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Farm Bill Primer: Rural Broadband Provisions

Since 2002, Congress has included provisions addressing rural broadband (i.e., high-speed internet access) in the rural development title of farm bills. The Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334) amended, reauthorized, and codified many of the rural broadband programs administered by the U.S. Department of Agriculture (USDA) through FY2023. As a result, many of the USDA rural broadband programs expired on September 30, 2023. Congress enacted a one-year extension of the 2018 farm bill through P.L. 118-22 (§102, Division B), which extended authorization of appropriations through FY2024. As a result, many of the USDA broadband programs are set to expire on September 30, 2024.

This In Focus provides background information on USDA rural broadband programs, an overview of selected provisions in the 2018 farm bill, and issues for Congress as it drafts the next farm bill.

Background

According to a 2021 Federal Communications Commission (FCC) report, about 11 million or 17% of people living in rural areas in the United States lack broadband access at speeds of at least 25 megabits per second download and 3 megabits per second upload (i.e., 25/3 Mbps). The FCC found that 750,000 or 36% of people living on rural tribal lands lack broadband service.

The USDA Rural Utilities Service administers five programs to support broadband deployment in rural areas:

- The Community Connect Grant Program, which provides grants to deploy broadband to economically distressed communities and their essential community facilities (7 U.S.C. §950bb-3);
- The Distance Learning and Telemedicine Program, which provides grants to help rural communities acquire the technology and training to connect educational and medical professionals with students, teachers, and patients in rural areas (7 U.S.C. §950aaa-2);
- The ReConnect Program, which provides grants, loans, and loan-grant combinations to build and update facilities or equipment needed to provide broadband access to rural areas (7 U.S.C. §§901 et seq.);
- The Rural Broadband Program, which provides loans and loan guarantees to construct or improve facilities and equipment used to provide broadband access to rural areas (7 U.S.C. §950bb); and
- The Telecommunications Infrastructure Program, which provides loans and loan guarantees for the construction,

maintenance, and expansion of broadband and telephone service in rural areas (7 U.S.C. §935).

These programs support the broadband deployment in rural areas. Many of these programs define a rural area in statute as any area not located within (1) a city, town, or incorporated area that has a population of greater than 20,000, or (2) an urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants (7 U.S.C. §950bb(b)(3)(A)).

Congress provides discretionary funding for the USDA broadband programs through annual appropriations acts. Congress has also provided additional funding for the programs through supplemental appropriations laws such as the Infrastructure Investment and Jobs Act (P.L. 117-58).

2018 Farm Bill Provisions

Title VI—Rural Development of the 2018 farm bill includes the following rural broadband provisions.

Community Connect Grant Program

Congress codified the Community Connect Grant Program. Congress authorized appropriations of \$50 million annually for the program through FY2024.

Distance Learning and Telemedicine Program

Congress required USDA to set aside at least 20% of the funding for the Distance Learning and Telemedicine Program for telemedicine projects that provide substance abuse treatment services through FY2025. Congress increased the authorization of appropriations for the program from \$75 million to \$82 million annually through FY2024.

Rural Broadband Program

Congress added a grant component to the Rural Broadband Program. Prior to the 2018 farm bill, the program authority was limited to loans and loan guarantees. To date, Congress has provided funding for loans and loan guarantees but not for grants.

Congress directed USDA to prioritize funding for applications for projects that serve rural communities without broadband service to homes of at least 10 megabits per second download and 1 megabit per second upload (10/1 Mbps). Congress also required USDA to prioritize applications for projects that provide broadband service to rural communities with other characteristics such as a population of less than 10,000 permanent residents, experiencing outmigration, isolated from other population centers, or with a high percentage of low-income families or people.

Congress increased the authorization of appropriations for the program from \$25 million to \$350 million annually through FY2024.

Other Rural Broadband Provisions

The rural development title in the 2018 farm bill also includes the following broadband provisions.

