



STAFF REPORT
Board Meeting of August 31, 2022

AGENDA ITEM: 4-C

PREPARED BY: Sandy Ebersole, Administrative Analyst

SUBJECT:

Fiscal Year (FY) 2022 ReConnect Program

Enclosure: No

Action: Information and Discussion Only

SUMMARY:

The U.S. Department of Agriculture (USDA) Office of Rural Development (RD) has issued a Funding Opportunity Announcement (FOA) for the [Fiscal Year \(FY\) 2022 ReConnect Program](#), also known as the **Rural eConnectivity Program**. The purpose of the program is to support broadband deployment in rural areas that lack sufficient access to broadband. Awards will be made under five categories as outlined below.

There is \$150 million in total funding for 100 Percent Loans. Applicants may request a maximum of \$50 million in credit assistance per application.

There is \$300 million in total funding for 50 Percent Loan / 50 Percent Grant Combinations, with \$150 million reserved for loans and \$150 million reserved for grants. Applicants may request a maximum of \$25 million per loan and up to \$25 million for the matching grant.

There is \$150 million in total funding for **100 Percent Grants**. The maximum award size is \$25 million, with an exception of up to \$35 million for applicants with a Proposed Funded Service Area (PFSA) comprised of 100 percent areas classified by the USDA Economic Research Service as Frontier and Remote Area (FAR) Level 4. There is a 25 percent nonfederal cost share requirement.

There is \$350 million available for **100 Percent Grant for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas, and Socially Vulnerable Communities**. The maximum award size is \$25 million, with an exception of up to \$35 million for applicants with PFSAs comprised of 100 percent areas classified by the USDA Economic Research Service as FAR Level 4. There is no cost share requirement.

Finally, there is \$200 million available for grants under for **Projects Where 90 Percent of Households Lack Sufficient Access to Broadband**. The maximum award size is \$25 million. There is no cost share requirement.

The application period opens on **September 6, 2022**, and the application deadline is **November 2, 2022**. Please note that applications under the 100 Percent Loan Category will be awarded on a rolling basis.

FISCAL IMPACT:

No fiscal impact to the approved 2022-23 Overall Work Program and Budget.