

116TH CONGRESS
2D SESSION

H. R. 8040

To direct the Administrator of the Small Business Administration to establish a grant program to facilitate the provision of high-speed broadband service to small business concerns in rural areas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 14, 2020

Mr. GOLDEN (for himself and Mr. STAUBER) introduced the following bill;
which was referred to the Committee on Small Business

A BILL

To direct the Administrator of the Small Business Administration to establish a grant program to facilitate the provision of high-speed broadband service to small business concerns 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 “Small Business Last
5 Mile Act of 2020”.

1 **SEC. 2. GRANT PROGRAM TO PROVIDE HIGH-SPEED**
2 **BROADBAND SERVICE.**

3 (a) **ESTABLISHMENT.**—Not later than 180 days after
4 the date of the enactment of this Act, the Administrator
5 of the Small Business Administration shall establish a pro-
6 gram (in this Act referred to as the “Program”) to facili-
7 tate the provision of high-speed broadband service to rural
8 small business concerns.

9 (b) **GRANT AUTHORITY.**—In carrying out the Pro-
10 gram, the Administrator shall award a grant to each eligi-
11 ble State that submits an application.

12 (c) **ELIGIBLE RECIPIENTS.**—

13 (1) **ELIGIBLE STATE.**—The Administrator shall
14 award a grant under the Program each year to a
15 State that submits an application pursuant to sub-
16 section (d).

17 (2) **ELIGIBLE SUBGRANT RECIPIENT.**—

18 (A) **IN GENERAL.**—An eligible State may
19 award a subgrant under the Program to any
20 entity, or group of entities, determined by the
21 eligible State to have the authority and capa-
22 bility to carry out a project described in sub-
23 section (d).

24 (B) **NOT REQUIRED TO BE ELIGIBLE**
25 **TELECOMMUNICATION CARRIER.**—A determina-
26 tion of authority and capability under subpara-

1 graph (A) may not require a subgrant recipient
2 to be designated as an eligible telecommuni-
3 cations carrier under section 214(e) of the
4 Communications Act of 1934 (47 U.S.C.
5 214(e)).

6 (d) APPLICATION.—To be eligible for a grant under
7 the Program, a State shall submit to the Administrator
8 an application that demonstrates that the State—

9 (1) prior to the date of application for a grant
10 under the Program, has experience managing a
11 State or Federal grant program to facilitate the pro-
12 vision of high-speed broadband service;

13 (2) maintains a State broadband plan;

14 (3) has updated the State broadband plan
15 under paragraph (2) in the five years prior to the
16 date a State submits an application for a grant
17 under the Program;

18 (4) agrees to subgrant any awarded funds to an
19 eligible subgrant recipient;

20 (5) agrees to conduct a periodic financial audit
21 of eligible subgrant recipients who have received a
22 subgrant under the Program;

23 (6) ensures proper disbursement and account-
24 ing for Federal funds awarded under the Program,

1 including demonstrating that if awarded a subgrant
2 under the Program—

3 (A) such award has been used to assist an
4 eligible project; and

5 (B) that a State has recovered an award
6 from a subgrant recipient who has not complied
7 with the requirements of the Program; and

8 (7) possesses any other administrative or tech-
9 nical capacity that the Administrator deems nec-
10 essary for the success of the Program.

11 (e) ELIGIBLE PROJECTS.—

12 (1) IN GENERAL.—Grant funds awarded under
13 the Program may only be used to assist a project
14 that makes available eligible infrastructure necessary
15 to provide high-speed broadband service to a rural
16 small business concern.

17 (2) RESTRICTION ON DUPLICATION.—

18 (A) IN GENERAL.—Grant funds awarded
19 under the Program may not be used to assist
20 a project that makes available duplicative eligi-
21 ble infrastructure to a small business concern
22 located in a rural area.

23 (B) DETERMINATION OF DUPLICATIVE IN-
24 FRASTRUCTURE.—

1 (i) IN GENERAL.—An eligible State
2 shall determine the presence of duplicative
3 eligible infrastructure using broadband in-
4 frastructure geolocation data from Federal,
5 State, or commercial sources.

6 (ii) PROCESS TO CHALLENGE DETER-
7 MINATION.—

8 (I) PUBLICATION REQUIRE-
9 MENT.—An eligible State shall make
10 available to the public the location of
11 proposed eligible infrastructure for
12 which a subgrant application has been
13 submitted to the eligible State.

14 (II) OPPORTUNITY TO CHAL-
15 LENGE DETERMINATION.—Not later
16 than 15 days prior to the award of a
17 subgrant, an eligible State shall allow
18 a provider of eligible infrastructure
19 the opportunity to submit information
20 regarding the location of such infra-
21 structure so that the eligible State
22 may determine whether a project to
23 be awarded a subgrant will make
24 available duplicative eligible infra-
25 structure.

1 (f) PRIORITY.—In making a grant under the Pro-
2 gram, the Administrator shall give priority to an eligible
3 project based on the number of small business concerns
4 located in a rural area provided high-speed broadband
5 service by the project.

