

116TH CONGRESS
1ST SESSION

H. R. 3869

To direct the Assistant Secretary of Commerce for Communications and Information to make grants for the establishment or expansion of internet exchange facilities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2019

Mr. LONG (for himself, Mr. KUSTOFF of Tennessee, Mr. GUTHRIE, Mr. MARSHALL, Mr. LUETKEMEYER, Mr. COMER, and Mr. STIVERS) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To direct the Assistant Secretary of Commerce for Communications and Information to make grants for the establishment or expansion of internet exchange facilities, 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 “Internet Exchange Act
5 of 2019”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) ASSISTANT SECRETARY.—The term “Assist-
2 ant Secretary” means the Assistant Secretary of
3 Commerce for Communications and Information.

4 (2) CORE BASED STATISTICAL AREA.—The
5 term “core based statistical area” has the meaning
6 given the term by the Office of Management and
7 Budget in the Notice of Decision entitled “2010
8 Standards for Delineating Metropolitan and
9 Micropolitan Statistical Areas”, published in the
10 Federal Register on June 28, 2010 (75 Fed. Reg.
11 37246), or any successor to that Notice.

12 (3) COVERED GRANT.—The term “covered
13 grant” means a grant awarded under section 3(a).

14 (4) INTERNET EXCHANGE FACILITY.—The term
15 “internet exchange facility” means physical infra-
16 structure through which internet service providers
17 and content delivery networks exchange internet
18 traffic between their networks.

19 **SEC. 3. NATIONAL TELECOMMUNICATIONS AND INFORMA-**
20 **TION ADMINISTRATION GRANTS.**

21 (a) GRANTS.—On and after the first day of the first
22 fiscal year beginning after the date on which the Assistant
23 Secretary establishes rules and timelines under subsection
24 (d), the Assistant Secretary shall award grants to entities
25 to acquire real property and necessary equipment to—

1 (1) establish a new internet exchange facility in
2 a core based statistical area in which, at the time
3 the grant is awarded, there are no existing internet
4 exchange facilities; or

5 (2) expand operations at an existing internet
6 exchange facility in a core based statistical area in
7 which, at the time the grant is awarded, there is
8 only 1 internet exchange facility.

9 (b) ELIGIBILITY.—An entity may not receive a cov-
10 ered grant unless the entity certifies to the Assistant Sec-
11 retary that the entity has sufficient interest from third
12 party entities that will use the internet exchange facility
13 to be funded by the grant once the facility is established
14 or operations are expanded, as applicable.

15 (c) FEDERAL SHARE.—The Federal share of the
16 total cost of the establishment of, or expansion of oper-
17 ations at, an internet exchange facility for which a covered
18 grant is awarded may not exceed 50 percent.

19 (d) APPLICATIONS.—

20 (1) RULES AND TIMELINES.—Not later than 1
21 year after the date of enactment of this Act, the As-
22 sistant Secretary shall establish rules and timelines
23 for applications for covered grants.

24 (2) THIRD PARTY REVIEW.—To prevent fraud
25 in the covered grant program, the Assistant Sec-

1 retary shall enter into a contract with an inde-
2 pendent third party under which the third party re-
3 views an application for a covered grant not later
4 than 60 days after the date on which the application
5 is submitted to ensure that only an entity that is eli-
6 gible for a covered grant receives a covered grant.

7 (e) **RULE OF CONSTRUCTION.**—Nothing in this sec-
8 tion shall be construed to authorize the Assistant Sec-
9 retary to regulate, issue guidance for, or otherwise inter-
10 fere with the activities at an internet exchange facility.

11 (f) **NO ADDITIONAL FUNDS AUTHORIZED.**—No addi-
12 tional funds are authorized to be appropriated to carry
13 out this section. This section shall be carried out using
14 amounts otherwise authorized.

15 **SEC. 4. USE OF E-RATE AND RURAL HEALTH CARE UNI-**
16 **VERSAL SERVICE SUPPORT.**

17 Section 254 of the Communications Act of 1934 (47
18 U.S.C. 254) is amended by adding at the end the fol-
19 lowing:

20 “(m) **USE OF E-RATE AND RURAL HEALTH CARE**
21 **SUPPORT FOR COSTS RELATING TO INTERNET EX-**
22 **CHANGE FACILITY CONNECTION.**—

23 “(1) **IN GENERAL.**—Notwithstanding any other
24 provision of law or regulation, including subpart F
25 or G of part 54 of title 47, Code of Federal Regula-

1 tions (or any successor regulation), a recipient of
2 support under such subpart F or G may receive sup-
3 port under that subpart—

4 “(A) to contract with a broadband internet
5 service provider to obtain connection to an
6 internet exchange facility; or

7 “(B) for the costs of maintaining a point
8 of presence at an internet exchange facility.

9 “(2) RULE OF CONSTRUCTION.—Nothing in
10 this subsection shall be construed to authorize the
11 Commission to regulate, issue guidance for, or other-
12 wise interfere with the activities at an internet ex-
13 change facility.

14 “(3) INTERNET EXCHANGE FACILITY DE-
15 FINED.—In this subsection, the term ‘internet ex-
16 change facility’ means physical infrastructure
17 through which internet service providers and content
18 delivery networks exchange internet traffic between
19 their networks.”.

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