

Rural Utilities Service, USDA

§ 1739.2

§ 1738.41 Payments on loans.

(a) Broadband loans must be repaid with interest within a period that, rounded to the nearest whole year, equals the expected composite economic life of the facilities to be financed, as calculated by RUS.

(1) The expected composite economic life shall be based upon the depreciation rates for the facilities financed by the loan.

(2) The depreciation rates used shall be the rates currently in place, as long as RUS finds them to be reasonable for the telecommunications industry.

(b) Applicants may request a repayment period that is shorter than the expected composite economic life of the facilities financed. A shorter period may be approved as long as the Administrator determines that the loan remains feasible.

(c) Interest is payable on funds advanced each month as it accrues beginning with the first billing after the advance, as defined in the note. Principal payments on each note are scheduled to begin one year after the date of the first advance. After this deferral period, interest and principal payments on all funds advanced during this one-year period shall be made in equal monthly installments. Principal payments on funds advanced 1 year or more after the date of the first advance will begin with the first billing after the advance. The interest and principal payments on each of these advances shall be made in equal monthly installments.

§§ 1738.42–1738.49 [Reserved]

PART 1739—BROADBAND GRANT PROGRAM

Subpart A—Community Connect Grant Program

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Subpart B [Reserved]

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Subpart A—Community Connect Grant Program

§ 1739.1 Purpose.

(a) The provision of broadband transmission service is vital to the economic development, education, health, and safety of rural Americans. The purpose of the Community Connect Grant Program is to provide financial assistance in the form of grants to eligible applicants that will provide, on a “community-oriented connectivity” basis, broadband transmission service that fosters economic growth and delivers enhanced educational, health care, and public safety services. The Agency will give priority to rural areas that it believes have the greatest need for broadband transmission services, based on the criteria contained herein.

(b) Grant authority will be used for the deployment of broadband transmission service to extremely rural, lower-income communities on a “community-oriented connectivity” basis. The “community-oriented connectivity” concept will stimulate practical, everyday uses and applications of broadband by cultivating the deployment of new broadband transmission services that improve economic development and provide enhanced educational and health care opportunities in rural areas. Such an approach will also give rural communities the opportunity to benefit from the advanced technologies that are necessary to achieve these goals.

§ 1739.2 Funding availability and application dates and submission.

(a) The Agency will publish, annually in the FEDERAL REGISTER, a Notice of

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Funds Availability (hereinafter "NOFA") that will set forth the total amount of funding available; the maximum and minimum funding for each grant; the application submission dates; and the appropriate addresses and agency contact information. The NOFA will also outline and explain the procedures for submission of applications, including electronic submissions. The Agency may publish more than one NOFA should additional funding become available.

(b) Notwithstanding paragraph (a) of this section, the Agency may, in response to a surplus of qualified eligible applications which could not be funded from the previous fiscal year, decline to publish a NOFA for the following fiscal year and fund said applications without further public notice.

§ 1739.3 Definitions.

As used in this subpart:

Agency shall mean the Rural Utilities Service, which administers the United States Department of Agriculture (USDA) Rural Development Utilities Programs.

Bandwidth means the capacity of the radio frequency band or physical facility needed to carry the Broadband Transmission Service.

Basic Broadband Transmission Service means the broadband transmission service level provided by the applicant at the lowest rate or service package level for residential or business customers, as appropriate, provided that such service meets the requirements of this part.

Broadband Transmission Service means providing an information-rate equivalent to at least 200 kilobits/second in the consumer's connection to the network, both from the provider to the consumer (downstream) and from the consumer to the provider (upstream).

Community means any incorporated or unincorporated town, village, or borough recognized in the latest decennial census as published by the Bureau of the Census or in the most recent edition of a Rand McNally Atlas that is located in a Rural Area.

Community Center means a public building, or a section of a public building with at least ten (10) Computer Access Points, that is used for the pur-

poses of providing free access to and/or instruction in the use of broadband Internet service, and is of the appropriate size to accommodate this purpose. The community center must be open and accessible to area residents before, during, and after normal working hours and on Saturday or Sunday.

Computer Access Point means a new computer terminal with access to Basic Broadband Transmission Service.

Critical Community Facilities means the Community Center and every public school or education center, public library, public medical clinic, public hospital, community college, public university, or law enforcement, fire and ambulance stations in the proposed Service Area.

Eligible Applicant shall have the meaning as set forth in §1739.10.

Eligible Grant Purposes shall have the meaning as set forth in §1739.12.

End-User Equipment means computer hardware and software, audio or video equipment, computer network components, telecommunications terminal equipment, inside wiring, interactive video equipment, or other facilities required for the provision and use of Broadband Transmission Service.

Matching Contribution means the applicant's qualified contribution to the Project, as outlined in §1739.14 of this part.

Project means the applicant's proposed Basic Broadband Transmission Service financed by the grant and Matching Contribution for the proposed Service Area.

Rural Area means any area, as verified by the latest decennial census of the Bureau of the Census or the latest edition of the Rand McNally Atlas, which is not located within the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 20,000 inhabitants.

Service Area means a single Community, and may include the unincorporated areas located outside and contiguous to the Community's boundaries, in which the applicant proposes to provide Broadband Transmission Service.

Spectrum means a defined band of frequencies that will accommodate the Broadband Transmission Service.