6 (g) GRANT AMOUNT AWARDED.—In making a grant
7 under the Program, the Administrator shall award an eli-
8 gible State the amount equaling the ratio of the number
9 of individuals in the eligible State who reside in a rural
10 area divided by the number of individuals who reside in
11 a rural area in all eligible States that have been approved
12 under the Program, multiplied by the total amount of
13 funds authorized to be appropriated under subsection
14 (k)(2).

15 (h) LIMITATIONS ON A SUBGRANT AMOUNT.—The
16 amount of a subgrant under the Program—

17 (1) if awarded to an entity providing high-speed
18 broadband service to a single small business concern,
19 may not exceed \$15,000; or

20 (2) if awarded to an entity providing high-speed
21 broadband service to more than one small business
22 concern, may not exceed \$35,000.

23 (i) FEDERAL SHARE.—The Federal share of the cost
24 of a project assisted with a grant under the Program shall
25 not exceed 75 percent.

1 (j) EVALUATION OF PROGRAM.—

2 (1) REPORT TO ADMINISTRATOR.—Not later
3 than 30 months after the date of the enactment of
4 this Act, each eligible State shall submit to the Ad-
5 ministrator a report demonstrating the information
6 required pursuant to subsection (d)(6).

7 (2) REPORT TO CONGRESS.—Not later than
8 three years after the date of the enactment of this
9 Act, the Administrator shall submit to the Com-
10 mittee on Small Business of the House of Rep-
11 resentatives and the Committee on Small Business
12 and Entrepreneurship of the Senate a report on the
13 Program that includes a description of—

14 (A) the number of grants awarded under
15 the Program;

16 (B) the total amount of funding expended
17 on eligible infrastructure pursuant to the Pro-
18 gram;

19 (C) the number of small business concerns
20 in rural areas provided eligible infrastructure as
21 a result of the Program during the two-year pe-
22 riod beginning on the date on which the Admin-
23 istrator first awards a grant under the Pro-
24 gram; and

1 (D) the number of miles of eligible infra-
2 structure made available pursuant to the Pro-
3 gram.

4 (k) AUTHORIZATION OF APPROPRIATIONS.—

5 (1) IN GENERAL.—There are authorized to be
6 appropriated to carry out the Program \$25,000,000
7 for each of fiscal years 2020 through 2023.

8 (2) RESERVATION FOR GRANTS.—Not less than
9 97 percent of funds appropriated for the Program
10 shall be reserved for providing grants to eligible
11 States.

12 (3) RESERVATION FOR ADMINISTRATION.—Not
13 more than 3 percent of funds appropriated for the
14 Program may be used by the Administrator to ad-
15 minister the Program.

16 **SEC. 3. STUDY AND REPORT ON BROADBAND SERVICE**
17 **SPEEDS AND PRICING.**

18 (a) STUDY.—The Administrator of the Small Busi-
19 ness Administration shall conduct a survey of a represent-
20 ative sample of small business concerns located in rural
21 areas on—

22 (1) the speeds of broadband service available to
23 small business concerns located in rural areas;

24 (2) the prices for broadband service available to
25 small business concerns located in rural areas;

1 (3) the types of broadband service technology
2 used by small business concerns located in rural
3 areas;

4 (4) the type of broadband service available to
5 small business concerns located in rural areas, spe-
6 cifically whether it is best-effort service or service
7 with guaranteed quality-of-service benchmarks; and

8 (5) the primary purposes for which small busi-
9 ness concerns located in rural areas use their
10 broadband connections and whether their current
11 broadband service enables them to satisfactorily
12 carry out each of these purposes.

13 (b) REPORT.—Not later than three years after the
14 date of the enactment of this Act, the Administrator shall
15 submit to the Committee on Small Business of the House
16 of Representatives and the Committee on Small Business
17 and Entrepreneurship of the Senate a report on the re-
18 sults of the study conducted under subsection (a) that in-
19 cludes policy recommendations for improving the access
20 of small business concerns to affordable high-speed
21 broadband service.

22 **SEC. 4. DEFINITIONS.**

23 In this Act:

24 (1) ELIGIBLE INFRASTRUCTURE.—The term
25 “eligible infrastructure” means infrastructure of a

1 type with the demonstrated capability to facilitate
2 broadband service for which—

3 (A) 95 percent or more of all peak period
4 measurements of—

5 (i) downstream transmission capacity
6 are at or above 50 Mbps;

7 (ii) upstream transmission capacity
8 are at or above 50 Mbps; and

9 (iii) network round trip latency are at
10 or below 100 milliseconds; and

11 (B) an end-user’s monthly data cap is at
12 or above 2 terabytes.

13 (2) RURAL AREA.—The term “rural area” has
14 the meaning given such term under section
15 601(b)(3) of the Rural Electrification Act of 1936
16 (7 U.S.C. 950bb(b)(3)).

17 (3) RURAL SMALL BUSINESS CONCERN.—The
18 term “rural small business concern” means a small
19 business concern that has its principal office located
20 in a rural area.

21 (4) SMALL BUSINESS CONCERN.—The term
22 “small business concern” has the meaning given
23 such term under section 3 of the Small Business Act
24 (15 U.S.C. 632).

1 (5) STATE.—The term “State” has the mean-
2 ing given such term under section 12052 of the
3 Small Business Disaster Response and Loan Im-
4 provements Act of 2008 (15 U.S.C. 636e).

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