

tween the purposes described in paragraphs (1) and (2) of subsection (b).

(3) In making grants for the purposes described in subsection (b)(2), the Secretary shall give preference to renewable energy facilities.

(d) Authorization of appropriations

There is authorized to be appropriated to the Secretary to carry out this section \$20,000,000 for each of fiscal years 2006 through 2012.

(Pub. L. 95-617, title VI, § 609, as added Pub. L. 109-58, title II, § 209, Aug. 8, 2005, 119 Stat. 657.)

Editorial Notes

CODIFICATION

Section was enacted as part of the Public Utility Regulatory Policies Act of 1978, and not as part of the Rural Electrification Act of 1936 which comprises this chapter.

Statutory Notes and Related Subsidiaries

DEFINITIONS

Secretary means the Secretary of Energy, see section 2602(14) of Title 16, Conservation.

SUBCHAPTER II—RURAL TELEPHONE SERVICE

§ 921. Congressional declaration of policy

It is declared to be the policy of the Congress that adequate telephone service be made generally available in rural areas through the improvement and expansion of existing telephone facilities and the construction and operation of such additional facilities as are required to assure the availability of adequate telephone service to the widest practicable number of rural users of such service.

(Oct. 28, 1949, ch. 776, § 1, 63 Stat. 948.)

Editorial Notes

CODIFICATION

Section is composed of the first sentence of section 1 of act Oct. 28, 1949. The second sentence of section 1 of that act, which provided that: "In order to effectuate this policy, the Rural Electrification Act of 1936 [this chapter] is amended as hereinafter provided", is omitted from the Code.

Section was not enacted as part of title II of the Rural Electrification Act of 1936 which comprises subchapter II of this chapter.

§§ 921a, 921b. Repealed. Pub. L. 115-334, title VI, § 6602(b)(13), (14), Dec. 20, 2018, 132 Stat. 4777

Section 921a, Pub. L. 92-12, § 1, May 7, 1971, 85 Stat. 29, related to policy of financing of rural telephone program.

Section 921b, Pub. L. 92-324, § 1, June 30, 1972, 86 Stat. 390, related to policy of expansion of markets for debentures.

§ 922. Loans for telephone service

From such sums as are from time to time made available by the Congress to the Secretary for such purpose, pursuant to section 903 of this title, the Secretary is authorized and empowered to make loans to persons now providing or who may hereafter provide telephone service in rural areas, to public bodies now providing tele-

phone service in rural areas and to cooperative, nonprofit, limited dividend, or mutual associations. Except as otherwise provided by this subchapter, such loans shall be made under the same terms and conditions as are provided in section 904 of this title, for the purpose of financing the improvement, expansion, construction, acquisition, and operation of telephone lines, facilities, or systems to furnish and improve telephone service in rural areas: *Provided, however,* That the Secretary, in making such loans, shall give preference to persons providing telephone service in rural areas, to public bodies now providing telephone service in rural areas, and to cooperative, nonprofit, limited dividend, or mutual associations. The Secretary in making such loans shall, insofar as possible, obtain assurance that the telephone service to be furnished or improved thereby will be made available to the widest practical number of rural users. When it is determined by the Secretary to be necessary in order to furnish or improve telephone service in rural areas, such loans may be made for the improvement, expansion, construction, acquisition, and operation of telephone lines, facilities, or systems without regard to their geographical location. The Secretary is further authorized and empowered to make loans for the purpose of refinancing outstanding indebtedness of persons furnishing telephone service in rural areas, including indebtedness of recipients on another telecommunications loan made under this chapter. Loans under this section shall not be made unless the Secretary finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed and that no duplication of lines, facilities, or systems, providing reasonably adequate services will result therefrom.

(May 20, 1936, ch. 432, title II, § 201, as added Oct. 28, 1949, ch. 776, § 5, 63 Stat. 948; amended Pub. L. 92-12, § 3(b), May 7, 1971, 85 Stat. 37; Pub. L. 103-354, title II, § 235(a)(13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 115-334, title VI, §§ 6211, 6502, 6702, Dec. 20, 2018, 132 Stat. 4744, 4772, 4779.)

Editorial Notes

AMENDMENTS

2018—Pub. L. 115-334, § 6702(2), which directed substitution of "certifies" for "centifies" in sixth sentence, could not be executed because the word "centifies" did not appear.

Pub. L. 115-334, § 6702(1), which directed substitution of "widest" for "wildest" in third sentence, could not be executed because the word "wildest" did not appear.

Pub. L. 115-334, § 6502, inserted section catchline and substituted "associations." for "associations: *And provided further,* That for a period of one year from and after October 28, 1949, applications for loans received by the Secretary from persons who on October 28, 1949, are engaged in the operation of existing telephone service in rural areas shall be considered and acted upon before action is taken upon any application received from any other person for any loan to finance the furnishing or improvement of telephone service to substantially the same subscribers." in second sentence and "and that no duplication" for " , nor shall such loan be made in any State which now has or may hereafter have a State regulatory body having authority to regulate telephone service and to require certificates of convenience and necessity to the applicant unless such certificate from

such agency is first obtained. In a State in which there is no such agency or regulatory body legally authorized to issue such certificates to the applicant, no loan shall be made under this section unless the Secretary shall determine (and set forth his reasons therefor in writing) that no duplication” in last sentence.

