

BROADBAND INTERNET CONNECTIONS FOR RURAL
AMERICA ACT

—
AUGUST 6, 2021.—Ordered to be printed
—

Mr. DAVID SCOTT of Georgia, from the Committee on Agriculture,
submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 4374]

The Committee on Agriculture, to whom was referred the bill (H.R. 4374) to bolster certain rural broadband programs of the Department of Agriculture, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Broadband Internet Connections for Rural America Act”.

SEC. 2. INNOVATIVE BROADBAND ADVANCEMENT PROGRAM.

Section 603(e) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb-2(e)) is amended to read as follows:

“(e) **AUTHORIZATION OF APPROPRIATIONS.**—

“(1) **IN GENERAL.**—There is authorized to be appropriated to the Secretary \$300,000,000 for each of fiscal years 2022 through 2029, to remain available until expended, to carry out projects in States and territories selected by the Secretary to be diverse on the basis of geography, topography, and demographics.

“(2) **LIMITATION.**—Not more than \$25,000,000 of the amounts made available under paragraph (1) for each fiscal year may be provided for a single project.”.

SEC. 3. RURAL BROADBAND PROGRAM LOANS AND GRANTS.

(a) **IN GENERAL.**—Section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) is amended—

(1) in the section heading, by striking “**ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS**” and inserting “**RECONNECT RURAL BROADBAND PROGRAM**”;

(2) by striking subsection (a) and inserting the following:

“(a) ESTABLISHMENT; PURPOSE.—The Secretary shall establish a program, which shall be known as the ‘ReConnect Rural Broadband Program’, to provide grants, loans, and loan guarantees to finance the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas.”;

(3) in subsection (c)(2), by striking subparagraphs (A) and (B) and inserting the following:

“(A) IN GENERAL.—In making grants, making loans, and guaranteeing loans under paragraph (1), the Secretary shall give the highest priority to applications for projects to provide broadband service to unserved rural communities that do not have any residential broadband service of at least—

“(i) a 10-Mbps downstream transmission capacity; and

“(ii) a 1-Mbps upstream transmission capacity.

“(B) OTHER.—After giving priority to the applications described in clauses (i) and (ii) of subparagraph (A), the Secretary shall then give priority to applications for projects to provide broadband service to rural communities—

“(i) with a population of less than 10,000 inhabitants; or

“(ii) with a high percentage of low income families or persons (as defined in section 501(b) of the Housing Act of 1949).

“(C) PORTS IN RURAL AREAS PRIORITY.—

“(i) DEFINITION OF PORT.—In this subparagraph, the term ‘port’ means—

“(I) any port on the navigable waters of the United States, including territories;

“(II) any harbor, marine terminal, or other shore side facility used principally for the movement of goods on inland waters; and

“(III) any port formed in accordance with applicable State or territory law.

“(ii) PRIORITY.—In addition to the priority given under subparagraph (B), the Secretary shall give equal priority to an application for a project that would increase the availability of broadband service in a port in a rural area.

“(D) ADDITIONAL CONSIDERATIONS.—In making grants, making loans, and guaranteeing loans under this subsection, the Secretary shall consider whether an application was developed with the participation of community stakeholders, and will receive a substantial portion of the funding for the project from community stakeholders or other non-Federal sources.”;

(4) in subsection (c)(3)—

(A) in subparagraph (B)—

(i) by striking “and” at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting “and”; and

(iii) by adding at the end the following:

“(iii) shall be subject to a grant agreement of not less than ten years.”;

(B) in subparagraph (D)(i)—

(i) in subclause (I), by striking “(2)(A)(i)” and inserting “(2)(A)”; and

(ii) in subclause (II), by striking “any of subclauses (I) through (IV) of paragraph (2)(B)(i)” and inserting “clause (i) or (ii) of paragraph (2)(B)”; and

(C) by striking subparagraph (E) and inserting the following:

“(E) APPLICATIONS.—

“(i) GRANT-ONLY APPLICATIONS.—The Secretary shall establish an application process that permits an application for a grant-only award.

“(ii) COMBINED APPLICATIONS.—The Secretary shall establish an application process that permits—

“(I) a single application for a grant and a loan under title I or II, or this title, that is associated with the grant; and

“(II) provides a single decision to award the grant and the loan.”;

(5) in subsection (d)(2)—

(A) in subparagraph (A)—

(i) by striking “subparagraphs (B) and (C)” and inserting “subparagraph (B)”; and

(ii) by striking “is submitted—” and all that follows through “(i) not less” and inserting “is submitted not less”; and

(iii) by striking “(e); and” and all that follows and inserting “(e).”;

(B) in subparagraph (B), by striking “Subparagraph (A)(i)” and inserting “Subparagraph (A)”; and

- (C) by striking subparagraph (C);
- (6) in subsection (d), by striking paragraph (5);
- (7) by striking subsection (j) and inserting the following:
- “(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$4,500,000,000 for each of fiscal years 2022 through 2029, to remain available for 5 fiscal years after the fiscal year for which appropriated.”; and
- (8) in subsection (k), by striking “2023” and inserting “2029”.
- (b) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate rules to carry out the amendments made by subsection (a) of this section, and complete the biennial review process required by section 601(e)(2) of the Rural Electrification Act of 1936.
- (c) SUNSET.—The authorities provided by section 779 of the Consolidated Appropriations Act, 2018 (Public Law 115–141) shall have no force or effect after June 30, 2022.
- (d) TRANSITION RULES.—
- (1) AVAILABILITY OF FUNDS FOR ADMINISTRATIVE COSTS.—Not more than 1 percent of the unobligated balances of amounts made available as of June 1, 2021, to carry out the pilot program described in section 779 of the Consolidated Appropriations Act, 2018 (Public Law 115–141) may be used for the costs of transitioning from the pilot program to the program under section 601 of the Rural Electrification Act of 1936, as amended by this Act.
- (2) CONSOLIDATION OF FUNDS.—
- (A) IN GENERAL.—The unobligated balances of all amounts made available on or before June 30, 2022, to carry out the pilot program described in section 779 of the Consolidated Appropriations Act, 2018 (Public Law 115–141) that are in excess of the amount described in subparagraph (B) of this paragraph are hereby transferred to and merged with amounts made available to carry out the program authorized under section 601 of the Rural Electrification Act of 1936.
- (B) UNFUNDED APPROVALS.—The amount described in this subparagraph is the amount required to fully fund each project approved as of June 30, 2022, under the pilot program described in such section 779 for which amounts were not obligated or partially obligated as of such date.

SEC. 4. COMMUNITY CONNECT GRANTS.

Section 604(g) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb-3(g)) is amended by striking “\$50,000,000 for each of fiscal years 2019 through 2023” and inserting “\$150,000,000 for each of fiscal years 2022 through 2029, to remain available for 2 fiscal years after the fiscal year for which appropriated”.

SEC. 5. DISTANCE LEARNING AND TELEMEDICINE LOANS AND GRANTS.

Section 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa-5) is amended by striking “\$82,000,000 for each of fiscal years 2019 through 2023” and inserting “\$150,000,000 for each of fiscal years 2022 through 2029, to remain available for 2 fiscal years after the fiscal year for which appropriated”.

SEC. 6. EXPANSION OF MIDDLE MILE INFRASTRUCTURE INTO RURAL AREAS.

Section 602(g) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb-1(g)) is amended by striking “\$10,000,000 for each of fiscal years 2018 through 2023” and inserting “\$300,000,000 for each of fiscal years 2022 through 2029, to remain available for 2 fiscal years after the fiscal year for which appropriated”.

SEC. 7. BROADBAND CONNECTORS PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture shall establish a system for the dissemination of information and technical assistance on the broadband programs of the Department of Agriculture, which shall be for the use of entities eligible, such as Indian tribes and tribal organizations, to receive funds under title II or VI of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) or chapter 1 of subtitle D of title XXIII of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa et seq.).

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—To carry out subsection (a), there are authorized to be appropriated to the Secretary of Agriculture not more than \$25,000,000 for each of fiscal years 2022 through 2029, which are authorized to remain available through fiscal year 2029.

SEC. 8. COMMUNITY BROADBAND MAPPING.

