

§ 950bb-3. Community Connect Grant Program**(a) Definitions**

In this section:

(1) Eligible broadband service

The term “eligible broadband service” means broadband service that has the capability to transmit data at a speed specified by the Secretary, which may not be less than the applicable minimum download and upload speeds established by the Federal Communications Commission in defining the term “advanced telecommunications capability” for purposes of section 1302 of title 47.

(2) Eligible service area

The term “eligible service area” means an area in which broadband service capacity is less than—

(A) a 10-Mbps downstream transmission capacity; and

(B) a 1-Mbps upstream transmission capacity.

(3) Eligible entity**(A) In general**

The term “eligible entity” means a legally organized entity that—

(i) is—

(I) an incorporated organization;

(II) an Indian Tribe or Tribal organization;

(III) a State;

(IV) a unit of local government; or

(V) any other legal entity, including a cooperative, a private corporation, or a limited liability company, that is organized on a for-profit or a not-for-profit basis; and

(ii) has the legal capacity and authority to enter into a contract, to comply with applicable Federal laws, and to own and operate broadband facilities, as proposed in the application submitted by the entity for a grant under the Program.

(B) Exclusions

The term “eligible entity” does not include—

(i) an individual; or

(ii) a partnership.

(4) Rural area

The term “rural area” has the meaning given the term in section 950bb(b)(3)(A) of this title.

(b) Establishment

The Secretary shall establish a program, to be known as the “Community Connect Grant Program”, to provide grants to eligible entities to finance broadband transmission in rural areas.

(c) Eligible projects

An eligible entity that receives a grant under the Program shall use the grant to carry out a project that—

(1) provides eligible broadband service to, within the proposed eligible service area described in the application submitted by the eligible entity—

(A) each essential community facility as defined pursuant to section 1926(a) of this title; and

(B) any required facilities necessary to offer that eligible broadband service to each residential and business customer within such proposed eligible service area; and

(2) for not less than 2 years—

(A) furnishes free eligible broadband service to a community center described in subsection (d)(1)(B);

(B) provides not fewer than 2 computer access points for that free eligible broadband service; and

(C) covers the cost of bandwidth to provide free eligible broadband service to each essential community facility that requests broadband services within the proposed eligible service area described in the application submitted by the eligible entity.

(d) Uses of grant funds**(1) In general**

An eligible entity that receives a grant under the Program may use the grant for—

(A) the construction, acquisition, or leasing of facilities (including spectrum), land, or buildings to deploy eligible broadband service; and

(B) the improvement, expansion, construction, or acquisition of a community center within the proposed eligible service area described in the application submitted by the eligible entity.

(2) Ineligible uses

An eligible entity that receives a grant under the Program shall not use the grant for—

(A) the duplication of any existing eligible broadband service provided by another entity in the eligible service area; or

(B) operating expenses, except as provided in—

(i) subsection (c)(2)(C) with respect to free eligible broadband service; and

(ii) paragraph (1)(A) with respect to spectrum.

(3) Free access for community centers

Of the amounts provided to an eligible entity under a grant under the Program, the eligible entity shall use to carry out paragraph (1)(B) not greater than the lesser of—

(A) 10 percent; and

(B) \$150,000.

(e) Matching funds**(1) In general**

An eligible entity that receives a grant under the Program shall provide a cash contribution in an amount that is not less than 15 percent of the amount of the grant.

(2) Requirements

A cash contribution described in paragraph (1)—

(A) shall be used solely for the project for which the eligible entity receives a grant under the Program; and

(B) shall not include any Federal funds, unless a Federal statute specifically provides that those Federal funds may be considered to be from a non-Federal source.

(f) Applications**(1) In general**

To be eligible to receive a grant under the Program, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) Requirement

An application submitted by an eligible entity under paragraph (1) shall include documentation sufficient to demonstrate the availability of funds to satisfy the requirement of subsection (e).

(g) Authorization of appropriations

There is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2019 through 2023.

(May 20, 1936, ch. 432, title VI, § 604, as added Pub. L. 115–334, title VI, § 6204, Dec. 20, 2018, 132 Stat. 4737.)

§ 950bb–4. Outdated broadband systems**(a) In general**

Except as provided in subsection (b), the Secretary shall consider any portion of a service territory that is subject to an outstanding grant agreement between the Secretary and a broadband provider to be unserved for the purposes of all broadband assistance programs under this chapter, if the broadband service in that portion of a service territory is less than 10 Mbps downstream transmission capacity or less than 1 Mbps upstream transmission capacity.

(b) Exception

The Secretary shall not consider a portion of a service territory described in subsection (a) to be unserved if the broadband service provider has constructed or begun to construct broadband facilities that meet the minimum acceptable level of service established under section 950bb(e) of this title, in that portion of the service territory.

(May 20, 1936, ch. 432, title VI, § 605, as added Pub. L. 115–334, title VI, § 6205(a), Dec. 20, 2018, 132 Stat. 4739.)

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE**

Pub. L. 115–334, title VI, § 6205(b), Dec. 20, 2018, 132 Stat. 4739, provided that: “The amendment made by this section [enacting this section] shall not take effect until October 1, 2020.”

§ 950bb–5. Default and deobligation; deferral**(a) Default and deobligation**

In addition to other authority under applicable law, the Secretary shall establish written procedures for all broadband programs so that, to the maximum extent practicable, the programs are administered to—

- (1) recover funds from loan and grant defaults;
- (2) deobligate any awards, less allowable costs that demonstrate an insufficient level of performance (including metrics determined by the Secretary) or fraudulent spending, to the

extent funds with respect to the award are available in the account relating to the program established by this subchapter;

(3) award those funds, on a competitive basis, to new or existing applicants consistent with this subchapter; and

(4) minimize overlap among the programs.

(b) Deferral period

In determining the terms and conditions of assistance provided under this subchapter, the Secretary may establish a deferral period of not shorter than the buildout period established for the project involved in order to support the financial feasibility and long-term sustainability of the project.

(May 20, 1936, ch. 432, title VI, § 606, as added Pub. L. 115–334, title VI, § 6206, Dec. 20, 2018, 132 Stat. 4739.)

§ 950bb–6. Federal broadband program coordination**(a) Consultation between USDA and NTIA**

The Secretary shall consult with the Assistant Secretary to assist in the verification of eligibility of the broadband loan and grant programs of the Department of Agriculture. In providing assistance under the preceding sentence, the Assistant Secretary shall make available the broadband assessment and mapping capabilities of the National Telecommunications and Information Administration.

(b) Consultation between USDA and FCC**(1) By USDA**

The Secretary shall consult with the Commission before providing broadband assistance for a project to serve an area with respect to which another entity is receiving Connect America Fund or Mobility Fund support under the Federal universal service support mechanisms established under section 254 of title 47.

(2) By FCC

The Commission shall consult with the Secretary before offering or providing Connect America Fund or Mobility Fund support under the Federal universal service support mechanisms established under section 254 of title 47 to serve an area with respect to which another entity has received broadband assistance under a loan or grant program of the Department of Agriculture.

(c) Report to Congress

Not later than 1 year after December 20, 2018, the Secretary, the Commission, and the Assistant Secretary shall submit to the Committee on Agriculture and the Committee on Energy and Commerce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Commerce, Science, and Transportation of the Senate a report on how best to coordinate federally supported broadband programs and activities in order to achieve the following objectives:

- (1) Promote high-quality broadband service that meets the long-term needs of rural residents and businesses, by evaluating the broadband service needs in rural areas for each decade through 2050.