

108TH CONGRESS  
2D SESSION

# S. 2578

To provide grants and other incentives to promote new communications technologies, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JUNE 24, 2004

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

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## A BILL

To provide grants and other incentives to promote new communications technologies, and for other purposes.

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 “Broadband Expansion  
5       Grant Initiative of 2004”.

6       **SEC. 2. FINDINGS.**

7       Congress finds the following:

8               (1) Investing in a telecommunications infra-  
9       structure for underserved rural communities will in-

1       crease the potential for long-term economic growth  
2       in those areas.

3           (2) Currently, too many families have to make  
4       long distance calls to connect to the Internet, and  
5       the deployment of broadband networks would make  
6       sure that connection to the Internet is more cost-ef-  
7       fective and only a local call away.

8           (3) Small businesses would benefit from access  
9       to high-speed Internet links that would allow them  
10      to compete on national and international levels.

11          (4) Broadband deployment grants and loan  
12      guarantees would encourage private-sector invest-  
13      ment in infrastructure advances.

14   **SEC. 3. FACILITATION OF DEPLOYMENT OF BROADBAND**  
15                   **TELECOMMUNICATIONS CAPABILITIES TO**  
16                   **UNDERSERVED RURAL AREAS.**

17      (a) IN GENERAL.—In order to facilitate the deploy-  
18      ment by the private sector of broadband telecommuni-  
19      cations networks and capabilities (including wireless and  
20      satellite networks and capabilities) to underserved rural  
21      areas, the Secretary of Commerce (in this section, referred  
22      to as the “Secretary”) may—

23           (1) make grants to eligible recipients for that  
24      purpose;

1           (2) guarantee loans, either whole or in part, of  
2       eligible recipients the proceeds of which are to be  
3       used for that purpose; or

4           (3) carry out activities under both paragraphs  
5       (1) and (2).

6       (b) ELIGIBLE RECIPIENTS.—For purposes of this  
7       section, an eligible recipient of a grant or loan guarantee  
8       under subsection (a) is any person or entity selected by  
9       the Secretary in accordance with such procedures as the  
10      Secretary shall establish.

11      (c) UNDERSERVED RURAL AREAS.—The Secretary  
12      shall identify the areas that constitute underserved rural  
13      areas for purposes of this section.

14      (d) EMPHASIS ON PARTICULAR CAPABILITIES.—In  
15      selecting a person or entity as an eligible recipient of a  
16      grant or loan guarantee under subsection (a), the Sec-  
17      retary shall give particular emphasis to persons or entities  
18      that propose to use the grant or the proceeds of the loan  
19      guaranteed, as the case may be, to leverage non-Federal  
20      resources to do one or more of the following:

21           (1) Provide underserved rural areas with access  
22      to Internet service by local telephone.

23           (2) Demonstrate new models or emerging tech-  
24      nologies to bring broadband telecommunications

1 services to underserved rural areas on a cost-effective basis.

3 (3) Use broadband telecommunications services  
4 to stimulate economic development, such as providing connections between and among industrial  
5 parks located in such areas and providing high-speed  
6 telecommunications service links to small business  
7 incubators.

9 (e) CONSULTATION.—The Secretary may consult  
10 with the Federal Communications Commission in carrying  
11 out activities under this section.

12 (f) LIMITATION ON AMOUNT.—The amount of any  
13 grants made under this section, and the cost (as defined  
14 in section 502(5) of the Federal Credit Reform Act of  
15 1990 (2 U.S.C. 661a(5)) of any loans guaranteed under  
16 this section, may not, in the aggregate, exceed  
17 \$100,000,000.

18 (g) AUTHORIZATION OF APPROPRIATIONS.—There is  
19 authorized to be appropriated for the Department of Commerce for purposes of grants and loan guarantees under  
20 this section \$100,000,000 for fiscal year 2005, and such  
21 sums as are necessary for each fiscal year thereafter.

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