

115TH CONGRESS
2D SESSION

S. 3360

To amend the Rural Electrification Act of 1936 to improve access to broadband telecommunications services in rural areas, including by encouraging the provision of broadband loans and grants to increase broadband service in emerging harbor projects, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 21, 2018

Mr. WYDEN introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Rural Electrification Act of 1936 to improve access to broadband telecommunications services in rural areas, including by encouraging the provision of broadband loans and grants to increase broadband service in emerging harbor projects, and for other purposes.

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 “Broadband Internet
5 for Small Ports Act”.

1 **SEC. 2. ACCESS TO BROADBAND TELECOMMUNICATIONS**
2 **SERVICES IN RURAL AREAS.**

3 Section 601 of the Rural Electrification Act of 1936
4 (7 U.S.C. 950bb) is amended—

5 (1) in subsection (a), by striking “loans and”
6 and inserting “grants, loans, and”;

7 (2) in subsection (c)—

8 (A) in the subsection heading, by striking
9 “LOANS AND” and inserting “GRANTS, LOANS,
10 AND”;

11 (B) in paragraph (1), by inserting “make
12 grants and” after “Secretary shall”;

13 (C) by striking paragraph (2) and insert-
14 ing the following:

15 “(2) PRIORITY.—

16 “(A) IN GENERAL.—In making grants,
17 loans, or loan guarantees under paragraph (1),
18 the Secretary shall—

19 “(i) give the highest priority to appli-
20 cations for projects to provide broadband
21 service to unserved rural communities that
22 do not have any residential broadband
23 service;

24 “(ii) give priority to applications for
25 projects to provide the maximum level of
26 broadband service to the greatest propor-

1 tion of rural households in the proposed
2 service area identified in the application;

3 “(iii) give priority to applications for
4 projects to provide rapid and expanded de-
5 ployment of fixed and mobile broadband on
6 cropland and rangeland within a service
7 territory for use in various applications of
8 precision agriculture;

9 “(iv) provide equal consideration to all
10 eligible entities, including those that have
11 not previously received grants, loans, or
12 loan guarantees under paragraph (1); and

13 “(v) with respect to 2 or more appli-
14 cations that are given the same priority
15 under clause (i), give priority to an appli-
16 cation that requests less grant funding
17 than loan funding.

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

22 “(i) for projects to provide broadband
23 service to rural communities—

24 “(I) with a population of less
25 than 10,000 permanent residents;

1 “(II) that are experiencing out-
 2 migration and have adopted a stra-
 3 tegic community investment plan
 4 under section 379H(d) that includes
 5 considerations for improving and ex-
 6 panding broadband service;

7 “(III) with a high percentage of
 8 low income families or persons (as de-
 9 fined in section 501(b) of the Housing
 10 Act of 1949 (42 U.S.C. 1471(b))); or

11 “(IV) that are isolated from
 12 other significant population centers;
 13 and

14 “(ii) that were developed with the par-
 15 ticipation of, and will receive a substantial
 16 portion of the funding for the project from,
 17 1 or more stakeholders, including—

18 “(I) State, local, and tribal gov-
 19 ernments;

20 “(II) nonprofit institutions;

21 “(III) community anchor institu-
 22 tions, such as—

23 “(aa) public libraries;

24 “(bb) elementary schools
 25 and secondary schools (as defined

1 in section 8101 of the Elemen-
2 tary and Secondary Education
3 Act of 1965 (20 U.S.C. 7801));

4 “(cc) institutions of higher
5 education; and

6 “(dd) health care facilities;

7 “(IV) private entities; and

8 “(V) philanthropic organizations.

9 “(C) EMERGING HARBOR PROJECTS PRI-
10 ORITY.—In addition to the priority given under
11 subparagraph (B), the Secretary shall give
12 equal priority to an application for a project
13 that would increase the availability of
14 broadband service in an emerging harbor
15 project (as defined in section 210(f) of the
16 Water Resources Development Act of 1986 (33
17 U.S.C. 2238(f))), without regard to whether the
18 application is from an emerging harbor project.

19 “(D) IDENTIFICATION OF UNSERVED COM-
20 MUNITIES.—

21 “(i) IN GENERAL.—In the case of an
22 application given the highest priority under
23 subparagraph (A)(i), the Secretary shall
24 confirm that each unserved rural commu-

1 nity identified in the application is eligible
2 for funding by—

3 “(I) conferring with and obtain-
4 ing data from the Chair of the Fed-
5 eral Communications Commission and
6 the Administrator of the National
7 Telecommunications and Information
8 Administration with respect to the
9 service level in the service area pro-
10 posed in the application;

11 “(II) reviewing any other source
12 that is relevant to service data valida-
13 tion, as determined by the Secretary;
14 and

15 “(III) performing site-specific
16 testing to verify the unavailability of
17 any residential broadband service in
18 the unserved rural community.

