

115TH CONGRESS
2D SESSION

S. 2654

To amend the Rural Electrification Act of 1936 to establish the Community Connect Grant Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 12, 2018

Ms. SMITH introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Rural Electrification Act of 1936 to establish the Community Connect Grant Program, 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 “Community Connect
5 Grant Program Act of 2018”.

6 **SEC. 2. COMMUNITY CONNECT GRANT PROGRAM.**

7 Title VI of the Rural Electrification Act of 1936 (7
8 U.S.C. 950bb et seq.) is amended by adding at the end
9 the following:

1 **“SEC. 604. COMMUNITY CONNECT GRANT PROGRAM.**

2 “(a) DEFINITIONS.—In this section:

3 “(1) ELIGIBLE BROADBAND SERVICE.—The
4 term ‘eligible broadband service’ means broadband
5 service, as defined in section 601, that operates at
6 or above the applicable minimum download and
7 upload speeds established by the Federal Commu-
8 nications Commission in defining the term ‘advanced
9 telecommunications capability’ for purposes of sec-
10 tion 706 of the Telecommunications Act of 1996 (47
11 U.S.C. 1302).

12 “(2) ELIGIBLE ENTITY.—

13 “(A) IN GENERAL.—The term ‘eligible en-
14 tity’ means a legally organized entity that—

15 “(i) is—

16 “(I) an incorporated organiza-
17 tion;

18 “(II) an Indian Tribe or Tribal
19 organization;

20 “(III) a State;

21 “(IV) a unit of local government;

22 or

23 “(V) any other legal entity, in-
24 cluding a cooperative, a private cor-
25 poration, or a limited liability com-

1 pany, that is organized on a for-profit
2 or a not-for-profit basis; and

3 “(ii) has the legal capacity and au-
4 thority to enter into a contract, to comply
5 with applicable Federal laws, and to own
6 and operate broadband facilities, as pro-
7 posed in the application submitted by the
8 entity for a grant under the Program.

9 “(B) EXCLUSIONS.—The term ‘eligible en-
10 tity’ does not include—

11 “(i) an individual; or

12 “(ii) a partnership.

13 “(3) PROGRAM.—The term ‘Program’ means
14 the Community Connect Grant Program established
15 under subsection (b).

16 “(4) RURAL AREA.—The term ‘rural area’ has
17 the meaning given the term in section 601(b)(3)(A).

18 “(b) ESTABLISHMENT.—The Secretary shall estab-
19 lish a program, to be known as the ‘Community Connect
20 Grant Program’, to provide grants to eligible entities to
21 finance broadband transmission in rural areas.

22 “(c) ELIGIBLE PROJECTS.—An eligible entity that
23 receives a grant under the Program shall use the grant
24 to carry out a project that—

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

5 “(A) each essential community facility
6 funded under section 306(a) of the Consoli-
7 dated Farm and Rural Development Act (7
8 U.S.C. 1926(a)); and

9 “(B) any required facilities necessary to
10 offer that eligible broadband service to each res-
11 idential and business customer; and

12 “(2) for not less than 2 years—

13 “(A) furnishes free wireless eligible
14 broadband service to a community center de-
15 scribed in subsection (d)(1)(B);

16 “(B) provides not fewer than 2 computer
17 access points for that free wireless eligible
18 broadband service; and

19 “(C) covers the cost of bandwidth to pro-
20 vide free eligible broadband service to each es-
21 sential community facility funded under section
22 306(a) of the Consolidated Farm and Rural
23 Development Act (7 U.S.C. 1926(a)) within the
24 proposed eligible broadband service area de-

1 scribed in the application submitted by the eli-
2 gible entity.

3 “(d) USES OF GRANT FUNDS.—

4 “(1) IN GENERAL.—An eligible entity that re-
5 ceives a grant under the Program may use the grant
6 for—

7 “(A) the construction, acquisition, or leas-
8 ing of facilities (including spectrum), land, or
9 buildings to deploy eligible broadband service;
10 and

11 “(B) the improvement, expansion, con-
12 struction, or acquisition of a community center
13 within the proposed eligible broadband service
14 area described in the application submitted by
15 the eligible entity.

16 “(2) INELIGIBLE USES.—An eligible entity that
17 receives a grant under the Program shall not use the
18 grant for—

19 “(A) the duplication of any existing eligible
20 broadband service provided by another entity;
21 or

22 “(B) operating expenses, except as pro-
23 vided in—

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

4 “(ii) paragraph (1)(A) with respect to
 5 spectrum.

6 “(3) FREE ACCESS FOR COMMUNITY CEN-
 7 TERS.—Of the amounts provided to an eligible entity
 8 under a grant under the Program, the eligible entity
 9 shall use to carry out paragraph (1)(B) not greater
 10 than the lesser of—

11 “(A) 10 percent; and

12 “(B) \$150,000.

13 “(e) MATCHING FUNDS.—

14 “(1) IN GENERAL.—An eligible entity that re-
 15 ceives a grant under the Program shall provide a
 16 cash contribution in an amount that is not less than
 17 15 percent of the amount of the grant.

18 “(2) REQUIREMENTS.—A cash contribution de-
 19 scribed in paragraph (1)—

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

23 “(B) shall not include any Federal funds,
 24 unless a Federal statute specifically provides

1 that those Federal funds may be considered to
2 be from a non-Federal source.

3 “(f) APPLICATIONS.—

4 “(1) IN GENERAL.—To be eligible to receive a
5 grant under the Program, an eligible entity shall
6 submit to the Secretary an application at such time,
7 in such manner, and containing such information as
8 the Secretary may require.

9 “(2) REQUIREMENT.—An application submitted
10 by an eligible entity under paragraph (1) shall in-
11 clude documentation sufficient to demonstrate the
12 availability of funds to satisfy the requirement of
13 subsection (e).

14 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
15 is authorized to be appropriated to carry out this section
16 \$50,000,000 for each fiscal year.”.

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