Pub. L. 115-334, §6211, substituted “furnishing telephone service in rural areas, including indebtedness of recipients on another telecommunications loan made under this chapter.” for “furnishing telephone service in rural areas: *Provided*, That such refinancing shall be determined by the Secretary to be necessary in order to furnish and improve telephone service in rural areas: *And provided further*, That such refinancing shall constitute not more than 40 per centum of any loan made under this subchapter.”

1994—Pub. L. 103-354 substituted “Secretary” for “Administrator” wherever appearing.

1971—Pub. L. 92-12 inserted “, to public bodies now providing telephone service in rural areas” after “areas” in first sentence and after “areas” in first proviso of second sentence.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1971 AMENDMENT

Amendment by Pub. L. 92-12 effective May 7, 1971, see section 7 of Pub. L. 92-12, set out as an Effective Date note under section 931 of this title.

§ 923. State regulation of telephone service

Nothing contained in this chapter shall be construed to deprive any State commission, board, or other agency of jurisdiction, under any State law, now or hereafter effective, to regulate telephone service which is not subject to regulation by the Federal Communications Commission, under the Communications Act of 1934 [47 U.S.C. 151 et seq.], including the rates for such service.

(May 20, 1936, ch. 432, title II, §202, as added Oct. 28, 1949, ch. 776, §5, 63 Stat. 948.)

Editorial Notes

REFERENCES IN TEXT

The Communications Act of 1934, referred to in text, is act June 19, 1934, ch. 652, 48 Stat. 1064, which is classified principally to chapter 5 (§151 et seq.) of Title 47, Telecommunications. For complete classification of this Act to the Code, see section 609 of Title 47 and Tables.

§ 924. Definition of telephone service and rural area

(a) As used in this subchapter, the term “telephone service” shall be deemed to mean any communication service for the transmission or reception of voice, data, sounds, signals, pictures, writing, or signs of all kinds by wire, fiber, radio, light, or other visual or electromagnetic means, and shall include all telephone lines, facilities, or systems used in the rendition of such service; but shall not be deemed to mean message telegram service or community antenna television system services or facilities other than those intended exclusively for educational purposes, or radio broadcasting services or facilities within the meaning of section 153(o)¹ of title 47.

(b) As used in this subchapter, the term “rural area” shall be deemed to mean any area of the

United States not included within the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 5,000 inhabitants.

(May 20, 1936, ch. 432, title II, §203, as added Oct. 28, 1949, ch. 776, §5, 63 Stat. 948; amended Pub. L. 87-862, Oct. 23, 1962, 76 Stat. 1140; Pub. L. 101-624, title XXIII, §2354, Nov. 28, 1990, 104 Stat. 4039; Pub. L. 103-129, §2(c)(5), Nov. 1, 1993, 107 Stat. 1364.)

Editorial Notes

REFERENCES IN TEXT

Section 153 of title 47, referred to in subsec. (a), was subsequently amended and no longer contains a subsec. (o). However, the term “broadcasting” is defined elsewhere in that section.

AMENDMENTS

1993—Subsec. (b). Pub. L. 103-129 substituted “5,000” for “one thousand five hundred”.

1990—Subsec. (a). Pub. L. 101-624 inserted “or reception” after “transmission” and “data,” after “voice,” and substituted “by wire, fiber, radio, light, or other visual or electromagnetic means” for “through the use of electricity between the transmitting and receiving apparatus”.

1962—Subsec. (a). Pub. L. 87-862 included the transmission of sounds, signals, pictures, writing, or signs of all kinds within “telephone service”, and substituted “message telegram service or community antenna television system services or facilities other than those intended exclusively for educational purposes” for “telegaph services or facilities”.

§ 925. Loan feasibility

The Secretary may not, as a condition of making a telephone loan to an applicant therefor, require the applicant to—

- (1) increase the rates charged to the applicant’s customers or subscribers; or
- (2) increase the applicant’s ratio of—
 - (A) net income or margins before interest; to
 - (B) the interest requirements on all of the applicant’s outstanding and proposed loans.

(May 20, 1936, ch. 432, title II, §204, as added Pub. L. 101-624, title XXIII, §2355, Nov. 28, 1990, 104 Stat. 4039; amended Pub. L. 103-354, title II, §235(a)(13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 115-334, title VI, §6602(b)(2), Dec. 20, 2018, 132 Stat. 4776.)

Editorial Notes

AMENDMENTS

2018—Pub. L. 115-334 struck out “and the Governor of the telephone bank” after “The Secretary” in introductory provisions.

1994—Pub. L. 103-354 substituted “Secretary” for “Administrator”.

§ 926. Certain rural development investments by qualified telephone borrowers not treated as dividends or distributions

(a) In general

The Secretary shall not—

- (1) treat any amount invested by any qualified telephone borrower for any purpose described in section 2204b(c)(2) of this title (including any investment in, or extension of

¹ See References in Text note below.