

116TH CONGRESS
1ST SESSION

H. R. 2929

To require the Federal Communications Commission to establish a program to promote the availability and sustainability of robust rural broadband networks in high cost rural areas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 22, 2019

Mr. MULLIN (for himself and Mr. PETERSON) introduced the following bill;
which was referred to the Committee on Energy and Commerce

A BILL

To require the Federal Communications Commission to establish a program to promote the availability and sustainability of robust rural broadband networks in high cost rural areas, 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 “Rural Broadband Net-
5 work Advancement Act of 2019”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Internet data demands are increasing, and
2 video streaming services represent a significant por-
3 tion of the growth of internet traffic today.

4 (2) Broadband network operators must invest
5 in additional capacity to accommodate that data and
6 other traffic generated by third-party online services
7 leveraging underlying broadband networks.

8 (3) These edge providers depend upon the avail-
9 ability of such robust underlying network capacity to
10 deliver their services to users.

11 (4) The costs associated with broadband infra-
12 structure upgrades are significant and growing to
13 keep pace with the online services that depend on
14 these underlying networks.

15 (5) The challenges of investing in and maintain-
16 ing such robust network capacity are even greater in
17 rural areas due to the significant distances over
18 which networks must be built and operated and the
19 limited densities of the rural communities to be
20 served.

21 (6) All persons and entities that utilize and le-
22 verage networks should share equitably in sup-
23 porting the availability and sustainability of rural
24 broadband networks.

1 **SEC. 3. PROMOTING AND SUSTAINING ROBUST RURAL**
2 **BROADBAND INFRASTRUCTURE.**

3 (a) ESTABLISHMENT OF PROGRAM.—

4 (1) IN GENERAL.—Not later than 1 year after
5 the date of the enactment of this Act, the Commis-
6 sion shall complete a rulemaking that establishes a
7 program under which each edge provider, except
8 those described under paragraph (3), that has data
9 transported across the network of a rural broadband
10 provider in a high cost rural area shall pay a net-
11 work user fee on an equitable and nondiscriminatory
12 basis to advance and sustain broadband-capable net-
13 works and broadband internet service in high cost
14 rural areas.

15 (2) SINGLE EFFECTIVE DATE FOR PAYMENTS
16 MADE.—Any rule adopted pursuant to paragraph (1)
17 shall have the same effective date for payments
18 made to each rural broadband provider.

19 (3) EXEMPTIONS.—The following edge pro-
20 viders are exempt from the requirement to pay a
21 network user fee described in paragraph (1):

22 (A) DE MINIMIS AMOUNTS.—An edge pro-
23 vider or class of edge providers whose assess-
24 ment of network user fees is determined to be
25 de minimis by the Commission.

1 (B) GENERAL EXEMPTIONS.—Any State,
2 local, or Tribal government, elementary school
3 or secondary school (as such terms are defined
4 in section 8101 of the Elementary and Sec-
5 ondary Education Act of 1965 (20 U.S.C.
6 7801)), library, hospital, or individual.

7 (C) SMALL BUSINESS.—Any small business
8 concern, as described in section 3 of the Small
9 Business Act (15 U.S.C. 632).

10 (b) CALCULATION OF LIMITED COSTS, COLLECTION
11 OF NETWORK USER FEES, AND DISTRIBUTION OF NET-
12 WORK USER FEES.—

13 (1) CALCULATION OF NETWORK USER FEES.—

14 (A) CALCULATION OF LIMITED COSTS.—
15 The rulemaking under subsection (a) shall in-
16 clude a calculation of costs associated with
17 transmission by a rural broadband provider of
18 edge provider data that are not already recov-
19 ered through user rates that are reasonably
20 comparable to those in urban areas, Federal or
21 State universal service support, or other Fed-
22 eral or State programs aimed at promoting
23 rural broadband deployment or sustaining rural
24 broadband networks.

1 (B) COSTS DESCRIBED.—The costs de-
2 scribed in subparagraph (A) include the fol-
3 lowing:

4 (i) Costs associated with the initial
5 deployment of a rural broadband network.

6 (ii) Costs associated with ongoing op-
7 eration and maintenance of such network.

8 (iii) Costs associated with the ongoing
9 delivery of services to users via that net-
10 work (including costs of transit and trans-
11 port between rural service areas and urban
12 or suburban interconnection points).

13 (C) UPDATE OF COSTS.—Not less fre-
14 quently than every 2 years after the date on
15 which the rulemaking is completed under sub-
16 section (a)(1), the calculation of costs under
17 subparagraph (A) shall be updated.

