

116TH CONGRESS  
2D SESSION

# H. R. 7972

To provide funds to assess the availability, accelerate the deployment, and improve the sustainability of advanced communications services and communications infrastructure in rural America, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 7, 2020

Mr. LATTA (for himself and Mr. O'HALLERAN) introduced the following bill;  
which was referred to the Committee on Energy and Commerce

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## A BILL

To provide funds to assess the availability, accelerate the deployment, and improve the sustainability of advanced communications services and communications infrastructure in rural America, 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 Connectivity Ad-  
5 vancement Program Act of 2020”.

1 **SEC. 2. DEPOSIT OF SPECTRUM AUCTION PROCEEDS IN**  
2 **RURAL BROADBAND ASSESSMENT AND DE-**  
3 **PLOYMENT FUND.**

4 Section 309(j)(8) of the Communications Act of 1934  
5 (47 U.S.C. 309(j)(8)) is amended—

6 (1) in subparagraph (A), by striking “and (G)”  
7 and inserting “(G), and (H)”;

8 (2) by adding at the end the following:

9 “(H) ASSESSMENT AND DEPLOYMENT SET-  
10 ASIDE.—

11 “(i) IN GENERAL.—Notwithstanding  
12 subparagraph (A), and except as provided  
13 in subparagraphs (B), (D), (E), (F), and  
14 (G), 10 percent of the net proceeds from  
15 each use of a system of competitive bidding  
16 under this subsection completed before  
17 September 30, 2022, shall be deposited in  
18 the Rural Broadband Assessment and De-  
19 ployment Fund established under section 3  
20 of the Rural Connectivity Advancement  
21 Program Act of 2020.

22 “(ii) NET PROCEEDS DEFINED.—For  
23 purposes of this subparagraph, the term  
24 ‘net proceeds’, with respect to the use of a  
25 system of competitive bidding, means the

1 proceeds remaining after subtracting all  
2 auction-related expenditures, including—

3 “(I) relocation payments, includ-  
4 ing accelerated relocation payments;

5 “(II) payments to incumbent li-  
6 censees for the relinquishment of all  
7 or a portion of the spectrum usage  
8 rights of those licensees;

9 “(III) costs associated with the  
10 reallocation of spectrum, whether on  
11 an exclusive or shared use basis;

12 “(IV) relocation or sharing costs,  
13 including for planning for relocation  
14 or sharing; and

15 “(V) bidding credits.”.

16 **SEC. 3. DIRECTION AND USE OF RURAL BROADBAND AS-**  
17 **SESSMENT AND DEPLOYMENT FUND PRO-**  
18 **CEEDS.**

19 (a) DEFINITIONS.—In this subsection—

20 (1) the term “Commission” means the Federal  
21 Communications Commission; and

22 (2) the term “high-cost programs” means—

23 (A) the program for Universal Service  
24 Support for High-Cost Areas set forth under

1 subpart D of part 54 of title 47, Code of Fed-  
2 eral Regulations, or any successor regulations;

3 (B) the Rural Digital Opportunity Fund  
4 set forth under subpart J of part 54 of title 47,  
5 Code of Federal Regulations, or any successor  
6 regulations;

7 (C) the Interstate Common Line Support  
8 Mechanism for Rate-of-Return Carriers set  
9 forth under subpart K of part 54 of title 47,  
10 Code of Federal Regulations, or any successor  
11 regulations;

12 (D) the Mobility Fund set forth under sub-  
13 part L of part 54 of title 47, Code of Federal  
14 Regulations, or any successor regulations;

15 (E) the High Cost Loop Support for Rate-  
16 of-Return Carriers program set forth under  
17 subpart M of part 54 of title 47, Code of Fed-  
18 eral Regulations, or any successor regulations;

19 (F) the Uniendo a Puerto Rico Fund and  
20 the Connect USVI Fund set forth under sub-  
21 part O of part 54 of title 47, Code of Federal  
22 Regulations, or any successor regulations; and

23 (G) the Rural Broadband Experiments, as  
24 established by the Commission under part 54 of  
25 title 47, Code of Federal Regulations.

1           (b) ESTABLISHMENT OF FUND.—There is estab-  
2 lished in the Treasury of the United States a fund to be  
3 known as the “Rural Broadband Assessment and Deploy-  
4 ment Fund”.