- Innovative Broadband Advancement Program.** Congress reauthorized the Rural Gigabit Network Pilot and renamed it the Innovative Broadband Advancement Program. The program is authorized to provide loans and grants for projects that demonstrate innovative broadband technologies that decrease costs and increase broadband service speeds in rural areas (7 U.S.C. §950bb-2). Congress provided authorization of appropriations of \$10 million annually through FY2024. To date, Congress has not funded this program.
- Middle Mile Infrastructure.** Congress established a new program to provide grants, loans, and loan guarantees for middle mile broadband infrastructure projects in rural areas (7 U.S.C. §950bb-1). Congress defined *middle mile infrastructure* as “any broadband infrastructure that does not connect directly to end-user locations (including anchor institutions) and may include interoffice transport, backhaul, internet connectivity, data centers, or special access transport to rural areas” (7 U.S.C. §950bb-1(b)). Congress provided authorization of appropriations for the program of \$10 million annually through FY2024. To date, Congress has not funded this program.
- USDA, NTIA, and FCC.** Congress directed USDA to consult with the National Telecommunications and Information Administration (NTIA) to verify applicant eligibility for USDA broadband programs, using the broadband assessment and mapping data provided by NTIA (7 U.S.C. §950bb-6(a)). Congress also directed USDA to coordinate with the FCC to ensure there is no duplication of awards across USDA and FCC programs (7 U.S.C. §950bb-6(b)).
- Public Database.** Congress directed the Secretary of Agriculture to make available to the public a searchable database on the Rural Utilities Service website (7 U.S.C. §950cc). The database is to include information on applications submitted to USDA broadband programs that provide broadband to end users, such as homes and businesses. The database is also to identify the applicants that received funding.
- Working Group.** Congress established the Rural Broadband Integration Working Group to identify and assess barriers and opportunities for broadband deployment in U.S. rural areas and possible plans of action (7 U.S.C. §950bb note). The working group is to include heads or their designees of more than 20 federal departments, councils, and agencies, including USDA, the Department of Commerce, the Department of Defense, and the Department of State. Congress directed the working group to consult with stakeholders such as state governments, tribal governments,

telecommunications companies, utilities, and policy experts.

Considerations for Congress

Eligible Service Areas

Many of the USDA broadband programs help to deploy broadband to rural areas without access to broadband. The programs provide a broadband service threshold to determine which rural areas are without sufficient broadband access. For example, the Community Connect Grant Program defines sufficient broadband access as broadband service of at least 25/3 Mbps (88 *Federal Register* 16579). Therefore, rural areas with broadband service of less than 25/3 Mbps are eligible service areas for the Community Connect Grant Program. The ReConnect Program defines sufficient broadband access as broadband service of at least 100/20 Mbps (87 *Federal Register* 47690). The differing definitions of sufficient broadband access may lead to confusion among applicants. Congress might consider using one definition of sufficient broadband access across all USDA broadband programs.

Broadband Service

Many of the USDA broadband programs require that applicants provide access to broadband service to the proposed service area at the completion of their projects. The level of broadband service provided to the service areas changes depending on the USDA broadband program. For example, the Community Connect Grant Program requires applicants to provide broadband service at 100/20 Mbps to the service area (88 *Federal Register* 16579). The ReConnect Program requires applicants to provide broadband service at 100/100 Mbps to the service area (87 *Federal Register* 47690). The differing requirements of broadband service to the service areas may confuse applicants. Congress might consider the benefits and drawbacks of requiring all USDA broadband programs to provide the same level of broadband service to the service areas.

ReConnect Program

Congress established the ReConnect Program as a pilot in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2018 (P.L. 115-141) under the general statutory authority provided to USDA through Title 7, Section 901 et seq. in the *U.S. Code*. Congress might consider the advantages and disadvantages of codifying the ReConnect Program in the next farm bill.

Program Oversight

Since 2018, Congress has allocated more than \$4 billion to the ReConnect Program and other USDA programs to deploy broadband to rural communities through annual appropriations acts and supplemental appropriations bills such as P.L. 117-58. Congress might consider requiring USDA to publicly post annual reports on the progress of projects funded through USDA broadband programs.

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