19 “(ii) ADJUSTMENTS.—Not less often
20 than once every 2 years, the Secretary
21 shall review, and may adjust through no-
22 tice published in the Federal Register, the
23 unserved communities identified under
24 clause (i).”; and

25 (D) by adding at the end the following:

1 “(3) GRANT AMOUNTS.—

2 “(A) DEFINITION OF DEVELOPMENT
3 COSTS.—In this paragraph, the term ‘develop-
4 ment costs’ means costs of—

5 “(i) construction, including labor and
6 materials;

7 “(ii) project applications; and

8 “(iii) other development activities, as
9 determined by the Secretary.

10 “(B) ELIGIBILITY.—To be eligible for a
11 grant under this section, the project that is the
12 subject of the grant shall be carried out in a
13 rural area.

14 “(C) MAXIMUM.—Except as provided in
15 subparagraph (D), the amount of any grant
16 made under this section shall not exceed 50
17 percent of the development costs of the project
18 for which the grant is provided.

19 “(D) SECRETARIAL AUTHORITY TO AD-
20 JUST.—The Secretary may make grants of up
21 to 75 percent of the development costs of the
22 project for which the grant is provided to an el-
23 igible entity if the Secretary determines that
24 the project serves—

1 “(i) an area of rural households de-
2 scribed in paragraph (2)(A)(ii); and

3 “(ii) a rural community described in
4 any of subclauses (I) through (IV) of para-
5 graph (2)(B)(i).”;

6 (3) in subsection (d)—

7 (A) in paragraph (1)—

8 (i) in subparagraph (A)—

9 (I) in the matter preceding clause
10 (i), by striking “loan or” and insert-
11 ing “grant, loan, or”;

12 (II) in clause (ii), by striking “a
13 loan application” and inserting “an
14 application”; and

15 (III) in clause (iii)—

16 (aa) by striking “service”
17 and inserting “infrastructure”;

18 (bb) by striking “loan” the
19 first place it appears;

20 (cc) by striking “3” and in-
21 sserting “5”; and

22 (dd) by striking “proceeds
23 from the loan made or guaran-
24 teed under this section are” and

1 inserting “assistance under this
2 section is”; and

3 (ii) by adding at the end the fol-
4 lowing:

5 “(C) RELATION TO UNIVERSAL SERVICE
6 HIGH-COST SUPPORT.—The Secretary shall co-
7 ordinate with the Federal Communications
8 Commission to ensure that any grants, loans, or
9 loan guarantees made under this section com-
10 plement and do not conflict with universal serv-
11 ice high-cost support (as defined in section 54.5
12 of title 47, Code of Federal Regulations, or any
13 successor regulation) provided by the Commis-
14 sion.”;

15 (B) in paragraph (2)—

16 (i) in subparagraph (A)—

17 (I) in the matter preceding clause

18 (i)—

19 (aa) by striking “the pro-
20 ceeds of a loan made or guaran-
21 teed” and inserting “assistance”;
22 and

23 (bb) by striking “for the
24 loan or loan guarantee” and in-
25 serting “of the eligible entity”;

1 (II) in clause (i)—

2 (aa) by striking “15” and
3 inserting “90”; and

4 (bb) by striking “level of
5 broadband service” and inserting
6 “level of fixed broadband service,
7 whether terrestrial or wireless,”;
8 and

9 (III) in clause (ii), by striking
10 “3” and inserting “2”;

11 (ii) in subparagraph (C), by striking
12 clause (ii) and inserting the following:

13 “(ii) EXCEPTIONS.—Clause (i) shall
14 not apply if the applicant is eligible for
15 funding under another title of this Act.”;

16 (C) in paragraph (3), in subparagraph (A),
17 by striking “loan or” and inserting “grant,
18 loan, or”;

19 (D) in paragraph (4), by striking “loan
20 or” and inserting “grant, loan, or”;

21 (E) in paragraph (5)(A), in the matter
22 preceding clause (i), by striking “loan or” and
23 inserting “grant, loan, or”;

24 (F) in paragraph (6), by striking “loan or”
25 and inserting “grant, loan, or”;

1 (G) by redesignating paragraph (7) as sub-
2 paragraph (B) and indenting appropriately;

3 (H) by inserting after paragraph (6) the
4 following:

5 “(7) APPLICATION PROCESS.—

6 “(A) IN GENERAL.—The Secretary shall
7 provide to an applicant of a grant, loan, or loan
8 guarantee under this section feedback and deci-
9 sions on funding in a timely manner.”;

