## Summary of ReConnect Round Three Notice of Funding Opportunity (NOFO)

On October 22, the USDA released the Notice of Funding Opportunity (NOFO) for Round Three ReConnect Program. Project proposals will be submitted through the USDA's RUS online portal. Specific eligibility questions are to be submitted to staff through www.usda.gov/reconnect/contact-us and Laurel Leverrier, Assistant Administrator, USDA will field general program inquiries.

**Key Priorities:**
- Rural economic recovery, especially for disadvantaged communities
- Equitable access to RUS program funding and benefits for all rural residents
- Reduce climate pollution and increase resilience to impacts of climate change through investment in rural economic development
- Creating good paying jobs with strong labor standards

**Program Description:**
The ReConnect program will provide $1.15 billion in loans, grants, and combination loan/grants to facilitating broadband deployment in rural areas and allocated as outlined below (The minimum amount that can be requested in any ReConnect Program application is $100,000):
- *Loans* - $200M available; $50M loan cap; applications will be reviewed and approved on a rolling basis; 2% rate; payment deferred for 3 yrs. If multiple applications submitted for the same PFSA, the first submitted will be considered first.
- *Grant/Loan Combination* - $250M; $50M combo cap; 50% loan at Treasury rates; loan and grant amounts must be equal; payment deferred for 3 yrs.
- *Grant* - $350M available; $25M grant cap; 25% match required. If PFSA is 100% Frontier and Remote (FAR) level 4 grant cap is $35M
- *Grant Tribal Nations* - $350M available; $25M grant cap; 100% grant Tribal for Socially Vulnerable Communities (SVCs), Tribal Gov PFSA 75% SVC no match. If PFSA is 100% FAR level 4 grant cap is $35M

**Eligible Areas:**
- Proposed Funding Service Area (PFSA) is eligible only if 90% of the households lack sufficient access to broadband, defined as fixed, terrestrial broadband service (FTBS) of 100/20 Mbps
- Areas receiving RUS broadband funds but lacking access to FTBS of 100/20 Mbps
- RDOF area & PFSAs can be "complimentary" but no double recovery and additional reporting
- Areas that have received FCC USF funding but lack access to FTBS of 100/20 Mbps

**Build Requirements:**
- Facilities proposed to be constructed with award funds must be capable of delivering 100 Mbps symmetrical service to every premise in the proposed funded service area (PFSA). Please note that capable of delivering 100 Mbps symmetrical service to every premise means that all premises in the PFSA must be able to receive this service at the same time.

**Application Scoring Points:**
- **Rurality (25 pts.)** – Awarded for serving least dense rural areas as measured by the population per square mile of PFSA or if the PFSA is located at least one hundred miles from a city or town that has a population of greater than 50k and population density of 6 or less. If multiple service areas are proposed, the density calculation will be made on the combined areas as if they were a single area.
- **Existing Service Level (25 pts.) - 25/3 Mbps Areas** – Prioritize areas lacking 25/3 Mbps. Evidence of lack of service is required; FCC Form 477 is NOT considered dispositive
- **Economic Need (20 pts.)** – Based on county poverty level. 75% PFSA serve areas with a < 20% Small Area Income and Poverty estimates (SAIPE) score
- **Affordability (20 pts.)** – Demonstrate affordability in PFSA, provide pricing and & speed tier options. Must provide one low cost option offering speeds sufficient for household of simultaneous remote work/education users; must commit to provide Lifeline, Emergency Broadband Benefit (EBB) & successor program
- **Labor Standards (20 pts.)** – Contractors & subs must demonstrate use of strong labor standards, description of wages, above prevailing rate, locally based workforce, must disclose violations of state & fed labor laws within last 5 yrs.
- **Tribal Lands (15 pts.)** – Tribal ISP applicant and PFSA covers 50% Tribal lands. Non-Tribal ISP applicants ten points **(10 pts.)** if PFSA covers 50% Tribal lands
- **Local Govt, Non-profit & Cooperatives (15 pts.)** – Applicants from P3s lead by Local Govt, Non-profits and Coops
- **Socially Vulnerable Communities (SVCs) (15 pts.) –** 75% of PFSA must consist of SVCs
- **Net Neutrality (10 pts.)** – Applicants must commit to net neutrality principals laid out in the NOFO
- **Wholesale Broadband Services (10 pts.) –** Applicants must commit to providing wholesale nondiscriminatory access

**Timelines and Other Application Requirements:**
- On November 24 USDA will begin accepting applications for ReConnect support. The window for submitting applications will be open for 90 days, or approximately February 24.
- Applicants can submit only one application. Applicants may start multiple applications in the system but only one can be submitted.
- Build out must be completed within 5 years