

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

Table of Contents

Preface 3

Agency-Wide 3

 Purpose Statement 3

 OIG and GAO Reports 6

Account 1: Rural Water and Waste Disposal Program 7

 Appropriations Language 7

 Lead-Off Tabular Statement 8

 Project Statements 9

 Geographic Breakdown of Obligations 15

 Classification by Objects 21

Account 2: Rural Electrification and Telecommunication Program 23

 Appropriations Language 23

 Lead-Off Tabular Statement 23

 Project Statements 24

 Geographic Breakdown of Obligations 28

 Classification by Objects 31

Account 3: Distance Learning, Telemedicine and Broadband Program 33

 Appropriations Language 33

 Lead-Off Tabular Statement 34

 Project Statements 35

 Geographic Breakdown of Obligations 40

 Classification by Objects 46

Account 4: High Energy Cost Grants 47

 Lead-Off Tabular Statement 47

 Project Statements 47

 Geographic Breakdown of Obligations 48

 Classification by Objects 48

Status of Programs 49

This page was intentionally left blank.

PREFACE

This publication summarizes the fiscal year (FY) 2024 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the “Budget” is in regard to the 2024 Budget, unless otherwise noted. All references to years refer to fiscal year, except where specifically noted. The budgetary tables throughout this document show actual amounts for 2021 and 2022, enacted levels for 2023, and the President’s Budget request for 2024. Amounts for 2023 estimated levels include: non-enacted amounts such as Full-Time Equivalent levels, fleet levels, information technology investment levels, recovery levels, transfers in and out, balances available end of year, and obligation levels.

Throughout this publication, the “2018 Farm Bill” is used to refer to the Agriculture Improvement Act of 2018. Most programs funded by the 2018 Farm Bill are funded through 2023. Amounts shown in 2024 for most Farm Bill programs reflect those confirmed in the baseline.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2021, 2022, 2023 and 2024.

AGENCY-WIDE**PURPOSE STATEMENT**

The USDA Rural Utilities Service (RUS) mission is to enhance the quality of life and improve economic opportunity in rural communities by providing financing for the basic infrastructure of modern life. Electricity, telecommunications, and water and waste systems are essential services for individuals and businesses alike that assist communities with creating wealth, supporting self-sustaining and repopulating communities, and helping to improve rural economies.

Electric Programs:

Direct Loans — Authorized by section 4 of the Rural Electrification Act of 1936 (7 U.S.C. 904) and bear interest at the government’s cost of money (or the current Treasury rate). The program’s purpose is to finance electric distribution, transmission, and generation systems, and for demand side management, energy efficiency and conservation programs, and renewable energy systems to serve rural areas.

Hardship Rate Direct Loans — Authorized by section 4 of the Rural Electrification Act of 1936 (7 U.S.C. 904) to finance electric system improvements for qualified borrowers that meet thresholds for retail rate disparity and for customer per capita and household incomes, or that have suffered a severe, unavoidable hardship, such as a natural disaster. No private financing is required. Hardship rate loans at a fixed rate of five percent are also offered under section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935).

Municipal Rate Direct Loans — Authorized by section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) to finance the electric system improvements of eligible distribution borrowers. Interest rates are set quarterly based on municipal bond market rates for similar maturities and determined at time of each loan advance. Private financing of 30 percent of the total loan is required for most projects.

Guaranteed Loans — Authorized by section 306 of the Rural Electrification Act of 1936 (7 U.S.C. 936) to finance electric distribution, transmission, and generation systems (including renewable energy), headquarters facilities, and programs for energy efficiency, conservation, and demand side management. The Federal Financing Bank (FFB) is the primary source of guaranteed loans and have interest rates fixed to the prevailing cost of money to the Treasury, plus an administrative fee of one-eighth of one percent. USDA-guaranteed private loans issued through National Rural Utilities Cooperative Financing Corporation, Co Bank or other private lenders carry an interest rate negotiated between the lender and the borrower.

Guarantees for Bonds and Notes Issued for Utility Infrastructure Loans — Authorized by section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c-1) as amended by the Agriculture Improvement Act of 2018 (P.L. 115-334) to guarantee payments on certain bonds or notes issued by qualified cooperative or other non-profit lenders. The note proceeds must be used for financing of eligible utility infrastructure and must be of investment grade. Notes have been obtained through the FFB with interest rates equal to the Treasury rate for notes of similar maturities plus an annual fee of 30 basis points on any unpaid principal balance.

Energy Efficiency and Conservation Loan Program — Authorized by section 317 of the Rural Electrification Act of 1936 (7 U.S.C. 940g), as amended by the Food, Conservation, and Energy Act of 2008 (P.L. 110-246) to finance

facilities that generate electricity from solar, wind, hydropower, biomass, or geothermal source for resale to rural and nonrural residents. The interest rate is set to be equal to the average tax-exempt municipal bond rate of similar maturities. Loans for renewable generation projects serving eligible rural areas are also available under section 306 FFB loan guarantees.

Rural Energy Savings Program — Authorized by section 6407 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107) as added by section 6205 of the Agriculture Act of 2014 (P.L. 113-79) to offer zero-interest loans to eligible borrowers for relending to qualified consumers to implement durable cost-effective energy efficiency measures.

High Energy Cost Grants — Authorized by section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a) to fund energy generation, transmission, and distribution facilities, including energy efficiency and conservation programs and renewable energy systems serving rural communities with average home energy costs exceeding 275 percent of the national average. Program funds are also used for RUS grants to the Denali Commission to carry out eligible projects in small remote villages in Alaska and to eligible State entities to establish revolving funds for bulk fuel purchases for certain communities where fuel deliveries by surface transportation is not available year-round.

Telecommunications Programs:

Hardship (direct loans) — Authorized by section 305(d)(1) of the Rural Electrification Act of 1936 (7 U.S.C. 935(d)(1)) and bear interest at a fixed rate of five percent per year to furnish and improve telecommunications services, including a wide array of telecommunication related services, in rural areas. The program is intended only for borrowers with extremely high investment costs in terms of per subscriber service, have a very low number of subscribers for each mile of telecommunications line constructed and cannot typically afford higher interest rate loans. This low subscriber “density” inherently increases the cost to serve the most sparsely populated rural areas.

Direct Loans (or Treasury rate loans) — Authorized by section 305(d)(2) of the Rural Electrification Act of 1936 (7 U.S.C. 935(d)(2)) and bear interest at the government’s cost of money (or the current Treasury rate). The program’s purpose is to furnish and improve telecommunications services, including a wide array of telecommunication related services, in rural areas.

Guaranteed Loans — Authorized by section 306 of the Rural Electrification Act of 1936 (7 U.S.C. 936) and are provided to borrowers of a non-government lender or from the Federal Financing Bank (FFB) to furnish and improve telecommunications services, including a wide array of telecommunication related services, in rural areas. The interest rate charged on FFB loans is the Treasury rate plus an administrative fee of one-eighth of 1 percent. The terms of these loans may vary significantly and allow borrowers more flexibility in meeting their financing needs.

Broadband Loans — Authorized in section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) as added by section 6103 of the Farm Security and Rural Investment Act of 2002 (P.L. 107-171) which established a new direct loan and loan guarantee program, “Access to Broadband Telecommunications Services in Rural Areas”, which was reauthorized and modified in the Food, Conservation, and Energy Act of 2008 (P.L.110-246), the Agricultural Act of 2014 (P.L. 113-79), and Agriculture Improvement Act of 2018 (P.L. 115-334). This program provides funding for the cost of constructing, improving, and acquiring facilities and equipment for broadband service in rural communities of 20,000 inhabitants or less. Direct loans are made at the cost of money to the Treasury for the life of the facilities financed.

Community Connect Broadband Grants — Authorized by section 306(a)(20)(E) of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926(a)(20)(E)) to fund eligible entities to provide public access to broadband in otherwise un-served communities. Funds must be used to deploy broadband service and offer free broadband service to critical community facilities for two years.

Distance Learning and Telemedicine Loans and Grants — Authorized by sections 2331 to 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa et seq.), as added by section 704 of the Federal Agriculture Improvement and Reform Act of 1996 (P.L. 104-127), to assist rural schools and learning centers to gain access to improved educational resources and assist rural hospitals and health care centers to gain access to improved medical resources. Telemedicine projects are providing new and improved health care services and benefits to rural residents, many in medically underserved areas, by linking to urban medical centers for clinical interactive video consultation, distance training of rural health care providers, and access to medical expertise and library resources. Distance learning projects provide funding for Internet-based educational services in schools and

libraries and promote confidence in, and understanding of, the Internet and its benefits to students and young entrepreneurs.

Broadband Pilot Loans and Grants (ReConnect) Program — Funded by section 779 of the Consolidated Appropriations Act, 2018 (P.L. 115-141). The program’s purpose is to conduct a new broadband loan and grant pilot program under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) to fund broadband capable infrastructure in rural communities where at least 90 percent of the households to be served are without sufficient access to broadband, defined for this pilot program as 10 Megabits per second (Mbps) downstream, and 1 Mbps upstream, provided that funds shall not be used to overbuild or duplicate broadband expansion efforts of any entity that has received a broadband loan from RUS.

Water and Environmental Programs:

Direct Water and Waste Disposal Loans — Authorized by section 306 of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926). The program’s purpose is to develop water and wastewater systems, including solid waste disposal and storm drainage, in rural areas and in cities and towns with a population of 10,000 or less. Priority is given to communities with populations of 5,500 or less.

Guaranteed Water and Waste Disposal Loans — Authorized by section 306 of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926) for the same purpose as direct loans. The loans are made and serviced by private lenders, such as banks, and savings and loan associations with the guarantee for up to 90 percent of an eligible loss incurred by the lender. The Agriculture Improvement Act of 2018 (P.L. 115-334) authorized the program to service eligible rural populations up to 50,000 and prioritize communities of 10,000 or less.

Water and Waste Disposal Grants — Authorized by section 306A of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926). The program’s purpose is to reduce water and waste disposal costs to a reasonable level for users of the system. Grants may be made, in some instances, up to 75 percent of eligible project costs.

Water and Waste Facility Loans and Grants to alleviate health risks — Authorized by section 306C of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926) to assist low-income rural communities whose residents face significant health risks because they do not have access to water supply systems or waste disposal facilities. The grants are available to provide water or waste services to designated Colonias in Arizona, California, New Mexico, and Texas and are also available to Native American tribes with the funds specifically intended to be used for eligible projects benefiting members of federally recognized Native American tribes. Grants may be made up to 100 percent of the eligible project cost and be used in conjunction with loan monies.

Water and Waste System Grants for Alaskan Villages (including technical assistance programs) — Authorized by section 306D of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926). The program’s purpose is to fund water and waste disposal systems in rural Alaskan Villages. Funds must be used for development and construction of water and wastewater systems to correct dire health and sanitation conditions in those villages.

Special evaluation assistance for rural communities and households program grants (SEARCH) — Authorized by section 306 of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926). The program’s purpose is to fund feasibility studies, design assistance, and technical assistance to financially distressed communities in rural areas with populations of 2,500 or fewer inhabitants for water and waste disposal projects.

Grants for the construction, refurbishment and servicing of low- or moderate-income individual household water well systems — Authorized by section 306E of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926). The program’s purpose is to provide funds to non-profit organizations to assist them in establishing loan programs from which homeowners may borrow money to construct or repair household water well systems.

Revolving Loan Fund Grants — Authorized by section 306 of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926) to enable qualified state and local government entities, and nonprofits to create a revolving loan fund. The funds can enable applicants to finance certain pre-development costs and short-term capital projects. Loans may be made by the intermediary for up to \$100,000 and a term of 10 years.

Household Water Well System Grants — Authorized by section 306E of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926(e)) to help qualified nonprofits and tribes create a revolving loan fund to increase access to clean, reliable water for households in eligible rural areas who own and occupy a home. The 2018

Farm Bill changed program eligibility to include individually-owned household decentralized wastewater systems and changed income eligibility from 100 percent median non-metropolitan household income of the State to 60 percent.

Solid Waste Management Grants — Authorized by section 310B of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1932) to assist eligible organizations to address solid waste management issues and threats to water resources from solid waste in rural communities. Assistance may be provided to enhance operator skills in operations and maintenance, identify threats to water resources, reduce or eliminate pollution of water resources, improve planning and management of solid waste disposal facilities in rural areas, and reduce the solid waste stream.

Technical Assistance and Training Grants — Authorized by section 306 of the Consolidated Farm and Rural Development Act of 1972 (7 U.S.C. 1926). The program’s purpose is to assist private non-profit organizations to provide technical assistance and training to communities and utility systems on issues relating to delivery of water and waste disposal service. For water and waste disposal facilities, eligible non-profit organizations help identify and evaluate solutions, improve the operation and maintenance of existing facilities, and prepare loan and grant applications.

All RUS loans are based on extensive feasibility studies that determine a borrower’s ability to repay the loan. Rural Development (RD) staff monitor loan repayments that are secured through covenants in loan contracts and mortgage documents with RD. The government obtains a priority position on the assets of the borrower.

RD is comprised of three agencies: Rural Housing Service, Rural Utilities Service, and Business-Cooperative Service. RD’s headquarters is located in Washington, DC. As of September 30, 2022, there were 4,616 permanent full-time employees, including 334 in the headquarters office and 4,282 in the field offices.

OIG AND GAO REPORTS

Table RUS-1. Completed GAO Reports

ID	Date	Title	Result
GAO-22-104436	2/14/2022	Compacts of Free Association: Implications of Planned Ending of Some U.S. Economic Assistance	No recommendations.
GAO-22-104241	5/18/2022	Alaska Native Issues: Federal Agencies Could Enhance Support for Native Village Efforts to Address Environmental Threats	No recommendations.
GAO-22-104602	5/19/2022	Tribal Funding: Actions Needed to Improve Information on Federal Funds That Benefit Native Americans.	No recommendations.
GAO-22-104611	5/31/2022	Broadband: National Strategy Needed to Guide Federal Efforts to Reduce Digital Divide	No recommendations.
GAO-22-104421	6/22/2022	Tribal Broadband: National Strategy and Coordination Framework Needed to Increase Access	No recommendations.
GAO-22-105280	7/28/2022	Credit Reform: Transparency Needed for Evaluation of Potential Federal Involvement in Projects Seeking Loans	No recommendations.
GAO-22-105215	8/30/2022	Tribal Economic Development: Action is Needed to Better Understand the Extent of Federal Support	No recommendations.

Table RUS-2. In-Progress GAO Reports

ID	Title
105655	Broadband Speed
106131	Middle-mile Broadband Infrastructure Deployment and Challenges
106157	Broadband Permitting on Federal Property

ACCOUNT 1: RURAL WATER AND WASTE DISPOSAL PROGRAM**APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

1 Rural Water and Waste Disposal Program Account (including transfers of funds)

2
3 For gross obligations for the principal amount of direct and guaranteed loans as authorized by section 306 and
4 described in section 381E(d)(2) of the Consolidated Farm and Rural Development Act, as follows:
5 [\$1,420,000,000]\$1,610,000,000 for direct loans; and \$50,000,000 for guaranteed loans.

6
7 For the cost of loan guarantees and grants, including the cost of modifying loans, as defined in section 502 of the
8 Congressional Budget Act of 1974, for rural water, waste water, waste disposal, and solid waste management
9 programs authorized by sections 306, 306A, 306C, 306D, 306E, and 310B and described in sections 306C(a)(2),
10 306D, 306E, and 381E(d)(2) of the Consolidated Farm and Rural Development Act, [\$596,404,000]\$882,295,000,
11 to remain available until expended, of which not to exceed \$1,000,000 shall be available for the rural utilities
12 program described in section 306(a)(2)(B) of such Act, and of which not to exceed \$5,000,000 shall be available for
13 the rural utilities program described in section 306E of such Act: *Provided*, That not to exceed \$15,000,000 of the
14 amount appropriated under this heading shall be for grants authorized by section 306A(i)(2) of the Consolidated
15 Farm and Rural Development Act in addition to funding authorized by section 306A(i)(1) of such Act: *Provided*
16 *further*, That [\$70,000,000]\$87,000,000 of the amount appropriated under this heading shall be for loans and grants
17 including water and waste disposal systems grants authorized by section 306C(a)(2)(B) and section 306D of the
18 Consolidated Farm and Rural Development Act, and Federally Recognized Native American Tribes authorized by
19 306C(a)(1) of such Act, and the Department of Hawaiian Home Lands (of the State of Hawaii): *Provided further*,
20 That funding provided for section 306D of the Consolidated Farm and Rural Development Act may be provided to a
21 consortium formed pursuant to section 325 of Public Law 105–83: *Provided further*, That not more than 2 percent of
22 the funding provided for section 306D of the Consolidated Farm and Rural Development Act may be used by the
23 State of Alaska for training and technical assistance programs and not more than 2 percent of the funding provided
24 for section 306D of the Consolidated Farm and Rural Development Act may be used by a consortium formed
25 pursuant to section 325 of Public Law 105–83 for training and technical assistance programs: *Provided further*, That
26 not to exceed [\$37,500,000]\$42,000,000 of the amount appropriated under this heading shall be for technical
27 assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act, unless the Secretary
28 makes a determination of extreme need, of which \$8,500,000 shall be made available for a grant to a qualified
29 nonprofit multi-State regional technical assistance organization, with experience in working with small communities
30 on water and waste water problems, the principal purpose of such grant shall be to assist rural communities with
31 populations of 3,300 or less, in improving the planning, financing, development, operation, and management of
32 water and waste water systems, and of which not less than \$800,000 shall be for a qualified national Native
33 American organization to provide technical assistance for rural water systems for tribal communities: *Provided*
34 *further*, That not to exceed [\$21,180,000]\$25,000,000 of the amount appropriated under this heading shall be for
35 contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural
36 water systems: *Provided further*, That not to exceed \$4,000,000 of the amounts made available under this heading
37 shall be for solid waste management grants: *Provided further*, That, notwithstanding any other provision of law, not
38 to exceed \$100,000,000 of the amount appropriated under this heading shall be available as the Secretary deems
39 appropriate for grants authorized by section 306C(a)(1)(A) of the Consolidated Farm and Rural Development Act
40 for the purpose of replacement of lead service lines: Provided further, That if any funds made available pursuant to
41 the previous proviso remain unobligated after July 31, 2024, such unobligated balances may be used for grant
42 programs funded under this heading: Provided further, That not to exceed [\$2,724,000]\$29,645,000 of the amounts
43 appropriated under this heading shall be available as the Secretary deems appropriate for water and waste direct one
44 percent loans for distressed communities: *Provided further*, That if the Secretary determines that any portion of the
45 amount made available for one percent loans is not needed for such loans, the Secretary may use such amounts for
46 grants authorized by section 306(a)(2) of the Consolidated Farm and Rural Development Act: *Provided further*, That
47 if any funds made available for the direct loan subsidy costs remain unobligated after July 31, [2024]2025, such
48 unobligated balances may be used for grant programs funded under this heading: *Provided further*, That
49 \$10,000,000 of the amount appropriated under this heading shall be transferred to, and merged with, the Rural
50 Utilities Service, High Energy Cost Grants Account to provide grants authorized under section 19 of the Rural
51 Electrification Act of 1936 (7 U.S.C. 918a): *Provided further*, That sections 381E-H and 381N of the Consolidated
52 Farm and Rural Development Act are not applicable to the funds made available under this heading.