10 (I) in paragraph (7)(B) (as so redesign-
11 ated), by striking “may seek a determination
12 of area eligibility prior to preparing a loan ap-
13 plication under this section.” and inserting the
14 following: “may, before preparing an applica-
15 tion under this section—

16 “(i) seek a determination of area eligi-
17 bility; and

18 “(ii) submit to the Secretary a pro-
19 posal for a project, on which the Secretary
20 shall provide feedback regarding how the
21 proposal could be changed to improve the
22 likelihood that the Secretary would approve
23 the application.”;

24 (J) in paragraph (10)(A), by striking “15”
25 and inserting “30”; and

1 (K) by adding at the end the following:

2 “(11) TECHNICAL ASSISTANCE AND TRAIN-
3 ING.—

4 “(A) IN GENERAL.—The Secretary may
5 provide eligible entities described in paragraph
6 (1) that are applying for a grant, loan, or loan
7 guarantee for a project described in subsection
8 (c)(2)(A)(i) technical assistance and training—

9 “(i) to prepare reports and surveys
10 necessary to request grants, loans, and
11 loan guarantees under this section for
12 broadband deployment;

13 “(ii) to improve management, includ-
14 ing financial management, relating to the
15 proposed broadband deployment;

16 “(iii) to prepare applications for
17 grants, loans, and loan guarantees under
18 this section; or

19 “(iv) to assist with other areas of
20 need identified by the Secretary.

21 “(B) FUNDING.—Not less than 3 percent
22 and not more than 5 percent of amounts appro-
23 priated to carry out this section for a fiscal year
24 shall be used for technical assistance and train-
25 ing under this paragraph.”;

1 (4) in subsection (e)(1)—

2 (A) in subparagraph (A), by striking “4-
3 Mbps” and inserting “25-Mbps”; and

4 (B) in subparagraph (B), by striking “1-
5 Mbps” and inserting “3-Mbps”;

6 (5) in subsection (f), by striking “make a loan
7 or loan guarantee” and inserting “provide assist-
8 ance”;

9 (6) in subsection (j)—

10 (A) in the matter preceding paragraph (1),
11 by striking “loan and loan guarantee”;

12 (B) in paragraph (1), by inserting “grants
13 and” after “number of”;

14 (C) in paragraph (2)—

15 (i) in subparagraph (A), by striking
16 “loan”; and

17 (ii) in subparagraph (B), by striking
18 “loans and” and inserting “grants, loans,
19 and”;

20 (D) in paragraph (3), by striking “loan”;

21 (7) by redesignating subsections (k) and (l) as
22 subsections (m) and (n), respectively;

23 (8) by inserting after subsection (j) the fol-
24 lowing:

1 “(k) BROADBAND BUILDOUT DATA.—As a condition
2 of receiving a grant, loan, or loan guarantee under this
3 section, a recipient of assistance shall provide to the Sec-
4 retary complete, reliable, and precise geolocation informa-
5 tion that indicates the location of new broadband service
6 that is being provided or upgraded within the service terri-
7 tory supported by the grant, loan, or loan guarantee not
8 later than 30 days after the earlier of—

9 “(1) the date of completion of any project mile-
10 stone established by the Secretary; or

11 “(2) the date of completion of the project.

12 “(l) ENVIRONMENTAL REVIEWS.—The Secretary
13 may obligate, but not disperse, funds under this Act before
14 the completion of otherwise required environmental, his-
15 torical, or other types of reviews if the Secretary deter-
16 mines that a subsequent site-specific review shall be ade-
17 quate and easily accomplished for the location of towers,
18 poles, or other broadband facilities in the service area of
19 the borrower without compromising the project or the re-
20 quired reviews.”;

21 (9) in subsection (m) (as so redesignated)—

22 (A) in paragraph (1)—

23 (i) by striking “\$25,000,000” and in-
24 serting “\$150,000,000”; and

1 (ii) by striking “2008 through 2018”

2 and inserting “2019 through 2023”; and

3 (B) in paragraph (2)(A)—

4 (i) in clause (i), by striking “and” at
5 the end;

6 (ii) in clause (ii), by striking the pe-
7 riod at the end and inserting “; and”; and

8 (iii) by adding at the end the fol-
9 lowing:

10 “(iii) set aside at least 1 percent to be
11 used for—

12 “(I) conducting oversight under
13 this section; and

14 “(II) implementing accountability
15 measures and related activities au-
16 thorized under this section.”; and

17 (10) in subsection (n) (as so redesignated)—

18 (A) by striking “loan or” and inserting
19 “grant, loan, or”; and

20 (B) by striking “2018” and inserting
21 “2023”.

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