

.....  
(Original Signature of Member)

114TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend the Rural Electrification Act of 1936 to provide grants for access to broadband telecommunications services in rural areas, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mr. POCAN (for himself and Ms. STEFANIK) introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend the Rural Electrification Act of 1936 to provide grants for access to broadband telecommunications services 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 “Broadband Conne-  
5 tions for Rural Opportunities Program Act of 2016” or  
6 the “B-CROP Act of 2016”.

1 **SEC. 2. ACCESS TO BROADBAND TELECOMMUNICATIONS**  
2 **SERVICES IN RURAL AREAS.**

3 Section 601 of the Rural Electrification Act of 1936  
4 (7 U.S.C. 950bb) is amended—

5 (1) in subsection (a), by striking “loans and”  
6 and inserting “grants, loans, and”;

7 (2) in subsection (c)—

8 (A) in the subsection heading, by striking  
9 “LOANS AND” and inserting “GRANTS, LOANS,  
10 AND”;

11 (B) in paragraph (1), by inserting “make  
12 grants and” after “Secretary shall”; and

13 (C) by striking paragraph (2) and insert-  
14 ing the following:

15 “(2) PRIORITY.—

16 “(A) IN GENERAL.—In making grants,  
17 loans, or loan guarantees under paragraph (1),  
18 the Secretary shall—

19 “(i) establish 1 ongoing evaluation pe-  
20 riod for each fiscal year to compare grant,  
21 loan, and loan guarantee applications and  
22 to prioritize grants, loans, and loan guar-  
23 antees to all or part of rural communities  
24 that do not have residential broadband  
25 service that meets the minimum acceptable

1 level of broadband service established  
2 under subsection (e);

3 “(ii) give the highest priority to appli-  
4 cants that offer to provide broadband serv-  
5 ice to the greatest proportion of unserved  
6 rural households or rural households that  
7 do not have residential broadband service  
8 that meets the minimum acceptable level of  
9 broadband service established under sub-  
10 section (e), as—

11 “(I) certified by the affected  
12 community, city, county, or designee;  
13 or

14 “(II) demonstrated on—

15 “(aa) the broadband map of  
16 the affected State if the map con-  
17 tains address-level data; or

18 “(bb) the National  
19 Broadband Map if address-level  
20 data is unavailable; and

21 “(iii) provide equal consideration to  
22 all qualified applicants, including those  
23 that have not previously received grants,  
24 loans, or loan guarantees under paragraph  
25 (1).

1           “(B) OTHER.—After giving priority to the  
2 applicants described in subparagraph (A), the  
3 Secretary shall then give priority to projects  
4 that serve rural communities—

5           “(i) with a population of less than  
6 10,000 permanent residents;

7           “(ii) experiencing outmigration;

8           “(iii) with a high percentage of low-in-  
9 come residents; and

10           “(iv) that are isolated from other sig-  
11 nificant population centers.

12           “(3) GRANT AMOUNTS.—

13           “(A) ELIGIBILITY.—To be eligible for a  
14 grant under this section, the project that is the  
15 subject of the grant shall be carried out in a  
16 rural area.

17           “(B) MAXIMUM.—Except as provided in  
18 subparagraph (D), the amount of any grant  
19 made under this section shall not exceed 50  
20 percent of the development costs of the project  
21 for which the grant is provided.

22           “(C) GRANT RATE.—The Secretary shall  
23 establish the grant rate for each project in ac-  
24 cordance with regulations issued by the Sec-  
25 retary that shall provide for a graduated scale

1 of grant rates that establish higher rates for  
2 projects in communities that have—

3 “(i) remote locations;

4 “(ii) low community populations;

5 “(iii) low income levels;

6 “(iv) developed the applications of the  
7 communities with the participation of com-  
8 binations of stakeholders, including—

9 “(I) State, local, and tribal gov-  
10 ernments;

11 “(II) nonprofit institutions;

12 “(III) institutions of higher edu-  
13 cation;

14 “(IV) private entities; and

15 “(V) philanthropic organizations;

16 and

17 “(v) targeted funding to provide the  
18 minimum acceptable level of broadband  
19 service established under subsection (e) in  
20 all or part of an unserved community that  
21 is below that minimum acceptable level of  
22 broadband service.

23 “(D) SECRETARIAL AUTHORITY TO AD-  
24 JUST.—The Secretary may make grants of up  
25 to 75 percent of the development costs of the

1 project for which the grant is provided to an el-  
2 ible entity if the Secretary determines that  
3 the project serves a remote or low income area  
4 that does not have access to broadband service  
5 from any provider of broadband service (includ-  
6 ing the applicant).”;

7 (3) in subsection (d)—

8 (A) in paragraph (1)(A)—

9 (i) in the matter preceding clause (i),  
10 by striking “loan or” and inserting “grant,  
11 loan, or”;

12 (ii) by striking clause (i) and inserting  
13 the following:

14 “(i) demonstrate the ability—

15 “(I) to furnish, improve in order  
16 to meet the minimum acceptable level  
17 of broadband service established  
18 under subsection (e), or extend  
19 broadband service to all or part of an  
20 unserved rural area or an area below  
21 the minimum acceptable level of  
22 broadband service established under  
23 subsection (e); or

24 “(II) to carry out a project under  
25 paragraph (4)(B)(ii);”;