53
54 [For an additional amount for "Rural Water and Waste Disposal Program Account", \$325,000,000, to remain
55 available until expended: *Provided*, That of the amounts provided under this heading in this Act, \$265,000,000 shall

56 be for necessary expenses related to water systems damaged by Presidentially declared disasters in calendar year
 57 2022: *Provided further*, That, notwithstanding section 343(a)(13)(B) of the Consolidated Farm and Rural
 58 Development Act, a grant using funds made available pursuant to the preceding proviso may not be awarded to a
 59 community with a population of more than 35,000 people: *Provided further*, That not to exceed \$8,000,000 of the
 60 amount made available pursuant to the first proviso shall be for technical assistance grants for rural water and waste
 61 systems pursuant to section 306(a)(22) of the Consolidated Farm and Rural Development Act]

Change Description

The first change (line 19, paragraph 2). Add proviso requesting funding for the Hawaiian Homelands.

The second change (line 37 to 42, paragraph 2) adds a proviso requesting a set aside of \$100 million for replacing lead piping in rural areas. If the funding is not used by July 31, 2024, the funding can be used to support regular Water and Waste grants.

The third change (lines 54 to 61, paragraph 3) eliminates the Disaster funding provided in Division N of the 2023 Omnibus appropriations bill. The budget is not requesting funding for this purpose.

LEAD-OFF TABULAR STATEMENT

Table RUS-3. Lead-Off Tabular Statement (In dollars)

Item	Grants	Loan Level	Subsidy
Estimate, 2023	\$908,680,000	\$1,470,000,000	\$2,724,000
Change in Appropriation	-191,280,000	+190,000,000	+152,171,000
Budget Estimate, 2024	717,400,000	1,660,000,000	154,895,000

PROJECT STATEMENTS

Table RUS-4. Project Statement on Basis of Appropriations (thousands of dollars)

Item	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Actual BA	2023 Program Level	2023 Estimated BA	2024 Program Level	2024 Estimated BA	Program Level Inc. or Dec.	Chg Key	Budget Authority Inc. or Dec.	Chg Key
Discretionary Appropriations:												
Direct Rural Water and Waste Disposal Loans	\$1,400,000	-	\$1,400,000	-	\$1,400,000	-	\$1,500,000	\$125,250	+\$100,000	(1)	+\$125,250	(2)
Direct Rural Water and Waste Disposal Loans 1%	-	-	-	-	20,000	\$2,724	110,000	29,645	+90,000	(3)	+26,921	(4)
Guaranteed Rural Water and Waste Disposal Loans	50,000	\$60	50,000	\$45	50,000	-	50,000	-	-	-	-	(5)
Rural Water and Waste Disposal Grants*	463,350	463,350	490,000	490,000	430,000	430,000	538,400	538,400	+108,400	-	+108,400	(6)
Technical Assistance Grants for Rural Waste Systems	35,000	35,000	37,500	37,500	37,500	37,500	42,000	42,000	+4,500	-	+4,500	(6)
Circuit Rider - Technical Assistance Grants for Rural Waste Systems	20,157	20,157	20,762	20,762	21,180	21,180	25,000	25,000	+3,820	-	+3,820	(6)
WWD Grants, Alaskan Villages	18,000	18,000	20,000	20,000	18,000	18,000	26,000	26,000	+8,000	-	+8,000	(6)
WWD Grants, Native American Tribes	25,000	25,000	25,000	25,000	26,000	26,000	30,000	30,000	+4,000	-	+4,000	(6)
WWD grants, Hawaiian Homelands	-	-	-	-	-	-	5,000	5,000	+5,000	-	+5,000	(6)
Water and Waste Disposal Grants, Colonias	25,000	25,000	25,000	25,000	26,000	26,000	26,000	26,000	-	-	-	(6)
Water Well System Grants	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	-	-	-	(6)
Water and Wastewater Revolving Funds	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	-	-	(6)
Solid Waste Management Grants	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	-	-	-	(6)
Emergency Community Water Assistance Grants, Appropriated	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	-	-	-	(6)
Section 783: Water and Waste Grants Pilot Program	5,000	5,000	-	-	-	-	-	-	-	-	-	(6)
Subtotal	2,066,507	616,567	2,093,262	643,307	2,053,680	586,404	2,377,400	872,295	+323,720	-	+285,891	-
Supplemental Appropriations:												
Water and Waste Disposal Grants (Div N)	-	-	-	-	58,200	58,200	-	-	-58,200	-	-58,200	-
Water and Waste Disposal Grants (Div N) Admin	-	-	-	-	1,800	1,800	-	-	-1,800	-	-1,800	-
Water and Waste Disposal Grants Disaster (Div N)	-	-	-	-	257,050	257,050	-	-	-257,050	-	-257,050	-
Water and Waste Disposal Grants Disaster (Div N) Admin	-	-	-	-	7,950	7,950	-	-	-7,950	-	-7,950	-
Subtotal	-	-	-	-	325,000	325,000	-	-	-325,000	-	-325,000	-
Total Adjusted Approp	2,066,507	616,567	2,093,262	643,307	2,378,680	911,404	2,377,400	872,295	-1,280	-	-39,109	-
Add back:												
Rescission, Transfers In and Out	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	-	-	-	-
Total Appropriation	2,076,507	626,567	2,103,262	653,307	2,388,680	921,404	2,387,400	882,295	-1,280	-	-39,109	-
Transfers Out:												
High energy cost grants	-10,000	-10,000	-10,000	-10,000	-10,000	-10,000	-10,000	-10,000	-	-	-	-
Interchange (12x1902) (from SOY balances)	-	-	-3,363	-3,363	-	-	-	-	-	-	-	-
Interchange (12x0403) (from SOY balances)	-	-	-33,085	-33,085	-	-	-	-	-	-	-	-
Total Transfers Out	-10,000	-10,000	-46,448	-46,448	-10,000	-10,000	-10,000	-10,000	-	-	-	-
Recoveries, Other	151,725	78,883	72,925	52,377	46,225	47,735	57,770	42,962	+11,545	-	-4,774	-
Bal. Available, SOY	193,576	197,218	258,839	143,865	89,948	92,248	373,234	333,438	+283,286	-	+241,190	-
Total Available	2,411,808	892,668	2,388,577	803,101	2,514,853	1,051,387	2,808,404	1,248,695	+293,551	-	+197,308	-
Lapsing Balances	-	-	-57,387	-	-	-	-	-	-	-	-	-
Bal. Available, EOY	-228,173	-143,865	-266,728	-92,248	-329,628	-333,438	-280,052	-225,448	+49,576	-	+107,990	-
Total Obligations	2,183,635	748,803	2,064,462	710,852	2,185,225	717,949	2,528,352	1,023,247	+343,127	-	+305,298	-

Table RUS-5. Project Statement on Basis of Obligations (thousands of dollars)

Item	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Actual BA	2023 Program Level	2023 Estimated BA	2024 Program Level	2024 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Discretionary Obligations:										
Direct Rural Water and Waste Disposal Loans	\$1,399,901	-	\$1,342,613		\$1,400,000	-	\$1,500,000	\$125,250	+\$100,000	+\$125,250
Direct Rural Water and Waste Disposal Loans 1%	-	-	-		20,000	\$2,724	110,000	29,645	+\$90,000	+26,921
Guaranteed Rural Water and Waste Disposal Loans	34,973	\$42	11,007	\$10	50,000	-	50,000	-	-	-
Rural Water and Waste Disposal Grants*	519,915	519,915	540,360	540,360	436,550	436,550	570,000	570,000	+133,450	+133,450
Technical Assistance Grants for Rural Waste Systems	36,777	36,777	37,387	37,387	38,000	38,000	42,400	42,400	+4,400	+4,400
Circuit Rider - Technical Assistance Grants for Rural Waste Systems	22,960	22,960	22,116	22,116	22,000	22,000	26,050	26,050	+4,050	+4,050
WWD Grants, Alaskan Villages	24,240	24,240	20,325	20,325	19,450	19,450	26,250	26,250	+6,800	+6,800
WWD Grants, Native American Tribes	25,721	25,721	25,189	25,189	26,200	26,200	30,530	30,530	+4,330	+4,330
WWD grants, Hawaiian Homelands	-	-	-	-	-	-	5,000	5,000	+5,000	+5,000
Water and Waste Disposal Grants, Colonias	26,354	26,354	33,027	33,027	26,600	26,600	33,000	33,000	+6,400	+6,400
Water Well System Grants	4,858	4,858	3,222	3,222	7,000	7,000	7,310	7,310	+310	+310
Water and Wastewater Revolving Funds	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	-
Solid Waste Management Grants	4,024	4,024	4,686	4,686	4,030	4,030	5,100	5,100	+1,070	+1,070
Emergency Community Water Assistance Grants, Appropriated GP 783: Water and Waste Grants Pilot Program	14,197	14,197	14,551	14,551	15,700	15,700	16,300	16,300	+600	+600
	4,850	4,850	-	-	5,100	5,100	-	-	-5,100	-5,100
Subtotal Disc oblig.....	2,119,770	684,938	2,055,482	701,873	2,071,630	604,354	2,422,940	917,835	+351,310	+313,481
Mandatory Obligations:										
Rural Water and Waste Grants - Farm Bill	-	-	-	-	200	200	80	80	-120	-120
Subtotal Mand Oblig.....	-	-	-	-	200	200	80	80	-120	-120
Supplemental Obligations:										
Hurricanes HIM Natural Disaster Grants	63,397	63,397	8,468	8,468	35,000	35,000	25,000	25,000	-10,000	-10,000
Hurricanes HIM Natural Disaster Contracts	468	468	511	511	30	30	3	3	-27	-27
Rural Water and Waste Disposal Grants (Div N)	-	-	-	-	58,200	58,200	-	-	-58,200	-58,200
Rural Water and Waste Disposal Grants (Div N) Admin	-	-	-	-	1,350	1,350	450	450	-900	-900
Rural Water and Waste Disposal Grants Disaster (Div N)	-	-	-	-	12,853	12,853	77,891	77,891	+65,039	+65,039
Rural Water and Waste Disposal Grants Disaster (Div N) Admin	-	-	-	-	5,963	5,963	1,988	1,988	-3,975	-3,975
Subtotal Supp Oblig.....	63,865	63,865	8,979	8,979	113,395	113,395	105,332	105,332	-8,064	-8,064
Total Obligations	2,183,635	748,803	2,064,462	710,852	2,185,225	717,949	2,528,352	1,023,247	+343,127	+305,298
Add back:										
Lapsing Balances	-	-	57,387	-	-	-	-	-	-	-
Balances Available, EOY:										
Direct Rural Water and Waste Disposal Loans	99	7,974	-	2,141	-	3,641	59,773	4,991	+59,773	+1,350
Guaranteed Rural Water and Waste Disposal Loans	92,294	111	176,780	159	-	169	-	178	-	+9
Rural Water and Waste Disposal Grants	16,779	16,779	6,594	6,594	35,094	35,094	34,994	34,994	-100	-100
Technical Assistance Grants for Rural Waste Systems	-	-	565	565	490	490	472	472	-18	-18
Circuit Rider - Technical Assistance Grants for Rural Waste Systems	3,926	3,926	960	960	1,060	1,060	838	838	-222	-222
WWD Grants, Alaskan Villages	1,496	1,496	1,489	1,489	259	259	207	207	-52	-52
WWD Grants, Native American Tribes	-	-	289	289	539	539	414	414	-125	-125
Water and Waste Disposal Grants, Colonias	743	743	701	701	7,101	7,101	6,401	6,401	-700	-700
Water Well System Grants	5,186	5,186	3,984	3,984	2,334	2,334	339	339	-1,995	-1,995
Solid Waste Management Grants	0	0	33	33	1,203	1,203	1,183	1,183	-20	-20

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

Item	2021		2022		2023		2024		Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
	Program Level	2021 Actual BA	Program Level	2022 Actual BA	Program Level	2023 Estimated BA	Program Level	2024 Estimated BA		
Emergency Community Water Assistance Grants.....	150	150	-	-	-	-	-	-	-	-
Emergency Community Water Assistance Grants, Appropriated Other	1,210	1,210	1,464	1,464	1,364	1,364	604	604	-760	-760
Section 783: Water and Waste Grants Pilot Program.....	2,793	2,793	3,474	3,474	3,474	3,474	3,474	3,474	-	-
Hurricanes HIM Natural Disaster Grants.....	5,150	5,150	5,150	5,150	0	0	0	0	-	-
Hurricanes HIM Natural Disaster Contracts.....	97,645	97,645	64,981	64,981	29,981	29,981	4,981	4,981	-25,000	-25,000
Rural Water and Waste Disposal Grants - Farm Bill Mandatory .	45	45	33	33	3	3	0	0	-3	-3
Rural Water and Waste Disposal Grants (Div N) Admin.....	657	657	230	230	90	90	64	64	-26	-26
Rural Water and Waste Disposal Grants Disaster (Div N).....	-	-	-	-	450	450	-	-	-450	-450
Rural Water and Waste Disposal Grants Disaster (Div N) Admin	-	-	-	-	244,198	244,198	166,307	166,307	-77,891	-77,891
Total Bal. Available, EOY	-	-	-	-	1,988	1,988	-	-	-1,988	-1,988
Total Available	228,173	143,865	266,728	92,248	329,628	333,438	280,052	225,448	-49,576	-107,990
Total Transfers Out	2,411,808	892,668	2,388,577	803,101	2,514,853	1,051,387	2,808,404	1,248,695	+293,551	+197,308
Recoveries, Other	10,000	10,000	46,448	46,448	10,000	10,000	10,000	10,000	-	-
Bal. Available, SOY.....	-151,725	-78,883	-72,925	-52,377	-46,225	-47,735	-57,770	-42,962	-11,545	+4,774
Total Appropriation.....	-193,576	-197,218	-258,839	-143,865	-89,948	-92,248	-373,234	-333,438	-283,286	-241,190
	2,076,507	626,567	2,103,262	653,307	2,388,680	921,404	2,387,400	882,295	-1,280	-39,109

*Note: Regular obligations are \$58,200,000 more as a result of Division N funding in the 2023 Omnibus Appropriations, shown in the “Supplement Obligation” section of this table.

Rural Utilities Service (RUS) programs support a healthy community and environment with loans and grants to make sure people, kids, and families have clean water and safe sewer systems that prevent pollution and runoff. RUS programs also keep the people of rural America connected with reliable, high-speed internet that brings new and innovative ideas to the rest of our country.

RUS provides much-needed infrastructure or infrastructure improvements to rural communities. These include water and waste treatment, electric power and telecommunications services. All of these services help to expand economic opportunities and improve the quality of life for rural residents. Rural Utilities Services programs supports the following Strategic Goals and Objective and Justice 40 implementation for Climate change and Equity.

Goal 1: Combat Climate Change to Support America’s Working Lands, Natural Resources and Communities: Strategic Objective 1.4: Increase Carbon Sequestration, Reduce Greenhouse Gas Emissions, and Create Economic Opportunities (and Develop Low-Carbon Energy Solutions), by supporting rural and tribal clean electricity generation and energy efficiency.

Goal 5: Expand Opportunities for Economic Development and Improve Quality of Life in Rural and Tribal Communities: Strategic Objective 5.1: Improve Rural and Tribal Community Infrastructure, Including Affordable E-Connectivity, Cornerstone Community Facilities, Sustainable and Reliable Power, and Clean and Safe Water and Sewer System, by evaluating the impact of the Water and Environment Program on service availability, affordable water quality for underserved communities, property values (residential, agricultural, and commercial property), income and earnings, poverty, and population growth across the rural-urban continuum. This evaluation is included in the Departmentwide 2023 Evaluation Plan.

Rural Water and Waste Disposal Program

The numbers and letters of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

Justification of Increases and Decreases:

1. An increase of \$100,000,000 in program level for the Water and Waste Direct loan program (\$1,400,000,000 available in 2023).

This program provides funding for clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and storm water drainage to households and businesses in eligible rural areas, and this level of funding is expected to meet anticipated demand.

Water and waste disposal loans result in reasonable user costs for rural residences, rural businesses, and other rural users in communities of 5,500 residents or less. This program helps very small, financially distressed rural communities extend and improve water and waste treatment facilities that serve local households and businesses. Good practices can save tax dollars, improve the natural environment, and help manufacturers and businesses locate or expand operations in rural areas. The funding is crucial to ensure the continued success of the program in delivering clean water and sanitary conditions. Adequate water and wastewater treatment capacity are significant for supporting quality of life issues, environmental sustainability, and economic development.

