

USDA



RUS Telecommunications Program
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RURAL UTILITIES SERVICE TELECOM PROGRAM UPDATE

1935, the Rural Electrification Administration (REA) provided financing to promote rural electrification.

1949, REA received authority to finance telephone service in rural communities.

1995, REA/RUS required all telecommunications networks financed to be broadband-capable.

RUS PROGRAMS HISTORY

RUS Telecom Mission:

To ensure that rural residents and businesses receive the same type of telecommunication services as urban areas

RUS investment in broadband infrastructure since 2009 is over \$6 billion in loans & grants.

TELECOMMUNICATIONS PROGRAM

RUS TELECOM PROGRAM

Infrastructure Loan Program

Loans for new and improved telecommunications infrastructure in rural communities.

Farm Bill Broadband Loan Program

Loans for construction, improvement and acquisition of facilities and equipment to provide broadband service to eligible rural communities.

Community Connect Grant Program

Provides grant funding to build out broadband networks in rural unserved areas.

DLT Grant Program

Grants for equipment needed to provide Distance Learning and Telemedicine services

2015 BUDGET - FUNDING LEVELS

Infrastructure Loan Program: \$690 million

Community Connect Grant Program: \$10 million

DLT Grant Program: \$19 million

Broadband Loan Program: \$55 million

INFRASTRUCTURE LOAN PROGRAM

- 14 loans approved:
- \$224 million
- 7 loans pending:
- \$100 million

BROADBAND LOAN PROGRAM

2014 Farm Bill

Mandated certain changes to the program.

Regulations have been in the process of being revised and should be complete before the fall.

LOAN PROGRAM UPDATE

COMMUNITY CONNECT GRANT

FY15 application window
closed February 17th.

68 applications submitted,
totaling \$106 million

Awards to be announced
soon.

DLT GRANT

FY15 application window
opened May 22nd.
And closed July 6, 2015.

GRANT PROGRAM UPDATE

BIP Awarded over \$3.5 billion

297 Broadband Infrastructure Projects (LM and MM),

19 Technical Assistance Projects

4 Satellite Awards

RUS has advanced nearly 90% of funding

BIP Program ends September 30, 2015

**RECOVERY ACT FUNDING / BROADBAND
INITIATIVES PROGRAM - BIP**

RUS UPDATES

- **New Leadership**
 - Under Secretary: Lisa Mensah
 - Administrator: Brandon McBride
- **Electronic Intake System**
 - Across RUS telecommunications, electric and water Programs
 - Roll out scheduled for October 2015.
- **Telecom Program Reorganization (3 divisions)**
 - Policy and Outreach
 - Portfolio Management and Risk Assessment
 - Loan Origination and Approval

BROADBAND OPPORTUNITY COUNCIL

- March 23, 2015 Presidential Memorandum.
- Broadband Opportunity Council (BOC) established.
- Co-chaired by the Secretaries of Commerce and Agriculture,
- 25 Agencies represented on the council.
- Providing recommendations on how agencies can promote broadband deployment, adoption and competition.
- August 20 Report to the President.

BOC Report will include actions that each agency could take to remove barriers, incentivize investment, promote best practices, align funding decisions, and support deployment and adoption.

QUESTIONS?

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