

107TH CONGRESS
1ST SESSION

S. 966

To amend the National Telecommunications and Information Administration Organization Act to encourage deployment of broadband service to rural America.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2001

Mr. DORGAN (for himself, Mr. DASCHLE, Mr. JOHNSON, Mrs. MURRAY, and Mr. WELLSTONE) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To amend the National Telecommunications and Information Administration Organization Act to encourage deployment of broadband service to rural America.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rural Broadband En-
5 hancement Act”.

6 **SEC. 2. LOAN PROGRAM FOR DEPLOYMENT OF**
7 **BROADBAND SERVICE IN RURAL AREAS.**

8 (a) IN GENERAL.—Part C of title I of the National
9 Telecommunications and Information Administration Or-

1 ganization Act (47 U.S.C. 901 et seq.) is amended by add-
2 ing at the end the following new section:

3 **“SEC. 156. BROADBAND TELECOMMUNICATIONS SERVICE.**

4 “(a) PURPOSE.—The purpose of this section is to
5 make loans and other extensions of credit to provide funds
6 for the costs of the construction, improvement, and acqui-
7 sition of facilities and equipment for the provision of
8 broadband service in eligible rural communities.

9 “(b) REQUIREMENT TO MAKE LOANS AND OTHER
10 EXTENSIONS OF CREDIT.—The Rural Utilities Service of
11 the Department of Agriculture shall, in consultation with
12 the NTIA, make loans or other extensions of credit to eli-
13 gible entities to provide funds for the construction, im-
14 provement, or acquisition of facilities and equipment (in-
15 cluding consumer equipment) for the provision of
16 broadband service in eligible rural communities.

17 “(c) ELIGIBLE ENTITIES.—An entity eligible for a
18 loan or other extension of credit under this section is any
19 non-Federal public or private entity, including an incor-
20 porated or limited liability entity, cooperative, non-profit
21 organization, or limited dividend or mutual association,
22 that submits a plan for a project meeting the requirements
23 of subsection (e).

24 “(d) BROADBAND SERVICE.—

1 “(1) IN GENERAL.—For purposes of this sec-
2 tion, broadband service is any technology identified
3 by the Rural Utilities Service, in consultation with
4 the NTIA, as having the capacity to transmit data
5 so as to enable a subscriber to such service to origi-
6 nate and receive high-quality voice, data, graphics,
7 or video.

8 “(2) MODIFICATION.—The NTIA shall, from
9 time to time as advances in technology so warrant,
10 review and recommend modifications of rate-of-data
11 transmission criteria for purposes of the identifica-
12 tion of technologies under paragraph (1).

13 “(e) PROJECT REQUIREMENTS.—

14 “(1) IN GENERAL.—A project meeting the re-
15 quirements of this subsection is any project deter-
16 mined to have the capability—

17 “(A) to deliver broadband service; and

18 “(B) to make access to broadband service
19 generally available throughout an eligible rural
20 community.

21 “(2) ADDITIONAL CONSIDERATIONS.—For pur-
22 poses of determining whether or not to make a loan
23 or other extension of credit for a project under this
24 section, the following matters shall also be taken
25 into consideration:

1 “(A) The extent to which the area to be
2 served by the project is unserved or underserved
3 by broadband service.

4 “(B) The size of the area to be served by
5 the project.

6 “(C) The potential number of subscribers
7 to the broadband service available through the
8 project.

9 “(3) TECHNOLOGICAL NEUTRALITY.—For pur-
10 poses of determining whether or not to make a loan
11 or other extension of credit for a project under this
12 section, the type of technology proposed to be em-
13 ployed under the project may not be taken into con-
14 sideration.

15 “(f) TERMS AND CONDITIONS.—A loan or other ex-
16 tension of credit under this section shall—

17 “(1) be made available in accordance with the
18 requirements of the Federal Credit Reform Act of
19 1990 (2 U.S.C. 661 et seq.);

20 “(2) bear interest at an annual rate of not
21 more than 2 percent per annum; and

22 “(3) have a term not to exceed the useful life
23 of the assets constructed, improved, or acquired with
24 the proceeds of the loan or extension of credit.

1 “(g) LIMITATION ON VALUE OF LOANS AND CRED-
2 IT.—The aggregate value of all loans and other extensions
3 of credit made under this section shall not exceed
4 \$3,000,000,000.

5 “(h) ELIGIBLE RURAL COMMUNITY DEFINED.—In
6 this section, the term ‘eligible rural community’ means any
7 incorporated or unincorporated place that—

8 “(1) has not more than 20,000 inhabitants,
9 based on the most recent available population statis-
10 tics of the Bureau of the Census; and

11 “(2) is not located in an area designated as a
12 Metropolitan Area by the Office of Management and
13 Budget.

14 “(i) SUNSET.—

15 “(1) IN GENERAL.—No loan or other extension
16 of credit may be made under this section after Sep-
17 tember 30, 2006.

18 “(2) CONSTRUCTION.—Paragraph (1) shall not
19 affect the validity of any loan or extension of credit
20 made under this section before the date specified in
21 that paragraph.”.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—There is
23 hereby authorized to be appropriated for the Department
24 of Commerce such sums as may be necessary to cover the
25 cost, as defined in section 502 of the Federal Credit Re-

1 form Act of 1990 (2 U.S.C. 661a), of loans and other ex-
2 tensions of credit made under section 156 of the National
3 Telecommunications and Information Administration Or-
4 ganization Act, as added by subsection (a).

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