Over the last six years the Water and Environmental Programs (WEP) obligated \$8.4 billion through 3,418 direct water and waste disposal loans throughout the Nation and Puerto Rico. WEP direct loan obligations in persistent poverty areas have been primarily in the South and Southwest regions of the Nation and have amounted to over \$399 million in the last six years. However, other States have also received funding for critical improvements. For example, Amity City in Oregon received a \$4.8 million loan to improve and expand their Wastewater facilities, which will ensure the city’s water treatment facility meets Oregon Health Authority standards and is able to provide reliable water and sewer services to over 1,614 people. This program is included in the Justice 40 initiative and in 2022 obligated \$149 million in 43 projects in disadvantage communities.

With the funding requested in 2024, WEP will focus on smaller rural, underserved communities with higher poverty rates and that may only be able to afford lower loan amounts. With the 2024 funding request of \$1.5 billion, RD is expected to support approximately 479 loans that will assist rural residents in obtaining decent, safe, and sanitary water and wastewater services.

This program also supports the Administration’s effort on alleviating the effects of climate change through adaptation to climate change and by increasing resilience in response to catastrophic weather events.

2. An increase of \$125,250,000 in budget authority for the Water and Waste Direct loan program (Subsidy rate was negative in 2023, so \$0 discretionary BA requested/needed).
The requested increase is the budget authority necessary to support the requested \$1.5 billion in program level. The increase is the result of a positive subsidy rate of 8.35 percent for 2024. This program had a negative subsidy rate in 2023.
3. An increase of \$90,000,000 in program level for the Water and Waste Direct 1 percent interest loan program (\$20,000,000 available in 2023).

The request in 2024 is focusing on supporting the smallest communities by funding a 1 percent interest rate loan. This funding will be targeted to distressed communities with a population of 10,000 or less. Many rural small communities are struggling financially but need repairs and upgrades for their water and wastewater system. Loans would be provided to rural communities that lack the capacity to incur at current rates the debt necessary to carry out the project or activity, such as funds needed to resolve a health or sanitary issue. The program was first funded in 2023.

4. An increase of \$26,921,000 in budget authority for the Water and Waste Direct 1 percent interest loan program (\$2,724,000 available in 2023).

The request funds the WEP direct 1 percent interest rate loans for distressed communities. The budget authority required to support \$110 million in loan level is \$29.65 million. The subsidy rate for this program is 26.95 percent.

5. No change for the Water and Waste Disposal Guaranteed Loan Program (\$50,000,000 available in 2023).

This program provides guarantees for loans that are made and serviced by private lenders for the purpose of financing water and wastewater systems, including solid waste disposal and storm drainage. The guarantee may be for up to 90 percent of the eligible loss incurred by the lender. The 2018 Farm Bill authorized the loan guarantee program to service eligible rural populations up to 50,000 and prioritized communities of 10,000 or less. Also, priority is given to communities with populations of 5,500 or less.

Continuation of the program is critical because:

- a. The program provides residents in rural America with decent, safe, and sanitary water and waste service;
- b. The mission to maintain sanitary water and waste disposal services in rural America typically receives very little funding or support when left up to the general public; and
- c. The program can provide support to energy communities.

Over the last six years the Water and Environmental Programs (WEP) obligated \$115 million through 80 guaranteed water and waste disposal loans throughout the Nation. In that time, the top three funded states have been Texas with \$37.8 million, followed by Illinois with \$20.6 million and North Carolina with \$9.6 million. Funding for waste disposal only projects represent 21 percent of this amount and 76 percent was for water only projects. These investments provided clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and clean storm water drainage to households and businesses in eligible rural areas.

Most of the funding from Water and Waste Disposal Guaranteed Loans goes to the Southern region of the nation making up 54 percent of the loans while the Midwest makes up 33percent. Projects in these regions will improve the quality of life with decent, safe, and sanitary water and waste service for many people in rural America.

This program also supports the Administration’s effort to alleviate the effects of climate change through adaptation and increasing resilience to mitigate damage that could be caused by catastrophic weather events. The request maintains the historical level of funding that it is sufficient for program demand.

6. An increase of \$133,720,000 for the Water and Waste Disposal grant program (\$583,680,000 available in 2023).

Clean, safe, and reliable water and waste services are fundamental building blocks to any community and critical to the vitality of both residents and businesses alike. Beyond poverty and aging infrastructure, rural communities face numerous unique obstacles because systems cover large geographical areas, have reduced economies of scale, and experience high operator turnover. Delivered in coordination with the RD field offices, which comprise a localized network of team members providing hands-on assistance, WEP addresses several of the Administration’s priorities. Applying a comprehensive approach to developing water and waste infrastructure, WEP offers a variety of construction and technical assistance programs to ensure that communities receive the support they need. The funding level proposed for 2024 will allow RUS to build upon its success in addressing key water and waste needs throughout rural America. A funding level of \$717.4 million in 2024 will support an estimated 556 grants.

The majority of projects require a loan and grant component to the funding package to enable communities to provide quality service and reasonable rates. The increased water and waste direct loan amount will be matched with grant funds to allow for an overall loan to grant ratio of 70/30 and for the agency to continue focusing on underserved and economically challenged communities.

WEP’s core mission is to ensure that rural communities have access to safe and affordable water and waste services. Directly aligning to the Administration’s objective, WEP works proactively to engage and target assistance to the most rural and truly needy systems. During 2022, WEP obligated 560 awards benefitting 599 construction projects that served 4.69 million people. Of those awards, approximately 69 percent or 418 capital infrastructure projects addressed a health or sanitary issue. This program is included in the Justice 40 initiative and in 2022 obligated \$77.2 million in grants in 39 projects benefitting disadvantaged communities. Further, approximately 69 percent of funding awarded during 2022 went to communities of under 2,500 and 46 percent went to communities under 1,000 residents. delivered six technical assistance and revolving funds programs that awarded more than \$78 million in grant and contract funds. Several of the technical assistance programs provided priority to proposals that promoted assistance to high-poverty and underserved communities. For example, under the Technical Assistance and Training grant program, 21 of the 22 funded projects had a component or emphasis on addressing Administration priorities, including 14 projects that focused on areas that lack access to running water or have high rates of disease caused by poor sanitation. In 2022, the Circuit Rider program led to approximately 59,721 Technical Assistance visits.

Within the overall funding provided for water and waste grants, the budget proposes to set aside up to \$100 million for grants to replace lead service lines in rural communities. Lead service lines are a significant health hazards in rural communities, and replacing these obsolete pipes will provide clean, safe water in rural communities where the water infrastructure has not been updated since it was first put in place. The budget requests this set aside be available until July 30, 2024, and after that date any unobligated funding would be available for the regular grant program for further obligations.

Set asides under this program provide grant funds for targeted groups to develop and construct water and waste systems in disadvantaged communities, including programs that address emergencies, alleviate health-risks, and provide vital technical assistance. This funding provides the ability of rural Americans to build and maintain decent, safe, and sanitary water and waste services.

Within the requested increase, the budget is requesting additional funding for the following set aside programs:

- a. \$4.5 million for technical assistance as an essential part in developing clean water systems.
- b. \$4 million to support Water and Waste Facility Loans and Grants to Native American Tribes.
- c. \$5 million to support water and waste grants in Hawaiian Homeland. The increase will provide better access to loan funding for these communities and will help to alleviate health hazards and improve access to clean, safe water.
- d. \$8 million in grants for Alaskan Villages (including technical assistance programs). These Villages are in remote areas and access to clean water and financing for water and waste systems is more difficult.
- e. \$3.82 million for Circuit Rider Program that facilitates implementing of the program funds.

Continuation of the program is critical because:

- a. The program provides residents in rural America with decent, safe and sanitary water and waste service;
- b. The mission to maintain sanitary water and waste disposal services in rural America typically receives very little funding or support when left up to the general public; and
- c. The program can provide support energy communities.

Over the last six years the Water and Environmental Programs (WEP) has obligated \$4.4 billion through over 2587 water and waste disposal grants throughout the Nation. In that time, the top three funded states have been Oklahoma with \$284 million, followed by Texas with \$206 million and Michigan with \$174 million. These funds help in providing reasonable user rates and costs for rural residences, rural businesses, and other rural users. Adequate water and wastewater treatment capacity are significant for supporting quality of life issues, environmental sustainability, and economic development.

This program also supports the Administration effort on alleviating the impact of climate change by adaptation and by increasing resilience to mitigate damage that could be caused by catastrophic weather events.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RUS-6. Rural Water and Waste Direct Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama.....	\$39,638	\$17,000	-	-
Alaska.....	8,121	4,810	-	-
Arizona.....	4,211	12,923	-	-
Arkansas.....	9,507	17,516	-	-
California.....	27,274	33,111	-	-
Colorado.....	22,390	15,491	-	-
Connecticut.....	3,675	-	-	-
Delaware.....	4,723	16,900	-	-
Florida.....	30,346	3,673	-	-
Georgia.....	37,378	16,034	-	-
Hawaii.....	-	4,122	-	-
Idaho.....	63,204	38,199	-	-
Illinois.....	56,930	84,426	-	-
Indiana.....	64,659	46,321	-	-
Iowa.....	61,539	104,151	-	-
Kansas.....	33,513	29,077	-	-
Kentucky.....	20,312	15,751	-	-
Louisiana.....	6,818	5,540	-	-
Maine.....	19,197	29,256	-	-
Maryland.....	4,613	17,504	-	-
Massachusetts.....	3,725	7,264	-	-
Michigan.....	81,401	117,150	-	-
Minnesota.....	46,539	47,181	-	-
Mississippi.....	15,733	5,119	-	-
Missouri.....	52,718	40,619	-	-
Montana.....	29,415	10,260	-	-
Nebraska.....	9,116	4,014	-	-
Nevada.....	4,630	3,813	-	-
New Hampshire.....	7,937	10,474	-	-
New Jersey.....	5,573	11,895	-	-
New Mexico.....	10,254	3,553	-	-
New York.....	114,695	83,129	-	-
North Carolina.....	101,274	14,652	-	-
North Dakota.....	11,667	6,464	-	-
Ohio.....	11,797	7,796	-	-
Oklahoma.....	28,309	46,374	-	-
Oregon.....	3,340	40,548	-	-
Pennsylvania.....	6,493	18,358	-	-
Rhode Island.....	1,024	-	-	-
South Carolina.....	10,180	37,578	-	-
South Dakota.....	776	3,916	-	-

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Tennessee.....	32,708	20,071	-	-
Texas.....	59,162	56,647	-	-
Utah.....	14,181	25,880	-	-
Vermont.....	6,128	26,689	-	-
Virginia.....	44,375	6,834	-	-
Washington.....	11,353	9,104	-	-
West Virginia.....	21,201	45,349	-	-
Wisconsin.....	129,769	118,209	-	-
Wyoming.....	6,381	1,868	-	-
Distribution Unknown.....	-	-	\$1,400,000	\$1,500,000
Obligations.....	1,399,901	1,342,613	1,400,000	1,500,000

Table RUS-7. Rural Water and Waste Direct Loans 1%. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	\$20,000	\$110,000
Obligations.....	-	-	20,000	110,000

Table RUS-8. Rural Water and Waste Guaranteed Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Arizona.....	\$4,096	-	-	-
California.....	763	-	-	-
Colorado.....	-	\$1,500	-	-
Illinois.....	4,703	4,925	-	-
Indiana.....	788	-	-	-
Mississippi.....	-	500	-	-
North Carolina.....	412	-	-	-
Oklahoma.....	3,870	854	-	-
Pennsylvania.....	-	434	-	-
South Carolina.....	1,028	736	-	-
Tennessee.....	1,000	-	-	-
Texas.....	18,313	1,700	-	-
Washington.....	-	358	-	-
Distribution Unknown.....	-	-	\$50,000	\$50,000
Obligations.....	34,973	11,007	50,000	50,000

Table RUS-9. Rural Water and Waste Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama.....	\$32,767	\$9,219	-	-
Alaska.....	458	-	-	-
American Samoa.....	-	548	-	-
Arizona.....	15,355	12,911	-	-
Arkansas.....	2,135	10,240	-	-
California.....	7,740	7,479	-	-
Colorado.....	11,517	10,839	-	-
Connecticut.....	1,550	-	-	-
Delaware.....	3,747	13,834	-	-
Florida.....	7,232	1,912	-	-
Georgia.....	13,962	3,581	-	-
Hawaii.....	-	1,643	-	-
Idaho.....	13,096	7,894	-	-
Illinois.....	11,685	28,643	-	-
Indiana.....	26,974	15,019	-	-
Iowa.....	8,433	29,609	-	-
Kansas.....	16,656	10,817	-	-
Kentucky.....	3,662	3,038	-	-
Louisiana.....	5,312	2,249	-	-
Maine.....	16,159	10,742	-	-
Maryland.....	3,963	5,871	-	-
Massachusetts.....	843	10,311	-	-
Michigan.....	23,244	26,906	-	-
Minnesota.....	21,264	28,207	-	-

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Mississippi	5,245	9,163	-	-
Missouri	7,479	20,067	-	-
Montana	15,249	9,873	-	-
Nebraska	3,512	2,656	-	-
Nevada	1,222	1,758	-	-
New Hampshire	3,314	7,616	-	-
New Jersey	1,790	2,808	-	-
New Mexico	5,566	3,877	-	-
New York	28,919	32,357	-	-
North Carolina	25,648	11,422	-	-
North Dakota	6,385	4,582	-	-
Ohio	11,538	1,200	-	-
Oklahoma	10,296	15,194	-	-
Oregon	1,975	11,062	-	-
Pennsylvania	6,390	8,471	-	-
Puerto Rico	21	-	-	-
Rhode Island	838	-	-	-
South Carolina	2,732	9,519	-	-
South Dakota	937	4,353	-	-
Tennessee	8,963	7,949	-	-
Texas	28,421	37,393	-	-
Utah	8,147	5,005	-	-
Vermont	4,213	10,637	-	-
Virgin Islands	249	-	-	-
Virginia	21,479	9,385	-	-
Washington	4,155	12,967	-	-
West Virginia	10,053	23,482	-	-
Wisconsin	45,289	24,976	-	-
Wyoming	2,139	1,078	-	-
Distribution Unknown	-	-	\$436,550	\$570,000
Obligations	519,915	540,360	436,550	570,000

Table RUS-10. Rural Water and Waste Technical Assistance Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alaska	\$889	\$975	-	-
Arizona	1,177	556	-	-
California	290	728	-	-
Colorado	-	806	-	-
Kansas	-	33	-	-
Maryland	11,402	9,641	-	-
Nevada	213	215	-	-
New York	169	147	-	-
Oklahoma	19,100	22,131	-	-
Tennessee	2,508	1,220	-	-
Virgin Islands	168	-	-	-
Washington	411	448	-	-
West Virginia	450	487	-	-
Distribution Unknown	-	-	\$38,000	\$42,400
Obligations	36,777	37,387	38,000	42,400

Table RUS-11. Rural Water and Waste Circuit Rider Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Oklahoma	\$22,960	\$22,116	-	-
Distribution Unknown	-	-	\$22,000	\$26,050
Obligations	22,960	22,116	22,000	26,050

Table RUS-12. Rural Water and Waste Alaskan Villages Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alaska	\$24,240	\$20,325	-	-
Distribution Unknown.....	-	-	\$19,450	\$26,250
Obligations.....	24,240	20,325	19,450	26,250

Table RUS-13. Rural Water and Waste Native American Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Arizona.....	\$14,474	\$1,237	-	-
California	-	3,180	-	-
Maine	-	1,082	-	-
Minnesota.....	1,963	-	-	-
Mississippi	-	12,635	-	-
Montana	939	-	-	-
North Dakota.....	2,000	5,000	-	-
South Dakota.....	448	-	-	-
Wisconsin.....	620	-	-	-
Wyoming	5,335	2,055	-	-
Distribution Unknown.....	-	-	\$26,200	\$30,530
Obligations.....	25,779	25,189	26,200	30,530

Table RUS-14. Rural Water and Waste Hawaiian Homeland Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	-	\$5,000
Obligations.....	-	-	-	5,000

Table RUS-15. Rural Water and Waste Colonias Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Arizona.....	\$5,561	\$12,704	-	-
California	186	1,672	-	-
New Mexico.....	8,624	8,395	-	-
Texas.....	11,982	10,256	-	-
Distribution Unknown.....	-	-	\$26,600	\$33,000
Obligations.....	26,354	33,027	26,600	33,000

Table RUS-16. Rural Water and Waste Water Well System Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Arkansas.....	\$50	\$250	-	-
California	1,544	1,000	-	-
Georgia.....	464	472	-	-
Michigan	200	-	-	-
North Carolina	1,400	1,500	-	-
Ohio	200	-	-	-
Virginia.....	1,000	-	-	-
Distribution Unknown.....	-	-	\$7,000	\$7,310
Obligations.....	4,858	3,222	7,000	7,310

Table RUS-17. Rural Water and Waste Revolving Fund Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Arkansas.....	\$334	\$400	-	-
California	333	-	-	-
Idaho	-	200	-	-
Oklahoma.....	333	400	-	-
Distribution Unknown.....	-	-	\$1,000	\$1,000
Obligations.....	1,000	1,000	1,000	1,000

Table RUS-18. Rural Water and Waste Solid Waste Management Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama	-	\$201	-	-
Alaska.....	\$499	596	-	-
Arizona.....	243	69	-	-
California	158	175	-	-
Iowa.....	85	76	-	-
Kansas	47	-	-	-
Maine	78	171	-	-
Maryland	850	833	-	-
Massachusetts.....	331	290	-	-
New Hampshire.....	169	394	-	-
New Jersey	-	260	-	-
New Mexico.....	38	96	-	-
New York.....	276	238	-	-
North Carolina.....	-	66	-	-
Ohio.....	84	78	-	-
Oklahoma	85	84	-	-
Texas	-	83	-	-
Utah.....	849	833	-	-
Vermont	153	34	-	-
Virgin Islands	81	107	-	-
Distribution Unknown.....	-	-	\$4,030	\$5,100
Obligations	4,024	4,686	4,030	5,100

