

Union Calendar No. 55

119TH CONGRESS
1ST SESSION

H. R. 2399

[Report No. 119–78]

To require the Federal Communications Commission to establish a vetting process for prospective applicants for high-cost universal service program funding.

IN THE HOUSE OF REPRESENTATIVES

MARCH 27, 2025

Mrs. HOUCHIN (for herself and Ms. KELLY of Illinois) introduced the following bill; which was referred to the Committee on Energy and Commerce

APRIL 24, 2025

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To require the Federal Communications Commission to establish a vetting process for prospective applicants for high-cost universal service program funding.

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 Pro-
5 tection Act of 2025”.

6 **SEC. 2. VETTING PROCESS FOR PROSPECTIVE HIGH-COST**
7 **UNIVERSAL SERVICE FUND APPLICANTS.**

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

11 “(m) VETTING OF HIGH-COST FUND RECIPIENTS.—

12 “(1) DEFINITIONS.—In this subsection—

13 “(A) the term ‘covered funding’ means any
14 new offer of high-cost universal service program
15 funding, including funding provided through a
16 reverse competitive bidding mechanism provided
17 under this section, for the deployment of a
18 broadband-capable network and the provision of
19 supported services over the network; and

20 “(B) the term ‘new covered funding award’
21 means an award of covered funding that is
22 made based on an application submitted to the
23 Commission on or after the date on which rules
24 are promulgated under paragraph (2).

1 “(2) COMMISSION RULEMAKING.—Not later
2 than 180 days after the date of enactment of this
3 subsection, the Commission shall initiate a rule-
4 making proceeding to establish a vetting process for
5 applicants for, and other recipients of, a new covered
6 funding award.

7 “(3) CONTENTS.—

8 “(A) IN GENERAL.—In promulgating rules
9 under paragraph (2), the Commission shall pro-
10 vide that, consistent with principles of tech-
11 nology neutrality, the Commission will only
12 award covered funding to applicants that can
13 demonstrate that they meet the qualifications in
14 subparagraph (B).

15 “(B) QUALIFICATIONS DESCRIBED.—An
16 applicant for a new covered funding award shall
17 include in the initial application a proposal con-
18 taining sufficient detail and documentation for
19 the Commission to ascertain that the applicant
20 possesses the technical, financial, and oper-
21 ational capabilities, and has a reasonable busi-
22 ness plan, to deploy the proposed network and
23 deliver services with the relevant performance
24 characteristics and requirements defined by the
25 Commission and as pledged by the applicant.

1 “(C) EVALUATION OF PROPOSAL.—The
2 Commission shall evaluate a proposal described
3 in subparagraph (B) against—

4 “(i) reasonable and well-established
5 technical, financial, and operational stand-
6 ards, including the technical standards
7 adopted by the Commission in orders of
8 the Commission relating to Establishing
9 the Digital Opportunity Data Collection
10 (WC Docket No. 19–195) (or orders of the
11 Commission relating to modernizing any
12 successor collection) for purposes of enti-
13 ties that must report broadband avail-
14 ability coverage; and

15 “(ii) the applicant’s history of com-
16 plying with requirements in the Commis-
17 sion and other government broadband de-
18 ployment funding programs.

19 “(D) PENALTIES FOR PRE-AUTHORIZATION
20 DEFAULTS.—In adopting rules for any new cov-
21 ered funding award, the Commission shall set a
22 penalty for pre-authorization defaults of at least
23 \$9,000 per violation and may not limit the base
24 forfeiture to an amount less than 30 percent of
25 the applicant’s total support, unless the Com-

- 1 mission demonstrates the need for lower pen-
- 2 alties in a particular instance.”.

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