August 25, 2023

The Honorable Debbie Stabenow Chairwoman, Senate Committee on Agriculture 328(A) Russell Senate Office Building Washington, D.C. 20510

The Honorable Glenn "GT" Thompson Chairman, House Committee on Agriculture 1301 Longworth House Office Building Washington, D.C. 20515 The Honorable John Boozman Ranking Member, Senate Committee on Agriculture 328(A) Russell Senate Office Building Washington, D.C. 20510

The Honorable David Scott Ranking Member, House Committee on Agriculture 1301 Longworth House Office Building Washington, D.C. 20515

Re: The Rural Internet Improvement Act of 2023

Dear Chairwoman Stabenow, Chairman Thompson, Ranking Member Boozman, and Ranking Member Scott:

We write to you today in support of the "Rural Internet Improvement Act of 2023," a measure introduced by Senators Thune, Luján, Fischer, and Klobuchar in the Senate (<u>S. 130</u>) and Representatives Cammack, Soto, Gluesenkamp Perez, Ronny Jackson, De La Cruz, and Vasquez in the House (<u>H.R. 3216</u>). With the reinvigorated focus on expanding access to high-speed broadband and the unprecedented funding now intended for building broadband networks in unconnected rural American communities, it is more important than ever that the United States Department of Agriculture's (USDA) ReConnect program is reformed in a manner that extends its reach, increases its efficiency, and better coordinates its impact in delivering broadband dollars to those rural areas that need support the most. As Congress considers the upcoming Farm Bill, it is imperative that you incorporate the following crucial principles, as set forth in the Rural Internet Improvement Act.

### Focus Funding Tightly on Truly Unserved Areas.

ReConnect as originally enacted properly directed funding efficiently where it is most needed – to areas where at least 90 percent of households lacked sufficient access to broadband service. Absent that focus on the truly unserved areas, significant government resources will be spent in areas that are already largely served and those rural areas without any broadband will remain at the back of the line. The Rural Internet Improvement Act would establish clear guardrails by requiring that at least 90% of households in a proposed service area lack broadband access and prioritizing applications in areas without even 25/3 Mbps service. The bill would also exclude funding in areas where providers have already been granted broadband funding under another government program, unless the money is used by the same provider for different expenses or to achieve expedited deployment milestones.

#### Protect Against Waste from Inexperienced Participants.

Too often, USDA's Rural Utilities Service (RUS) has granted funding to inexperienced entities

who cannot meet their obligations because they are in over their heads. The Rural Internet Improvement Act ensures that funding is given only to applicants that can and will follow through with their commitments, by prioritizing applications from applicants that have demonstrated the technical and financial experience required to construct and operate broadband networks.

## **Enhance Provider Participation.**

The Rural Internet Improvement Act is also designed to maximize participation by streamlining the process while still ensuring that USDA has all the information needed to make reasoned decisions. Specifically, the bill includes provisions that would simplify the application process; allow flexibility in establishing loan security; eliminate the threat of rate regulation; reduce post-award burdens; conform requirements to realities of modern-day corporate structure; and allow freedom to transfer awards to other qualified providers. USDA should award funding to any experienced provider, rather than awarding preferences to favored providers based on corporate structure or regulatory status regardless of their experience or track record. Unnecessary and ill-defined scoring preferences will overwhelm the one scoring preference that is related to the program's mission: for projects in truly unserved rural areas that still do not have 25/3 Mbps service. Moreover, extraneous scoring bonuses also could deter participation by providers who otherwise want to compete to be part of the solution to close the digital divide.

# **Ensure Tech-Neutrality.**

The Rural Internet Improvement Act ensures broadband providers serving rural communities can use the technology that meets the needs of its unique consumers. Broadband programs should accommodate different technological solutions with reasonable guidelines for identifying those areas where flexibility can and should be accommodated. Without program flexibility, many unserved areas with no service today will continue to be left behind.

# Establish Much-Needed Administrative Guidance.

The Rural Internet Improvement Act would introduce several good government improvements by increasing transparency to the public and tightening administrative controls to reduce confusion by requiring the Secretary to issue implementing regulations under the rulemaking procedures of the Administrative Procedures Act. The Secretary would be required to provide written and reasoned decisions on challenges to applications and publish periodic reports describing the outcome of the projects funded by the awards.

### **Improve Interagency Coordination.**

Funds go the farthest when they are not duplicative of another government program's efforts. The Rural Internet Improvement Act would improve coordination so that agencies awarding broadband funding have more and better information, building on existing Memoranda of Understanding (MOUs) and requiring the Secretary to coordinate with NTIA and the FCC in facilitating outreach to rural areas, evaluating the service needs in those areas and informing residents and businesses of programs that are available. The bill also requires the Secretary to use the FCC's vetted broadband maps in determining eligible funding areas. Both the Senate and the House passed the Broadband Deployment Accuracy and Technological Availability (DATA) Act (<u>S. 1822</u>), which has helped in strengthening the accuracy of the FCC's broadband maps.

We thank you for your time and look forward to working with you on this important issue.

Sincerely,

American Seed Trade Association Association of Equipment Manufacturers Center for Individual Freedom Consumer Action for a Strong Economy Council for Citizens Against Government Waste Evan Swarztrauber, Senior Advisor, Foundation for American Innovation\* **Innovation Economy Alliance** Institute for Policy Innovation NATE - The Communications Infrastructure Contractors Association National Cattlemen's Beef Association National Taxpayers Union NCTA - The Internet and Television Association Satellite Industry Association Small Business & Entrepreneurship Council **Taxpayers Protection Alliance** USTelecom - The Broadband Association Wireless Infrastructure Association WISPA - Broadband Without Boundaries

\*Title and organization listed for personal identification purposes only.