Table RUS-19. Rural Water and Waste Emergency Water Assistance Grants Appropriated. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama	\$62	\$170	-	-
Alaska.....	1,088	792	-	-
Arkansas.....	-	1,000	-	-
California	-	1,473	-	-
Delaware	731	-	-	-
Florida	251	-	-	-
Idaho	1,137	1,000	-	-
Illinois	607	480	-	-
Iowa.....	1,260	150	-	-
Kansas	740	-	-	-
Maryland	150	-	-	-
Michigan	1,000	-	-	-
Minnesota.....	-	100	-	-
Mississippi	150	-	-	-
Nebraska.....	-	150	-	-
New Jersey	-	1,000	-	-
New Mexico.....	-	566	-	-
New York.....	150	886	-	-
North Carolina.....	150	-	-	-
North Dakota.....	-	150	-	-
Oklahoma	1,412	425	-	-
Oregon.....	2,585	1,960	-	-
South Dakota.....	-	950	-	-
Tennessee	-	92	-	-
Texas	462	935	-	-
Utah.....	1,725	2,271	-	-
Virginia	538	-	-	-
Distribution Unknown.....	-	-	\$15,700	\$16,300
Obligations	14,197	14,551	15,700	16,300

Table RUS-20. Rural Water and Waste Disposal Section 783 Pilot Program Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama	\$4,850	-	-	-
Distribution Unknown	-	-	\$5,100	-
Obligations	4,850	-	5,100	-

Table RUS-21. Rural Water and Waste Disposal Grants, Division N. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown	-	-	\$58,200	-
Obligations	-	-	58,200	-

Table RUS-22. Rural Water and Waste Disposal Grants, Division N Administrative Expenses. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown	-	-	\$1,350	\$450
Obligations	-	-	1,350	450

Table RUS-23. Rural Water and Waste Disposal Grants, Disasters. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown	-	-	\$12,853	\$77,891
Obligations	-	-	12,853	77,891

Table RUS-24. Rural Water and Waste Disposal Grants, Disasters Administrative Expenses. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown	-	-	\$5,963	\$1,988
Obligations	-	-	5,963	1,988

Table RUS-25. Rural Water and Waste Disposal Mandatory Farm Bill Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown	-	-	\$200	\$80
Obligations	-	-	200	80

Table RUS-26. Rural Water and Waste Disposal Hurricanes Harvey, Irma and Maria Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Georgia	\$450	-	-	-
Puerto Rico	62,947	\$8,468	-	-
Distribution Unknown	-	-	\$35,000	\$25,000
Obligations	63,397	8,468	35,000	25,000

Table RUS-27. Rural Water and Waste Disposal Hurricanes Harvey, Irma and Maria Circuit Rider Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Oklahoma	\$468	\$511	-	-
Distribution Unknown	-	-	\$30	\$3
Obligations	468	511	30	3

CLASSIFICATION BY OBJECTS

Table RUS-28 Classification by Objects – Discretionary Funding (thousands of dollars)

Item No.	Item	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
41.0	Grants, subsidies, and contributions.....	\$748,803	\$710,852	\$717,749	\$1,023,167
	Total, Other Objects.....	748,803	710,852	717,749	1,023,167
99.9	Total, new obligations.....	748,803	710,852	717,749	1,023,167

Table RUS-29 Classification by Objects – Mandatory Funding (thousands of dollars)

Item No.	Item	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
41.0	Grants, subsidies, and contributions.....	-	-	\$200	\$80
	Total, Other Objects.....	-	-	200	80
99.9	Total, new obligations.....	-	-	200	80

This page was intentionally left blank.

ACCOUNT 2: RURAL ELECTRIFICATION AND TELECOMMUNICATION PROGRAM

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

1 Rural Electrification and Telecommunications Loans Program Account (including transfer of funds)
 2
 3 The principal amount of loans and loan guarantees as authorized by sections 4, 305, 306, [313A,]and 317 of the
 4 Rural Electrification Act of 1936 (7 U.S.C. 904, 935, 936, [940c1,]and 940g) shall be made as follows: guaranteed
 5 rural electric loans made pursuant to section 306 of that Act, \$2,167,000,000; cost of money direct loans made
 6 pursuant to sections 4, notwithstanding the one-eighth of one percent in 4(c)(2), and 317, notwithstanding 317(c), of
 7 that Act, \$4,333,000,000; [guaranteed underwriting loans pursuant to section 313A of that Act, \$900,000,000;]and
 8 for cost-of-money rural telecommunications loans made pursuant to section 305(d)(2) of that Act, \$690,000,000[
 9 Provided, That up to \$2,000,000,000 shall be used for the construction, acquisition, design, engineering or
 10 improvement of fossil-fueled electric generating plants (whether new or existing) that utilize carbon subsurface
 11 utilization and storage systems].
 12
 13 For the cost of direct loans as authorized by section 305(d)(2) of the Rural Electrification Act of 1936 (7 U.S.C.
 14 935(d)(2)), including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of
 15 1974, cost of money rural telecommunications loans, [~~\$3,726,000~~]\$7,176,000.
 16
 17 In addition, [~~\$11,500,000~~]\$34,500,000 to remain available until expended, to carry out section 6407 of the Farm
 18 Security and Rural Investment Act of 2002 (7 U.S.C. 8107a): *Provided*, That the energy efficiency measures
 19 supported by the funding in this paragraph shall contribute in a demonstrable way to the reduction of greenhouse
 20 gases.
 21
 22 In addition, \$15,000,000, to remain available until expended, for administrative and technical assistance to support
 23 the Rural Clean Energy Initiative and increase coordination with the Department of Energy and the Department of
 24 Interior.
 25
 26 In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs,
 27 \$33,270,000, which shall be paid to the appropriation for "Rural Development, Salaries and Expenses".

Change Description

The first change (line 3, 4 and 7 of paragraph 1) eliminates the funding for guarantees bonds and notes issued by eligible corporate and other lenders. The budget is not requesting this funding.

The second change (line 8 to 11 of paragraph 1) eliminates the set aside for construction, acquisition, design, engineering or improvement of fossil-fuels electric generating plants. The budget is assuming the entire funding will be supporting renewable energy improvement.

The third change (line 22 to 24 of paragraph 4) Includes appropriations language for administrative support and technical assistance to support clean energy funding in rural areas. The request in 2024 will support collaboration between USDA, DOE and DOI as they implement funding provided IRA.

LEAD-OFF TABULAR STATEMENT

Table RUS-30. Lead-Off Tabular Statement (In dollars)

Item	Program Level	Budget Authority	Administrative Expenses
Estimate, 2023	\$8,200,896,818	\$15,226,000	\$33,270,000
Change in Appropriation	-803,051,653	+41,450,000	-
Budget Estimate, 2024	<u>7,397,845,165</u>	<u>56,676,000</u>	<u>33,270,000</u>

PROJECT STATEMENTS

Table RUS-31. Project Statement on Basis of Appropriations (thousands of dollars)

Item	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Actual BA	2023 Program Level	2023 Estimated BA	2024 Program Level	2024 Estimated BA	Program Level Inc. or Dec.	Chg Key	Budget Authority Inc. or Dec.	Chg Key
Discretionary Appropriations:												
Electric Direct, FFB.....	\$5,000,000	-	\$1,436,765	-	\$2,167,000	-	\$2,167,000	-	-	(1)	-	-
Electric Direct, Treasury Rate.....	-	-	4,563,235	-	4,333,000	-	4,333,000	-	-	(2)	-	-
Electric Underwriting Loans.....	750,000	-	750,000	-	900,000	-	-	-	-\$900,000	(3)	-	-
Telecommunications Direct, Treasury Rate.....	345,000	\$2,277	680,000	\$2,040	690,000	\$3,726	690,000	\$7,176	-	(4)	+\$3,450	(5)
Telecommunications Direct, FFB.....	345,000	-	10,000	-	-	-	-	-	-	-	-	-
GP Rural Energy Savings Program (RESP).....	107,317	11,000	196,558	10,850	110,897	11,500	192,845	34,500	+81,948	(6)	+23,000	(7)
Electric Direct, FFB Operating Loans.....	500,000	-	500,000	-	-	-	-	-	-	-	-	-
Electric Treasury Rate, Recovery Operating Loans.....	-	-	500,000	650	-	-	-	-	-	-	-	-
Rural Clean Energy Initiative Technical Assistance Grants.....	-	-	-	-	-	-	15,000	15,000	+15,000	(8)	+15,000	(8)
Administrative Expenses (Exp Trfr to S&E).....	-	33,270	-	33,270	-	33,270	-	33,270	-	-	-	-
Subtotal.....	7,047,317	46,547	8,636,558	46,810	8,200,897	48,496	7,397,845	89,946	-803,052	-	+41,450	-
Mandatory Appropriations:												
IRA Electric Renewable Energy Loans.....	-	-	-	1,000,000	-	-	-	-	-	-	-	-
IRA Electric Program Loans.....	-	-	-	9,700,000	-	-	-	-	-	-	-	-
Subtotal.....	-	-	-	10,700,000	-	-	-	-	-	-	-	-
Total Adjusted Approp.....	7,047,317	46,547	8,636,558	10,746,810	8,200,897	48,496	7,397,845	89,946	-803,052	-	+41,450	-
Add back:												
Rescission, Transfers In and Out.....	-	-	-	-	-	-	-	-	-	-	-	-
Total Appropriation.....	7,047,317	46,547	8,636,558	10,746,810	8,200,897	48,496	7,397,845	89,946	-803,052	-	+41,450	-
Transfers Out:												
Working Capital Fund.....	-	-	-	-1,751	-	-	-	-	-	-	-	-
Total Transfers Out.....	-	-	-	-1,751	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	126,714	13,845	374,331	21,565	49,978,363	10,728,869	20,879,579	10,681,036	-29,098,784	-	-47,833	-
Total Available.....	7,174,031	60,392	9,010,889	10,766,624	58,179,260	10,777,365	28,277,425	10,770,982	-29,901,835	-	-6,383	-
Lapsing Balances.....	-1,707,037	-1,820	-2,382,452	-	-1,580,000	-3,132	-	-	+1,580,000	-	+3,132	-
Bal. Available, EOY.....	-202,031	-21,565	-1,296,034	-10,728,869	-49,858,850	-10,681,036	-8,477,215	-4,275,536	+41,381,635	-	+6,405,500	-
Total Obligations.....	5,264,963	37,007	5,332,403	37,755	6,740,410	93,197	19,800,210	6,495,446	+13,059,800	-	+6,402,249	-

Table RUS-32. Project Statement on Basis of Obligations (thousands of dollars)

Item	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Actual BA	2023 Program Level	2023 Estimated BA	2024 Program Level	2024 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Discretionary Obligations:										
Electric Direct, FFB.....	\$4,310,859	-	\$723,288	-	\$1,700,000	-	\$2,167,000	-	+\$467,000	-
Electric Direct, Treasury rate.....	-	-	3,478,007	-	3,800,000	-	4,333,000	-	+533,000	-
Electric Underwriting Loans.....	750,000	-	750,000	-	900,000	-	-	-	-900,000	-
Telecommunications Direct, Treasury Rate.....	69,244	\$457	96,253	\$289	110,000	\$594	690,000	\$7,176	+580,000	+\$6,582
Telecommunications Direct, FFB.....	1,860	-	10,000	-	-	-	-	-	-	-
GP Rural Energy Savings Program (RESP).....	32,000	3,280	71,820	3,964	90,000	9,333	223,589	40,000	+133,589	+30,667
Electric Direct, FFB Operating Loans.....	101,000	-	25,000	-	-	-	-	-	-	-

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

Item	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Actual BA	2023 Program Level	2023 Estimated BA	2024 Program Level	2024 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Electric Treasury Rate, Recovery Operating Loans.....	-	-	178,035	231	-	-	-	-	-	-
Rural Clean Energy Initiative Technical Assistance Grants.....	-	-	-	-	-	-	15,000	15,000	+15,000	+15,000
Administrative Expenses (Exp Trfr to S&E).....	-	33,270	-	33,270	-	33,270	-	33,270	-	-
Subtotal Disc oblig.....	5,264,963	37,007	5,332,403	37,755	6,600,000	43,197	7,428,589	95,446	+828,589	+52,249
Mandatory Obligations:										
IRA Electric Renewable Energy Loans	-	-	-	-	140,410	50,000	1,341,562	500,000	+1,201,152	+450,000
IRA Electric Program Zero Percent Loans	-	-	-	-	-	-	873,194	368,750	+873,194	+368,750
IRA Electric Program Two Percent Loans.....	-	-	-	-	-	-	5,731,865	1,106,250	+5,731,865	+1,106,250
IRA Electric Program Grants	-	-	-	-	-	-	4,425,000	4,425,000	+4,425,000	+4,425,000
Subtotal Mand Oblig.....	-	-	-	-	140,410	50,000	12,371,621	6,400,000	+12,231,211	+6,350,000
Total Obligations	5,264,963	37,007	5,332,403	37,755	6,740,410	93,197	19,800,210	6,495,446	+13,059,800	+6,402,249
Add back:										
Lapsing Balances	1,707,037	1,820	2,382,452	-	1,580,000	3,132	-	-	-1,580,000	-3,132
Balances Available, EOY:										
Pilot Program for Refinancing Electric Loans	955	955	955	955	955	955	955	955	-	-
GP Rural Energy Savings Program (RESP).....	201,077	20,610	498,114	27,496	286,045	29,663	135,064	24,163	-150,982	-5,500
Electric Treasury Rate, Recovery Operating Loans.....	-	-	321,965	419	837,109	419	29,685	419	-807,424	-
Electric FFB, Recovery Operating Loans	-	-	475,000	-	-	-	-	-	-	-
IRA Electric Renewable Energy Loans	-	-	-	1,000,000	2,667,790	950,000	1,207,405	450,000	-1,460,385	-500,000
IRA Electric Program Zero Percent Loans	-	-	-	9,700,000	2,049,527	606,250	562,396	237,500	-1,487,130	-368,750
IRA Electric Program Two Percent Loans.....	-	-	-	-	36,742,424	1,818,750	3,691,710	712,500	-33,050,714	-1,106,250
IRA Electric Program Grants	-	-	-	-	7,275,000	7,275,000	2,850,000	2,850,000	-4,425,000	-4,425,000
Total Bal. Available, EOY	202,031	21,565	1,296,034	10,728,869	49,858,850	10,681,036	8,477,215	4,275,536	-41,381,635	-6,405,500
Total Available.....	7,174,031	60,392	9,010,889	10,766,624	58,179,260	10,777,365	28,277,425	10,770,982	-29,901,835	-6,383
Bal. Available, SOY.....	-126,714	-13,845	-374,331	-21,565	-49,978,363	-10,728,869	-20,879,579	-10,681,036	+29,098,784	+47,833
Total Appropriation	7,047,317	46,547	8,636,558	10,746,810	8,200,897	48,496	7,397,845	89,946	-803,052	+41,450

Rural Electrification and Telecommunications Loans Program

The Electric Program provides funding to maintain, expand, upgrade and modernize America’s rural electric infrastructure. The loans and loan guarantees finance the construction or improvement of electric distribution, transmission and generation facilities in rural areas. The Electric Program also provides funding to support demand-side management, energy efficiency and conservation programs, and on-and off-grid renewable energy systems. Loans are made to cooperatives, corporations, states, territories, subdivisions, municipalities, utility districts and non-profit organizations.

The Telecommunications Program improves the quality of life in rural America by providing funding for the deployment of rural telecommunications infrastructure. USDA Rural Development is committed to ensuring that rural areas have access to affordable and reliable telecommunications services comparable to those available throughout the rest of the United States. With this access, rural America will see improved educational opportunities, health care, safety, security, and higher employment.

Rural communities are critical to achieving the goal of 100 percent clean electricity by 2035. Rural Utilities Services programs supports the following Strategic Goals and Objective and Justice40 implementation for Climate change and Equity.

Goal 1: Combat Climate Change to Support America’s Working Lands, Natural Resources and Communities: Strategic Objective 1.4: Increase Carbon Sequestration, Reduce Greenhouse Gas Emissions, and Create Economic Opportunities (and Develop Low-Carbon Energy Solutions), by supporting rural and tribal clean electricity generation and energy efficiency.

Goal 5: Expand Opportunities for Economic Development and Improve Quality of Life in Rural and Tribal Communities: Strategic Objective 5.1: Improve Rural and Tribal Community Infrastructure, Including Affordable E-Connectivity, Cornerstone Community Facilities, Sustainable and Reliable Power, and Clean and Safe Water and Sewer System, by evaluating the impact of the Water and Environment Program on service availability, affordable water quality for underserved communities, property values (residential, agricultural, and commercial property), income and earnings, poverty, and population growth across the rural-urban continuum. This evaluation is included in the Departmentwide 2023 Evaluation Plan.

The numbers and letters of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

Justification of Increases and Decreases:

1. No change for Federal Financing Bank (FFB) Electric Loans (\$2,167,000,000 available in 2023).
The funding will continue the Federal Financing Bank electric. Eligible borrowers will have access to direct financing for rural electrification at a lower interest rate and the change will not affect overall capital available for rural electrification investments. The request promotes bifurcation of the funding between FFB and Direct Treasury rate loans. This funding will contribute to advancing clean energy and emissions mitigation and will have an impact on climate change. This program also will contribute to advancing EO 14008 directive of providing 40 percent of the benefits of Federal programs to disadvantaged communities.

Providing reliable, affordable electricity is essential to the economic well-being and quality of life for the Nation's rural residents. The electric programs provide leadership and capital to upgrade, expand, maintain, or replace America's vast rural electric infrastructure, including investment in renewable electricity and energy efficiency and conservation. The 2024 budget will support \$300 million in solar and renewable energy, enough to power 250 megawatts of new sustainable and clean capacity that could power the equivalent of 50,000 homes. Most states in the United States have good-to-excellent solar resources. Even places with relatively low solar resources, such as the Pacific Northwest and Alaska, can experience cost savings, and have similar solar resources to countries that have widely developed solar.

