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## Infrastructure Investment and Jobs Act (IIJA): Funding for USDA Broadband, Watershed, and Bioproduct Programs

On November 15, 2021, President Biden signed into law the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58). The act provides funding for the nation's infrastructure, including roads, highways, electric systems, and railway systems. The act also funds programs administered by the U.S. Department of Agriculture (USDA) that deploy rural broadband, protect watersheds, and create a new bioproduct pilot program. This In Focus provides an overview of the IIJA funding for USDA programs.

In total, IIJA provides more than \$2.9 billion in new budget authority over 10 years for USDA programs, not including programs administered by the U.S. Forest Service (see **Table 1**). This includes \$2 billion for rural broadband programs, \$918 million for watershed programs, and \$10 million for a new bioproduct pilot program.

**Table 1. IIJA Funding for Programs Within the Jurisdiction of Agriculture Appropriations**

Dollars in millions, FY2022-FY2031

Program	10-Year Total
<b>Broadband Programs</b>	
ReConnect Program	\$1,926
Rural Broadband Program	\$74
<b>Watershed Programs</b>	
Watershed and Flood Prevention Operations	\$500
Watershed Rehabilitation Program	\$118
Emergency Watershed Protection Program	\$300
<b>Agricultural Research Program</b>	
Bioproduct Pilot Program	\$10
<b>Total Budget Authority</b>	<b>\$2,928</b>

**Source:** Created by CRS using Congressional Budget Office estimate for Division J of H.R. 3684, November 3, 2021.

IIJA provides more funding for the existing USDA broadband and watershed programs listed in **Table 1** than Congress has appropriated for these same programs in FY2019, FY2020, and FY2021. For example, the IIJA funding allocated for the ReConnect Program (\$1.9 billion) is more than the total amount Congress provided for the program in FY2019, FY2020, and FY2021 annual appropriations acts combined (\$1.7 billion). Similarly, the Watershed Rehabilitation Program receives more from IIJA

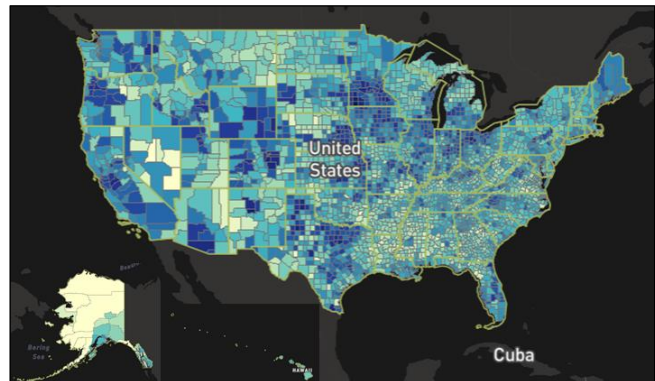
(\$118 million) than the total amount appropriated for the program annually over the last decade (\$116 million; FY2012-FY2021).

### USDA Broadband Funding

In general, USDA broadband programs fund deployment of high-speed internet in rural areas where households have historically had lower access to broadband compared with households in urban and suburban areas (see **Figure 1**). Lack of access to broadband occurs in areas throughout the country but is widespread throughout the South, especially in the Mississippi River basin and selected counties in the Midwest and West.

IIJA includes funding for two USDA programs that expand broadband access in rural communities: the ReConnect Program and the Rural Broadband Program. These two programs help construct and improve facilities required to provide broadband access to rural areas.

**Figure 1. Broadband Deployment in the United States**



**Source:** Federal Communications Commission, "Fixed Broadband Deployment Map," accessed November 16, 2021, available at <https://broadbandmap.fcc.gov>.

**Notes:** The number of internet service providers offering 25/3 Mbps fixed broadband service (excluding satellite) is indicated by color. The scale ranges from cream (no service providers offering broadband) to dark blue (12 or more internet service providers offering broadband).

### Infrastructure Investment and Jobs Act Funding

IIJA provides \$2 billion for USDA broadband programs, to remain available until expended (see **Table 1**). This includes \$1.926 billion for ReConnect Program grants and loans and \$74 million for Rural Broadband Program loans. IIJA allows up to 4% of the funding (\$80 million) for both programs to be used for administrative costs and up to 3% of funding (\$60 million) to be used for technical assistance

to applicants. It directs \$5 million of the technical assistance to establish and support cooperatives to offer broadband service. Additionally, the bill directs USDA to collaborate with the Federal Communications Commission and the National Telecommunications and Information Administration in awarding funding for broadband projects.