Section 701 of the Rural Electrification Act of 1936 (7 U.S.C. 950cc) is amended by redesignating subsection (e) as subsection (f) and inserting after subsection (d) the following:

“(e) COMMUNITY BROADBAND MAPPING PROGRAM.—

“(1) IN GENERAL.—The Secretary may make grants to eligible entities for the purpose of collecting broadband service data to assist the Secretary in—

“(A) establishing the availability of broadband service or middle mile infrastructure in a rural area;

“(B) determining the eligibility of a community for assistance under any broadband program administered by the Secretary; or

“(C) undertaking a service area assessment under this section.

“(2) APPLICATION.—To apply for a grant under this section, an entity shall submit an application therefor which identifies—

“(A) the data collection area;

“(B) the purpose of the data collection;

“(C) the types of broadband service data to be collected;

“(D) the survey and data collection methods to be utilized; and

“(E) any other information the Secretary determines necessary to promote the integrity of broadband service data collected under this section.

“(3) LIMITATION ON GRANT AMOUNT.—The amount of a grant made under this subsection shall not exceed \$50,000.

“(4) BROADBAND SERVICE DATA USAGE.—The Secretary shall ensure that any broadband service data collected under this section is—

“(A) measured or assessed in accordance with such standards as the Secretary may establish;

“(B) accurate and verifiable in accordance with such standards as the Secretary may establish;

“(C) included in any broadband maps or data sets maintained by the Secretary; and

“(D) made available to the Chair of the Federal Communications Commission and the Administrator of the National Telecommunications and Information Administration for inclusion in any broadband maps or data sets either may maintain.

“(5) DEFINITIONS.—In this subsection:

“(A) BROADBAND SERVICE.—The term ‘broadband service’ has the meaning given the term in section 601.

“(B) BROADBAND SERVICE DATA.—

“(i) IN GENERAL.—The term ‘broadband service data’ means information related to—

“(I) the location and type of broadband service;

“(II) the location and type of broadband infrastructure;

“(III) the advertised, maximum, and average speed of broadband service;

“(IV) the average price of the most subscribed tier of broadband service;

“(V) the speed tiers of broadband service available in the area;

or

“(VI) any additional metric the Secretary deems appropriate.

“(ii) FURTHER DEFINITION.—The Secretary shall further define the term ‘broadband service data’ to ensure that data is measured and collected in a manner consistent with the reporting requirements under this section, and any broadband coordination or data-sharing obligations.

“(C) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(i) a unit of local government in a rural area;

“(ii) a tribal government or unit of tribal government;

“(iii) an economic development or other community organization;

“(iv) an eligible entity under title I or II that serves persons in rural areas;

“(v) an internet service provider that has not more than 100,000 subscribers; or

“(vi) any other entity eligible under a title VI program that is not an internet service provider.

“(D) MIDDLE MILE INFRASTRUCTURE.—The term ‘middle mile infrastructure’ has the meaning given the term in section 602.

“(E) RURAL AREA.—The term ‘rural area’ has the meaning given the term in section 601.

“(6) LIMITATION ON AMOUNT MADE AVAILABLE FOR GRANTS.—The Secretary may not expend more than 1 percent of the amounts made available under subsection (f) for each of fiscal years 2022 through 2029 to carry out this subsection.”.

SEC. 9. LIMITATIONS ON RESERVATION OF FUNDS.

Section 701(f) of the Rural Electrification Act of 1936 (7 U.S.C. 950cc(f)), as so redesignated by section 8 of this Act, is amended to read as follows:

“(f) LIMITATIONS ON RESERVATION OF FUNDS.—Not less than 3 but not more than 7 percent of the amounts appropriated to carry out title VI shall be set aside to be used—

- “(1) for administrative costs to carry out programs under title VI;
- “(2) for technical assistance and pre-development planning activities to support the most rural communities;
- “(3) to conduct oversight under title VI;
- “(4) to implement accountability measures and related activities authorized under title VI; and
- “(5) to carry out this section.”.

BRIEF EXPLANATION

This legislation amends the Rural Electrification Act by making changes to the Title VI programs and Title VII for the purpose of expanding broadband coverage and program access, and providing resources for administrative, technical, and mapping assistance.

PURPOSE AND NEED FOR LEGISLATION

Originally enacted in 1935 to bring electricity to Rural America, today the Rural Electrification Act Title VI programs play a similar role bringing broadband to Rural America. The Agriculture Improvement Act of 2018 (“2018 Farm Bill”) made a number of amendments to Title VI programs, increasing minimum build out speed requirements, establishing grant funding in the Section 601 program, and overall increasing the level of investment in United States Department of Agriculture (USDA) broadband programs. However, since passage of the 2018 Farm Bill, USDA broadband programs have been underfunded and not utilized to their full potential.

The cost estimates of connecting all of America are wide ranging, with estimates from \$60 billion to upwards of \$100 billion. Reaching 100% connectivity nationwide will require substantial investment in rural communities, which face substantial barriers to broadband access. Delivering those investments expeditiously and targeting those investments to the right communities requires the experience, expertise, and reach of USDA, whose deep roots in rural America are unique among Federal regulators.

H.R. 4374, the Broadband Internet Connections for Rural America Act (BICRAA), builds on the existing Federal broadband program expertise and infrastructure at USDA. It consolidates authorities and increases authorizations across a suite of Federal broadband programs to provide USDA with the tools necessary to bring broadband connectivity to every rural community. BICRAA closely resembles H.R. 3369, the Broadband for Rural America Act, introduced by Ranking Member Thompson on behalf of a bipartisan coalition of 43 Members of Congress, from on and off the Committee, committed to improving rural broadband.

In addition to the urgent and well documented broadband needs of rural communities, the Committee is cognizant of the less visible needs of other rural stakeholders, in particular the operators of low-flying aircraft utilized across rural landscapes. As USDA develops financing, policy and other aspects related to rural broadband development, the Committee directs the USDA to take into account existing FAA requirements for marking towers, specifically the law

requiring towers below 200 feet in rural areas be logged into a database. The Committee recognizes that it is important to protect the safety of aerial applicators, aerial firefighters, public health applicators, medevac units, law enforcement and other low-flying aircraft. This is particularly important not just for rural broadband programs specified in previous farm bill legislation, but also for the infrastructure packages under consideration in Congress.

Section 2

The Innovative Broadband Advancement Program was authorized in the 2018 Farm Bill for the purpose of demonstrating innovative broadband technologies and methods of deployment that decrease the cost of deployment and provide faster broadband speeds than are typically available in rural areas. The varied geography, topography, and demographics of Rural America pose different challenges to connectivity. The program has not yet received funding or been implemented.

H.R. 4374 increases and extends the authorization of the Innovative Broadband Advancement Program, as well as directs the Secretary to fund projects for these purposes in areas reflecting the diversity of Rural America, to ensure the program will provide insight into the most effective and efficient path forward to connectivity in every rural area.

Section 3

The ReConnect Pilot Program was enacted in the Consolidated Appropriations Act, 2018 and has since received the bulk of the funding that has been provided for USDA broadband programs. H.R. 4374 consolidates the ReConnect Pilot Program and the Section 601 Rural Broadband program. From the ReConnect Pilot Program, H.R. 4374 incorporates additional program flexibility into the Rural Broadband Program and provides sufficient funding for program administration and technical assistance. Finally, H.R. 4374 increases and extends the authorizations of the consolidated program.

Section 4

H.R. 4374 increases and extends the authorization for the existing farm bill-authorized Community Connect grant program. The Community Connect program is an important source of grant funding for unserved communities that lack traditional investment opportunities. Grant funding will be a critical resource necessary for those areas that will be hardest to connect.

Section 5

H.R. 4374 increases and extends the authorization for the Distance Learning and Telemedicine Loan and Grant program. This program addresses the lack of adequate health care resources in Rural America and expands educational opportunities by enabling health and educational institutions to buy the equipment and software necessary for distance learning and telemedicine.

Section 6

H.R. 4374 increases and extends the authorization for the Middle Mile Infrastructure program. Urgent and significant investment in

middle mile infrastructure is needed to deliver broadband to hard-to-reach communities in Rural America. Reliable and efficient middle mile infrastructure is critical for the overall health of our nationwide broadband network.

Section 7

Many rural communities lack the resources and staff able to identify the broadband needs of their communities, find financing, navigate the permitting process, or have the knowledge necessary to respond to network operational and management issues. H.R. 4374 establishes a new program which provides grants to technical service providers to operate an assistance program for rural broadband services and systems. The program follows the model of the successful Circuit Rider Program for USDA rural water programs, providing technical assistance at no cost to rural communities to determine their broadband needs, find appropriate financing, and help navigate the building, operation, and management of their network.

