov



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