### IIJA Requirements for ReConnect Projects

IIJA includes language that directs USDA on how to administer the ReConnect Program funding. The IIJA provisions generally are more restrictive than the ReConnect Program requirements in the most recent Funding Opportunity Announcement (86 *Federal Register* 58860), including the following:

- **Service Area Requirements.** IIJA defines *eligible service areas* as rural areas where at least 50% of households do not have sufficient broadband access (broadband at speeds of at least 25/3 Mbps).
- **Set-Aside for High-Need Rural Areas.** IIJA requires that 10% of the funding (i.e., \$192.6 million) be set aside for service areas where at least 90% of households do not have sufficient broadband access (broadband at speeds of at least 25/3 Mbps).
- **Broadband Buildout Speed.** IIJA requires projects to provide broadband service to premises within the proposed service area at minimum speeds of 100/20 Mbps.
- **Rural in Character Exception.** IIJA allows USDA to allocate up to \$50 million to projects in areas that do not meet the *rural area* definition but are determined to be *rural in character*. The existing rural in character designation (7 U.S.C. §1991(a)(13)) allows the Secretary of Agriculture to consider communities that do not meet the definition of a rural area to be eligible for certain funding if they have qualities that are rural in character. Rural areas are defined as areas with 20,000 or fewer inhabitants and not adjacent to a city that has a population of greater than 50,000 inhabitants (7 U.S.C. §950bb(b)(3)).
- **Match Waived for Certain Communities.** IIJA waives the matching funds requirement for grant applicants that are for Alaska Native Corporations or federally recognized Indian tribes on underserved trust lands. The matching funds requirement is also waived for grant projects that serve colonias or persistent poverty counties (i.e., counties that have had a poverty rate of 20% or higher over the past 30 years).

These provisions do not apply to the Rural Broadband Program.

### USDA Watershed Funding

USDA provides assistance for watershed activities under three primary programs that are administered by the Natural Resources Conservation Service (NRCS). IIJA provides a total of \$918 million for all three watershed programs (see **Table 1**).

The Watershed and Flood Prevention Operations (WFPO) program consists of two authorities—Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566) and Flood Control Act of 1944 (P.L. 78-534). These authorize NRCS to provide technical and financial assistance to state and local organizations to plan and install measures to prevent erosion, sedimentation, and flood damage and to conserve, develop, and utilize land and water resources.

Dams previously constructed under the WFPO program may be eligible to receive assistance under a second watershed program—the Watershed Rehabilitation Program. This program funds rehabilitation projects for dams previously constructed with NRCS assistance in order to bring them into compliance with applicable safety and performance standards, or to decommission the dams so they no longer pose a threat to life and property.

The third watershed program is the Emergency Watershed Protection (EWP) program, which provides technical and financial assistance to reduce hazards to life and property in watersheds damaged by natural disasters. IIJA requires USDA to provide detailed spending plans, including project locations and cost, to Congress within 90 days of enactment for the WFPO program and the Watershed Rehabilitation Program. IIJA also directs EWP funding to “repair damages to waterways and watersheds resulting from natural disasters.” All funding for the watershed programs is to remain available until expended.

### Bioproduct Pilot Program

IIJA establishes a pilot program to study the benefits of using agricultural commodities to produce construction products and consumer products. The benefits to be studied include cost savings, greenhouse gas emission reductions, life cycle and longevity-extending characteristics, product development, and production scale-up, among others. The program is appropriated \$5 million for each of FY2022 through FY2023 (see **Table 1**).

### Additional CRS Resources

- CRS Report R46912, *USDA Rural Broadband, Electric, and Water Programs: FY2022 Appropriations*, by Lisa S. Benson
- CRS Report R46971, *Agricultural Conservation: FY2022 Appropriations*, by Megan Stubbs
- CRS Report R45943, *The Farm Bill Energy Title: An Overview and Funding History*, by Kelsi Bracmort

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