5           (c) BORROWING AUTHORITY.—

6           (1) IN GENERAL.—Beginning on the date on  
7 which the Commission announces the results of an  
8 auction under section 309(j) of the Communications  
9 Act of 1934 (47 U.S.C. 309(j)), the Commission  
10 may borrow from the Treasury of the United States  
11 an amount not to exceed the amount that will be de-  
12 posited in the Rural Broadband Assessment and De-  
13 ployment Fund under paragraph (8)(H) of that sec-  
14 tion (as added by section 2 of this Act) as a result  
15 of that auction.

16           (2) REIMBURSEMENT.—The Commission shall  
17 reimburse the general fund of the Treasury, without  
18 interest, for any amounts borrowed under paragraph  
19 (1) as funds are deposited into the Rural Broadband  
20 Assessment and Deployment Fund.

21           (d) AVAILABILITY OF AMOUNTS.—Any amounts bor-  
22 rowed under subsection (c)(1) and any amounts in the  
23 Rural Broadband Assessment and Deployment Fund that  
24 are not necessary for reimbursement of the general fund  
25 of the Treasury for such borrowed amounts shall be avail-

1 able to the Commission for use in accordance with sub-  
2 section (e).

3 (e) USE OF AMOUNTS.—

4 (1) ESTABLISHMENT OF PROGRAM OR PRO-  
5 GRAMS.—The Commission shall use the amounts  
6 made available under subsection (d) to establish 1 or  
7 more programs that are separate from, but are co-  
8 ordinated with and complement, the high-cost pro-  
9 grams to address—

10 (A) gaps that remain in broadband inter-  
11 net access service coverage in high-cost rural  
12 areas despite the operations of the high-cost  
13 programs; and

14 (B) shortfalls in sufficient funding of the  
15 high-cost programs that could adversely affect  
16 the sustainability of services or reasonable com-  
17 parability of rates that are supported by those  
18 programs.

19 (2) PURPOSES.—In carrying out paragraph (1),  
20 the Commission shall use amounts made available  
21 under subsection (d) in an efficient and cost-effec-  
22 tive manner only—

23 (A) for the assessment of, and to provide  
24 subsidies in a technology-neutral manner  
25 through a competitive process (subject to

1 weighting preferences for performance quality  
2 and other service metrics as the Commission  
3 may find appropriate) to providers for support  
4 of, deployment of broadband-capable infrastruc-  
5 ture in high-cost rural areas that the Commis-  
6 sion determines are unserved by fixed terres-  
7 trial broadband internet access service at a  
8 download speed of not less than 25 megabits  
9 per second and an upload speed of not less than  
10 3 megabits per second (or such higher speed as  
11 the Commission may determine appropriate  
12 based upon an evolving definition of universal  
13 service); and

14 (B) to assess, and provide subsidies to pro-  
15 viders to enable providers to sustain, broadband  
16 internet access service in any rural area in  
17 which—

18 (i) only one provider of fixed terres-  
19 trial broadband internet access service op-  
20 erates; and

21 (ii) the high-cost nature of the area  
22 precludes the offering of voice service and  
23 broadband internet access service at rates  
24 and performance levels available in urban

1 areas as determined by the Urban Rate  
2 Survey conducted by the Commission.

3 (3) TRIBAL CONSIDERATIONS.—In distributing  
4 amounts under this subsection, the Commission shall  
5 consider the broadband internet access service needs  
6 of residents of Tribal lands (as defined in section  
7 54.400 of title 47, Code of Federal Regulations, or  
8 any successor regulation).

9 (4) LIMITATIONS.—

10 (A) PROHIBITION ON FUNDING OTHER  
11 PROGRAMS.—

12 (i) IN GENERAL.—The Commission  
13 may not use amounts made available under  
14 subsection (d) to fund any program that  
15 was not established by the Commission  
16 under paragraph (1) of this subsection, in-  
17 cluding any program established under sec-  
18 tion 254 of the Communications Act of  
19 1934 (47 U.S.C. 254) in effect on the date  
20 of enactment of this Act, except for using  
21 the Universal Service Administrative Com-  
22 pany to administer funding.

23 (ii) RULE OF CONSTRUCTION.—Noth-  
24 ing in clause (i) shall be construed to pro-  
25 hibit the Commission from using amounts



1           made available under subsection (d) to  
2           supplement the provision of support under  
3           the high-cost programs, as authorized  
4           under paragraph (1)(B) of this subsection.