Section 8

Inaccurate broadband coverage maps have been a persistent barrier to achieving nationwide connectivity. Accurate maps not only determine an area's eligibility for Federal programs, but they also help pinpoint areas without coverage and inform the resources needed to achieve reliable and affordable connectivity. H.R. 4374 establishes a new program which provides grants to eligible entities for the purpose of determining program eligibility, undertaking a service area assessment, or establishment of service availability to collect data on the location of broadband infrastructure, coverage, and speeds available, and service cost.

Section 9

Section 9 consolidates technical assistance and administrative resources in Section VII of the Rural Electrification Act to ensure USDA has sufficient resources to administer Title VI programs.

H.R. 4374, THE RURAL BROADBAND INTERNET CONNECTIONS FOR RURAL AMERICA ACT

SECTION-BY-SECTION

Section 1. Short title

Section 1 provides that this Act may be cited as the "Broadband Internet Connections for Rural America Act."

Section 2. Innovative Broadband Advancement Program

Section 2 amends Section 603(e) of the Rural Electrification Act of 1936 to authorize \$300,000,000 in appropriations for each of Fiscal Years 2022 and the subsequent seven fiscal years to remain available until expended, to carry out projects in states and territories selected by the Secretary to be diverse on the basis of geography, topography, and demographics. Section 2 limits the amount that may be made available for a single project for each Fiscal Year to \$25,000,000.

Section 3. Rural Broadband Program loans and grants

Section 3 amends the section heading of Section 601 of the Rural Electrification Act to the “ReConnect Rural Broadband Program.” It removes several prioritizations listed in subsection (c)(2) excluding those requiring the Secretary to prioritize applications in areas with (1) less than 10/1 Mbps broadband service, (2) populations under 10,000, and (3) a high percentage of low-income families. It also requires the Secretary to give equal priority to an application for a project that would increase the availability of broadband in a port in a rural area. It also requires the Secretary to consider community and other non-Federal support in awarding funds. It removes requirements that, for a project to be eligible, broadband service is not provided by 3 or more incumbent service providers in any part of a proposed service territory. It also removes requirements that the Secretary provide technical assistance and training to certain eligible entities eligible to obtain grants, loans, or loan guarantees. Technical Assistance and program administration funds are moved to Section 701 of the Rural Electrification Act, detailed in Section 9 of this Act.

This section clarifies that Section 601 includes the authority for the Secretary to make grant-only awards and establishes a timeline to implement the program. It provides that the Reconnect Program, established pursuant to the Consolidated Appropriations Act, 2018, shall sunset on June 30, 2022, and 1% of unobligated funding will be reserved to implement the new ReConnect Rural Broadband Program. It provides that the Secretary shall promulgate rules within 180 days for the ReConnect Rural Broadband Program. It also provides that the ReConnect Rural Broadband Program shall be authorized to receive \$4,500,000,000 for Fiscal Year 2022 and each of the subsequent seven fiscal years.

Section 4. Community connect grants

Section 4 amends section 604(g) of the Rural Electrification Act of 1936 to authorize \$150 million in appropriations for Fiscal Years 2022 and each of the subsequent seven fiscal years.

Section 5. Distance learning and telemedicine loans and grants

Section 5 amends section 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 to authorize \$150 million in appropriations for Fiscal Years 2022 and each of the subsequent seven fiscal years.

Section 6. Expansion of middle mile infrastructure into rural areas

Section 6 amends section 602(g) of the Rural Electrification Act of 1936 to authorize \$300 million in appropriations for Fiscal Years 2022 and each of the subsequent seven fiscal years.

Section 7. Broadband connectors program

Section 7 requires the Secretary to create a system for distributing information and providing technical assistance for broadband programs administered by USDA. This section also authorizes not more than \$25 million in appropriations for Fiscal Years 2022 and each of the subsequent seven fiscal years to carry out the section.

Section 8. Community broadband mapping

Section 8 amends section 701 of the Rural Electrification Act of 1936 to provide the Secretary authority to make grants to certain entities for the purpose of collecting broadband service data to assist the Secretary in establishing the availability of broadband service in rural areas, determining community eligibility for broadband programs, and undertaking service area assessments. Individual grants are limited to \$50,000 each and total funding for the grants may not exceed 1 percent of the funds made available each fiscal year under new subsection (f).

Section 9. Limitations on reservation of funds

Section 9 makes available not less than 3 percent and not more than 7 percent of total funds appropriated to carry out Title VI of the Rural Electrification Act of 1936 for administrative costs of carrying out programs under Title VI, technical assistance and pre-development planning activities to support rural communities, to conduct oversight and implement accountability measures and related activities authorized under Title VI, and to otherwise carry out section 701 including the community broadband mapping program established in Section 8.

COMMITTEE CONSIDERATION

I. HEARING

The Committee on Agriculture held one hearing in the 117th Congress in anticipation of legislation to bolster certain broadband programs of the Department of Agriculture.

On April 20, 2021, the full Committee on Agriculture held a hearing entitled “Rural Broadband—Examining Internet Connectivity Needs and Opportunities in Rural America” where the following witnesses testified on matters included in H.R. 4374:

- Ms. Jennifer Prather, Vice-President and General Manager, Totelcom Communications, LLC, on behalf of NTCA, The Rural Broadband Association, De Leon, TX
- Mr. Tim Johnson, Chief Executive Officer, OEConnect LLC and Ostego Electric Cooperative, Inc., Hartwick, NY
- Ms. Vickie Robinson, General Manager, Microsoft Global Airband Initiative, Washington, D.C.
- Dr. Johnny Park, Chief Executive Officer, Wabash Heartland Innovation Network, West Lafayette, IN

This hearing examined internet connectivity needs and opportunities in Rural America. Members of the Committee heard testimony about building, expanding, and maintaining broadband networks in rural areas and discussed expansion efforts, challenges, and Federal programs.

II. FULL COMMITTEE

On July 14, 2021, the Committee on Agriculture met pursuant to notice, with a quorum present, to consider H.R. 4374, the Broadband Internet Connections for Rural America Act. Chairman Scott made an opening statement as did Ranking Member Thompson. Chairman Scott requested other Members submit their opening statements for the record. Without objection, the Broadband

Internet Connections for Rural America Act was placed before the Committee for consideration, a first reading of the bill was waived and it was opened for amendment at any point.

Chairman Scott offered an amendment in the nature of a substitute, and without objection, the reading of the amendment was waived and the substitute was considered as original text for the purposes of further amendment. Discussion occurred and counsel for the Committee and USDA answered Member questions. Chairman Scott recognized Ms. Plaskett to offer an amendment adding small ports in rural areas to the priority list for applications to the Agriculture Department's Rural Utility Service ReConnect Rural Broadband program. After discussion, the amendment passed by a voice vote.

There being no further amendments, a voice vote was conducted and the amendment in the nature of a substitute was approved. Mr. Thompson moved that H.R. 4374, as amended, be reported favorably to the House with an amendment in the nature of a substitute consisting of the amendments agreed to in the markup and with the recommendation that the amendment be agreed to and the bill pass. The motion was subsequently approved by voice vote.

At the conclusion of the meeting, Chairman Scott advised Members that pursuant to the rules of the House of Representatives, Members had until July 16, 2021 to file any supplemental, additional, dissenting, or minority views with the Committee. Without objection, staff was given permission to make any necessary technical, clarifying, or conforming changes to reflect the intent of the Committee. Chairman Scott thanked all the Members and adjourned the meeting.

COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the House of Representatives, H.R. 4374 was reported by voice vote with a majority quorum present. There was no request for a recorded vote.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, the Committee report incorporates the cost estimate prepared by the Direction of the Congressional Office pursuant to sections 402 and 423 of the Congressional Budget Act of 1974.

COST OF LEGISLATION AND THE CONGRESSIONAL BUDGET ACT

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of Congressional Budget Office. The Committee adopts as its own cost estimate the forthcoming cost estimate of the Director of the Congressional Budget Office, should such cost estimate be made available before House passage of the bill.

The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

Congressional Budget Office staff has informed the Committee on a preliminary, informal, nonbinding basis that the bill will not affect revenues and direct spending but will affect discretionary spending in fiscal year 2021 or in each of the five fiscal years following that fiscal year.

