

# USDA to Make \$550 Million in Funding Available in 2020 to Deploy High-Speed Broadband Infrastructure in Rural America

## Applications will be accepted January 31 to March 16, 2020

PORTLAND, Ore., Dec. 16, 2019 — The U.S. Department of Agriculture (USDA) Rural Development will make a second round of \$550 million in <u>Reconnect Pilot Program</u> funding available in 2020.

"Once an amenity, internet access has now become an essential component of everyday life," said Huffman. "However, with vast geographic areas to cover, many rural communities struggle to build the infrastructure necessary to achieve reliable, high-speed broadband. Through this second round of ReConnect funding, USDA is proud to continue partnering with rural communities to deploy this critical infrastructure and close the digital divide, because we know when rural Oregon thrives, all of Oregon thrives."

ReConnect Program funding can be used to establish internet access in rural areas that currently have insufficient broadband service. Proposed projects must create access speeds of at least 25 megabits per second (Mbps) upload and 3 Mbps download. State and local government entities, federally-recognized tribes, nonprofits, corporations, limited liability companies, and cooperatives are eligible to apply.

Nationwide, USDA will make available up to \$200 million for grants, up to \$200 million for 50/50 grant-loan combinations, and up to \$200 million for low-interest loans, not to exceed a total of \$550 million.

The application window for this round of funding will open Jan. 31, 2020. Applications for all funding products will be accepted in the same application window, which will close **March 16, 2020**.

For additional information, including details on how to apply, see <u>page 67913 of the Dec. 12, 2019, Federal</u> <u>Register</u> (PDF, 336 KB). To learn more about eligibility, technical assistance, and recent announcements, visit <u>www.usda.gov/reconnect</u>.

## **ReConnect Round One**

Under the first round of ReConnect funding, Oregon Telephone Corporation, headquartered in Mt. Vernon, received a \$6 million grant to expand high-speed broadband infrastructure that will provide e-connectivity for nearly 650 new customers in some of the most remote areas in the continental United States. This expanded fiber optic network will extend broadband across a 242-square-mile area that includes 418 households, 22 businesses, 22 farms, 3 schools, and 2 fire stations in Grant and Wheeler counties, improving the quality of life for those who live and work in these remote, rural communities.

### **Background:**

In March 2018, Congress provided \$600 million to USDA to expand broadband infrastructure and services in rural America. On Dec. 13, 2018, Secretary of Agriculture Sonny Perdue announced the rules of the pilot program, called <u>ReConnect</u>, including how the loans and grants will be awarded to help build broadband infrastructure in rural America.

USDA received 146 applications between May 31, 2019, and July 12, 2019, requesting \$1.4 billion in financing across all three ReConnect Program funding products: 100 percent loans, 100 percent grants, and loan-grant combinations. USDA is reviewing applications and announcing approved projects on a rolling basis. To date, USDA has awarded \$191 million through the ReConnect Program, with offers out to 47 additional potential

recipients totaling \$600 million in investments. Additional investment announcements across the U.S. will be made in the coming weeks. Funding is contingent upon the recipients meeting the terms of the loan and grant agreements.

These grants, loans, and combination funds enable the Federal Government to partner with the private sector and rural communities to build modern broadband infrastructure in areas with insufficient internet service. Insufficient service is defined as connection speeds of less than 10 Mbps download and 1 Mbps upload.

USDA Rural Development provides loans and grants to help expand economic opportunities and create jobs in rural areas. This assistance supports infrastructure improvements; business development; housing; community facilities such as schools, public safety and healthcare; and high-speed internet access in rural areas. Learn more at <u>www.rd.usda.gov/or</u>.

#### For more information...

Questions related to USDA Telecommunications Programs in **Oregon** may be directed to <u>John Holman</u>, Telecommunications General Field Representative, (503) 414-3369.

### For projects outside of Oregon...

Those with project proposals outside of Oregon should contact USDA Rural Development in the <u>corresponding</u> <u>state</u>.

Questions? Contact Us

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