- 1 (iii) in clause (ii), by striking “a loan  
2 application” and inserting “an applica-  
3 tion”; and
- 4 (iv) in clause (iii)—
- 5 (I) by striking “the loan applica-  
6 tion” and inserting “the application”;  
7 and
- 8 (II) by striking “proceeds from  
9 the loan made or guaranteed under  
10 this section are” and inserting “as-  
11 sistance under this section is”;
- 12 (B) in paragraph (2)—
- 13 (i) in subparagraph (A)—
- 14 (I) in the matter preceding clause  
15 (i)—
- 16 (aa) by striking “the pro-  
17 ceeds of a loan made or guaran-  
18 teed” and inserting “assistance”;  
19 and
- 20 (bb) by striking “for the  
21 loan or loan guarantee” and in-  
22 serting “of the eligible entity”;  
23 and
- 24 (II) in clause (ii), by striking “3”  
25 and inserting “2”;

1 (ii) in subparagraph (C), by striking  
2 clause (ii) and inserting the following:

3 “(ii) EXCEPTIONS.—Clause (i) shall  
4 not apply if the applicant is eligible for  
5 funding under another title of this Act.”;

6 (C) in paragraph (3), in subparagraph (A),  
7 by striking “loan or” and inserting “grant,  
8 loan, or”;

9 (D) in paragraph (4), by striking “loan  
10 or” and inserting “grant, loan, or”;

11 (E) in paragraph (5)(A), in the matter  
12 preceding clause (i), by striking “loan or” and  
13 inserting “grant, loan, or”;

14 (F) in paragraph (6), by striking “loan or”  
15 and inserting “grant, loan, or”; and

16 (G) in paragraph (7), by striking “a loan  
17 application” and inserting “an application”;

18 (4) in subsection (f), by striking “make a loan  
19 or loan guarantee” and inserting “provide assist-  
20 ance”;

21 (5) in subsection (j)—

22 (A) in the matter preceding paragraph (1),  
23 by striking “loan and loan guarantee”;

24 (B) in paragraph (1), by inserting “grants  
25 and” after “number of”;

1 (C) in paragraph (2)—

2 (i) in subparagraph (A), by striking

3 “loan”; and

4 (ii) in subparagraph (B), by striking

5 “loans and” and inserting “grants, loans,

6 and”; and

7 (D) in paragraph (3), by striking “loan”;

8 (6) by redesignating subsections (k) and (l) as

9 subsections (l) and (m), respectively;

10 (7) by inserting after subsection (j) the fol-

11 lowing:

12 “(k) BROADBAND BUILDOUT DATA.—

13 “(1) IN GENERAL.—As a condition of receiving

14 a grant, loan, or loan guarantee under this section,

15 a recipient of assistance shall provide to the Sec-

16 retary address-level broadband buildout data that in-

17 dicates the location of new broadband service that is

18 being provided or upgraded within the service terri-

19 tory supported by the grant, loan, or loan guar-

20 antee—

21 “(A) for purposes of inclusion in the semi-

22 annual updates to the National Broadband Map

23 that is managed by the National Telecommuni-

24 cations and Information Administration (re-

1           ferred to in this subsection as the ‘Administra-  
2           tion’); and

3                   “(B) not later than 30 days after the ear-  
4           lier of—

5                           “(i) the date of completion of any  
6                           project milestone established by the Sec-  
7                           retary; or

8                           “(ii) the date of completion of the  
9                           project.

10                   “(2) ADDRESS-LEVEL DATA.—Effective begin-  
11           ning on the date the Administration receives data  
12           described in paragraph (1), the Administration shall  
13           use only address-level broadband buildout data for  
14           the National Broadband Map.

15                   “(3) CORRECTIONS.—

16                           “(A) IN GENERAL.—The Secretary shall  
17                           submit to the Administration any correction to  
18                           the National Broadband Map that is based on  
19                           the actual level of broadband coverage within  
20                           the rural area, including any requests for a cor-  
21                           rection from an elected or economic develop-  
22                           ment official.

23                           “(B) INCORPORATION.—Not later than 30  
24                           days after the date on which the Administration  
25                           receives a correction submitted under subpara-

1 graph (A), the Administration shall incorporate  
2 the correction into the National Broadband  
3 Map.

4 “(C) USE.—If the Secretary has submitted  
5 a correction to the Administration under sub-  
6 paragraph (A), but the National Broadband  
7 Map has not been updated to reflect the correct  
8 by the date on which the Secretary is making  
9 a grant or loan award decision under this sec-  
10 tion, the Secretary may use the correction sub-  
11 mitted under that subparagraph for purposes of  
12 make the grant or loan award decision.”;

13 (8) subsection (l) (as redesignated by paragraph  
14 (6))—

15 (A) in paragraph (1), by striking  
16 “\$25,000,000” and inserting “\$100,000,000”;  
17 and

18 (B) in paragraph (2)(A)—

19 (i) in clause (i), by striking “and” at  
20 the end;

21 (ii) in clause (ii), by striking the pe-  
22 riod at the end and inserting “; and”; and

23 (iii) by adding at the end the fol-  
24 lowing:

1                   “(iii) set aside at least 1 percent to be  
2                   used for—

3                   “(I) conducting oversight under  
4                   this section; and

5                   “(II) implementing accountability  
6                   measures and related activities au-  
7                   thorized under this section.”; and

8                   (9) in subsection (m) (as redesignated by para-  
9                   graph (6)), by striking “loan or” and inserting  
10                   “grant, loan, or”.