CONSTITUTIONAL AUTHORITY STATEMENT

The Committee finds the Constitutional authority for this legislation in Article I, section 8, clause 18, that grants Congress the power to make all laws necessary and proper for carrying out the powers vested by Congress in the consideration of the United States or in any department or officer thereof. The Committee further finds the Constitutional authority for this legislation in Article I, section 8, clause 3, that grants Congress the authority to regulate foreign and interstate commerce.

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the House of Representatives, the performance goals and objectives of this measure are to bolster certain rural broadband programs of the Department of Agriculture.

ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

FEDERAL MANDATES STATEMENT

An estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chair of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

EARMARK STATEMENT

This measure does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the House of Representatives.

DUPLICATION OF FEDERAL PROGRAMS

This measure does not establish or reauthorize a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that H.R. 4374 includes the following rule makings within the meaning of 5 U.S.C. 551:

- Sec. 3 requires the Secretary to promulgate rules to carry out the amendments made by subsection (a) of Section 3 of this Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

RURAL ELECTRIFICATION ACT OF 1936

* * * * *

TITLE VI—RURAL BROADBAND ACCESS

SEC. 601. [ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS] RECONNECT RURAL BROADBAND PROGRAM.

[(a) PURPOSE.—The purpose of this section is to provide grants, provide loans, and provide loan guarantees to provide funds for the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas.**]**

(a) ESTABLISHMENT; PURPOSE.—The Secretary shall establish a program, which shall be known as the “ReConnect Rural Broadband Program”, to provide grants, loans, and loan guarantees to finance the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas.

(b) DEFINITIONS.—In this section:

(1) BROADBAND SERVICE.—The term “broadband service” means any technology identified by the Secretary as having the capacity to transmit data to enable a subscriber to the service to originate and receive high-quality voice, data, graphics, and video.

(2) INCUMBENT SERVICE PROVIDER.—The term “incumbent service provider”, with respect to an application submitted under this section, means an entity that, as of the date of submission of the application, is providing broadband service to not less than 5 percent of the households in the service territory proposed in the application.

(3) RURAL AREA.—

(A) IN GENERAL.—The term “rural area” means any area other than—

(i) an area described in clause (i) or (ii) of section 343(a)(13)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)(A)); and

(ii) in the case of a grant or direct loan, a city, town, or incorporated area that has a population of greater than 20,000 inhabitants.

(B) URBAN AREA GROWTH.—The Secretary may, by regulation only, consider an area described in section 343(a)(13)(F)(i)(I) of that Act to not be a rural area for purposes of this section.

(C) EXCLUSION OF CERTAIN POPULATIONS.—Such term does not include any population described in subparagraph (H) or (I) of section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)).

(c) GRANTS, LOANS, AND LOAN GUARANTEES.—

(1) IN GENERAL.—The Secretary shall make grants, shall make loans, and shall guarantee loans to eligible entities described in subsection (d) to provide funds for the construction, improvement, or acquisition of facilities and equipment for the provision of broadband service in rural areas.

(2) PRIORITY.—

[(A) IN GENERAL.—In making grants, making loans, and guaranteeing loans under paragraph (1), the Secretary shall—

[(i) give the highest priority to applications for projects to provide broadband service to unserved rural communities that do not have any residential broadband service of at least—

[(I) a 10-Mbps downstream transmission capacity; and

[(II) a 1-Mbps upstream transmission capacity;

[(ii) give priority to applications for projects to provide the maximum level of broadband service to the greatest proportion of rural households in the proposed service area identified in the application;

[(iii) provide equal consideration to all eligible entities, including those that have not previously received grants, loans, or loan guarantees under paragraph (1); and

[(iv) with respect to 2 or more applications that are given the same priority under clause (i), give priority to an application that requests less grant funding than loan funding.

[(B) OTHER.—After giving priority to the applications described in clauses (i) and (ii) of subparagraph (A), the Secretary shall then give priority to applications—

[(i) for projects to provide broadband service to rural communities—

[(I) with a population of less than 10,000 permanent residents;

[(II) that are experiencing outmigration and have adopted a strategic community investment

plan under section 379H(d) that includes considerations for improving and expanding broadband service;

[(III) with a high percentage of low income families or persons (as defined in section 501(b) of the Housing Act of 1949 (42 U.S.C. 1471(b));

[(IV) that are isolated from other significant population centers; or

[(V) that provide rapid and expanded deployment of fixed and mobile broadband on cropland and rangeland within a service territory for use in various applications of precision agriculture; and

[(ii) that were developed with the participation of, and will receive a substantial portion of the funding for the project from, 2 or more stakeholders, including—

[(I) State, local, and tribal governments;

[(II) nonprofit institutions;

[(III) community anchor institutions, such as—

[(aa) public libraries;

[(bb) elementary schools and secondary schools (as defined in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801));

[(cc) institutions of higher education; and

[(dd) health care facilities;

[(IV) private entities;

[(V) philanthropic organizations; and

[(VI) cooperatives.]

(A) *IN GENERAL.*—*In making grants, making loans, and guaranteeing loans under paragraph (1), the Secretary shall give the highest priority to applications for projects to provide broadband service to unserved rural communities that do not have any residential broadband service of at least—*

(i) a 10-Mbps downstream transmission capacity; and

(ii) a 1-Mbps upstream transmission capacity.

(B) *OTHER.*—*After giving priority to the applications described in clauses (i) and (ii) of subparagraph (A), the Secretary shall then give priority to applications for projects to provide broadband service to rural communities—*

(i) with a population of less than 10,000 inhabitants;

or

(ii) with a high percentage of low income families or persons (as defined in section 501(b) of the Housing Act of 1949).

(C) *PORTS IN RURAL AREAS PRIORITY.*—

(i) DEFINITION OF PORT.—*In this subparagraph, the term “port” means—*

(I) any port on the navigable waters of the United States, including territories;

(II) any harbor, marine terminal, or other shore side facility used principally for the movement of goods on inland waters; and

(III) any port formed in accordance with applicable State or territory law.

(ii) PRIORITY.—In addition to the priority given under subparagraph (B), the Secretary shall give equal priority to an application for a project that would increase the availability of broadband service in a port in a rural area.

(D) ADDITIONAL CONSIDERATIONS.—In making grants, making loans, and guaranteeing loans under this subsection, the Secretary shall consider whether an application was developed with the participation of community stakeholders, and will receive a substantial portion of the funding for the project from community stakeholders or other non-Federal sources.

(3) GRANT AMOUNTS.—

(A) DEFINITION OF DEVELOPMENT COSTS.—In this paragraph, the term “development costs” means costs of—

- (i) construction, including labor and materials;
- (ii) project applications; and
- (iii) other development activities, as determined by the Secretary.

(B) ELIGIBILITY.—To be eligible for a grant under this section, in addition to the requirements of subsection (d), the project that is the subject of the grant shall—

- (i) be carried out in a proposed service territory in which not less than 90 percent of the households are unserved; **and**
- (ii) not concurrently receive any other broadband grant administered by the Rural Utilities Service**;**
and
- (iii) *shall be subject to a grant agreement of not less than ten years.*

(C) MAXIMUM.—Except as provided in subparagraph (D), the amount of any grant made under this section shall not exceed—

- (i) 75 percent of the total project cost with respect to an area with a density of fewer than 7 people per square mile;
- (ii) 50 percent of the total project cost with respect to an area with a density of 7 or more and fewer than 12 people per square mile; and
- (iii) 25 percent of the total project cost with respect to an area with a density of 12 or more and 20 or fewer people per square mile.

(D) SECRETARIAL AUTHORITY TO ADJUST.—The Secretary may—

(i) make grants of up to 75 percent of the development costs of the project for which the grant is provided to an eligible entity if the Secretary determines that the project serves—

(I) an area of rural households described in paragraph **[(2)(A)(i)] (2)(A)**; or

(II) a rural community described in **[any of subclauses (I) through (IV) of paragraph (2)(B)(i)] clause (i) or (ii) of paragraph (2)(B)**; and

(ii) make modifications of the density thresholds described in subparagraph (C), in order to ensure that funds provided under this section are best utilized to provide broadband service in communities that are the most rural in character.

[(E) APPLICATIONS.—The Secretary shall establish an application process for grants under this section that—

[(i) permits a single application for a grant and a loan under title I, II, or this title that is associated with such grant; and

[(ii) provides a single decision to award such grant and such loan.]