2. No change for Direct Electric Treasury Rate Loan program (\$4,333,000,000 available in 2023).
This program provides electric financing loans at the government’s cost of money (or the current Treasury rate) under section 4 of the Rural Electrification Act (RE Act) as amended in the Budget to reduce borrower’s interest costs while maintaining a sustainable program level. These loans support improvements and additions to rural electric distribution, transmission, and generating facilities (including renewable energy systems and investments in environmental improvements to reduce emissions of pollutants), and the implementation

demand side management, energy efficiency and conservation programs, and renewable energy systems to service rural areas. The long-term, low interest rate financing helps non-profit electric borrowers provide reliable, affordable electric service for rural homes and businesses, while creating good paying jobs.

Continuation of the program is critical because:

- a. Rural America continues to lag in terms of access to modern services in urban and suburban communities; and
- b. Building, upgrading, and maintaining the electric grid is essential not only to the rural economy, but for the national economy as well.

The request provides funding through the Direct Electric Treasury rate loan program to borrowers. This program provides loans at a Treasury rate and does not include prepayment penalty. This is a program that will benefit borrowers in disadvantage communities as its cost is less than the funding provided through the FFB loan program. This funding also will contribute to advance clean energy and emissions mitigation and will have an impact on climate change.

The administration has called for a whole-of -government approach to achieving net zero greenhouse gas emissions by 2050, and USDA has a critical role to play to avoid the works impacts of climate change. Funding for this program will contribute to the goal 100 percent clean of electricity by 2035.

3. A decrease of \$900,000,000 for Guaranteed Electric Underwriting for Bonds and Notes (\$900,000,000 available in 2023).

The reduction in funding requested for the guaranteed underwriting program in 2024 can be offset by continued access by most of the lenders' eligible borrowers to direct financing for rural electrification and telecommunications under the Direct Treasury Rate Electric Loans, Electric FFB loans and Telecommunications Direct Treasury Loans. The change will not affect overall capital available for rural electrification and telecommunications investment.

4. No change for Telecommunications Direct Treasury Loan program (\$690,000,000 available in 2023).

This program provides telecommunication loans to finance the improvement or extension of telecommunications service in rural areas. All telecommunications facilities financed must be broadband capable. This program enhances rural prosperity through access to capital that often is not available from the private sector. Program funding provides for broadband infrastructure deployment projects at reasonable rates and terms so that rural communities are affordable places to live, expand private sector businesses, and farm. Broadband service improves the quality of life and helps reduce outmigration, ensures continuity of growth in the agriculture and business sectors, and attracts people to live and invest in rural places.

Continuation of the program is critical because:

- a. Millions of Americans in rural areas have limited or even no access to broadband and this program provides a funding resource that is often not available from the private sector; and
- b. This program plays an essential role in providing financing for broadband capable telecommunications projects that improve or extend telecommunications service driving economic development and job creation in rural America.

Over the last six years the telecommunications program obligated over \$767 million through 51 direct telecommunication loans to telecommunication companies and cooperatives primarily in the Midwest and South census areas of the Nation. In that time, the top three funded states have been South Dakota with \$121.4 million, followed by Wisconsin with \$64.8 million and California with \$55.6 million. These investments ensure that rural areas have access to affordable and reliable telecommunication services comparable to those available throughout the rest of the United States. In those years, obligations in persistent poverty areas have averaged twenty-six percent of obligations.

The funding request of \$690 million for 2024 is projected to support approximately 26 loans providing improved telecommunication facilities benefitting rural subscribers with improved educational opportunities, health care, safety, security, higher employment, while supporting the creation of good paying jobs.

5. An increase of \$3,450,000 for budget authority for Direct Treasury Telecommunication loan program (\$3,726,000 available in 2023).
 The requested increase in budget authority is due to an increase in subsidy rate in 2024. The subsidy rate is 1.04 percent. The total \$7.18 million in budget authority support the requested \$690 million loan level.

6. An increase of 81,948,000 in program level for the Rural Energy Savings program (\$110,897,000 available in 2023).
 The Rural Energy Savings Program (RESP) was created by the 2014 Farm Bill and provides subsidized zero interest loans to local utilities or other entities to then relend funds at very low interest rates directly to rural consumers for installation of energy efficiency measures. The program also supports the development of measurement and verification systems to help rural entities manage their energy savings loan programs.

Continuation of the program is critical because:

- a. The program helps rural families and small businesses achieve cost savings by providing loans to qualified consumers to implement durable cost-effective energy efficiency measures; and
- b. The program reduces barriers to investment in energy efficiency projects or activities.

This program also will contribute to reaching environmental justice in disadvantaged communities and energy communities by advancing the EO 14008 directive of providing 40 percent of the benefits of Federal programs to disadvantaged communities.

The 2024 budget continues the process of ensuring that Federal funding no longer directly subsidizes fossil fuels, as required in Section 209 of Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*. RUS will ensure that RESP is not directly subsidizing fossil fuels by limiting projects to investments that increase efficiency. RESP funding of \$192.8 million 2024 will support an estimated 12 loans.

7. An increase of \$23,000,000 in budget authority for the Rural Energy Savings program (\$11,500,000 available in 2023).
 This budget authority supports the requested loan level of \$192.8 million. This funding will continue to support renewable energy improvements at the consumer level that will result in less demand for carbon-based power from electric cooperatives. Subsidy rate is 17.89 percent in 2024.

8. An increase of \$15,000,000 for the Rural Clean Initiative Technical Assistance program (\$0 available in 2023).
 The budget requests \$15 million for new administrative and technical assistance funding to support the creation of the Rural Clean Energy Initiative for increasing coordination between USDA, Department of Energy (DOE), and the Department of Interior (DOI) that will be necessary to achieve the President's clean energy goals and ensure funding reached in rural areas. This funding will help borrowers understand how DOE and DOI programs and permitting rules work for rural electric utilities and to ensure that RD programs work in concert with each other. The DOE is also requesting \$5 million in technical assistance to support this effort. This funding also will contribute to advancing clean energy and emissions mitigation and will have an impact on climate change.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RUS-33. Rural Electric Federal Financing Bank Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama.....	\$71,233	-	-	-
Alaska.....	42,000	-	-	-
Arizona.....	235,150	-	-	-
Arkansas.....	39,627	\$13,760	-	-
Georgia.....	390,181	123,816	-	-
Illinois.....	230,020	-	-	-
Indiana.....	198,473	-	-	-
Iowa.....	176,797	-	-	-
Kansas.....	-	7,500	-	-
Kentucky.....	226,502	203,670	-	-
Louisiana.....	-	79,343	-	-
Maine.....	7,739	-	-	-
Michigan.....	59,542	27,044	-	-

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Minnesota.....	107,798	39,460	-	-
Missouri.....	325,757	13,400	-	-
New Hampshire.....	14,432	-	-	-
New Mexico.....	8,847	-	-	-
New York.....	11,700	-	-	-
North Carolina.....	358,319	32,000	-	-
North Dakota.....	170,860	29,340	-	-
Ohio.....	26,500	9,882	-	-
Oklahoma.....	584,987	-	-	-
Pennsylvania.....	-	36,000	-	-
South Carolina.....	426,374	71,550	-	-
South Dakota.....	8,609	-	-	-
Tennessee.....	150,000	-	-	-
Texas.....	143,951	36,523	-	-
Virginia.....	277,327	-	-	-
Washington.....	4,859	-	-	-
Wisconsin.....	13,275	-	-	-
Distribution Unknown.....	-	-	\$1,700,000	\$2,167,000
Obligations.....	4,310,859	723,288	1,700,000	2,167,000

Table RUS-34. Rural Electric Direct Treasury Rate Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Arkansas.....	-	\$246,296	-	-
Colorado.....	-	48,409	-	-
Florida.....	-	368,000	-	-
Georgia.....	-	468,389	-	-
Idaho.....	-	21,832	-	-
Indiana.....	-	91,000	-	-
Iowa.....	-	31,500	-	-
Kansas.....	-	20,679	-	-
Kentucky.....	-	100,745	-	-
Michigan.....	-	288,395	-	-
Minnesota.....	-	139,695	-	-
Mississippi.....	-	158,070	-	-
Missouri.....	-	243,783	-	-
Montana.....	-	3,000	-	-
Nebraska.....	-	5,830	-	-
New Hampshire.....	-	15,217	-	-
New Mexico.....	-	20,893	-	-
North Carolina.....	-	197,887	-	-
North Dakota.....	-	104,235	-	-
Ohio.....	-	291,014	-	-
Oregon.....	-	89,620	-	-
South Carolina.....	-	20,000	-	-
South Dakota.....	-	94,080	-	-
Tennessee.....	-	81,000	-	-
Texas.....	-	73,608	-	-
Virginia.....	-	230,000	-	-
Washington.....	-	5,430	-	-
Wisconsin.....	-	19,400	-	-
Distribution Unknown.....	-	-	\$3,800,000	\$4,333,000
Obligations.....	-	3,478,007	3,800,000	4,333,000

Table RUS-35. Rural Electric Underwriter for Bonds and Notes Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Colorado.....	\$200,000	-	-	-
Virginia.....	550,000	\$750,000	-	-
Distribution Unknown.....	-	-	\$900,000	-
Obligations.....	750,000	750,000	900,000	-

Table RUS-36. Rural Telecommunication Direct Treasury Rate Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alaska	-	\$25,000	-	-
Arizona.....	-	44,924	-	-
California	\$55,593	-	-	-
Georgia.....	-	16,096	-	-
Indiana	4,631	-	-	-
New Mexico.....	9,020	-	-	-
Oklahoma.....	-	10,233	-	-
Distribution Unknown.....	-	-	\$110,000	\$690,000
Obligations.....	69,244	96,253	110,000	690,000

Table RUS-37. Rural Telecommunication Federal Financing Bank Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alaska	-	\$5,000	-	-
California	\$1,860	-	-	-
Virginia.....	-	5,000	-	-
Obligations.....	1,860	10,000	-	-

Table RUS-38. Rural Electric Savings Program Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Arkansas.....	-	\$10,000	-	-
Hawaii.....	-	20,000	-	-
North Carolina	\$6,000	-	-	-
Ohio	-	2,500	-	-
Pennsylvania	-	1,000	-	-
Virginia.....	-	8,320	-	-
Washington	26,000	30,000	-	-
Distribution Unknown.....	-	-	\$90,000	\$223,589
Obligations.....	32,000	71,820	90,000	223,589

Table RUS-39. Rural Electric Federal Financing Bank Operating Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Texas.....	\$101,000	\$25,000	-	-
Obligations.....	101,000	25,000	-	-

Table RUS-40. Rural Electric Treasury Rate Recovery Operating Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Texas.....	-	\$178,035	-	-
Obligations.....	-	178,035	-	-

Table RUS-41. Rural Clean Energy Technical Assistance Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	-	\$15,000
Obligations.....	-	-	-	15,000

Table RUS-42. Inflation Reduction Act Renewable Energy Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	\$140,410	\$1,341,562
Obligations.....	-	-	140,410	1,341,562

Table RUS-43. Inflation Reduction Act Electric Program Zero Percent Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	-	\$873,194
Obligations.....	-	-	-	873,194

Table RUS-44. Inflation Reduction Act Electric Program Two Percent Loans. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	-	\$5,731,865
Obligations.....	-	-	-	5,731,865

Table RUS-45. Inflation Reduction Act Electric Program Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	-	\$4,425,000
Obligations.....	-	-	-	4,425,000

Table RUS-46. Salaries and Expenses. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Expenditure Transfer to S&E.....	\$33,270	\$33,270	\$33,270	\$33,270
Obligations.....	33,270	33,270	33,270	33,270

CLASSIFICATION BY OBJECTS

Table RUS-47. Classification by Object – Discretionary Funding (thousands of dollars)

Item No.	Item	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
25.3	Other goods and services from Federal sources	\$33,270	\$33,270	\$33,270	\$33,270
41.0	Grants, subsidies, and contributions	3,737	4,485	9,927	62,176
	Total, Other Objects	37,007	37,775	43,197	95,446
99.9	Total, new obligations	37,007	37,755	43,197	95,446

Table RUS-48. Classification by Object – Mandatory Funding (thousands of dollars)

Item No.	Item	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
41.0	Grants, subsidies, and contributions	-	-	\$50,000	\$6,400,000
	Total, Other Objects	-	-	50,000	6,400,000
99.9	Total, new obligations	-	-	50,000	6,400,000

This page was intentionally left blank.

ACCOUNT 3: DISTANCE LEARNING, TELEMEDICINE AND BROADBAND PROGRAM**APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

1 Distance Learning, Telemedicine and Broadband Program

2
3 For grants for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 950aaa et
4 seq., [~~\$64,991,000~~]\$65,000,000, to remain available until expended[, of which up to \$4,991,000 shall be for the
5 purposes, and in the amounts, specified for this account in the table titled "Community Project
6 Funding/Congressionally Directed Spending" in the explanatory statement described in section 4 (in the matter
7 preceding division A of this consolidated Act)]: *Provided*, That \$3,000,000 shall be made available for grants
8 authorized by section 379G of the Consolidated Farm and Rural Development Act: *Provided further*, That
9 funding provided under this heading for grants under section 379G of the Consolidated Farm and Rural
10 Development Act may only be provided to entities that meet all of the eligibility criteria for a consortium as
11 established by this section.

12
13 For the cost of broadband loans, as authorized by sections 601 and 602 of the Rural Electrification Act,
14 [~~\$3,000,000~~]\$2,037,000, to remain available until expended: *Provided*, That the cost of direct loans shall be as
15 defined in section 502 of the Congressional Budget Act of 1974.

16
17 For the cost to continue a broadband loan and grant pilot program established by section 779 of division A of the
18 Consolidated Appropriations Act, 2018 (Public Law 115–141) under the Rural Electrification Act of 1936, as
19 amended (7 U.S.C. 901 et seq.), [~~\$363,512,317~~]\$400,000,000, to remain available until expended[, of which up
20 to \$15,512,317 shall be for the purposes, and in the amounts, specified for this account in the table titled
21 "Community Project Funding/Congressionally Directed Spending" in the explanatory statement described in
22 section 4 (in the matter preceding division A of this consolidated Act)]: *Provided*, That the Secretary may award
23 grants described in section 601(a) of the Rural Electrification Act of 1936, as amended (7 U.S.C. 950bb(a)) for
24 the purposes of carrying out such pilot program: *Provided further*, That the cost of direct loans shall be defined
25 in section 502 of the Congressional Budget Act of 1974: *Provided further*, That at least 90 percent of the
26 households to be served by a project receiving a loan or grant under the pilot program shall be in a rural area
27 without sufficient access to broadband: *Provided further*, That for purposes of such pilot program, a rural area
28 without sufficient access to broadband shall be defined as twenty-five megabits per second downstream and
29 three megabits per second upstream: *Provided further*, That to the extent possible, projects receiving funds
30 provided under the pilot program must build out service to at least one hundred megabits per second
31 downstream, and twenty megabits per second upstream]: *Provided further*, That an entity to which a loan or
32 grant is made under the pilot program shall not use the loan or grant to overbuild or duplicate broadband service
33 in a service area by any entity that has received a broadband loan from the Rural Utilities Service unless such
34 service is not provided sufficient access to broadband at the minimum service threshold: [*Provided further*, That
35 not more than four percent of the funds made available in this paragraph can be used for administrative costs to
36 carry out the pilot program and up to three percent of funds made available in this paragraph may be available
37 for technical assistance and pre-development planning activities to support the most rural communities: *Provided*
38 *further*, That the Rural Utilities Service is directed to expedite program delivery methods that would implement
39 this paragraph: *Provided further*, That for purposes of this paragraph, the Secretary shall adhere to the notice,
40 reporting and service area assessment requirements set forth in section 701 of the Rural Electrification Act (7
41 U.S.C. 950cc)].

42
43 In addition, \$35,000,000, to remain available until expended, for the Community Connect Grant Program
44 authorized by 7 U.S.C. 950bb–3.

Change Description

The first change (lines 4 to 7, paragraph 1) deletes language related to the funding provided for Congressional Community projects. The Budget does not request this funding.

The second change (lines 19 to 31, paragraph 3) deletes the language for the upload and download speed and the administrative and technical assistance set asides. This language is not necessary as this is already established in the 2018 appropriations (P.L. 115-141) general provision 779. This language is redundant. It also deletes language related to the funding provided for Congressional Community projects. The Budget does not request this funding.

The third change (lines 34 to 41, paragraph 3) deletes language for the technical assistance and administrative set asides for the ReConnect program as this language is not necessary as this is already established in the 2018 appropriations (P.L. 115-141) general provision 779.

