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.

IN THE SENATE OF THE UNITED STATES

JUNE 18, 2020

Mr. THUNE introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Rural Connectivity Advancement Program Act of 2020”.

SEC. 2. DEPOSIT OF SPECTRUM AUCTION PROCEEDS IN RURAL BROADBAND ASSESSMENT AND DEPLOYMENT FUND.

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

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

(2) by adding at the end the following:

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

“(i) IN GENERAL.—Notwithstanding subparagraph (A), and except as provided in subparagraphs (B), (D), (E), (F), and (G), 10 percent of the net proceeds from each use of a system of competitive bidding under this subsection completed before September 30, 2022, shall be deposited in the Rural Broadband Assessment and Deployment Fund established under section 3 of the Rural Connectivity Advancement Program Act of 2020.

“(ii) NET PROCEEDS DEFINED.—For purposes of this subparagraph, the term ‘net proceeds’, with respect to the use of a system of competitive bidding, means the
proceeds remaining after subtracting all auction-related expenditures, including—

“(I) relocation payments, including accelerated relocation payments;

“(II) payments to incumbent licensees for the relinquishment of all or a portion of the spectrum usage rights of those licensees;

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

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

“(V) bidding credits.”.

SEC. 3. DIRECTION AND USE OF RURAL BROADBAND ASSESSMENT AND DEPLOYMENT FUND PROCEEDS.

(a) DEFINITIONS.—In this subsection—

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

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

(A) the program for Universal Service Support for High-Cost Areas set forth under
subpart D of part 54 of title 47, Code of Federal Regulations, or any successor regulations;

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

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

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

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

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

(G) the Rural Broadband Experiments, as established by the Commission under part 54 of title 47, Code of Federal Regulations.
(b) Establishment of Fund.—There is established in the Treasury of the United States a fund to be known as the “Rural Broadband Assessment and Deployment Fund”.

(c) Borrowing Authority.—

(1) In general.—Beginning on the date on which the Commission announces the results of an auction under section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)), the Commission may borrow from the Treasury of the United States an amount not to exceed the amount that will be deposited in the Rural Broadband Assessment and Deployment Fund under paragraph (8)(H) of that section (as added by section 2 of this Act) as a result of that auction.

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

(d) Availability of Amounts.—Any amounts borrowed under subsection (c)(1) and any amounts in the Rural Broadband Assessment and Deployment Fund that are not necessary for reimbursement of the general fund of the Treasury for such borrowed amounts shall be avail-
able to the Commission for use in accordance with sub-
section (e).

(e) Use of Amounts.—

(1) Establishment of Program or Programs.—The Commission shall use the amounts
made available under subsection (d) to establish 1 or
more programs that are separate from, but are co-
ordinated with and complement, the high-cost pro-
grams to address—

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

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

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

(A) for the assessment of, and to provide
subsidies in a technology-neutral manner
through a competitive process (subject to
weighting preferences for performance quality and other service metrics as the Commission may find appropriate) to providers for support of, deployment of broadband-capable infrastructure in high-cost rural areas that the Commission determines are unserved by fixed terrestri

trial broadband internet access service at a download speed of not less than 25 megabits per second and an upload speed of not less than 3 megabits per second (or such higher speed as the Commission may determine appropriate based upon an evolving definition of universal service); and

(B) to assess, and provide subsidies to providers to enable providers to sustain, broadband internet access service in any rural area in which—

(i) only one provider of fixed terrestri

trial broadband internet access service operates; and

(ii) the high-cost nature of the area precludes the offering of voice service and broadband internet access service at rates and performance levels available in urban
areas as determined by the Urban Rate Survey conducted by the Commission.

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

(4) **Limitations.**—

(A) **Prohibition on Funding Other Programs.**—

(i) **In General.**—The Commission may not use amounts made available under subsection (d) to fund any program that was not established by the Commission under paragraph (1) of this subsection, including any program established under section 254 of the Communications Act of 1934 (47 U.S.C. 254) in effect on the date of enactment of this Act, except for using the Universal Service Administrative Company to administer funding.

(ii) **Rule of Construction.**—Nothing in clause (i) shall be construed to prohibit the Commission from using amounts
made available under subsection (d) to
supplement the provision of support under
the high-cost programs, as authorized
under paragraph (1)(B) of this subsection.

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

(i) provide—

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

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

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

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

(ii) establish broadband service build-
out milestones and require periodic certifi-
cation by funding recipients to ensure com-
pliance with the broadband service buildout milestones;

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

(iv) establish periodic reporting requirements for funding recipients that identify, at a minimum, the nature of the service provided in each area where funding is provided;

(v) establish standard penalties for noncompliance with the requirements established under this subparagraph and as may be further prescribed by the Commission;

(vi) establish procedures for recovery of funds, in whole or in part, from funding recipients in the event of default or noncompliance with the requirements established under this subparagraph and as may be further prescribed by the Commission; and

(vii) require a funding recipient to—

(I) offer voice service and broadband internet access service; and
(II) permit a consumer to subscribe to one type of service described in subclause (I) or both types.

(C) **TRANSPARENCY AND ACCOUNTABILITY FOR ADDRESSING SHORTFALLS IN FUNDING.**— The Commission shall establish transparency and accountability requirements for amounts made available for the purpose set forth in subparagraph (1)(B) that, at a minimum—

(i) establish periodic reporting and certification requirements for funding recipients to ensure that the funding results in the offering of voice service and broadband internet access service at reasonably comparable rates and performance levels;

(ii) establish standard penalties for noncompliance with the requirements established under this subparagraph and as may be further prescribed by the Commission;

(iii) establish procedures for recovery of funds, in whole or in part, from funding recipients in the event of default or noncompliance with the requirements estab-
lished under this subparagraph and as may be further prescribed by the Commission; and

(iv) require a funding recipient to—

(I) offer voice service and broadband internet access service; and

(II) permit a consumer to subscribe to one type of service described in subclause (I) or both types.

(f) Reports.—

(1) Auction-specific reports.—Not later than 30 days after the date on which the Commission announces the results of an auction under section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)), the Commission shall publish and submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on the amount of net proceeds that will be deposited in the Rural Broadband Assessment and Deployment Fund under paragraph (8)(H) of that section (as added by section 2 of this Act) as a result of that auction.

(2) Auction proceeds deployment report.—Section 309(j) of the Communications Act
of 1934 (47 U.S.C. 309(j)) is amended by adding at the end the following:

“(19) REPORT ON RURAL BROADBAND ASSESSMENT AND DEPLOYMENT FUND PROCEEDS.—Not later than March 1, 2021, and not less frequently than annually thereafter, the Commission shall publish and submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on—

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

“(B) the projected distribution of amounts that will be made available under section 3(d) of the Rural Connectivity Advancement Program Act of 2020 for the year after the year in which the report is published and submitted.”.