



DEPARTMENT OF AGRICULTURE

Rural Utilities Service

7 CFR Part 1740

[Docket No. RUS-22-Telecom-0056]

RIN 0572-AC62

Rural eConnectivity Program

AGENCY: Rural Utilities, USDA.

ACTION: Final rule; confirmation and response to comments.

SUMMARY: The Rural Utilities Service (RUS or Agency), an agency in the United States Department of Agriculture (USDA) Rural Development Mission area, published a final rule with comment in the **Federal Register** on January 30, 2023, to make updates to the Rural eConnectivity Program (ReConnect Program) regulation to ensure that requirements are clear, accurate as presented and in compliance with Federal reporting requirements. Through this action, RUS is confirming the final rule as it was published and providing responses to the public comments that were received.

DATES: As of [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], the final rule published January 30, 2023, at 88 FR 5724, effective May 1, 2023, is confirmed.

FOR FURTHER INFORMATION CONTACT: Laurel Leverrier, Assistant Administrator; Telecommunication Program; Rural Development; U.S. Department of Agriculture; 1400 Independence Avenue SW; Room 4121-S; Washington, DC 20250; telephone 202-720-3416, email laurel.leverrier@usda.gov. Persons with disabilities or who require alternative means for communication should contact the USDA Target Center at 202-720-2600.

SUPPLEMENTARY INFORMATION: The ReConnect Program was authorized by the Consolidated Appropriations Act, 2018 (Pub. L. 115-141), which directed the program to be

conducted under the Rural Electrification Act of 1936 (7 U.S.C. 901 *et seq*). The ReConnect Program provides loans, grants, and loan/grant combinations to facilitate broadband deployment in rural areas. In facilitating the expansion of broadband services and infrastructure, the program fuels long-term rural economic development and opportunities across rural America.

The final rule that published January 30, 2023, (88 FR 5724), included a 60-day comment period that ended on March 31, 2023. The intent of the changes outlined in the final rule was to remove outdated requirements and ensure that the requirements in the regulation are clear, accurate as presented, and in compliance with Federal reporting requirements. The Agency received comments from 3 respondents. Respondents included one telecommunications company and two industry associations. The following are the comments received and the Agency's responses:

Comment: Cimarron Telephone Company, LLC stated that the requirement to have a Tribal Resolution of Support be part of the ReConnect Program application may deter some potential applicants from the program. The respondent also states that this could lessen the amount of rural Americans receiving any service or lessen the chance that current services would be upgraded. The respondent offered examples they personally experienced that lead them to encourage the Agency to change this requirement. The respondent recommends requiring the resolution to be submitted within 120 days of the applicant being selected for an award.

Agency response: The Agency appreciates the comments provided by the respondent; however, it is a priority of this Administration that tribal sovereignty be respected by not imposing federal projects over tribal lands without their consent.

Comment: NCTA – The Internet and Telephone Association expressed appreciation for the work done by the Agency to streamline the requirements of the ReConnect Program. They also praised the Agency for its clarification of the Buy America requirements. The

respondent also encourages the Agency to allow awardees to continue to use their parent entity's consolidated audit after an award is made, if applicable.

Agency response: The Agency appreciates the comments provided by the respondent.

Comment: NTCA – The Rural Broadband Association expressed concern about the impact of the Build America, Buy America Act on non-Federal entities who receive ReConnect Program funding. Additionally, the respondent offered data indicating that there would be strain on the supply chains which produce needed equipment for those non-Federal entities required to comply with the law. The respondent feels that there are two standards, depending on what type of organization your entity is, and that by treating all entities the same would make it easier for all companies to comply with the Build America, Buy America Act.

Agency response: The Agency appreciates the comments provided by the respondent; however, the entity status for compliance with the Build America, Buy America Act is set in statute, whereas the RUS Buy American requirement applies to all entities also by statute. As such, the requested change is beyond the control of the agency.

No change to the rulemaking is necessary. The RUS appreciates comments from interested parties. The Agency confirms the final rule without change.

Andrew Berke
Administrator
Rural Utilities Service

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