(E) APPLICATIONS.—

(i) GRANT-ONLY APPLICATIONS.—*The Secretary shall establish an application process that permits an application for a grant-only award.*

(ii) COMBINED APPLICATIONS.—*The Secretary shall establish an application process that permits—*

(I) a single application for a grant and a loan under title I or II, or this title, that is associated with the grant; and

(II) provides a single decision to award the grant and the loan.

(F) DENSITY DETERMINATIONS.—When determining population density under this section, the Secretary shall prescribe a calculation method which—

(i) utilizes publicly available data; and

(ii) includes only those areas in which the applicant is able to meet the service requirements under this section, as determined by the Secretary.

(4) FEES.—In the case of loan guarantees issued or modified under this section, the Secretary shall charge and collect from the lender fees in such amounts as to bring down the costs of subsidies for guaranteed loans, except that such fees shall not act as a bar to participation in the programs nor be inconsistent with current practices in the marketplace.

(d) ELIGIBILITY.—

(1) ELIGIBLE ENTITIES.—

(A) IN GENERAL.—To be eligible to obtain a grant, loan, or loan guarantee under this section, an entity shall—

(i) demonstrate the ability to furnish or improve service in order to meet the broadband buildout requirements established under subsection (e)(4) in all or part of an unserved or underserved rural area;

(ii) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require; and

(iii) agree to complete buildout of the broadband infrastructure described in the application by not later than 5 years after the initial date on which assistance under this section is made available.

(B) LIMITATION.—An eligible entity that provides telecommunications or broadband service to at least 20 percent of the households in the United States may not receive an amount of funds under this section for a fiscal

year in excess of 15 percent of the funds authorized and appropriated under subsection (j) for the fiscal year.

(2) ELIGIBLE PROJECTS.—

(A) IN GENERAL.—Except as provided in [subparagraphs (B) and (C)] *subparagraph (B)*, assistance under this section may be used to carry out a project in a proposed service territory only if, as of the date on which the application of the eligible entity [is submitted—

[(i) not less] *is submitted not less* than 50 percent (in the case of loans or loan guarantees provided in accordance with subsection (g)(1)(A)) of the households in the proposed service territory are unserved or have service levels below the minimum acceptable level of fixed broadband service, whether terrestrial or wireless, established under subsection [(e); and]

[(ii) broadband service is not provided in any part of the proposed service territory by 3 or more incumbent service providers.] *(e)*.

(B) EXCEPTION TO PERCENT REQUIREMENT.—[Subparagraph (A)(i)] *Subparagraph (A)* shall not apply to the proposed service territory of a project if a loan or loan guarantee has been made under this section to the applicant to provide broadband service in the proposed service territory.

[(C) EXCEPTION TO INCUMBENT SERVICE PROVIDER REQUIREMENT.—

[(i) IN GENERAL.—Except as provided in clause (ii), subparagraph (A)(ii) shall not apply to an incumbent service provider in the portion of a proposed service territory in which the provider is upgrading broadband service to meet the minimum acceptable level of broadband service established under subsection (e) for the existing territory of the incumbent service provider.

[(ii) EXCEPTION.—Clause (i) shall not apply if the applicant is eligible for funding under another title of this Act.]

(3) EQUITY AND MARKET SURVEY REQUIREMENTS.—

(A) IN GENERAL.—The Secretary may require an entity to provide a cost share in an amount not to exceed 10 percent of the amount of the grant, loan, or loan guarantee requested in the application of the entity, unless the Secretary determines that a higher percentage is required for financial feasibility.

(B) MARKET SURVEY.—

(i) IN GENERAL.—The Secretary may require an entity that proposes to have a subscriber projection of more than 20 percent of the broadband service market in a rural area to submit to the Secretary a market survey.

(ii) LESS THAN 20 PERCENT.—The Secretary may not require an entity that proposes to have a subscriber projection of less than 20 percent of the broadband service market in a rural area to submit to the Secretary a market survey.

(iii) INFORMATION.—Information submitted under this subparagraph shall be—

(I) certified by the affected community, city, county, or designee; or

(II) demonstrated on—

(aa) the broadband map of the affected State if the map contains address-level data; or

(bb) the National Broadband Map if address-level data is unavailable.

(4) STATE AND LOCAL GOVERNMENTS AND INDIAN TRIBES.—Subject to paragraph (1), a State or local government (including any agency, subdivision, or instrumentality thereof (including consortia thereof)) and an Indian tribe shall be eligible for assistance under this section to provide broadband services to a rural area.

[(5) TECHNICAL ASSISTANCE AND TRAINING.—

[(A) IN GENERAL.—The Secretary may provide to eligible entities described in paragraph (1) that are applying for assistance under this section for a project described in subsection (c)(2)(A)(i) technical assistance and training—

[(i) to prepare reports and surveys necessary to request grants, loans, and loan guarantees under this section for broadband deployment;

[(ii) to improve management, including financial management, relating to the proposed broadband deployment;

[(iii) to prepare applications for grants, loans, and loan guarantees under this section; or

[(iv) to assist with other areas of need identified by the Secretary.

[(B) FUNDING.—Not less than 3 percent and not more than 5 percent of amounts appropriated to carry out this section for a fiscal year shall be used for technical assistance and training under this paragraph.]

(e) BROADBAND SERVICE.—

(1) IN GENERAL.—Subject to paragraph (2), for purposes of this section, the minimum acceptable level of broadband service for a rural area shall be at least—

(A) a 25-Mbps downstream transmission capacity; and

(B) a 3-Mbps upstream transmission capacity.

(2) ADJUSTMENTS.—At least once every 2 years, the Secretary shall review, and may adjust through notice published in the Federal Register, the minimum acceptable level of broadband service established under paragraph (1) and broadband buildout requirements under paragraph (4) to ensure that high quality, cost-effective broadband service is provided to rural areas over time.

(3) PROHIBITION.—The Secretary shall not establish requirements for bandwidth or speed that have the effect of precluding the use of evolving technologies appropriate for rural areas.

(4) BROADBAND BUILDOUT REQUIREMENTS.—

(A) IN GENERAL.—The term “broadband buildout requirement” means the level of internet service an applicant re-

ceiving assistance under this section must agree, at the time the application is finalized, to provide for the duration of any project-related agreement between the applicant and the Department.

(B) BROADBAND BUILDOUT REQUIREMENTS FURTHER DEFINED.—Subject to subparagraph (C), the Secretary shall establish broadband buildout requirements for projects with agreement lengths of—

- (i) 5 to 10 years;
- (ii) 11 to 15 years;
- (iii) 16 to 20 years; and
- (iv) more than 20 years.

(C) REQUIREMENTS.—In establishing the broadband buildout requirements under subparagraph (B), the Secretary shall—

- (i) utilize the same metrics used to define the minimum acceptable level of broadband service under paragraph (1);
- (ii) establish such requirements to reasonably ensure—

(I) the repayment of all loans and loan guarantees; and

(II) the financed network is technically capable of providing broadband service for the lifetime of any project-related agreement.

(D) SUBSTITUTE SERVICE STANDARDS FOR UNIQUE SERVICE TERRITORIES.—If an applicant shows that it would be cost prohibitive to meet the broadband buildout requirements established under this paragraph for the entirety of a proposed service territory due to the unique characteristics of the proposed service territory, the Secretary and the applicant may agree to utilize substitute standards for any unserved portion of the project. Any substitute service standards should continue to consider the best technology available to meet the needs of the residents in the unserved area.

(f) TECHNOLOGICAL NEUTRALITY.—For purposes of determining whether to provide assistance for a project under this section, the Secretary shall use criteria that are technologically neutral.

(g) TERMS AND CONDITIONS FOR LOANS AND LOAN GUARANTEES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a loan or loan guarantee under this section shall—

(A) bear interest at an annual rate of, as determined by the Secretary—

(i) in the case of a direct loan, a rate equivalent to—

(I) the cost of borrowing to the Department of the Treasury for obligations of comparable maturity; or

(II) 4 percent; and

(ii) in the case of a guaranteed loan, the current applicable market rate for a loan of comparable maturity; and

(B) have a term of such length, not exceeding 35 years, as the borrower may request, if the Secretary determines that the loan is adequately secured.

(2) RECURRING REVENUE.—The Secretary shall consider the existing recurring revenues of the entity at the time of application in determining an adequate level of credit support.

(h) ADEQUACY OF SECURITY.—

(1) IN GENERAL.—The Secretary shall ensure that the type and amount of, and method of security used to secure, any loan or loan guarantee under this section is commensurate to the risk involved with the loan or loan guarantee, particularly in any case in which the loan or loan guarantee is issued to a financially strong and stable entity, as determined by the Secretary.