5           (B) TRANSPARENCY AND ACCOUNTABILITY  
6           FOR ADDRESSING GAPS IN COVERAGE.—The  
7           Commission shall establish transparency and  
8           accountability requirements for amounts made  
9           available for the purpose set forth in paragraph  
10          (1)(A) that, at a minimum—

11                   (i) provide—

12                           (I) a process for challenging any  
13                           initial determination by the Commis-  
14                           sion regarding whether an area is  
15                           served or unserved; and

16                           (II) written public notice on the  
17                           website of the Commission of—

18                                   (aa) how each challenge  
19                                   under subparagraph (I) was de-  
20                                   cided; and

21                                   (bb) the reasons of the Com-  
22                                   mission for each decision;

23                   (ii) establish broadband service build-  
24                   out milestones and require periodic certifi-  
25                   cation by funding recipients to ensure com-

1 compliance with the broadband service buildout  
2 milestones;

3 (iii) establish a maximum buildout  
4 timeframe of 4 years beginning on the date  
5 on which funding is provided;

6 (iv) establish periodic reporting re-  
7 quirements for funding recipients that  
8 identify, at a minimum, the nature of the  
9 service provided in each area where fund-  
10 ing is provided;

11 (v) establish standard penalties for  
12 noncompliance with the requirements es-  
13 tablished under this subparagraph and as  
14 may be further prescribed by the Commis-  
15 sion;

16 (vi) establish procedures for recovery  
17 of funds, in whole or in part, from funding  
18 recipients in the event of default or non-  
19 compliance with the requirements estab-  
20 lished under this subparagraph and as may  
21 be further prescribed by the Commission;  
22 and

23 (vii) require a funding recipient to—  
24 (I) offer voice service and  
25 broadband internet access service; and

1 (II) permit a consumer to sub-  
2 scribe to one type of service described  
3 in subclause (I) or both types.

4 (C) TRANSPARENCY AND ACCOUNTABILITY  
5 FOR ADDRESSING SHORTFALLS IN FUNDING.—

6 The Commission shall establish transparency  
7 and accountability requirements for amounts  
8 made available for the purpose set forth in sub-  
9 paragraph (1)(B) that, at a minimum—

10 (i) establish periodic reporting and  
11 certification requirements for funding re-  
12 cipients to ensure that the funding results  
13 in the offering of voice service and  
14 broadband internet access service at rea-  
15 sonably comparable rates and performance  
16 levels;

17 (ii) establish standard penalties for  
18 noncompliance with the requirements es-  
19 tablished under this subparagraph and as  
20 may be further prescribed by the Commis-  
21 sion;

22 (iii) establish procedures for recovery  
23 of funds, in whole or in part, from funding  
24 recipients in the event of default or non-  
25 compliance with the requirements estab-

1           lished under this subparagraph and as may  
2           be further prescribed by the Commission;  
3           and

4                   (iv) require a funding recipient to—  
5                           (I) offer voice service and  
6                           broadband internet access service; and  
7                           (II) permit a consumer to sub-  
8                           scribe to one type of service described  
9                           in subclause (I) or both types.

10       (f) REPORTS.—

11           (1) AUCTION-SPECIFIC REPORTS.—Not later  
12       than 30 days after the date on which the Commis-  
13       sion announces the results of an auction under sec-  
14       tion 309(j) of the Communications Act of 1934 (47  
15       U.S.C. 309(j)), the Commission shall publish and  
16       submit to the Committee on Commerce, Science, and  
17       Transportation of the Senate and the Committee on  
18       Energy and Commerce of the House of Representa-  
19       tives a report on the amount of net proceeds that  
20       will be deposited in the Rural Broadband Assess-  
21       ment and Deployment Fund under paragraph  
22       (8)(H) of that section (as added by section 2 of this  
23       Act) as a result of that auction.

24           (2) AUCTION PROCEEDS DEPLOYMENT RE-  
25       PORT.—Section 309(j) of the Communications Act

1 of 1934 (47 U.S.C. 309(j)) is amended by adding at  
2 the end the following:

3 “(19) REPORT ON RURAL BROADBAND ASSESS-  
4 MENT AND DEPLOYMENT FUND PROCEEDS.—Not  
5 later than March 1, 2021, and not less frequently  
6 than annually thereafter, the Commission shall pub-  
7 lish and submit to the Committee on Commerce,  
8 Science, and Transportation of the Senate and the  
9 Committee on Energy and Commerce of the House  
10 of Representatives a report on—

11 “(A) the distribution of amounts made  
12 available under section 3(d) of the Rural  
13 Connectivity Advancement Program Act of  
14 2020 for the preceding year; and

15 “(B) the projected distribution of amounts  
16 that will be made available under section 3(d)  
17 of the Rural Connectivity Advancement Pro-  
18 gram Act of 2020 for the year after the year  
19 in which the report is published and sub-  
20 mitted.”.

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