LEAD-OFF TABULAR STATEMENT

Table RUS-49. Lead-Off Tabular Statement (In dollars)

Item	Grants	Program Level	Subsidy
Estimate, 2023	\$442,303,317	\$200,561,998	\$24,200,000
Change in Appropriation	+ 28,096,683	+ 1,250,702	+ 7,437,000
Budget Estimate, 2024	470,400,000	201,812,699	31,637,000

PROJECT STATEMENTS

Table RUS-50. Project Statement on Basis of Appropriations (thousands of dollars)

Item	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Actual BA	2023 Program Level	2023 Estimated BA	2024 Program Level	2024 Estimated BA	Program Level Inc. or Dec.	Chg Key	Budget Authority Inc. or Dec.	Ch g Key
Discretionary Appropriations:												
Distance Learning and Telemed. (DLT) Grants...	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000	\$57,000	\$62,000	\$62,000	+\$5,000		+\$5,000	(1)
DLT Delta Healthcare Services Grants	\$3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	-		-	(2)
DLT Community Project Funding.....	-	-	2,510	2,510	4,991	4,991	-	-	-4,991		-4,991	(3)
Broadband Direct Treasury Rate Loans	11,869	2,000	14,609	2,181	22,010	3,000	14,676	2,037	-7,334	(4)	-963	(5)
Broadband Grants	35,000	35,000	35,091	35,091	35,000	35,000	35,000	35,000	-		-	(6)
ReConnect BB Community Project Funding	-	-	36,605	36,605	15,512	15,512	-	-	-15,512		-15,512	(7)
ReConnect BB 100% Grant	341,730	341,730	247,038	247,038	213,440	213,440	249,400	249,400	+35,960	(8)	+35,960	(9)
ReConnect BB 100% Loan.....	100,000	27,470	113,533	25,000	89,443	12,200	93,250	21,000	+3,808	(8)	+8,800	(9)
ReConnect BB 50% Loan	100,000	24,630	77,399	20,000	89,109	9,000	93,886	8,600	+4,778	(8)	-400	(9)
ReConnect BB 50% Grant	100,000	100,000	77,400	77,400	89,000	89,000	93,000	93,000	+4,000	(8)	+4,000	(9)
ReConnect BB TA	15,930	15,930	13,098	13,098	10,440	10,440	12,000	12,000	+1,560	(8)	+1,560	(9)
ReConnect BB Admin	21,240	21,240	17,464	17,464	13,920	13,920	16,000	16,000	+2,080	(8)	+2,080	(9)
Subtotal.....	785,769	628,000	694,747	536,387	642,865	466,503	672,213	502,037	+29,347		+35,534	
Supplemental Appropriations:												
Bipartisan Infrastructure Law:												
ReConnect BB 100% Grant BIL	-	-	1,095,920	1,095,920	-	-	-	-	-		-	-
ReConnect BB 100% Loan BIL	-	-	300,000	66,060	-	-	-	-	-		-	-
ReConnect BB 50% Loan BIL	-	-	500,000	129,200	-	-	-	-	-		-	-
ReConnect BB 50% Grant BIL	-	-	500,000	500,000	-	-	-	-	-		-	-
ReConnect BB TA BIL	-	-	60,000	60,000	-	-	-	-	-		-	-
ReConnect BB Admin BIL.....	-	-	80,000	80,000	-	-	-	-	-		-	-
Broadband Direct BIL	-	-	460,951	68,820	-	-	-	-	-		-	-
Subtotal.....	-	-	2,996,871	2,000,000	-	-	-	-	-		-	-
Total Appropriation	785,769	628,000	3,691,618	2,536,387	642,865	466,503	672,213	502,037	+29,347		+35,534	
Recoveries, Other	280,116	66,282	1,485,957	30,437	13,070	13,070	9,149	9,149	-3,921		-3,921	
Bal. Available, SOY.....	836,293	527,099	1,647,448	993,935	5,327,756	2,315,238	880,114	338,167	-4,447,642		-1,977,071	
Total Available.....	1,902,179	1,221,381	6,825,023	3,560,759	5,983,691	2,794,811	1,561,475	849,353	-4,422,216		-1,945,459	
Lapsing Balances	-	-5,492	-	-	-	-	-	-	-		-	-
Rescinded Balances.....	-	-12,000	-	-	-	-	-	-9,156	-		-9,156	
Bal. Available, EOY	-1,636,306	-993,935	-5,327,756	-2,315,238	-880,114	-338,167	-513,891	-134,110	+366,223		+204,057	
Total Obligations	265,873	209,953	1,497,267	1,245,521	5,103,578	2,456,645	1,047,585	706,087	-4,055,993		-1,750,558	

Table RUS-51. Project Statement on Basis of Obligations (thousands of dollars)

Item	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Actual BA	2023 Program Level	2023 Estimated BA	2024 Program Level	2024 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Discretionary Obligations:										
Distance Learning and Telemed. (DLT)										
Grants	\$68,171	\$68,171	\$3,705	3,705	\$71,800	\$71,800	\$78,900	\$78,900	+\$7,100	+\$7,100
DLT Delta Healthcare Services Grants.....	3,000	3,000	3,079	3,079	3,300	3,300	3,787	3,787	+487	+487
DLT Community Project Funding.....	-	-	2,396	2,396	5,105	5,105	-	-	-5,105	-5,105
Broadband Direct Treasury Rate Loans.....	-	-	-	-	22,010	3,000	21,614	3,000	-396	-
Broadband Grants	49,981	49,981	10,000	10,000	48,800	48,800	42,000	42,000	-6,800	-6,800
ReConnect BB Community Project Funding	-	-	-	-	52,117	52,117	-	-	-52,117	-52,117
ReConnect BB 100% Grant	19,287	19,287	558,302	558,302	390,000	390,000	290,000	290,000	-100,000	-100,000
ReConnect BB 100% Loan.....	-	-	151,815	33,430	577,713	78,800	291,297	65,600	-286,416	-13,200
ReConnect BB 50% Loan.....	74,193	18,274	109,028	28,173	278,218	28,100	106,987	9,800	-171,231	-18,300
ReConnect BB 50% Grant.....	13,607	13,607	120,712	120,712	175,000	175,000	152,000	152,000	-23,000	-23,000
ReConnect BB TA.....	890	890	2,434	2,434	34,200	34,200	29,000	29,000	-5,200	-5,200
ReConnect BB Admin (Exp Trfr to S&E)..	14	14	15,725	15,725	30,000	30,000	32,000	32,000	+2,000	+2,000
GP 775 and 761: DLT Opioid Epidemic	446	446	552	552	2,826	2,826	-	-	-2,826	-2,826
Subtotal Disc oblig.....	229,590	173,670	977,748	778,508	1,691,088	923,048	1,047,585	706,087	-643,504	-216,961
Supplemental Obligations:										
CARES Act:										
DLT Grants.....	24,233	24,233	-	-	610	610	-	-	-610	-610
ReConnect BB Grants.....	12,050	12,050	-	-	-	-	-	-	-	-
Bipartisan Infrastructure Law:										
ReConnect BB 100% Grant BIL.....	-	-	399,438	399,438	696,482	696,482	-	-	-696,482	-696,482
ReConnect BB 100% Loan BIL	-	-	36,493	8,036	425,398	58,024	-	-	-425,398	-58,024
ReConnect BB 50% Loan BIL	-	-	32,428	8,379	1,196,243	120,821	-	-	-1,196,243	-120,821
ReConnect BB 50% Grant BIL	-	-	51,160	51,160	448,840	448,840	-	-	-448,840	-448,840
ReConnect BB TA BIL	-	-	-	-	60,000	60,000	-	-	-60,000	-60,000
ReConnect BB Admin BIL (Exp Trfr to S&E)	-	-	-	-	80,000	80,000	-	-	-80,000	-80,000
Broadband Direct BIL	-	-	-	-	504,916	68,820	-	-	-504,916	-68,820
Subtotal Supp Oblig	36,283	36,283	519,519	467,013	3,412,489	1,533,597	-	-	-3,412,489	-1,533,597
Total Obligations	265,873	209,953	1,497,267	1,245,521	5,103,578	2,456,645	1,047,585	706,087	-4,055,993	-1,750,558
Add back:										
Lapsing Balances	-	5,492	-	-	-	-	-	-	-	-
Rescinded Balances	-	12,000	-	-	-	-	-	9,156	-	+9,156

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

Item	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Actual BA	2023 Program Level	2023 Estimated BA	2024 Program Level	2024 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Balances Available, EOY:										
Distance Learning and Telemed. (DLT)										
Grants	6,918	6,918	70,647	70,647	63,150	63,150	51,362	51,362	-11,788	-11,788
DLT Delta Healthcare Services Grants.....	327	327	631	631	599	599	-	-	-599	-599
DLT Community Project Funding	-	-	114	114	-	-	-	-	-	-
Broadband Direct Treasury Rate Loans.....	49,549	7,398	83,177	11,337	83,177	11,337	76,239	1,218	-6,938	-10,119
Broadband Grants	22,422	22,422	53,612	53,612	45,311	45,311	42,160	42,160	-3,151	-3,151
ReConnect BB Community Project Funding	-	-	36,605	36,605	-	-	-	-	-	-
ReConnect BB 100% Grant.....	523,361	523,361	220,938	220,938	44,378	44,378	3,778	3,778	-40,600	-40,600
ReConnect BB 100% Loan.....	657,638	144,812	999,869	136,382	511,600	69,782	313,554	25,182	-198,046	-44,600
ReConnect BB 50% Loan.....	117,845	30,451	220,577	22,278	31,468	3,178	18,367	1,978	-13,100	-1,200
ReConnect BB 50% Grant.....	192,582	192,582	149,270	149,270	63,270	63,270	4,270	4,270	-59,000	-59,000
ReConnect BB TA.....	30,769	30,769	41,433	41,433	17,673	17,673	673	673	-17,000	-17,000
ReConnect BB Admin	33,226	33,226	34,965	34,965	18,885	18,885	2,885	2,885	-16,000	-16,000
CARES Act - DLT Grants	17	17	610	610	-	-	-	-	-	-
ReConnect BB 100% Grant BIL.....	-	-	696,482	696,482	-	-	-	-	-	-
ReConnect BB 100% Loan BIL	-	-	425,398	58,024	-	-	-	-	-	-
ReConnect BB 50% Loan BIL	-	-	1,196,243	120,821	-	-	-	-	-	-
ReConnect BB 50% Grant BIL	-	-	448,840	448,840	-	-	-	-	-	-
ReConnect BB TA BIL	-	-	60,000	60,000	-	-	-	-	-	-
ReConnect BB Admin BIL	-	-	80,000	80,000	-	-	-	-	-	-
Broadband Direct BIL	-	-	504,916	68,820	-	-	-	-	-	-
Section 775: DLT Opioid Epidemic	1,047	1,047	2,826	2,826	-	-	-	-	-	-
Public Broadcasting System Grants.....	604	604	604	604	604	604	604	604	-	-
DLT Modification Broadband Direct Financing Account.....	0	0	0	0	0	0	0	0	-	-
Total Bal. Available, EOY	1,636,306	993,935	5,327,756	2,315,238	880,114	338,167	513,891	134,110	-366,223	-204,057
Total Available	1,902,179	1,221,381	6,825,023	3,560,759	5,983,691	2,794,811	1,561,475	849,353	-4,422,216	-1,945,459
Recoveries, Other	-280,116	-66,282	-1,485,957	-30,437	-13,070	-13,070	-9,149	-9,149	+3,921	+3,921
Bal. Available, SOY	-836,293	-527,099	-1,647,448	-993,935	-5,327,756	-2,315,238	-880,114	-338,167	+4,447,642	+1,977,071
Total Appropriation	785,769	628,000	3,691,618	2,536,387	642,865	466,503	672,213	502,037	+29,347	+35,534

Distance Learning, Telemedicine and Broadband Program

The numbers and letters of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

Justification of Increases and Decreases:

1. An increase of \$5,000,000 for Distance Learning and Telemedicine Grants (\$57,000,000 available in 2023).
The DLT Program supports rural schools and learning centers gain access to improved educational resources. Distance learning projects provide funding for Internet-based educational services in schools and libraries and promote confidence in, and understanding of, the Internet and its benefits to students and young entrepreneurs. Grants through this program are also being used to address the nation’s need for additional science, technology, engineering and mathematics (STEM) educational resources.

This program is designed specifically to meet the educational and health care needs of rural America by providing grants for advanced telecommunications technologies that provide enhanced learning and health care opportunities for rural residents. Telemedicine can help hospitals meet operational and financial challenges by helping to increase volume, improve quality, and save on staffing costs. Even small rural hospitals can expand to provide highly specialized health services and expertise without the tremendous costs of incentivizing and relocating specialty physicians.

The requested funding will enable the agency to finance telemedicine projects to help address the Nation’s opioid epidemic and finance distance learning projects that help address the additional STEM educational resources. By statute, 20 percent of the funding for this program will be set aside for projects related to opioids.

Continuation of the program is critical because:

- a. Telemedicine and distance learning are critical services in rural America; and
- b. Many communities in rural America lag in educational performance and many residents live in medically underserved counties.

Millions of Americans in rural areas have limited access to healthcare and educational services and very few private sector providers would likely even consider working in the rural sector. For many small communities that are currently underserved, lower-income and extremely rural, RUS represents the primary financial assistance available. If the program was not funded the ability of rural Americans to access critical telemedicine and distance learning services would diminish.

The funding request of \$62 million for 2024 is projected to provide distance learning and telemedicine services through approximately 123 projects that will provide healthcare and educational access in unserved or underserved rural communities.

Over the last six years the Distance Learning, Telemedicine and Broadband Programs (DLTB) obligated \$254 million through 1,044 distance learning and telemedicine grants throughout the Nation. In that time, the top three funded states have been Mississippi with \$16.5 million, followed by North Carolina with \$16.4 million and Kentucky with \$14.7 million. Funding for distance learning and telemedicine grants helps rural communities use the unique capabilities of telecommunications to connect to each other and to the world, overcoming the effects of remoteness and low population density as well as persistent poverty with 3 percent of the grants in the last six years going to persistent poverty communities.

2. No change for Delta Healthcare Grants (\$3,000,000 available in 2023).
This program provides grant funds for developing health care services, health care cooperatives, health education programs, and public health-related facilities in the Delta Region. This program supports RD’s Strategic Goal of improving the quality of life in rural America by enhancing the ability of rural businesses to succeed by providing access to enhanced healthcare. These grants are targeted to a consortium of regional institutions of higher education, academic health and research institutes, and economic development entities in the region that have experience in addressing health care issues.
3. A decrease of \$4,991,000 for the Distance Learning and Telemedicine Community Project Funding (\$4,991,000 available in 2023).
These projects/earmarks were funded in 2023 but are not requested in the 2024 Budget.

4. A decrease of \$7,334,000 in loan level for Broadband Treasury Direct Loan program (\$22,010,000 available in 2023).

This program provides funds for direct broadband telecommunications treasury rate loans on a technology neutral basis (any technology that meets the performance requirements can be funded and no technology is given preference over another), for the costs of construction, improvement, and acquisition of facilities and equipment to provide broadband service to eligible rural communities. These loans are available to cooperative, nonprofit, limited dividend or mutual associations, limited liability companies, Indian tribes and tribal organizations, and commercial organizations. In addition to the activities and functions specifically described in the budget request, current year and budget year base funds will be used to carry out activities and functions consistent with the full range of authorities and activities delegated to the agency.

Continuation of the program is critical because:

- a. Projects provide residents of rural America with access to high-speed internet services; and
- b. Internet service is essential for the economic and social development of rural communities and provides opportunity to compete in the global economy.

From 2011 to 2019, the Broadband Treasury Direct Loans Program obligated \$264.7 million through nine direct loans providing last mile services.

The 2024 funding will be used to support approximately one broadband loan for the deployment of broadband infrastructure.

5. A decrease of \$963,000 in budget authority for Broadband Treasury Direct Loan program (\$3,000,000 available in 2023).

The decrease in budget authority supports the requested program level in the budget. The subsidy rate for this program is 13.88 percent in 2024.

6. No change for Broadband Community Connect Grants (\$35,000,000 available in 2023).

This program funds eligible entities that provide public access to broadband in otherwise un-served communities. Funds must be used to deploy broadband service and offer free broadband service to critical community facilities for two years.

Continuation of the program is critical because:

- a. Projects funded by these grants will be used in areas that will never have access if grant funds are not available; and
- b. Targeting unserved communities that lack traditional investment opportunities with grant funds is the only way to ensure these economically challenged rural communities are served.

Over the last six years the Community Connect Grant Program obligated \$174 million through 82 community connect grants across the Nation. In that time, the top three funded states have been Oklahoma with \$36.7 million, followed by Virginia with \$28 million, and West Virginia with \$10.9 million. In those years, obligations in persistent poverty areas have averaged 17 percent. The projects funded through the Community Connect Program help rural residents tap into the enormous potential of the Internet for jobs, education, healthcare, public safety, and community development.

Funding for the broadband telecommunications grant program will continue to provide residents in rural America with essential high-speed Internet services. The funding request of \$35 million for 2024 is expected to support approximately 13 broadband grants that will provide broadband access in rural communities where service is primarily unavailable.

7. A decrease of \$15,512,317 for the ReConnect Broadband Community Project Funding (\$15,512,317 available in 2023).

These projects/earmarks were funded in 2023 but are not requested in the 2024 Budget.

8. An increase of \$52,185,000 for ReConnect Program level (\$505,352,000 available in 2023).

This program was established by Section 779 of the Consolidated Appropriations Act of 2018, to conduct a new broadband loan and grant pilot program under the Rural Electrification Act (7 U.S.C. 901 et seq.). The program's objective is to fund broadband-capable infrastructure in rural communities of 20,000 or less where at least 90 percent of the households to be served are without sufficient access to broadband. The funding would

also restrict overbuild or duplicate broadband expansion efforts of any entity that has received a broadband loan from RUS. A wide variety of entities are eligible for funding, including incumbent and competitive rural telephone and broadband service providers, rural electric cooperatives, private firms (but not sole proprietors or partnerships), nonprofits and government bodies.

The ReConnect Program expands customer service by providing borrowers with three separate funding categories to choose from: 100 percent loan, 50 percent loan / 50 percent grant, or 100 percent grant for a broad menu of services to finance broadband in rural communities, with a priority for tribal lands. The funding enhances rural prosperity through access to capital that is often not available from the private sector and provides for broadband infrastructure deployment projects at reasonable rates and terms so that rural communities are affordable places to live, private sector businesses can expand, and farms can reach their potential.

Continuation of the program is critical because:

- a. Projects funded by this program facilitate broadband deployment in areas of rural America, particularly tribal lands, that currently don't have sufficient access to broadband,
- b. This program generates private sector investment to deploy broadband infrastructure to provide high-speed internet connectivity to as many rural premises as possible, including homes, community facilities for healthcare and public safety, schools, libraries, farms, ranches, factories, and other production sites; and
- c. This program creates good paying jobs in rural areas, helping rebuild the economy.

The overwhelming majority of projects funded under Telecom programs in the last five years have proposed to deploy a Fiber-to-the-Premise (FTTP) network. This is not surprising because many rural telecommunications providers and electric cooperatives have demonstrated a preference to deploy fiber-based networks. Such facilities can operate for 20 to 30 years into the future, in contrast to wireless networks whose equipment must be replaced every 3 to 5 years. Additionally, FTTP systems are capable of delivering speeds over 1 Gig to end-users.

