

Calendar No. 48

119TH CONGRESS
1ST SESSION

S. 98

[Report No. 119–14]

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

IN THE SENATE OF THE UNITED STATES

JANUARY 15, 2025

Mrs. CAPITO (for herself, Ms. KLOBUCHAR, Mr. CURTIS, and Mr. PETERS) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

APRIL 28, 2025

Reported by Mr. CRUZ, without amendment

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”.

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

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

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

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

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

15 “(B) the term ‘new covered funding award’
 16 means an award of covered funding that is
 17 made based on an application submitted to the
 18 Commission on or after the date on which rules
 19 are promulgated under paragraph (2).

20 “(2) COMMISSION RULEMAKING.—Not later
 21 than 180 days after the date of enactment of this
 22 subsection, the Commission shall initiate a rule-
 23 making proceeding to establish a vetting process for
 24 applicants for, and other recipients of, a new covered
 25 funding award.

26 “(3) CONTENTS.—

1 “(A) IN GENERAL.—In promulgating rules
2 under paragraph (2), the Commission shall pro-
3 vide that, consistent with principles of tech-
4 nology neutrality, the Commission will only
5 award covered funding to applicants that can
6 demonstrate that they meet the qualifications in
7 subparagraph (B).

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

19 “(C) EVALUATION OF PROPOSAL.—The
20 Commission shall evaluate a proposal described
21 in subparagraph (B) against—

22 “(i) reasonable and well-established
23 technical, financial, and operational stand-
24 ards, including the technical standards
25 adopted by the Commission in orders of

1 the Commission relating to Establishing
2 the Digital Opportunity Data Collection
3 (WC Docket No. 19–195) (or orders of the
4 Commission relating to modernizing any
5 successor collection) for purposes of enti-
6 ties that must report broadband avail-
7 ability coverage; and

8 “(ii) the applicant’s history of com-
9 plying with requirements in Commission
10 and other government broadband deploy-
11 ment funding programs.

12 “(D) PENALTIES FOR PRE-AUTHORIZATION
13 DEFAULTS.—In adopting rules for any new cov-
14 ered funding award, the Commission shall set a
15 penalty for pre-authorization defaults of at least
16 \$9,000 per violation and may not limit the base
17 forfeiture to an amount less than 30 percent of
18 the applicant’s total support, unless the Com-
19 mission demonstrates the need for lower pen-
20 alties in a particular instance.”.

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