

Telecommunications Infrastructure Loans & Loan Guarantees

Application Window: OPEN

Overview

What does this program do?

This program provides financing for the construction, maintenance, improvement and expansion of telephone service and broadband in rural areas. For more information on other programs administered by RUS Telecommunications please visit : <http://www.rd.usda.gov/programs-services/all-programs/telecom-programs>

Who may apply?

Most entities that provide telecommunications in qualified rural areas including

- State and local governmental entities
- Federally Recognized Tribes
- Non-profits, including Cooperatives, and limited dividend or mutual associations
- For-profit businesses (must be a corporation or limited liability company)

What is an eligible area?

- Rural areas and towns with a population of 5,000 or less
- Areas without telecommunications facilities or areas where the applicant is the recognized telecommunications provider are eligible
- Check with your local RD office to determine whether the proposed service area qualifies

How may the funds be used?

Funds may be used to finance broadband capable telecommunications service

- Improvements
- Expansions
- Construction
- Acquisitions (in certain cases)
- Refinancing (in certain cases)
- For additional detail see Code of Federal Regulations [7 CFR 1735](#)

What kind of funding is available?

- Cost-of-Money Loans are direct loans from USDA Rural Utilities Service
- Loan Guarantees of up to 80% allow private lenders, including the Federal Financing Bank (FFB), to extend credit to qualified borrowers in rural areas
- Hardship Loans may be used, at the sole discretion of USDA Rural Utilities Service, to assist applicants in meeting financial feasibility requirements for applications to serve underserved areas

What are the loan terms?

- Cost-of-money loans: fixed rate at current U.S. Treasury rates depending on loan maturity at time of each advance
- Loan Guarantees: fixed rate primarily from the Federal Financing Bank (FFB). Interest rates (Treasury rate plus 1/8%) vary depending on call options and the interim maturity rate selected at each advance, which may be as short as 90 days, with auto-rollover. Current rates available online, scroll down to “Treasury Constant Maturities” add 0.125% for FFB rate
- Hardship loans: fixed interest rate of 5% for up to 20 years and requires special qualifications

Are there additional requirements?

- Borrowers must have legal authority to provide, construct, operate and maintain the proposed facilities or services
- All facilities financed with the aid of federal dollars must be used for a public purpose
- May not duplicate similar services available in the same area
- Partnerships with other federal, state, local, private and non-profit entities are encouraged

Who currently participates in this program?

See our [Borrower Directory](#) for a list of current participants.

How do we get started?

- Applications for this program are accepted by the National Office year-round.
- Applicants should work with their local [General Field Representative](#) to ensure complete and eligible applications prior to submission.
- For Program Resources please refer the "Forms and Resources" Tab (forms needed, guidance, certifications etc...)

Who can answer questions about this program?

For questions about the Telecommunications Infrastructure Loan Program, please call the Loan Origination and Approval Division at (202) 720-0800.

What governs this program?

- Rural Electrification Act of 1936, as amended in 7 U.S.C. 901 et seq.
- [7 CFR 1735](#)

Why does USDA Rural Development do this?

By helping private and non-profit providers secure the necessary financing, this program helps maintain a seamless nationwide telecommunications network that also provides access to broadband for education, healthcare, public safety and jobs for all Americans regardless of where they live.

NOTE: Program details may change over time. Before you begin an application, please confirm you have the most current information by contacting a [General Field Representative](#) who serves your area for assistance or consult the program Instructions listed in the section above titled "What Governs this Program?"

To Apply

Notification to RD Apply users: Starting on November 16, 2023, The Rural Telecommunications Infrastructure Loan (Infrastructure) Program online application will migrate from RD Apply to Salesforce and will use the application intake system (Intake) currently used by ReConnect applicants. If you intend to submit an Infrastructure application prior to the end of calendar year 2023, we encourage you to use RD Apply at your earliest convenience. If you do not intend to submit an Infrastructure application during calendar year 2023, we encourage you to submit any future Infrastructure applications through Intake. We will publish a link to Intake on this page. Please reach out to your local [General Field Representative](#) or submit a question via [Contact Us](#) if you have any questions about this upcoming change.

Application Intake System Resources

- [RUS Application Intake System](#)
- [Application Intake System User Manual](#)
- [Public Searchable Map Database](#)
- [Infrastructure Program Network and Financials Workbook \(Excel\)](#)

Telecommunication Infrastructure Loan Program Application Resources:

For more information related to the Application for the program please refer to the Infrastructure Loan Application Guide.

- [Infrastructure Loan Application Guide \(pdf\)](#)
- [Buy American Requirement](#)

- [List of Eligible Countries](#)
- Applicants should work with their local [General Field Representative](#) to ensure complete and eligible applications prior to submission
- [Public Searchable Map Database](#)

RUS Forms and Publications Link:

<https://www.rd.usda.gov/resources/forms>

Interest Rates:

Telecommunications Program

- [Interest Rates](#)

Post-Award Reporting

- None at this time.

Reporting & Compliance (R&C)

All Financial and Operating Report filings for Rural Telecom Infrastructure borrowers must be completed online using Telecom's [Reporting & Compliance \(R&C\) System](#). Please consult the [Rural Development Reporting & Compliance User Guide](#) for information on how to use the system.

Borrowers required to submit reports using R&C, must complete an Authorized Representative Request (ARR) in order to gain access to the system. Please refer to the [ARR Resolution Instructions and Samples](#) before submitting an ARR for approval.

Other Requirements

There are no other architect, engineering or environmental requirements at the national level. If there are additional state-specific requirements they will be listed above.

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Contact

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[General Field Representatives \(GFR\) Contact](#)

Events

There are currently no events scheduled