(2) DETERMINATION OF AMOUNT AND METHOD OF SECURITY.—In determining the amount of, and method of security used to secure, a loan or loan guarantee under this section, the Secretary shall consider reducing the security in a rural area that does not have broadband service.

(i) PAYMENT ASSISTANCE FOR CERTAIN LOAN AND GRANT RECIPIENTS.—

(1) USE OF GRANT FUNDS.—The Secretary may use the funds appropriated for a grant under this title for the cost (as defined by section 502 of the Congressional Budget Act of 1974) of providing assistance under paragraph (2).

(2) PAYMENT ASSISTANCE.—When providing a grant under this title, the Secretary, at the sole discretion of the Secretary, may make—

(A) a subsidized loan, which shall bear a reduced interest rate at such a rate as the Secretary determines appropriate to meet the objectives of the program; or

(B) a payment assistance loan, which shall—

(i) require no interest and principal payments while the borrower is—

(I) in material compliance with the loan agreement; and

(II) meeting the milestones and objectives of the project agreed to under paragraph (3); and

(ii) require such nominal periodic payments as the Secretary determines to be appropriate.

(3) AGREEMENT ON MILESTONES AND OBJECTIVES.—With respect to payment assistance provided under paragraph (2), before entering into the agreement under which the payment assistance will be provided, the applicant and the Secretary shall agree to milestones and objectives of the project.

(4) AMENDMENT OF MILESTONES AND OBJECTIVES.—The Secretary and the applicant may jointly agree to amend the milestones and objectives agreed to under paragraph (3).

(5) CONSIDERATIONS.—When deciding to utilize the payment assistance authority under paragraph (2) the Secretary shall consider whether or not the payment assistance will—

(A) improve the compliance of the grantee with any commitments made through the grant agreement;

(B) promote the completion of the broadband project;

(C) protect taxpayer resources; and

(D) support the integrity of the broadband programs administered by the Secretary.

(6) LIMITATIONS ON PAYMENT ASSISTANCE.—The Secretary may not make a payment assistance loan under paragraph (2)(B) to an entity receiving a grant under this section that is also the recipient of a loan under title I or II that is associated with such grant.

(j) FUNDING.—

[(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$350,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.

[(2) ALLOCATION OF FUNDS.—

[(A) IN GENERAL.—From amounts made available for each fiscal year under this subsection, the Secretary shall—

[(i) establish a national reserve for loans and loan guarantees to eligible entities in States under this section; and

[(ii) allocate amounts in the reserve to each State for each fiscal year for loans and loan guarantees to eligible entities in the State.

[(B) AMOUNT.—The amount of an allocation made to a State for a fiscal year under subparagraph (A) shall bear the same ratio to the amount of allocations made for all States for the fiscal year as—

[(i) the number of communities with a population of 2,500 inhabitants or less in the State; bears to

[(ii) the number of communities with a population of 2,500 inhabitants or less in all States.

[(C) UNOBLIGATED AMOUNTS.—Any amounts in the reserve established for a State for a fiscal year under subparagraph (B) that are not obligated by April 1 of the fiscal year shall be available to the Secretary to make loans and loan guarantees under this section to eligible entities in any State, as determined by the Secretary.]

(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$4,500,000,000 for each of fiscal years 2022 through 2029, to remain available for 5 fiscal years after the fiscal year for which appropriated.

(k) TERMINATION OF AUTHORITY.—No grant, or loan, or loan guarantee may be made under this section after September 30, **[2023] 2029.**

SEC. 602. EXPANSION OF MIDDLE MILE INFRASTRUCTURE INTO RURAL AREAS.

(a) PURPOSE.—The purpose of this section is to encourage the expansion and extension of middle mile broadband infrastructure to connect underserved rural areas to the backbone of the Internet.

(b) MIDDLE MILE INFRASTRUCTURE.—For the purposes of this section, the term “middle mile infrastructure” means any broadband infrastructure that does not connect directly to end-user locations (including anchor institutions) and may include interoffice transport, backhaul, Internet connectivity, data centers, or special access transport to rural areas.

(c) GRANTS, LOANS, AND LOAN GUARANTEES.—The Secretary shall make grants, loans, and loan guarantees to eligible applicants de-

scribed in subsection (d) to provide funds for the construction, improvement, or acquisition of middle mile infrastructure to serve rural areas.

(d) ELIGIBILITY.—

(1) ELIGIBLE APPLICANTS.—

(A) IN GENERAL.—To be eligible to obtain assistance under this section, an eligible entity shall—

(i) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require;

(ii) agree to complete build-out of the middle mile infrastructure described in the application by not later than 5 years after the initial date on which proceeds from the assistance provided under this section are made available; and

(iii) submit to the Secretary a plan to ensure the viability of the project by—

(I) connecting, assisting with connecting, or enabling the connection of retail broadband systems that serve rural areas within the proposed service territory to the middle mile infrastructure project in an affordable and economically competitive manner;

(II) leasing or selling sufficient capacity prior to project approval; and

(III) complying with any other requirements imposed by the Secretary.

(B) ADDITIONAL END USER BROADBAND PROGRAMS.—Entities that receive assistance to construct, improve, or acquire middle mile infrastructure under this section shall be eligible to apply for additional funds under this title to provide for retail broadband service to end users.

(2) ELIGIBLE SERVICE TERRITORIES.—The proceeds of assistance provided under this section may be used to carry out a project in a proposed service territory only if, as of the date the application for assistance under this section is submitted, there is not adequate middle mile infrastructure available to support broadband service for eligible rural communities that would be provided access to the middle mile infrastructure.

(3) ELIGIBLE PROJECTS.—A project shall be eligible for assistance under this section if at the time of the application—

(A) at least 75 percent of the interconnection points serve such eligible rural areas; and

(B) the Secretary determines that the proposed middle mile network will be capable of supporting retail broadband service meeting the maximum broadband build-out requirement established under section 601(e)(4) for the residents within the proposed service territory.

(e) LIMITATION ON GRANTS.—In making grants under this section, the Secretary shall—

(1) not provide any grant in excess of 20 percent of the total project cost; and

(2) provide grants only to those projects which serve rural areas where population density or geographic characteristics

make it infeasible to construct middle mile broadband systems without grant assistance.

(f) **TERMS, CONDITIONS, AND ADEQUACY OF SECURITY.**—All loans and loan guarantees provided under this section shall be made subject to such terms, conditions, and adequacy of security requirements as may be imposed by the Secretary. If the middle mile infrastructure would not provide adequate security due to long-term leasing arrangements, the Secretary shall require substitute security in such form and substance as are acceptable to the Secretary.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section ~~【\$10,000,000 for each of fiscal years 2018 through 2023】~~ *\$300,000,000 for each of fiscal years 2022 through 2029, to remain available for 2 fiscal years after the fiscal year for which appropriated.*

SEC. 603. INNOVATIVE BROADBAND ADVANCEMENT PROGRAM.

(a) **IN GENERAL.**—The Secretary shall establish a program to be known as the “Innovative Broadband Advancement Program”, under which the Secretary may provide a grant, a loan, or both to an eligible entity for the purpose of demonstrating innovative broadband technologies or methods of broadband deployment that significantly decrease the cost of broadband deployment, and provide substantially faster broadband speeds than are available, in a rural area.

(b) **RURAL AREA.**—In this section, the term “rural area” has the meaning provided in section 601(b)(3).

(c) **ELIGIBILITY.**—To be eligible to obtain assistance under this section for a project, an entity shall—

(1) submit to the Secretary an application—

(A) that describes a project designed to decrease the cost of broadband deployment, and substantially increase broadband speed to not less than the maximum broadband buildout requirements established under section 601(e)(4), in a rural area to be served by the project; and

(B) at such time, in such manner, and containing such other information as the Secretary may require;

(2) demonstrate that the entity is able to carry out the project; and

(3) agree to complete the project build-out within 5 years after the date the assistance is first provided for the project.

(d) **PRIORITIZATION.**—In awarding assistance under this section, the Secretary shall give priority to proposals for projects that—

(1) involve partnerships between or among multiple entities;

(2) would provide broadband service to the greatest number of rural entities at or above the broadband requirements referred to in subsection (c)(1)(A); and

(3) the Secretary determines could be replicated in rural areas described in paragraph (2).