In 2022, the ReConnect Program invested \$519 million to fund 36 projects that provided high-speed internet for over 40,000 rural residents and businesses in 20 States, Puerto Rico, and the Western Pacific. Administrative funds provided for within the program authorization will cover the additional staffing and IT enhancements needed to implement and grow the program.

This program received \$1.9 billion in Bipartisan Infrastructure Law (BIL) funding and obligated about \$467 million in 2022. RUS received around \$4 billion in applications and estimates it will be using the remaining funds in 2023.

If the requested increase is not provided rural providers will have fewer options to fund broadband service in rural communities and USDA may not be able to offer a full menu of services to finance the need for rural broadband service. These funds will support an estimated 47 FTEs and \$7 million in IT investments related to the deployment of this program.

9. An increase of \$52,000,000 in budget authority for ReConnect program (\$348,000,000 available in 2023).
The increase in budget authority supports the requested program level. The subsidy rate in 2024 is 22.52 percent for 100 percent loans and 9.16 percent for loan/grant combination.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RUS-52. Distance Learning and Telecommunications Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama	\$2,933	-	-	-
Alaska.....	3,406	-	-	-
Arizona.....	716	-	-	-
Arkansas.....	2,515	-	-	-
California	1,129	-	-	-
Florida.....	161	-	-	-
Georgia.....	2,755	-	-	-

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Hawaii.....	125	-	-	-
Idaho.....	751	\$501	-	-
Illinois.....	4,574	-	-	-
Indiana.....	847	-	-	-
Iowa.....	798	277	-	-
Kansas.....	2,820	-	-	-
Kentucky.....	3,776	940	-	-
Louisiana.....	1,706	-	-	-
Maine.....	4,309	-	-	-
Maryland.....	57	-	-	-
Michigan.....	787	-	-	-
Minnesota.....	374	-	-	-
Mississippi.....	2,420	-	-	-
Missouri.....	903	-	-	-
Montana.....	153	-	-	-
Nebraska.....	517	-	-	-
Nevada.....	244	-	-	-
New Hampshire.....	995	-	-	-
New Mexico.....	601	-	-	-
New York.....	89	-	-	-
North Carolina.....	3,579	944	-	-
Ohio.....	3,153	585	-	-
Oklahoma.....	2,547	-	-	-
Oregon.....	107	-	-	-
Pennsylvania.....	1,532	-	-	-
South Carolina.....	2,760	-	-	-
Tennessee.....	2,944	-	-	-
Texas.....	3,789	230	-	-
Utah.....	234	-	-	-
Virginia.....	1,261	-	-	-
Washington.....	1,990	-	-	-
West Virginia.....	3,602	-	-	-
Wisconsin.....	213	227	-	-
Distribution Unknown.....	-	-	\$71,800	\$78,900
Obligations.....	68,171	3,705	71,800	78,900

Table RUS-53. Distance Learning and Telemedicine Delta Health Service Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Arkansas.....	\$1,930	\$1,449	-	-
Kentucky.....	182	1,631	-	-
Tennessee.....	887	-	-	-
Distribution Unknown.....	-	-	\$3,300	\$3,787
Obligations.....	3,000	3,079	3,300	3,787

Table RUS-54. Distance Learning and Telemedicine Community Project Funding Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Illinois.....	-	\$115	-	-
New Mexico.....	-	980	-	-
Vermont.....	-	500	-	-
West Virginia.....	-	801	-	-
Distribution Unknown.....	-	-	\$5,105	-
Obligations.....	-	2,396	5,105	-

Table RUS-55. Direct Broadband Telecommunications Treasury Rate Loans Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	\$22,010	\$21,614
Obligations.....	-	-	22,010	21,614

Table RUS-56. Broadband Telecommunications Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alaska	\$3,980	\$3,000	-	-
Georgia.....	1,802	-	-	-
Illinois	4,947	-	-	-
Iowa	1,937	-	-	-
Kentucky	2,834	-	-	-
Louisiana.....	1,534	-	-	-
Maryland.....	807	-	-	-
Minnesota.....	2,335	-	-	-
Mississippi	3,000	-	-	-
North Carolina	5,283	-	-	-
Oklahoma.....	5,612	4,000	-	-
Oregon	6,000	-	-	-
Tennessee.....	1,704	-	-	-
Virginia	7,205	-	-	-
Washington	1,002	3,000	-	-
Distribution Unknown.....	-	-	\$48,800	\$42,000
Obligations	49,981	10,000	48,800	42,000

Table RUS-57. Broadband ReConnect Community Project Funding Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	\$52,117	-
Obligations	-	-	52,117	-

Table RUS-58. Broadband Pilot 100 percent Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama.....	-	\$3,952	-	-
Alaska	-	83,767	-	-
Arizona.....	-	17,115	-	-
Arkansas.....	-	13,596	-	-
California.....	-	17,623	-	-
Colorado.....	\$6,029	13,885	-	-
Illinois	1,602	-	-	-
Kansas.....	-	6,320	-	-
Kentucky.....	-	12,024	-	-
Michigan.....	-	34,417	-	-
Minnesota.....	-	6,604	-	-
Mississippi	-	30,339	-	-
Missouri	-	18,052	-	-
Montana	-	12,595	-	-
Nevada	-	27,155	-	-
New Mexico.....	-	25,000	-	-
North Carolina	-	42,132	-	-
North Dakota.....	-	46,259	-	-
Oklahoma.....	-	58,036	-	-
Oregon	5,989	-	-	-
Palau	-	34,991	-	-
South Dakota.....	-	16,958	-	-
Texas.....	-	27,892	-	-

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Utah.....	5,667	-	-	-
Wyoming	-	9,593	-	-
Distribution Unknown.....	-	-	\$390,000	\$290,000
Obligations	19,287	558,302	390,000	290,000

Table RUS-59. Broadband Pilot 100 percent Loans Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
California	-	\$28,251	-	-
Idaho	-	10,583	-	-
Illinois	-	25,282	-	-
Iowa	-	3,797	-	-
Michigan	-	3,303	-	-
Missouri	-	12,357	-	-
New Mexico.....	-	28,928	-	-
North Dakota.....	-	16,880	-	-
Oregon	-	17,617	-	-
Texas.....	-	4,816	-	-
Distribution Unknown.....	-	-	\$577,713	\$291,297
Obligations	-	151,815	577,713	291,297

Table RUS-60. Broadband Pilot 50 percent Loans Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama	-	\$24,866	-	-
California	-	9,971	-	-
Georgia.....	\$10,592	-	-	-
Idaho	5,491	-	-	-
Iowa	-	12,557	-	-
Minnesota.....	2,381	8,983	-	-
Missouri	46,893	-	-	-
New Mexico.....	-	5,825	-	-
Oklahoma.....	2,229	8,135	-	-
Oregon	6,608	10,264	-	-
Texas.....	-	28,428	-	-
Distribution Unknown.....	-	-	\$278,218	\$106,987
Obligations	74,193	109,028	278,218	106,987

Table RUS-61. Broadband Pilot 50 percent Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama	-	\$24,866	-	-
California	-	9,971	-	-
Iowa	-	12,557	-	-
Minnesota.....	-	8,983	-	-
Missouri	\$7,000	-	-	-
New Mexico.....	-	5,825	-	-
Oklahoma.....	6,608	8,135	-	-
Oregon	-	10,264	-	-
Tennessee.....	-	11,684	-	-
Texas.....	-	28,428	-	-
Distribution Unknown.....	-	-	\$175,000	\$152,000
Obligations	13,607	120,712	175,000	152,000

Table RUS-62. Broadband Pilot Technical Assistance Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
District of Columbia.....	\$890	\$2,434	\$34,200	\$29,000
Obligations	890	2,434	34,200	29,000

Table RUS-63. Broadband Pilot Administrative Expenses Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Expenditure Transfer to S&E.....	\$14	\$15,725	\$30,000	\$32,000
Obligations	14	15,725	30,000	32,000

Table RUS-64. Opioid Epidemic Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Illinois	-	\$552	-	-
Kentucky.....	\$183	-	-	-
New Mexico.....	264	-	-	-
Distribution Unknown.....	-	-	\$2,826	-
Obligations	446	552	2,826	-

Table RUS-65. DLT CARES Act Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama.....	\$2,696	-	-	-
Arkansas.....	401	-	-	-
California.....	437	-	-	-
Colorado.....	950	-	-	-
Florida.....	338	-	-	-
Georgia.....	127	-	-	-
Idaho.....	727	-	-	-
Iowa.....	248	-	-	-
Kentucky.....	1,528	-	-	-
Michigan.....	548	-	-	-
Mississippi.....	4,718	-	-	-
Missouri.....	719	-	-	-
New Mexico.....	154	-	-	-
New York.....	297	-	-	-
North Carolina.....	144	-	-	-
Ohio.....	723	-	-	-
Oklahoma.....	962	-	-	-
Puerto Rico.....	771	-	-	-
South Carolina.....	2,038	-	-	-
Tennessee.....	275	-	-	-
Texas.....	80	-	-	-
Vermont.....	994	-	-	-
Virgin Islands.....	1,600	-	-	-
Virginia.....	76	-	-	-
West Virginia.....	1,262	-	-	-
Western Pacific.....	1,420	-	-	-
Distribution Unknown.....	-	-	\$610	-
Obligations	24,233	-	610	-

Table RUS-66. Broadband ReConnect CARES Act Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Tennessee.....	\$4,489	-	-	-
Utah.....	7,562	-	-	-
Obligations	12,050	-	-	-

Table RUS-67. Broadband Pilot 100 percent BIL Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alabama.....	-	\$24,782	-	-
Alaska.....	-	30,323	-	-
Arkansas.....	-	16,037	-	-

2024 USDA EXPLANATORY NOTES – RURAL UTILITIES SERVICE

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Colorado.....	-	18,738	-	-
Guam.....	-	29,767	-	-
Illinois	-	23,690	-	-
Iowa	-	3,622	-	-
Michigan.....	-	34,532	-	-
Minnesota.....	-	12,602	-	-
Mississippi.....	-	23,347	-	-
Missouri	-	23,007	-	-
New Mexico.....	-	83,449	-	-
Oklahoma.....	-	24,760	-	-
Oregon	-	24,952	-	-
Puerto Rico	-	8,784	-	-
Washington	-	8,638	-	-
Wyoming	-	8,407	-	-
Distribution Unknown.....	-	-	\$696,482	-
Obligations	-	399,438	696,482	-

Table RUS-68. Broadband Pilot 100 percent BIL Loans Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Georgia.....	-	\$36,493	-	-
Distribution Unknown.....	-	-	\$425,398	-
Obligations	-	36,493	425,398	-

Table RUS-69. Broadband Pilot 50 percent BIL Loans Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Illinois	-	\$12,413	-	-
Iowa	-	881	-	-
Kentucky.....	-	12,189	-	-
Michigan.....	-	3,123	-	-
Missouri	-	3,822	-	-
Distribution Unknown.....	-	-	\$1,196,243	-
Obligations	-	32,428	1,196,243	-

Table RUS-70. Broadband Pilot 50 percent BIL Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Illinois	-	\$12,413	-	-
Iowa	-	881	-	-
Kansas.....	-	3,067	-	-
Kentucky.....	-	12,189	-	-
Michigan.....	-	3,123	-	-
Missouri	-	19,487	-	-
Distribution Unknown.....	-	-	\$448,840	-
Obligations	-	51,160	448,840	-

Table RUS-71. Broadband Pilot Technical Assistance BIL Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	\$60,000	-
Obligations	-	-	60,000	-

Table RUS-72. Broadband Pilot Administrative Expenses BIL Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Expenditure Transfer to S&E.....	-	-	\$80,000	-
Obligations	-	-	80,000	-

Table RUS-73. Direct Broadband Telecommunications Treasury Rate Loans BIL Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Distribution Unknown.....	-	-	\$504,916	-
Obligations	-	-	504,916	-

CLASSIFICATION BY OBJECTS

Table RUS-74 Classification by Objects (thousands of dollars)

Item No.	Item	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
25.3	Other goods and services from Federal sources.....	\$14	\$15,725	\$110,000	\$32,000
41.0	Grants, subsidies, and contributions	209,939	1,229,796	2,346,645	674,087
	Total, Other Objects	209,953	1,245,521	2,456,645	706,087
99.9	Total, new obligations	209,953	1,245,521	2,456,645	706,087

ACCOUNT 4: HIGH ENERGY COST GRANTS

LEAD-OFF TABULAR STATEMENT

Table RUS-75. Lead-Off Tabular Statement (In dollars)

Item	Amount
Estimate, 2023	\$10,000,000
Change in Appropriation	-
Budget Estimate, 2024	<u>10,000,000</u>

PROJECT STATEMENTS

Table RUS-76. Project Statement on Basis of Appropriations (thousands of dollars)

Item	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated	Inc. or Dec.	Chg Key
Discretionary Appropriations:						
Add back:						
Total Appropriation.....	-	-	-	-	-	
Transfers In:						
Water and Waste Disposal Program Acct ..	\$10,000	\$10,000	\$10,000	\$10,000	-	(1)
Total Transfers In.....	10,000	10,000	10,000	10,000	-	
Recoveries, Other	346	1	823	782	-\$41	
Bal. Available, SOY.....	1,930	9,311	3,737	2,817	-919	
Total Available.....	12,276	19,313	14,560	13,600	-961	
Bal. Available, EOY.....	-9,311	-3,737	-2,817	-2,632	+186	
Total Obligations.....	<u>2,964</u>	<u>15,576</u>	<u>11,743</u>	<u>10,968</u>	<u>-775</u>	

Table RUS-77. Project Statement on Basis of Obligations (thousands of dollars)

Item	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated	Inc. or Dec.
Discretionary Obligations:					
High Energy Costs Grants.....	\$2,964	\$15,576	\$11,743	\$10,968	-\$775
Subtotal Disc Obligations.....	2,964	15,576	11,743	10,968	-775
Total Obligations.....	2,964	15,576	11,743	10,968	-775
Add back:					
Balances Available, EOY:					
High Energy Cost Grants.....	9,311	3,737	2,817	2,632	-186
Total Bal. Available, EOY	9,311	3,737	2,817	2,632	-186
Total Available.....	12,276	19,313	14,560	13,600	-961
Less:					
Total Transfers In.....	-10,000	-10,000	-10,000	-10,000	-
Recoveries, Other	-346	-1	-823	-782	+41
Bal. Available, SOY.....	-1,930	-9,311	-3,737	-2,817	+919
Total Appropriation.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

High Energy Costs Grants

The numbers and letters of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

Justification of Increases and Decreases:

- (1) No change for High Energy Cost Grants (\$10,000,000 available in 2023).

The High Energy cost grant program provides financial assistance for energy generation, transmission, and distribution facilities, including energy efficiency improvements and renewable energy systems for rural communities with extremely high energy costs. Eligible communities have average home energy costs that are over 275 percent of the national average. The High Energy Cost grant is statutorily focused on the most remote, poorest areas with the highest energy costs (typically Alaska, the Pacific Islands or tribal areas). Funding in 2023 will be targeted to encourage recipients to purchase technologies that decrease greenhouse gases.

RUS-financed electrical systems provide service to more than 90 percent of the Nation’s counties that are identified as suffering from persistent poverty, out-migration, or other economic hardships. The Electric Program also provides financial assistance through High Energy Cost Grants to rural communities with extremely high energy costs to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities.

In the past two fiscal years, 2021-2022, this program obligated almost \$19 million supporting eleven grants in Alaska and California which provides heat to school buildings and other facilities. This funding will also contribute to advance clean energy and emissions mitigation and will have an impact on climate change. This program also contributes to reaching environmental justice in disadvantaged communities and coal-based communities by advancing the EO 14008 directive of providing 40 percent of the benefits of Federal programs to disadvantaged communities. In 2022, this program funding provided \$3.7 million in grants to serve 1,872 rural population.

The requested funding will support the Administration’s efforts to alleviating the effects of climate change by enforcing the production of clean energy and mitigating emissions of Greenhouse Gases. The program is estimated to provide four grants in 2024.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RUS-78. High Energy Cost Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
Alaska	\$2,964	\$14,176	-	-
California	-	1,400	-	-
Distribution Unknown.....	-	-	\$11,743	\$10,968
Obligations.....	2,964	15,576	11,743	10,968

CLASSIFICATION BY OBJECTS

Table RUS-79 Classification by Objects (thousands of dollars)

Item No.	Item	2021 Actual	2022 Actual	2023 Estimated	2024 Estimated
41.0	Grants, subsidies, and contributions	\$2,964	\$15,576	\$11,743	\$10,968
	Total, Other Objects	2,964	15,576	11,743	10,968
99.9	Total, new obligations	2,964	15,576	11,743	10,968

STATUS OF PROGRAMS

The Rural Utilities Service (RUS) provides much-needed infrastructure or infrastructure improvements to rural communities, including water and waste treatment, electric power and telecommunications services. These services help to expand economic opportunities and improve the quality of life for rural residents.

Water and Environmental Programs

The Water and Environmental Programs (WEP) provides rural communities with technical assistance and financing to develop and support modern, affordable water and waste disposal (WWD) services. With a focus on underserved communities, WEP directs its technical and financial resources to rural communities with the greatest need, including rural water and waste systems in areas that are poverty-stricken and face health or sanitary issues, or have other obstacles hindering their ability to provide safe and reliable services. These communities may be impoverished because of out-migration, economic factors, or even natural disasters, but can help sustain economic development and improve the quality of life for their residents by providing dependable water and waste services.

WEP provides funding for clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and storm water drainage to households and businesses in eligible rural areas with populations of 10,000 or less.

Climate Change/Native American Tribal Assistance:

To promote climate change and serve Native American Tribes, WEP works with communities to find innovative ways to meet their water and waste needs. For example, on-site solar systems to power water pumping stations are used in Tribal communities in Northern Arizona to promote climate-smart wastewater treatment processes. During 2022, the Navajo Nations and Hopi Tribes of Northern Arizona received a \$1.2 million award through the Water and Waste Disposal Grants to Alleviate Health Risk on Tribal Lands and Colonia's program. This project will replace a water storage tank and expand the on-site solar system to power water pumping. Seventy-two percent of the homes in the immediate vicinity do not have running water. This project will provide treated, monitored water so that residents will have access to point-of-service watering stations instead of hauling water over long distances.

