



AMENDMENT NO. _____

Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—116th Cong., 2d Sess.

S. 1166

To direct the Assistant Secretary of Commerce for Communications and Information to make grants for the establishment or expansion of internet exchange facilities, and for other purposes.

Referred to the Committee on ^{Text} _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. SCHATZ (for himself, Mrs. BLACKBURN, Ms. BALDWIN, and Mr. BLUNT)

Viz:

1 Strike all after the enacting clause and insert the following:
2

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Internet Exchange and
5 Submarine Cable Act of 2020”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) ASSISTANT SECRETARY.—The term “Assistant
9 Secretary” means the Assistant Secretary of
10 Commerce for Communications and Information.

1 (2) CORE BASED STATISTICAL AREA.—The
2 term “core based statistical area” has the meaning
3 given the term by the Office of Management and
4 Budget in the Notice of Decision entitled “2010
5 Standards for Delineating Metropolitan and
6 Micropolitan Statistical Areas”, published in the
7 Federal Register on June 28, 2010 (75 Fed. Reg.
8 37246), or any successor to that Notice.

9 (3) COVERED GRANT.—The term “covered
10 grant” means a grant awarded under section 3(a).

11 (4) INDIAN TRIBE.—The term “Indian
12 Tribe”—

13 (A) has the meaning given the term in sec-
14 tion 4 of the Indian Self-Determination and
15 Education Assistance Act (25 U.S.C. 5304);
16 and

17 (B) includes a Native Hawaiian organiza-
18 tion, as that term is defined in section 6207 of
19 the Native Hawaiian Education Act (20 U.S.C.
20 7517).

21 (5) INTERNET EXCHANGE FACILITY.—The term
22 “internet exchange facility” means physical infra-
23 structure through which internet service providers
24 and content delivery networks exchange internet
25 traffic between their networks.

1 (6) STATE.—The term “State” has the mean-
2 ing given the term in section 3 of the Communica-
3 tions Act of 1934 (47 U.S.C. 153).

4 (7) SUBMARINE CABLE LANDING STATION.—
5 The term “submarine cable landing station” means
6 a cable landing station, as that term is used in sec-
7 tion 1.767(a)(5) of title 47, Code of Federal Regula-
8 tions (or any successor regulation), that can be uti-
9 lized to land a submarine cable by an entity that has
10 obtained a license under the first section of the Act
11 entitled “An Act relating to the landing and oper-
12 ation of submarine cables in the United States”, ap-
13 proved May 27, 1921 (47 U.S.C. 34) (commonly
14 known as the “Cable Landing Licensing Act”).

15 **SEC. 3. INTERNET EXCHANGE FACILITY GRANTS.**

16 (a) GRANTS.—Not later than 1 year after the date
17 on which amounts are made available under section 6, the
18 Assistant Secretary shall award grants to entities to ac-
19 quire real property and necessary equipment to—

20 (1) establish a new internet exchange facility in
21 a core based statistical area in which, at the time
22 the grant is awarded, there are no existing internet
23 exchange facilities; or

24 (2) expand operations at an existing internet
25 exchange facility in a core based statistical area in

1 which, at the time the grant is awarded, there is
2 only 1 internet exchange facility.

3 (b) ELIGIBILITY.—To be eligible to receive a covered
4 grant, an entity shall—

5 (1) have sufficient interest from third party en-
6 tities that will use the internet exchange facility to
7 be funded by the grant once the facility is estab-
8 lished or operations are expanded, as applicable;

9 (2) have sovereign control over the land or
10 building in which the internet exchange facility is to
11 be housed;

12 (3) provide evidence of direct conduit, duct, and
13 manhole access to public rights-of-way;

14 (4) have a plan to establish security protocols
15 for the internet exchange facility to prevent physical
16 or electronic intrusion from unauthorized users; and

17 (5) provide other information required by the
18 Assistant Secretary to protect against waste, fraud,
19 or abuse.

20 (c) FEDERAL SHARE.—The Federal share of the
21 total cost of the establishment of, or expansion of oper-
22 ations at, an internet exchange facility for which a covered
23 grant is awarded may not exceed 50 percent.

24 (d) GRANT AMOUNT.—The amount of a covered
25 grant may not exceed \$3,000,000.

1 (e) APPLICATIONS.—

2 (1) RULES AND TIMELINES.—Not later than 1
3 year after the date of enactment of this Act, the As-
4 sistant Secretary shall establish rules and timelines
5 for applications for—

6 (A) covered grants; and

7 (B) grants under section 4.

8 (2) THIRD PARTY REVIEW.—To prevent fraud
9 in the covered grant program, the Assistant Sec-
10 retary shall enter into a contract with an inde-
11 pendent third party under which the third party re-
12 views an application for a covered grant not later
13 than 60 days after the date on which the application
14 is submitted to ensure that only an entity that is eli-
15 gible for a covered grant receives a covered grant.

16 (f) RULE OF CONSTRUCTION.—Nothing in this sec-
17 tion shall be construed to authorize the Assistant Sec-
18 retary to regulate, issue guidance for, or otherwise inter-
19 fere with the activities at an internet exchange facility.

20 **SEC. 4. SUBMARINE CABLE LANDING STATION GRANTS.**

21 Not later than 1 year after the date on which
22 amounts are made available under section 6, and in ac-
23 cordance with the rules and timelines established under
24 section 3(e)(1), the Assistant Secretary shall award grants
25 to States and Indian Tribes to build infrastructure and

1 acquire necessary equipment to establish or expand an
2 open-access, carrier-neutral submarine cable landing sta-
3 tion that serves a military facility.

4 **SEC. 5. REPORT.**

5 Not later than 5 years after the date of enactment
6 of this Act, and annually thereafter for 5 years, the Assist-
7 ant Secretary shall submit a report on outcomes of grants
8 awarded under this Act to—

9 (1) the Committee on Commerce, Science, and
10 Transportation of the Senate; and

11 (2) the Committee on Energy and Commerce of
12 the House of Representatives.

13 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

14 (a) **IN GENERAL.**—There is authorized to be appro-
15 priated \$35,000,000 to carry out sections 3 and 4.

16 (b) **LIMITATION.**—The Assistant Secretary may not
17 use more than 10 percent of the amounts made available
18 under subsection (a) to administer and report on the out-
19 comes of grants awarded under this Act.