【(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.**】**

(e) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—*There is authorized to be appropriated to the Secretary \$300,000,000 for each of fiscal years 2022 through 2029, to remain available until expended, to carry out projects*

in States and territories selected by the Secretary to be diverse on the basis of geography, topography, and demographics.

(2) *LIMITATION.—Not more than \$25,000,000 of the amounts made available under paragraph (1) for each fiscal year may be provided for a single project.*

SEC. 604. COMMUNITY CONNECT GRANT PROGRAM.

(a) **DEFINITIONS.**—In this section:

(1) **ELIGIBLE BROADBAND SERVICE.**—The term “eligible broadband service” means broadband service that has the capability to transmit data at a speed specified by the Secretary, which may not be less than the applicable minimum download and upload speeds established by the Federal Communications Commission in defining the term “advanced telecommunications capability” for purposes of section 706 of the Telecommunications Act of 1996 (47 U.S.C. 1302).

(2) **ELIGIBLE SERVICE AREA.**—The term “eligible service area” means an area in which broadband service capacity is less than—

- (A) a 10-Mbps downstream transmission capacity; and
- (B) a 1-Mbps upstream transmission capacity.

(3) **ELIGIBLE ENTITY.**—

(A) **IN GENERAL.**—The term “eligible entity” means a legally organized entity that—

(i) is—

- (I) an incorporated organization;
- (II) an Indian Tribe or Tribal organization;
- (III) a State;
- (IV) a unit of local government; or
- (V) any other legal entity, including a cooperative, a private corporation, or a limited liability company, that is organized on a for-profit or a not-for-profit basis; and

(ii) has the legal capacity and authority to enter into a contract, to comply with applicable Federal laws, and to own and operate broadband facilities, as proposed in the application submitted by the entity for a grant under the Program.

(B) **EXCLUSIONS.**—The term “eligible entity” does not include—

- (i) an individual; or
- (ii) a partnership.

(4) **RURAL AREA.**—The term “rural area” has the meaning given the term in section 601(b)(3)(A).

(b) **ESTABLISHMENT.**—The Secretary shall establish a program, to be known as the “Community Connect Grant Program”, to provide grants to eligible entities to finance broadband transmission in rural areas.

(c) **ELIGIBLE PROJECTS.**—An eligible entity that receives a grant under the Program shall use the grant to carry out a project that—

(1) provides eligible broadband service to, within the proposed eligible service area described in the application submitted by the eligible entity—

- (A) each essential community facility as defined pursuant to section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)); and

- (B) any required facilities necessary to offer that eligible broadband service to each residential and business customer within such proposed eligible service area; and
- (2) for not less than 2 years—
- (A) furnishes free eligible broadband service to a community center described in subsection (d)(1)(B);
- (B) provides not fewer than 2 computer access points for that free eligible broadband service; and
- (C) covers the cost of bandwidth to provide free eligible broadband service to each essential community facility that requests broadband services within the proposed eligible service area described in the application submitted by the eligible entity.
- (d) USES OF GRANT FUNDS.—
- (1) IN GENERAL.—An eligible entity that receives a grant under the Program may use the grant for—
- (A) the construction, acquisition, or leasing of facilities (including spectrum), land, or buildings to deploy eligible broadband service; and
- (B) the improvement, expansion, construction, or acquisition of a community center within the proposed eligible service area described in the application submitted by the eligible entity.
- (2) INELIGIBLE USES.—An eligible entity that receives a grant under the Program shall not use the grant for—
- (A) the duplication of any existing eligible broadband service provided by another entity in the eligible service area; or
- (B) operating expenses, except as provided in—
- (i) subsection (c)(2)(C) with respect to free eligible broadband service; and
- (ii) paragraph (1)(A) with respect to spectrum.
- (3) FREE ACCESS FOR COMMUNITY CENTERS.—Of the amounts provided to an eligible entity under a grant under the Program, the eligible entity shall use to carry out paragraph (1)(B) not greater than the lesser of—
- (A) 10 percent; and
- (B) \$150,000.
- (e) MATCHING FUNDS.—
- (1) IN GENERAL.—An eligible entity that receives a grant under the Program shall provide a cash contribution in an amount that is not less than 15 percent of the amount of the grant.
- (2) REQUIREMENTS.—A cash contribution described in paragraph (1)—
- (A) shall be used solely for the project for which the eligible entity receives a grant under the Program; and
- (B) shall not include any Federal funds, unless a Federal statute specifically provides that those Federal funds may be considered to be from a non-Federal source.
- (f) APPLICATIONS.—
- (1) IN GENERAL.—To be eligible to receive a grant under the Program, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) REQUIREMENT.—An application submitted by an eligible entity under paragraph (1) shall include documentation sufficient to demonstrate the availability of funds to satisfy the requirement of subsection (e).

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section ~~【\$50,000,000 for each of fiscal years 2019 through 2023】~~ *\$150,000,000 for each of fiscal years 2022 through 2029, to remain available for 2 fiscal years after the fiscal year for which appropriated.*

* * * * *

TITLE VII—GENERAL AND ADMINISTRATIVE PROVISIONS

SEC. 701. PUBLIC NOTICE, ASSESSMENTS, AND REPORTING REQUIREMENTS.

(a) NOTICE REQUIREMENTS.—The Secretary shall promptly make available to the public, a fully searchable database on the website of the Rural Utilities Service that contains information on all retail broadband projects provided assistance or for which assistance is sought that are administered by the Secretary, including, at a minimum—

(1) notice of each application for assistance describing the application, including—

- (A) the identity of the applicant;
- (B) a description of each application, including—
 - (i) a map of the proposed service area of the applicant; and
 - (ii) the amount and type of support requested by each applicant;
- (C) the status of each application; and
- (D) the estimated number and proportion of service points in the proposed service territory without fixed broadband service, whether terrestrial or wireless;

(2) notice of each entity receiving assistance administered by the Secretary, including—

- (A) the name of the entity;
- (B) the type of assistance being received;
- (C) the purpose for which the entity is receiving the assistance; and
- (D) each annual report submitted under subsection (c) (redacted to protect any proprietary information in the report); and

(3) such other information as is sufficient to allow the public to understand assistance provided.

(b) SERVICE AREA ASSESSMENT.—

(1) IN GENERAL.—The Secretary shall, with respect to a retail broadband application for assistance, which is outside an area in which the applicant receives Federal universal service support—

- (A) after giving notice required by subsection (a)(1), afford service providers not less than 45 days to voluntarily submit information required by the Secretary onto the agency’s online mapping tool with respect to areas that are

coterminous with the proposed service area of the application (or any parts thereof), such that the Secretary may assess whether the application submitted meets the eligibility requirements under this title; and

(B) if no broadband service provider submits information under paragraph (1), consider the number of providers in the proposed service area to be established by using any other data regarding the availability of broadband service that the Secretary may collect or obtain through reasonable efforts.

(2) ASSESSMENT OF UNSERVED COMMUNITIES.—In the case of an application given the highest priority under section 601(c)(2)(A)(i), the Secretary shall confirm that each unserved rural community identified in the application is eligible for funding by—

(A) conferring with, and obtaining data from, the Chair of the Federal Communications Commission and the Administrator of the National Telecommunications and Information Administration with respect to the service level in the service area proposed in the application;

(B) reviewing any other source that is relevant to service data validation, as determined by the Secretary; and

(C) performing site-specific testing to verify the unavailability of any retail broadband service.

(3) FOIA EXEMPTION.—For purposes of section 552 of title 5, United States Code, information received by the Secretary pursuant to paragraph (1)(A) of this subsection shall be exempt from disclosure pursuant to subsection (b)(2)(B) of such section 552.

(c) REPORTING BROADBAND IMPROVEMENTS TO USDA.—

(1) IN GENERAL.—The Secretary shall require any entity receiving assistance for a project which provides retail broadband service to submit an annual report for 3 years after completion of the project, in a format specified by the Secretary, that describes—

(A) the use by the entity of the assistance, including new equipment and capacity enhancements that support high-speed broadband access for educational institutions, health care providers, and public safety service providers (including the estimated number of end users who are currently using or forecasted to use the new or upgraded infrastructure); and

(B) the progress towards fulfilling the objectives for which the assistance was granted, including—

(i) the number of service points that will receive new broadband service, existing network service improvements, and facility upgrades resulting from the Federal assistance;

(ii) the speed of broadband service;

(iii) the average price of the most subscribed tier of broadband service in a proposed service area;

(iv) new subscribers generated from the project; and

(v) any metrics the Secretary determines to be appropriate.

