

107TH CONGRESS
1ST SESSION

H. R. 2139

To authorize the Secretary of Agriculture to make loans for the development of broadband services in rural areas.

IN THE HOUSE OF REPRESENTATIVES

JUNE 12, 2001

Mr. SMITH of Texas introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To authorize the Secretary of Agriculture to make loans for the development of broadband services in rural areas.

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 America
5 Broadband Deployment Act”.

6 SEC. 2. FINDINGS.

7 The Congress finds that—

1 (1) high-speed Internet access (broadband) will
2 benefit rural communities, agricultural producers,
3 and the American public by enabling—

- 4 (A) the improvement of productivity;
- 5 (B) the creation of new market outlets;
- 6 (C) the simplification of price discovery;
- 7 (D) the creation of risk management;
- 8 (E) forward pricing opportunities;

14 (3) as e-commerce becomes as revolutionary to
15 the United States economy as the telegraph, tele-
16 phone, and telefax has been, it is in the Nation's
17 best overall interests not to leave rural communities
18 and agriculture behind the technological curve.

19 SEC. 3. BROADBAND LOAN PROGRAM.

20 (a) IN GENERAL.—

1 prove broadband service in rural areas where the
2 Secretary determines services are not adequate.

3 (2) REFINANCING OF EXISTING LOANS.—The
4 Secretary may make a loan under this section to re-
5 finance an outstanding loan if the Secretary deter-
6 mines the refinancing is necessary to provide or im-
7 prove broadband service in a rural area.

8 (b) LOAN TERMS AND CONDITIONS.—

9 (1) INTEREST RATE.—The interest rate
10 charged for a loan under this section shall be deter-
11 mined by the Secretary and shall approximate the
12 interest rate borne by securities issued by the Treas-
13 ury of the United States with comparable maturities.

14 (2) TERM OF LOAN.—The term of a loan under
15 this section shall not exceed the composite useful life
16 of the assets financed by the loan.

17 (3) FEASIBILITY AND SECURITY.—The Sec-
18 retary may not make a loan to a borrower under this
19 section unless the Secretary determines that the
20 borrower—

21 (A) can repay the loan in accordance with
22 the loan terms; and

23 (B) has provided sufficient collateral to se-
24 cure the loan.

5 (c) LIMITATIONS ON AUTHORIZATION OF APPRO-
6 PRIATIONS.—To carry out this section, there are author-
7 ized to be appropriated to the Secretary \$100,000,000 for
8 each of fiscal years 2002 through 2004.

9 (d) DEFINITIONS.—In this section:

○