

S.275 Capito - Substitute

Shelley Moore Capito

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—118th Cong., 2d Sess.

S. 275

To require the Federal Communications Commission to establish a vetting process for prospective applicants for high-cost universal service program funding.

Referred to the Committee on _____ 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 Mrs. CAPITO (for herself and Ms. KLOBUCHAR)

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 “Rural Broadband Protection Act of 2024”.
5

6 **SEC. 2. VETTING PROCESS FOR PROSPECTIVE HIGH-COST UNIVERSAL SERVICE FUND APPLICANTS.**
7

8 Section 254 of the Communications Act of 1934 (47 U.S.C. 254) is amended by adding at the end the following:
9
10

11 “(m) VETTING OF HIGH-COST FUND RECIPIENTS.—

1 “(1) DEFINITIONS.—In this subsection—

2 “(A) the term ‘covered funding’ means any
3 new offer of high-cost universal service program
4 funding, including funding provided through a
5 reverse competitive bidding mechanism provided
6 under this section, for the deployment of a
7 broadband-capable network and the provision of
8 supported services over the network; and

9 “(B) the term ‘new covered funding award’
10 means an award of covered funding that is
11 made based on an application submitted to the
12 Commission on or after the date on which rules
13 are promulgated under paragraph (2).

14 “(2) COMMISSION RULEMAKING.—Not later
15 than 180 days after the date of enactment of this
16 subsection, the Commission shall initiate a rule-
17 making proceeding to establish a vetting process for
18 applicants for, and other recipients of, a new covered
19 funding award.

20 “(3) CONTENTS.—

21 “(A) IN GENERAL.—In promulgating rules
22 under paragraph (2), the Commission shall pro-
23 vide that, consistent with principles of tech-
24 nology neutrality, the Commission will only
25 award covered funding to applicants that can

1 demonstrate that they meet the qualifications in
2 subparagraph (B).

3 “(B) QUALIFICATIONS DESCRIBED.—An
4 applicant for a new covered funding award shall
5 include in the initial application a proposal con-
6 taining sufficient detail and documentation for
7 the Commission to ascertain that the applicant
8 possesses the technical, financial, and oper-
9 ational capabilities, and has a reasonable busi-
10 ness plan, to deploy the proposed network and
11 deliver services with the relevant performance
12 characteristics and requirements defined by the
13 Commission and as pledged by the applicant.

14 “(C) EVALUATION OF PROPOSAL.—The
15 Commission shall evaluate a proposal described
16 in subparagraph (B) against—

17 “(i) reasonable and well-established
18 technical, financial, and operational stand-
19 ards, including the technical standards
20 adopted by the Commission in orders of
21 the Commission relating to Establishing
22 the Digital Opportunity Data Collection
23 (WC Docket No. 19–195) (or orders of the
24 Commission relating to modernizing any
25 successor collection) for purposes of enti-

4

1 ties that must report broadband avail-
2 ability coverage; and

3 “(ii) the applicant’s history of com-
4 plying with requirements in Commission
5 and other government broadband deploy-
6 ment funding programs.

7 “(D) PENALTIES FOR PRE-AUTHORIZATION
8 DEFAULTS.—In adopting rules for any new cov-
9 ered funding award, the Commission shall set a
10 penalty for pre-authorization defaults of at least
11 \$9,000 per violation and may not limit the base
12 forfeiture to an amount less than 30 percent of
13 the applicant’s total support, unless the Com-
14 mission demonstrates the need for lower pen-
15 alties in a particular instance.”.