
7 U.S. Code § 950bb

Access to broadband telecommunications services in rural areas

(a) Purpose

The purpose of this section is to provide grants, provide loans, and provide loan guarantees to provide funds for the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas.

(b) Definitions

In this section:

(1) Broadband service

The term “broadband service” means any technology identified by the Secretary as having the capacity to transmit data to enable a subscriber to the service to originate and receive high-quality voice, data, graphics, and video.

(2) Incumbent service provider

The term “incumbent service provider”, with respect to an application submitted under this section, means an entity that, as of the date of submission of the application, is providing broadband service to not less than 5 percent of the households in the service territory proposed in the application.

(3) Rural area

(A) In general

The term “rural area” means any area other than—

- (i) an area described in clause (i) or (ii) of section 1991(a)(13)(A) of this title; and
- (ii) in the case of a grant or direct loan, a city, town, or incorporated area that has a population of greater than 20,000 inhabitants.

(B) Urban area growth

The Secretary may, by regulation only, consider an area described in section 1991(a)(13)(F)(i)(I) of this title to not be a rural area for purposes of this section.

(C) Exclusion of certain populations

Such term does not include any population described in subparagraph (H) or (I) of section 1991(a)(13) of this title.

(c) Grants, loans, and loan guarantees

(1) In general

The Secretary shall make grants, shall make loans, and shall guarantee loans to eligible entities described in subsection (d) to provide funds for the construction, improvement, or acquisition of facilities and equipment for the provision of broadband service in rural areas.

(2) Priority

(A) In general

In making grants, making loans, and guaranteeing loans under paragraph (1), the Secretary shall—

- (i) give the highest priority to applications for projects to provide broadband service to unserved rural communities that do not have any residential broadband service of at least—
 - (I) a 10-Mbps downstream transmission capacity; and
 - (II) a 1-Mbps upstream transmission capacity;
- (ii) give priority to applications for projects to provide the maximum level of broadband service to the greatest proportion of rural households in the proposed service area identified in the application;
- (iii) provide equal consideration to all eligible entities, including those that have not previously received grants, loans, or loan guarantees under paragraph (1); and
- (iv) with respect to 2 or more applications that are given the same priority under clause (i), give priority to an application that requests less grant funding than loan funding.

(B) Other

After giving priority to the applications described in clauses (i) and (ii) of subparagraph (A), the Secretary shall then give priority to applications—

- (i) for projects to provide broadband service to rural communities—
 - (I) with a population of less than 10,000 permanent residents;
 - (II) that are experiencing outmigration and have adopted a strategic community investment plan under section 2008v(d) of this title that includes considerations for improving and expanding broadband service;
 - (III) with a high percentage of low income families or persons (as defined in section 1471(b) of title 42);
 - (IV) that are isolated from other significant population centers; or
 - (V) that provide rapid and expanded deployment of fixed and mobile broadband on cropland and rangeland within a service territory for use in various applications of precision agriculture; and
- (ii) that were developed with the participation of, and will receive a substantial portion of the funding for the project from, 2 or more stakeholders, including—
 - (I) State, local, and tribal governments;
 - (II) nonprofit institutions;
 - (III) community anchor institutions, such as—
 - (aa) public libraries;
 - (bb) elementary schools and secondary schools (as defined in section 7801 of title 20);
 - (cc) institutions of higher education; and
 - (dd) health care facilities;
 - (IV) private entities;
 - (V) philanthropic organizations; and
 - (VI) cooperatives.

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