

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)<sup>1</sup> of title 47.

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

<sup>1</sup> See References in Text note below.

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