18 (2) COLLECTION OF NETWORK USER FEES.—

19 The rulemaking under subsection (a) shall include a
20 mechanism through which the costs calculated under
21 paragraph (1) are collected from edge providers
22 under the program on a quarterly basis. The Com-
23 mission shall ensure that the assessment of network
24 user fees on each edge provider is reasonably reflec-
25 tive of the relative proportion of that edge provider's

1 data transmitted on eligible rural broadband pro-
2 viders' networks serving high cost rural areas.

3 (3) DISTRIBUTION OF NETWORK USER FEES.—

4 The rulemaking under subsection (a) shall provide
5 for distribution on an equitable and nondiscrim-
6 inatory basis to rural broadband providers of net-
7 work user fees collected from edge providers under
8 the program on a quarterly basis. The Commission
9 shall ensure that the distribution of network user
10 fees to each rural broadband provider is reasonably
11 reflective of the relative proportion of edge provider
12 data as measured and transmitted on that rural
13 broadband provider's network and by considering
14 other factors such as regional cost disparities, nat-
15 ural disasters, and Federal emergencies.

16 (c) ELIGIBILITY FOR COMPENSATION.—The rule-
17 making under subsection (a) shall include the following:

18 (1) IN GENERAL.—To be eligible for receipt of
19 network user fees collected and distributed under the
20 program, an entity—

21 (A) shall be a rural broadband provider;

22 and

23 (B) shall submit any other information
24 reasonably prescribed by the Commission as
25 needed to determine the appropriate level of

1 network user fees to be collected and the equi-
2 table distribution of such collected amounts as
3 compensation.

4 (2) USE OF FUNDS.—A rural broadband pro-
5 vider that receives compensation through network
6 user fees may only use such funds in connection
7 with any of the following:

8 (A) The deployment of a rural broadband
9 network.

10 (B) Ongoing operation and maintenance of
11 a rural broadband network.

12 (C) The delivery of broadband internet
13 services to users in a high cost rural area.

14 (d) DEFINITIONS.—In this section:

15 (1) COMMISSION.—The term “Commission”
16 means the Federal Communications Commission.

17 (2) EDGE PROVIDER.—The term “edge pro-
18 vider” means a provider that—

19 (A) provides a service over the internet—

20 (i) for which the provider requires the
21 user to subscribe or establish an account in
22 order to use the service;

23 (ii) that the user purchases from the
24 provider of the service without a subscrip-
25 tion or account;

1 (iii) by which a program searches for
2 and identifies items in a database that cor-
3 respond to keywords or characters speci-
4 fied by the user, used especially for finding
5 particular sites on the World Wide Web; or

6 (iv) by which the user divulges sen-
7 sitive user information; and

8 (B) includes a service described in sub-
9 paragraph (A) that is provided through a soft-
10 ware program, including a mobile application.

11 (3) HIGH COST RURAL AREA.—The term “high
12 cost rural area” means any area of the United
13 States that is not contained in an incorporated city
14 or town with a population in excess of 20,000 inhab-
15 itants.

16 (4) NONPROFIT ORGANIZATION.—The term
17 “nonprofit organization” means an organization that
18 is described in section 501(c)(3) of the Internal Rev-
19 enue Code of 1986 and is exempt from taxation
20 under section 501(a) of such Code.

21 (5) RURAL BROADBAND PROVIDER.—The term
22 “rural broadband provider” means an entity pro-
23 viding broadband in a high cost rural area pursuant
24 to any terrestrial technology, including fixed or mo-
25 bile wireless or wireline networks, if such entity—

1 (A) provides broadband service in a high
2 cost rural area to fewer than 100,000 locations
3 or subscribers served within a State; and

4 (B) meets the service obligations on speed,
5 latency, and usage allowances as determined by
6 the Commission.

7 (6) STATE.—The term “State” has the mean-
8 ing given that term in section 3 of the Communica-
9 tions Act of 1934 (47 U.S.C. 153).

10 (e) UNIVERSAL SERVICE FUND.—The network user
11 fees collected by this Act may not be used to support, con-
12 tribute, or fund universal service under section 254 of the
13 Communications Act of 1934 (47 U.S.C. 254).

14 (f) PROHIBITION.—An edge provider may not charge
15 a fee or require any other payment from a rural
16 broadband provider as an explicit or implicit offset to net-
17 work user fees.

18 (g) ENFORCEMENT BY THE FEDERAL COMMUNICA-
19 TIONS COMMISSION.—

20 (1) POWERS OF COMMISSION.—Except as other-
21 wise provided, the Commission shall enforce this Act
22 in the same manner, by the same means, and with
23 the same jurisdiction, powers, and duties pursuant
24 to the Communications Act of 1934 (47 U.S.C. 15
25 et seq.).

1 (2) PENALTIES, PRIVILEGES, AND IMMUNI-
2 TIES.—Any person who violates this Act shall be
3 subject to the penalties and entitled to the privileges
4 and immunities provided in the Communications
5 Act.

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