Equitable Access/Historically Underserved Communities:

Providing equitable access to safe and reliable water and waste services has long been a priority for WEP. For example, in 2022 the county of Greenbrier, West Virginia, which is an historically underserved community, received a combination of loans and grants totaling \$22 million to complete a project to replace aging wastewater infrastructure and equipment. The project will restore a treatment system that has not been significantly updated in 30 years by replacing approximately nine miles of gravity sewer main and rehabbing outdated lift stations with new pumps and valves. The project will benefit more than 2,000 residents and more than 100 businesses in western Greenbrier County, including the communities of Quinwood, Rupert and Rainelle. The projects reflect the Administration's renewed commitment to historically underserved communities, including those in West Virginia and Appalachia that are vital to the country's energy production.

Current Activities

In 2022 RUS invested \$1.9 billion to modernize rural drinking water and wastewater infrastructure in all 50 States and Puerto Rico through the Water and Waste Disposal Loan and Grant Program. The 6,132 projects funded in 2022 will help improve rural water infrastructure for 4.69 million residents. Of these projects, 418 of them, or 69.8 percent, alleviated a health or sanitary issue. Significantly, \$191.7 million of this funding has been provided for 63 projects in persistent poverty communities.

Selected Examples of Recent Progress

The town of Beaver City, Nebraska, received a \$2 million loan and a \$1.2 million grant to upgrade its waste systems, improving service for nearly 326 residents and 35 non-residential water connections. The funds provided for two new larger wells, new piping, and a new elevated water storage tank. The city owns and operates five wells, two of which were threatened in 2017. A third well was removed from service in 2015 and the community's water storage tank was more than 50 years old, making a new system critical for the small rural Nebraska town.

The city of Amity, Oregon, received a \$4.83 million loan and a \$1.5 million grant to improve water treatment, reliability and capacity in the Yamhill County town. The city will relocate the water intake further upstream along the South Yamhill River, install new intake, wet well pumps, and generator platform; install new clear well and finished water pipeline; and improve the reliability of the city's drinking water source. This project will provide crucial help for Amity residents counting on safe and reliable drinking water in their homes, schools and small businesses.

The city of Lewisburg, West Virginia, received \$52.7 million in loans and grants from the Water and Waste Disposal Loan and Grant Program to update its water treatment facility. The city will construct a new raw water intake structure and two new water storage tanks and replace roughly six miles of water distribution lines. Without these improvements, the 40-year-old system would continue to be compromised and customers would experience boil water notices and outages. This project is the largest utility investment USDA has made in West Virginia. It will benefit more than 13,000 people and businesses and allow the city to meet increased demand in an area that has been experiencing economic growth.

Table RUS-80. 2022 Financial Data All Other WEP Programs (millions of dollars)

Program	Total Obligated	Total No. Loans or Grants
Direct Water and Waste Disposal Loans	\$1,342.6	464
Guaranteed Water and Waste Disposal Loans	11.0	9
Water and Waste Disposal Grants	540.3	384
Technical Assistance Grants for Rural Waste Systems	37.4	24
Circuit Rider – Technical Assistance Grants for Rural Water Systems	22.1	3
Water and Waste Disposal Grants Alaskan Villages	20.3	35
Water and Waste Disposal Grants Native American Tribes	25.2	9
Water and Waste Disposal Grants Colonias	32.9	12
Individually Owned Water Well System Grants	3.2	5
Grants for Water and Wastewater Revolving Funds	1.0	3
Solid Waste Management Grants	4.7	28
Emergency and Imminent Community Water Asst. Grants Appropriated	14.6	33
Hurricane Natural Disaster Grants	9.0	24
High Energy Cost Grants	15.6	8
Total	2,079.9	1,041

Rural Electrification and Telecommunications Loan Programs

Electric Programs

The rural electric direct loan and loan guarantee programs provide financing for electric generation, transmission and distribution facilities, and for energy efficiency and conservation projects to improve service in rural areas. Loans are made to corporations, States, territories, local government subdivisions, municipalities, utility districts, and to other eligible entities, including cooperatives, tribal utilities, nonprofits, and limited-dividend or mutual associations that provide retail electric service needs to rural areas or power supply needs of distribution borrowers in rural areas.

In 2022 the Inflation Reduction Act was passed and provide \$10.7 billion in budget authority to support the implementation of renewables in the Electric program. RUS is still considering the options for implementing this funding in a timely matter to the most effective and efficient projects to reach the goal of reducing carbon footprint.

Specifically Addressed Areas

Providing reliable, affordable electricity is essential to the economic well-being and quality of life for the Nation's rural residents. The electric programs provide leadership and capital to upgrade, expand, maintain, or replace America's vast rural electric infrastructure, including investment in renewable electricity and energy efficiency and conservation. Some electric program loans are specifically targeted to spur economic development in areas where poverty rates have been stubbornly high for decades. In addition, the Rural Energy Savings Program (RESP) provides loans to entities that agree to make affordable loans to help consumers implement cost-effective, energy efficiency measures. RESP will help lower energy bills for rural families and businesses and will reduce barriers to investment in energy efficiency projects or activities.

Climate Change/Resiliency

In Idaho, the family-owned KM Farms in Canyon County received \$20,000 in grant dollars. This will allow the small row crop farm to purchase and install a combination solar and thermal/electric system in a newly constructed shop, saving \$8,000 per year.

In Pennsylvania, Central Electric Cooperative will use a \$20 million Electric Program loan to build and improve 111 miles of line and connect 795 people. The loan includes \$115,153 in smart grid technologies, which use digital communications to help utilities better manage the power grid and detect and react to local changes in electricity usage. Central Electric serves about 25,000 customers over 3,049 miles of line in seven counties in western Pennsylvania.

USDA's Electric Loan Program helps finance wind, solar and natural gas plants, and finances improvements to produce clean energy from coal-fired plants. Local utilities also use the loans to invest in infrastructure to deliver affordable power to millions of residential, commercial, and agricultural consumers.

Current Activities

The RUS Electric Program loan portfolio of approximately \$53.6 billion helps nearly 700 borrowers in 46 States finance safe, modern, and efficient infrastructure. In 2022, the electric program obligated \$5.226 billion supporting 118 loans.

RUS-financed electrical systems provide service to more than 90 percent of the Nation's counties that are identified as suffering from persistent poverty, out-migration, or other economic hardships. The Electric Program also provides financial assistance through High Energy Cost Grants to rural communities with extremely high energy costs to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities. In 2022, this program obligated almost \$15.6 million supporting eight grants in Alaska and California. These grants allowed tribes to procure portable solar units for tribal homes that do not have access to grid electricity. These grants will provide over 50 homes with access to a reliable energy source.

RUS Renewable Energy Loans (Solar) provided \$40.9 million for eight loans in 2022. This funding financed 25 solar energy projects in Kansas, New Hampshire, Nebraska and Texas with a total increase of 33.2 MWac.

RUS is implementing \$10.7 billion in financial assistance provided through the Inflation Reduction Act. The agency conducted 13 roundtable discussions, a tribal consultation and three stakeholder listening sessions to inform the program design with stakeholder feedback.

Selected Examples of Recent Progress

Hubbs Road Solar in Saratoga County, New York, recently received a \$5.3 million loan to implement solar technology as part of an effort to support farmers, ranchers and small business in securing a clean energy future. The investment will fund the installation of a 6.1 MW solar system, which is estimated to produce 7,983,900_kWh per year, which is enough electricity to power over 800 homes.

Table RUS-81. 2022 Financial Data All Other RE Programs (millions of dollars)

Program	Total Obligated	Total No. Loans or Grants
Direct Electric Loans	\$748.3	20
Treasury Rate Electric Loans	3,656.0	91
Guaranteed Electric Underwriting Loans for Bonds and Notes	750.0	1
Rural Energy Savings Program – No Year	71.8	6
Total	5,226.1	118

Telecommunications Program

The telecommunications loan program provides direct loans and loan guarantees for broadband capable construction, expansion, and upgrades of telecommunications facilities.

Specifically Addressed Areas

Specific areas being addressed by the telecommunications program include financing projects to improve telecommunications service in rural areas. The program priorities are to ensure that rural communities have access to advanced telecommunications services, such as high-speed Internet services; and advanced communications services such as distance learning and telemedicine. Access to high-speed Internet and other quality telecommunications services is essential for a healthy and growing rural economy. The infrastructure increases educational opportunities, improves availability of healthcare, job creation and retention, and enhances continued economic growth. Program outreach efforts are focused on identifying rural areas that do not have access to these services.

Current Activities

During 2022, RUS approved six loans for telecommunication investments in rural communities. The total amount obligated in 2022 was \$106.3 million. These projects, upon completion, will deliver new or improved broadband service in six states.

Selected Examples of Recent Progress

In Arizona, the Wilcox-based Valley TeleCom Group received a \$45 million loan to install Fiber-to-the-Home (FTTH) technology in Graham and Greenlee counties. This project will impact over 2,450 residents.

Table RUS-82. 2022 Financial Data All Other Rural Telecommunication Programs (millions of dollars)

Program	Total Obligated	Total No. Loans or Grants
Treasury Telecommunications Loans	\$96.3	4
Direct Telecommunications FFB Loans	10.0	2
Total	106.3	6

Distance Learning and Telemedicine (DLT) Program

The DLT program helps rural communities use the unique capabilities of telecommunications to connect to each other and to the world, overcoming the effects of remoteness and low population density. RUS made seven Congressionally Directed spending awards totaling \$2.4 million in 2022 which will impact 1,764,620 rural residents.

Specifically Addressed Areas

The DLT Program assists rural schools and learning centers to gain access to improved educational resources. Distance learning projects provide funding for Internet-based educational services in schools and libraries and promote confidence in and understanding of the Internet and its benefits to students and young entrepreneurs. Grants

through this program are also being used to address the nation’s need for additional science, technology, engineering and mathematics (STEM) educational resources.

COVID 19 Recovery Efforts:

In Arkansas, the University of Arkansas for Medical Sciences will use a \$738,000 grant to purchase interactive telecommunications, distance learning, and telemedicine equipment to provide long-distance learning opportunities to 36 sites around the State, including prisons. Nearly half of the State’s population lives in rural areas with insufficient access to medical providers. These areas rely on digital health and distance-learning equipment, some of which has not been updated in over a decade. This funding will allow for services that include mental health and substance abuse treatment and counseling; clinical services; health education and career development to schools; and chronic disease diagnosis, treatment and management, including COVID-19.

Current Activities

In 2022, RUS funded over \$4.3 million for nine projects through the DLT grant program. Two projects are specifically in response to the opioid pandemic and substance use disorder. The program helps health care and education institutions buy the equipment and software necessary to deploy distance-learning and telemedicine services to rural residents. These investments will benefit more than 440,976 rural residents.

Selected Examples of Recent Progress

The Johnson County School District in North Carolina received a \$1.3 million grant to provide distance learning services in Johnson and Tyrell counties. The distance learning equipment will be used to implement instructor professional development; helping educators respond more effectively to students and families in crisis and provide a means for students to attend virtual support, counseling, and therapy sessions. Local elementary schools will use the funds to purchase telehealth video equipment to convert nursing stations into on-site testing locations. This project will benefit over 14,000 students.

The Rockcastle County School district in Kentucky was awarded a \$1 million grant to purchase interactive flat panel displays and distance learning equipment that will be used in classrooms throughout the district. These items will help to increase student engagement and improve education outcomes for students throughout the district and giving students access to mental health professionals. Additionally, equipment was placed with Rockcastle’s partners, Rockcastle Regional Hospital and Respiratory Care Center and Somerset Mental Health.

Broadband Communications Grant Program

The Community Connect Grant Program provides financial assistance to eligible applicants that will provide, on a “community-oriented connectivity” basis, broadband service that fosters economic growth and delivers enhanced educational, health care, and public safety benefits. Priority is given to the most rural and economically challenged communities.

Specifically Addressed Areas

Specific areas being addressed by the Community Connect Program include serving communities and areas that are completely unserved by broadband. One major goal of the program is to provide all critical community facilities in a service area with free access to broadband Internet for two years.

Current Activities

In 2022, the Community Connect program approved four projects for a total of \$10 million. The funding was provided in persistent poverty communities that will deliver broadband to rural areas currently without high-speed Internet service.

Selected Examples of Recent Progress

RUS provided \$2.3 million to Jo-Carroll Energy for a Fiber-to-the-Premises internet project. This investment will be used to deliver high-speed internet services to rural areas in Jo Daviess County, Illinois. This project will construct 5.5 miles of aerial mainline fiber, 35.5 miles of underground mainline fiber, and 37.5 miles of drop fiber to

approximately 220 homes, businesses and community institutions in underserved areas of Schapville and rural Scales Mound in Jo Daviess County. Subscribers will have access to fiber internet speeds from 25 megabits per second up to 2 gigabits per second to meet the growing needs of area residents, enhance medical practices, and support their students and businesses.

Cordova Telecom Cooperative received a \$3 million grant to construct a Fiber-to-the Premises system in the Village of Chenega located within Prince William Sound, Alaska. Subscribers will have access to service with a minimum broadband speed of 23/3 Mbps, expanding access for distance learning, telemedicine, and entrepreneurship opportunities.

West Kentucky and Tennessee Telecommunications Cooperative received a \$2.8 million grant to construct a 70-mile Fiber-to-the Premises system in Weakly and Carroll counties in the Kentucky and Tennessee service area. Subscribers will have access to service of at least 10 Mbps download and 1 Mbps upload. This project will expand access for over 415 homes to economic, educational, health care, and public safety opportunities in an extremely remote area of Kentucky and Tennessee.

Rural eConnectivity Pilot Program (ReConnect Program)

The ReConnect Program offers unique federal financing and funding options in the form of loans, grants, and loan/grant combinations to facilitate broadband deployment in areas of rural America that do not currently have sufficient access to broadband. The ReConnect program will generate private sector investment to deploy broadband infrastructure to provide high-speed internet e-Connectivity to as many rural premises as possible, including homes, community facilities for healthcare and public safety, schools, libraries, farms, ranches, factories, and other production sites. In addition, RD has developed an e-Connectivity Toolkit, which features 27 USDA programs that support broadband deployment. This easy-to-use resource is a simple guide that allows customers to identify their type of e-Connectivity project and locate resources the Federal government offers for planning, equipment, construction, research, and other e-Connectivity projects.

Specifically Addressed Areas

The ReConnect Program focuses on building infrastructure for essential internet e-Connectivity services to rural areas without sufficient access to broadband, defined by the new law as 25/3Mbps (megabits per second) downstream and 1 Mbps upstream.

Current Activities

RUS has invested in 104 projects representing \$1.5 billion in grant and loan funding for high-speed broadband infrastructure in the ReConnect Round Three awards. With the BIL funding, ReConnect was able to invest in an additional 30 projects representing \$519.5 million in grant and loan funding. The funded service areas include a total of 147,221 households.

Selected Examples of Recent Progress

RD provided \$63 million in funding to the North Slope and Southeast communities in Alaska for highspeed internet network build out. This investment will support the Alaska Telephone Company and Arctic Slope Telephone company in improving broadband access, including its affordability, for rural communities in Alaska. The funded service area includes 678 residents, 20 businesses, and an educational facility.

RD provided \$27.1 million in funding to Uprise LLC in Pershing County, Nevada. This funding will be used to deploy a network to provide access to high-speed internet in Nevada. The funded service area includes 4,884 residents, 22 farms, 130 businesses, and seven educational facilities.

RUS provided Valley TeleCom Group a \$45 million loan to upgrade 90 percent of its cooperative service territory in Arizona and New Mexico to fiber-optic. Valley TeleCom Group is building out a network that will provide broadband service to 984 customers. The targeted communities currently are served through copper digital subscriber lines (DSL), which offer maximum data transfer speeds of 25 megabits per second. The upgrade will provide customers transmit speeds up to 1 gigabit per second. Valley TeleCom is projected to complete the build-out for this project in 2027.

Bipartisan Infrastructure Law (BIL)

The BIL provided \$2 billion in budget authority in 2022 to support \$74 million in Broadband Treasury loan and \$1.9 billion to support the ReConnect program. In 2022, BIL funding has supported 13 loans for a total of \$120.1 million and 22 grants for a total of \$399.4 million.

Many villages in Southwest Alaska have received grants to bring high-speed fiber internet to rural areas. Bethel Native Corporation received a \$73 million grant for a project partnership with the Alaska Native village corporation for Bethel and the telecommunications company GCI to deliver fiber cable to 10 villages and more than 10,000 people. In addition, a \$31 million grant will bring fiber to service in other villages in the Bethel region, including Atmautluak, Kasigluk, Nunapitchuk, Quinhagak and Tuntutuliak, reaching over 2,300 Alaskans.

Georgia received over \$36 million in BIL funding to bring high-speed broadband to rural communities in Georgia. This funding will provide over 21,000 middle-Georgia residents with access to high-speed broadband.

Table RUS-83. 2022 Financial Data All Other Distance Learning, Telemedicine and Broadband Programs (millions of dollars)

Program	Total Obligated	Total No. Loans or Grants
Distance Learning and Telemedicine (DLT) Grants	\$4.3	9
DLT Delta Health Care Services Grants	3.1	4
DLT Community Project Funding	2.4	7
Broadband Telecommunications Grants	10.0	4
Reconnect Broadband Telecommunication 100% Loans Pilot Program	151.8	11
Reconnect Broadband Telecommunication 50% Loans Pilot Program	109.0	12
Broadband Telecommunication 100% Grants – Pilot Program	558.3	40
Broadband Telecommunication 50% Grants – Pilot Program	120.7	13
Reconnect Grants – 100% BIL	399.4	22
Reconnect Grants – 50% BIL	51.2	7
Reconnect Loan 100% BIL	36.5	1
Reconnect Loan 50% BIL	32.4	5
Total	1,479.1	135