

114TH CONGRESS
2D SESSION

H. R. 6336

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 HOUSE OF REPRESENTATIVES

NOVEMBER 17, 2016

Mr. POCAN (for himself and Ms. STEFANIK) 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 amend the Rural Electrification Act of 1936 to provide grants for access to broadband telecommunications services in rural areas, 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 Connec-
5 tions for Rural Opportunities Program Act of 2016” or
6 the “B-CROP Act of 2016”.

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

3 Section 601 of the Rural Electrification Act of 1936
4 (7 U.S.C. 950bb) is amended—

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

7 (2) in subsection (c)—

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

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

13 (C) by striking paragraph (2) and insert-
14 ing the following:

15 “(2) PRIORITY.—

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

19 “(i) establish one ongoing evaluation
20 period for each fiscal year to compare
21 grant, loan, and loan guarantee applica-
22 tions and to prioritize grants, loans, and
23 loan guarantees to all or part of rural com-
24 munities that do not have residential
25 broadband service that meets the minimum

1 acceptable level of broadband service estab-
2 lished under subsection (e);

3 “(ii) give the highest priority to appli-
4 cants that offer to provide broadband serv-
5 ice to the greatest proportion of unserved
6 rural households or rural households that
7 do not have residential broadband service
8 that meets the minimum acceptable level of
9 broadband service established under sub-
10 section (e), as—

11 “(I) certified by the affected
12 community, city, county, or designee;
13 or

14 “(II) demonstrated on—

15 “(aa) the broadband map of
16 the affected State if the map con-
17 tains address-level data; or

18 “(bb) the National
19 Broadband Map if address-level
20 data is unavailable; and

21 “(iii) provide equal consideration to
22 all qualified applicants, including those
23 that have not previously received grants,
24 loans, or loan guarantees under paragraph
25 (1).

1 “(B) OTHER.—After giving priority to the
2 applicants described in subparagraph (A), the
3 Secretary shall then give priority to projects
4 that serve rural communities—

5 “(i) with a population of less than
6 10,000 permanent residents;

7 “(ii) experiencing outmigration;

8 “(iii) with a high percentage of low-in-
9 come residents; and

10 “(iv) that are isolated from other sig-
11 nificant population centers.

12 “(3) GRANT AMOUNTS.—

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

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

22 “(C) GRANT RATE.—The Secretary shall
23 establish the grant rate for each project in ac-
24 cordance with regulations issued by the Sec-
25 retary that shall provide for a graduated scale

of grant rates that establish higher rates for projects in communities that have—

“(i) remote locations;

“(ii) low community populations;

“(iii) low income levels;

“(iv) developed the applications of the communities with the participation of combinations of stakeholders, including—

“(I) State, local, and tribal governments;

“(II) nonprofit institutions;

“(III) institutions of higher education;

“(IV) private entities; and

“(V) philanthropic organizations;

and

“(v) targeted funding to provide the minimum acceptable level of broadband service established under subsection (e) in all or part of an unserved community that is below that minimum acceptable level of broadband service.

“(D) SECRETARIAL AUTHORITY TO ADJUST.—The Secretary may make grants of up to 75 percent of the development costs of the

1 project for which the grant is provided to an el-
2 igible entity if the Secretary determines that
3 the project serves a remote or low income area
4 that does not have access to broadband service
5 from any provider of broadband service (includ-
6 ing the applicant).”;

7 (3) in subsection (d)—

8 (A) in paragraph (1)(A)—

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

12 (ii) by striking clause (i) and inserting
13 the following:

14 “(i) demonstrate the ability—

15 “(I) to furnish, improve in order
16 to meet the minimum acceptable level
17 of broadband service established
18 under subsection (e), or extend
19 broadband service to all or part of an
20 unserved rural area or an area below
21 the minimum acceptable level of
22 broadband service established under
23 subsection (e); or

24 “(II) to carry out a project under
25 paragraph (4)(B)(ii);”;

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

(iv) in clause (iii)—

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

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

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in the matter preceding clause

(i)—

(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”;

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

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

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

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

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

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

16 (G) in paragraph (7), by striking “a loan
17 application” and inserting “an application”;

18 (4) in subsection (f), by striking “make a loan
19 or loan guarantee” and inserting “provide assist-
20 ance”;

21 (5) in subsection (j)—

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

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

1 (C) in paragraph (2)—

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

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

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

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

10 (7) by inserting after subsection (j) the fol-
11 lowing:

12 “(k) BROADBAND BUILDOUT DATA.—

13 “(1) IN GENERAL.—As a condition of receiving
14 a grant, loan, or loan guarantee under this section,
15 a recipient of assistance shall provide to the Sec-
16 retary address-level broadband buildout data that in-
17 dicates the location of new broadband service that is
18 being provided or upgraded within the service terri-
19 tory supported by the grant, loan, or loan guar-
20 antee—

21 “(A) for purposes of inclusion in the semi-
22 annual updates to the National Broadband Map
23 that is managed by the National Telecommuni-
24 cations and Information Administration (re-

1 ferred to in this subsection as the ‘Administra-
2 tion’); and

3 “(B) not later than 30 days after the ear-
4 lier of—

5 “(i) the date of completion of any
6 project milestone established by the Sec-
7 retary; or

8 “(ii) the date of completion of the
9 project.

10 “(2) ADDRESS-LEVEL DATA.—Effective begin-
11 ning on the date the Administration receives data
12 described in paragraph (1), the Administration shall
13 use only address-level broadband buildout data for
14 the National Broadband Map.

15 “(3) CORRECTIONS.—

16 “(A) IN GENERAL.—The Secretary shall
17 submit to the Administration any correction to
18 the National Broadband Map that is based on
19 the actual level of broadband coverage within
20 the rural area, including any requests for a cor-
21 rection from an elected or economic develop-
22 ment official.

23 “(B) INCORPORATION.—Not later than 30
24 days after the date on which the Administration
25 receives a correction submitted under subpara-

graph (A), the Administration shall incorporate the correction into the National Broadband Map.

“(C) USE.—If the Secretary has submitted a correction to the Administration under subparagraph (A), but the National Broadband Map has not been updated to reflect the correct by the date on which the Secretary is making a grant or loan award decision under this section, the Secretary may use the correction submitted under that subparagraph for purposes of make the grant or loan award decision.”;

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

(A) in paragraph (1), by striking “\$25,000,000” and inserting “\$100,000,000”; 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:

1 “(iii) set aside at least 1 percent to be
2 used for—

3 “(I) conducting oversight under
4 this section; and

5 “(II) implementing accountability
6 measures and related activities au-
7 thorized under this section.”; and

8 (9) in subsection (m) (as redesignated by para-
9 graph (6)), by striking “loan or” and inserting
10 “grant, loan, or”.

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