



DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Rural Broadband Access Loan and Loan Guarantee Program

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice of Funds Availability (NOFA).

SUMMARY: The Rural Utilities Service (RUS), an agency of the United States Department of Agriculture (USDA), announces the second application window for fiscal year (FY) 2017 for the Rural Broadband Access Loan and Loan Guarantee Program (the Broadband Program). Announcing a second application window within the current FY is a statutory requirement of the 2014 Farm Bill. This new procedure amends previous announcements related to this application window and is designed to improve loan application processing, better manage work flow, and encourage infrastructure investment and job creation in rural communities in need of improved broadband service.

In addition to announcing this application window, RUS revises the minimum and maximum amounts for broadband loans for the second window for FY 2017.

The agency has \$115.2 million available in FY 2017 appropriated and carryover funds, and of this amount the agency expects that at least \$60 million is available to fund applications received in this window. Further, the RUS typically solicits applications to

under a Notice of Solicitation of Applications (NOSA) during the fiscal year. However, since a full year Appropriation Act for FY 2017 has been enacted, RUS is announcing the amount of funding currently available.

DATES: Applications under this NOFA will be accepted immediately through September 30, 2017. RUS will review, evaluate and begin to process loan applications as they are received. After September 30, 2017, RUS will evaluate all applications that have been deemed to be complete and shall give priority to applications in accordance with 7 CFR 1738.203 if the total amount of funding sought by eligible applicants with completed applications submitted by September 30, 2017, exceeds the funding that is available to RUS for the Broadband Program.

If the total amount of funding sought by eligible applicants with completed applications submitted by September 30, 2017, does not exceed the funding that is available to the RUS for the Broadband Program, applications will be processed and reviewed in the order received. Loan offers are limited to the funds available at the time of the agency's decision to approve an application. RUS reserves the option of using the queue created in this round by the priority or first-come, first-served method as applicable to fund projects in the event additional funding becomes available.

Applications can only be submitted through the agency's online application system through September 30, 2017. Although applications that are incomplete once the September 30, 2017 deadline has passed will not be considered for FY 2017 funding, applicants may continue working on their applications in the online system beyond that

date in order to prepare for additional funding opportunities that may be announced in future fiscal years.

FOR FURTHER INFORMATION: For further information contact Richard Anderson, Acting Deputy Assistant Administrator, Loan Originations and Approval Division, Rural Utilities Service, Room 2844, STOP 1597, 1400 Independence Avenue, SW., Washington, DC 20250-1597, Telephone: (202) 720-0800, or email: Richard.Anderson@wdc.usda.gov.

SUPPLEMENTARY INFORMATION:

General Information

The Rural Broadband Access Loan and Loan Guarantee Program (the “Broadband Program”) is authorized by the Rural Electrification Act (7 U.S.C. 901 et seq.), as amended by the Agricultural Act of 2014 (P. L. 113-79), also referred to as the 2014 Farm Bill.

During FY 2017, loans will be made available for the construction, improvement, and acquisition of facilities and equipment to provide service at the broadband lending speed for eligible rural areas. Applications are subject to the requirements of 7 CFR part 1738.

Application Assistance

RUS offers pre-application assistance, in which National Office staff as well as the General Field Representative assigned to the project will review the draft application, provide detailed comments, and identify when an application is not meeting eligibility requirements for funding. The online application system will allow RUS staff to assist an applicant with completing every part of an application as it is being developed.

Application assistance will be available schedule permitting, generally on a first-come, first-served basis through September 22, 2017.

Once an application is formally submitted, RUS will begin reviewing an application for conformance with the broadband regulation with respect to eligibility and technical and financial feasibility as soon as practical after it has been determined to be complete. The submission of an application will establish the receipt date of the application and its place in the first-come, first-served queue. In addition, once an application is formally submitted through the online system, the applicant may be asked for additional information which would assist the agency in the underwriting process or help clarify aspects of an otherwise complete application. If an application is ultimately found to be incomplete or inadequate, a detailed explanation will be provided to the applicant.

To further assist in the preparation of applications, an application guide is available online at: <http://www.rd.usda.gov/programs-services/farm-bill-broadband-loans-loan-guarantees>. Application guides may also be requested from the RUS contact listed in the “FOR FURTHER INFORMATION” section of this notice.

Application requirements: All requirements for submission of an application under the Broadband Program are subject to 7 CFR part 1738.

Application Materials/Submission: Applications must be submitted through the agency’s online application system located at <https://www.rd.usda.gov/programs->

services/rd-apply. All materials required for completing an application are included in the online system.

Minimum and Maximum Loan Amounts

Loans under this authority will not be made for less than \$100,000. The maximum loan amount that will be considered for the second round for FY 2017 is now raised to \$20,000,000.

Required Definitions for Broadband Program Regulation

The regulation for the Broadband Program requires that certain definitions affecting eligibility be revised and published from time to time by the agency in the *Federal Register*. For the purposes of this NOFA, the agency is revising the definition of “Broadband Service”, such that for applications submitted under this window, existing Broadband Service, the rate used to determine if an area is eligible for funding, shall mean the minimum rate-of-data transmission of twenty-five megabits downstream and three megabits upstream for both mobile and fixed service. With respect to the “Broadband Lending Speed”, the rate at which applicants must propose to offer new broadband service is a minimum bandwidth of twenty-five megabits downstream and three megabits upstream for both mobile and fixed service to the customer.

Priority for approving loan applications

Applications for the second application window in FY 2017 will be accepted from the publication date of this NOFA through September 30, 2017. Unfunded applications from the first application window will not automatically be considered in the second application window; applicants would need to reapply within the second application

window. Although review of applications will start when they are submitted, after the closing date of the window, all applications will be evaluated and ranked together based on the percentage of unserved households in the proposed funded service area. Subject to available funding, eligible applications that propose to serve the highest percentage of unserved households will receive funding offers before other eligible applications that have been submitted. The amount available will be published on the agency webpage once all budgetary allocations have been completed.

If the total amount of funding sought by eligible applicants with completed applications submitted within this application window does not exceed the funding that is available to the RUS for this program, applications will be processed and reviewed in the order received. Loan offers are limited to the funds available at the time of the agency's decision to approve an application. The agency reserves the option of using the queue created in this round by the priority or first-come, first-served method as applicable to fund projects in the event additional funding becomes available.

Applications will not be accepted after September 30, 2017, until a new application opportunity has been opened with the publication of an additional NOFA in the *Federal Register*.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, the information collection requirements associated with Broadband loans, as covered in this NOFA, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0572-0130.

USDA Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW, Stop 9410
Washington, D.C. 20250-9410;
- (2) Fax: (202) 690-7442; or
- (3) Email: program.intake@usda.gov.

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Christopher McLean,

Acting Administrator,

Rural Utilities Service.

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