To amend the Rural Electrification Act of 1936 to provide grants for access to broadband telecommunications services in rural areas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mrs. GILLIBRAND (for herself and Mrs. CAPITO) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend the Rural Electrification Act of 1936 to provide grants for access to broadband telecommunications services in rural areas, 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 “Broadband Connections for Rural Opportunities Program Act” or the “B-CROP Act”.

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

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

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

(2) in subsection (c)—

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

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

(C) by striking paragraph (2) and inserting the following:

“(2) PRIORITY.—

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

“(i) give priority to grants, loans, and loan guarantees to all or part of rural communities that do not have residential broadband service that meets the minimum acceptable level of broadband service established under subsection (e);

“(ii) give the highest priority to applications for projects to provide broadband
service to the greatest proportion of rural households that are within unserved communities, as identified by the Secretary in accordance with subparagraph (C);

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

“(iv) with respect to 2 or more applications that are given the same priority under clause (ii), give priority to an application that requests less grant funding than loan funding.

“(B) OTHER.—After giving priority to the applications described in subparagraph (A)(ii), the Secretary shall then give priority to applications—

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

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

“(II) that are experiencing out-migration;
“(III) with a high percentage of low income families or persons (as defined in section 501(b) of the Housing Act of 1949 (42 U.S.C. 1471(b)); or
“(IV) that are isolated from other significant population centers; and
“(ii) that were developed with the participation of, and will receive a substantial portion of the funding for the project from, 1 or more stakeholders, including—
“(I) State, local, and tribal governments;
“(II) nonprofit institutions;
“(III) community anchor institutions, such as—
“(aa) public libraries;
“(bb) elementary schools and secondary schools (as defined in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801));
“(ce) institutions of higher education; and
“(dd) health care facilities;
“(IV) private entities; and

“(V) philanthropic organizations.

“(C) IDENTIFICATION OF UNSERVED COMMUNITIES.—

“(i) IN GENERAL.—The Secretary shall identify unserved communities for purposes of subparagraph (A)(ii) using broadband coverage data that is—

“(I) collected by the Federal Communications Commission; and

“(II) reviewed and refined by the Secretary using a thorough evidentiary review process.

“(ii) ADJUSTMENTS.—Not less often than once every 2 years, the Secretary shall review, and may adjust through notice published in the Federal Register, the unserved communities identified under clause (i).

“(3) GRANT AMOUNTS.—

“(A) DEFINITION OF DEVELOPMENT COSTS.—In this paragraph, the term ‘development costs’ means costs of—

“(i) construction, including labor and materials;
“(ii) project applications; and

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

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

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

“(D) SECRETARIAL AUTHORITY TO ADJUST.—The Secretary may make grants of up to 75 percent of the development costs of the project for which the grant is provided to an eligible entity if the Secretary determines that the project serves—

“(i) an area of rural households described in paragraph (2)(A)(ii); and

“(ii) a rural community described in any of subclauses (I) through (IV) of paragraph (2)(B)(i).”;

(3) in subsection (d)—

(A) in paragraph (1)—
(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking “loan or” and inserting “grant, loan, or”;

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

(III) in clause (iii)—

(aa) by striking “the loan application” and inserting “the application”; and

(bb) by striking “proceeds from the loan made or guaranteed under this section are” and inserting “assistance under this section is”; and

(ii) by adding at the end the following:

“(C) RELATION TO UNIVERSAL SERVICE HIGH-COST SUPPORT.—The Secretary shall coordinate with the Federal Communications Commission to ensure that any grants, loans, or loan guarantees made under this section complement and do not conflict with universal service high-cost support (as defined in section 54.5
of title 47, Code of Federal Regulations, or any successor regulation) provided by the Commission.”;

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in the matter preceding clause

(ii)—

(aa) by striking “the proceeds of a loan made or guaranteed” and inserting “assistance”;

and

(bb) by striking “for the loan or loan guarantee” and inserting “of the eligible entity”;

and

(II) in clause (ii), by striking “3” and inserting “2”;

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

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

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


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

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

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

(G) by redesignating paragraph (7) as subparagraph (B) and indenting appropriately;

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

“(7) APPLICATION PROCESS.—

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

(I) in paragraph (7)(B) (as so redesignated), by striking “may seek a determination of area eligibility prior to preparing a loan application under this section.” and inserting the following: “may, before preparing an application under this section—

“(i) seek a determination of area eligibility; and
“(ii) submit to the Secretary a proposal for a project, on which the Secretary shall provide feedback regarding how the proposal could be changed to improve the likelihood that the Secretary would approve the application.”; and

(J) by adding at the end the following:

“(11) TECHNICAL ASSISTANCE AND TRAINING.—

“(A) IN GENERAL.—The Secretary shall provide to eligible entities described in paragraph (1) technical assistance and training—

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

“(ii) to improve management, including financial management, relating to the proposed broadband deployment;

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

“(iv) to assist with other areas of need identified by the Secretary.
“(B) **Funding.**—Not less than 3 percent and not more than 5 percent of amounts appropriated to carry out this section for a fiscal year shall be used for technical assistance and training under this paragraph.”

(4) in subsection (f), by striking “make a loan or loan guarantee” and inserting “provide assistance”;

(5) in subsection (j)—

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

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

(C) in paragraph (2)—

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

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

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

(6) by redesignating subsections (k) and (l) as subsections (l) and (m), respectively;

(7) by inserting after subsection (j) the following:
“(k) Broadband Buildout Data.—As a condition of receiving a grant, loan, or loan guarantee under this section, a recipient of assistance shall provide to the Secretary complete, reliable, and precise geolocation information that indicates the location of new broadband service that is being provided or upgraded within the service territory supported by the grant, loan, or loan guarantee not later than 30 days after the earlier of—

“(1) the date of completion of any project milestone established by the Secretary; or

“(2) the date of completion of the project.”;

(8) subsection (l) (as redesignated by paragraph (6))—

(A) in paragraph (1), by striking “$25,000,000” and inserting “$50,000,000”; and

(B) in paragraph (2)(A)—

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

(ii) in clause (ii), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following:

“(iii) set aside at least 1 percent to be used for—
“(I) conducting oversight under this section; and

“(II) implementing accountability measures and related activities authorized under this section.”; and

(9) in subsection (m) (as redesignated by paragraph (6)), by striking “loan or” and inserting “grant, loan, or”.

"RYA17624 S.L.C."