(2) ADDITIONAL REPORTING.—

(A) BROADBAND BUILDOUT DATA.—As a condition of receiving assistance under section 601, a recipient of assistance shall provide to the Secretary complete, reliable, and precise geolocation information that indicates the location of new broadband service that is being provided or upgraded within the service territory supported by the grant, loan, or loan guarantee not later than 30 days after the earlier of—

- (i) the date of completion of any project milestone established by the Secretary; or
- (ii) the date of completion of the project.

(B) REPORTING FOR MIDDLE MILE PROJECTS.—The Secretary shall require any entity receiving assistance under section 602 to submit a semiannual report for 5 years after completion of the project, in a format specified by the Secretary, that describes—

- (i) the use by the entity of the assistance to construct, improve, or acquire middle mile infrastructure;
- (ii) the progress towards meeting the end-user connection plan submitted under section 602(d)(1)(A)(iii); and
- (iii) any additional metrics the Secretary determines to be appropriate.

(C) ADDITIONAL REPORTING.—The Secretary may require any additional reporting and information by any recipient of any broadband assistance under this act so as to ensure compliance with this section.

(d) ANNUAL REPORT ON BROADBAND PROJECTS AND SERVICE TO CONGRESS.—Each year, the Secretary shall submit to the Congress a report that describes the extent of participation in the broadband assistance programs administered by the Secretary for the preceding fiscal year, including a description of—

- (1) the number of applications received and accepted, including any special loan terms or conditions for which the Secretary provided additional assistance to unserved areas;
- (2)(A) the communities proposed to be served in each application submitted for the fiscal year; and
- (B) the communities served by projects funded by broadband assistance programs;
- (3) the period of time required to approve each loan application under broadband programs;
- (4) any outreach activities carried out by the Secretary to encourage entities in rural areas without broadband service to submit applications under this Act;
- (5) the method by which the Secretary determines that a service enables a subscriber to originate and receive high-quality voice, data, graphics, and video for purposes of providing broadband service under this Act;
- (6) each broadband service, including the type and speed of broadband service, for which assistance was sought, and each broadband service for which assistance was provided, under this Act; and
- (7) the overall progress towards fulfilling the goal of improving the quality of rural life by expanding rural broadband access, as demonstrated by metrics, including—

- (A) the number of residences and businesses receiving new broadband services;
 - (B) network improvements, including facility upgrades and equipment purchases;
 - (C) average broadband speeds and prices on a local and statewide basis;
 - (D) any changes in broadband adoption rates; and
 - (E) any specific activities that increased high speed broadband access for educational institutions, health care providers, and public safety service providers.
- [(e) LIMITATIONS ON RESERVATION OF FUNDS.—Not less than 3 but not more than 5 percent of program level amounts available pursuant to amounts appropriated to carry out title VI shall be set aside to be used for—
- [(1) conducting oversight under such title;
 - [(2) implementing accountability measures and related activities authorized under such title; and
 - [(3) carrying out this section.]
- (e) COMMUNITY BROADBAND MAPPING PROGRAM.—
- (1) IN GENERAL.—*The Secretary may make grants to eligible entities for the purpose of collecting broadband service data to assist the Secretary in—*
- (A) *establishing the availability of broadband service or middle mile infrastructure in a rural area;*
 - (B) *determining the eligibility of a community for assistance under any broadband program administered by the Secretary; or*
 - (C) *undertaking a service area assessment under this section.*
- (2) APPLICATION.—*To apply for a grant under this section, an entity shall submit an application therefor which identifies—*
- (A) *the data collection area;*
 - (B) *the purpose of the data collection;*
 - (C) *the types of broadband service data to be collected;*
 - (D) *the survey and data collection methods to be utilized;*
- and*
- (E) *any other information the Secretary determines necessary to promote the integrity of broadband service data collected under this section.*
- (3) LIMITATION ON GRANT AMOUNT.—*The amount of a grant made under this subsection shall not exceed \$50,000.*
- (4) BROADBAND SERVICE DATA USAGE.—*The Secretary shall ensure that any broadband service data collected under this section is—*
- (A) *measured or assessed in accordance with such standards as the Secretary may establish;*
 - (B) *accurate and verifiable in accordance with such standards as the Secretary may establish;*
 - (C) *included in any broadband maps or data sets maintained by the Secretary; and*
 - (D) *made available to the Chair of the Federal Communications Commission and the Administrator of the National Telecommunications and Information Administration for inclusion in any broadband maps or data sets either may maintain.*

(5) *DEFINITIONS.*—*In this subsection:*

(A) *BROADBAND SERVICE.*—*The term “broadband service” has the meaning given the term in section 601.*

(B) *BROADBAND SERVICE DATA.*—

(i) *IN GENERAL.*—*The term “broadband service data” means information related to—*

(I) *the location and type of broadband service;*

(II) *the location and type of broadband infrastructure;*

(III) *the advertised, maximum, and average speed of broadband service;*

(IV) *the average price of the most subscribed tier of broadband service;*

(V) *the speed tiers of broadband service available in the area; or*

(VI) *any additional metric the Secretary deems appropriate.*

(ii) *FURTHER DEFINITION.*—*The Secretary shall further define the term “broadband service data” to ensure that data is measured and collected in a manner consistent with the reporting requirements under this section, and any broadband coordination or data-sharing obligations.*

(C) *ELIGIBLE ENTITY.*—*The term “eligible entity” means—*

(i) *a unit of local government in a rural area;*

(ii) *a tribal government or unit of tribal government;*

(iii) *an economic development or other community organization;*

(iv) *an eligible entity under title I or II that serves persons in rural areas;*

(v) *an internet service provider that has not more than 100,000 subscribers; or*

(vi) *any other entity eligible under a title VI program that is not an internet service provider.*

(D) *MIDDLE MILE INFRASTRUCTURE.*—*The term “middle mile infrastructure” has the meaning given the term in section 602.*

(E) *RURAL AREA.*—*The term “rural area” has the meaning given the term in section 601.*

(6) *LIMITATION ON AMOUNT MADE AVAILABLE FOR GRANTS.*—*The Secretary may not expend more than 1 percent of the amounts made available under subsection (f) for each of fiscal years 2022 through 2029 to carry out this subsection.*

(f) *LIMITATIONS ON RESERVATION OF FUNDS.*—*Not less than 3 but not more than 7 percent of the amounts appropriated to carry out title VI shall be set aside to be used—*

(1) *for administrative costs to carry out programs under title VI;*

(2) *for technical assistance and pre-development planning activities to support the most rural communities;*

(3) *to conduct oversight under title VI;*

(4) *to implement accountability measures and related activities authorized under title VI; and*

(5) to carry out this section.

* * * * *

**FOOD, AGRICULTURE, CONSERVATION, AND TRADE ACT
OF 1990**

* * * * *

TITLE XXIII—RURAL DEVELOPMENT

* * * * *

Subtitle D—Enhancing Human Resources

**CHAPTER 1—TELEMEDICINE AND DISTANCE LEARNING
SERVICES IN RURAL AREAS**

* * * * *

SEC. 2335A. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this chapter **【\$82,000,000 for each of fiscal years 2019 through 2023】** *\$150,000,000 for each of fiscal years 2022 through 2029, to remain available for 2 fiscal years after the fiscal year for which appropriated.*

* * * * *

ADDITIONAL VIEWS

I am proud to support H.R. 4374, which invests \$4.5 billion annually to the new ReConnect Rural Broadband Program that will allow USDA Rural Development to serve as a leader in the effort to close the digital divide that disadvantages much of rural America. However, 1890 institutions must not be left out of the conversation.

On June 16, 2021, during the Full Ag Committee Hearing on *1890 Land Grant Institutions: Investing for Agriculture Resiliency, Equity, and Global Impact* Presidents of 1890 institutions drew attention to the non-existent or absence of reliable internet service in rural areas. Likewise, many of the farms owned or partnered with these institutions continue to have little to no access to high-speed internet.

These institutions provide essential research and training in the agriculture field. 1890 institutions ensure the success and prosperity of our small farmers and ranchers who continue to keep our food supply chain safe and help address climate change and the needs of underrepresented communities.

It is essential that Congress ensure that any investments in broadband infrastructure prioritize 1890 institutions who serve in a critical role—training the next generation of American farmers and ranchers.

ALMA S. ADAMS.

