

provement of telephone service to substantially the same subscribers. The Secretary in making such loans shall, insofar as possible, obtain assurance that the telephone service to be furnished or improved thereby will be made available to the widest practical number of rural users. When it is determined by the Secretary to be necessary in order to furnish or improve telephone service in rural areas, such loans may be made for the improvement, expansion, construction, acquisition, and operation of telephone lines, facilities, or systems without regard to their geographical location. The Secretary is further authorized and empowered to make loans for the purpose of refinancing outstanding indebtedness of persons furnishing telephone service in rural areas: *Provided*, That such refinancing shall be determined by the Secretary to be necessary in order to furnish and improve telephone service in rural areas: *And provided further*, That such refinancing shall constitute not more than 40 per centum of any loan made under this subchapter. Loans under this section shall not be made unless the Secretary finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed, nor shall such loan be made in any State which now has or may hereafter have a State regulatory body having authority to regulate telephone service and to require certificates of convenience and necessity to the applicant unless such certificate from such agency is first obtained. In a State in which there is no such agency or regulatory body legally authorized to issue such certificates to the applicant, no loan shall be made under this section unless the Secretary shall determine (and set forth his reasons therefor in writing) that no duplication of lines, facilities, or systems, providing reasonably adequate services will result therefrom.

(May 20, 1936, ch. 432, title II, §201, as added Oct. 28, 1949, ch. 776, §5, 63 Stat. 948; amended Pub. L. 92-12, §3(b), May 7, 1971, 85 Stat. 37; Pub. L. 103-354, title II, §235(a)(13), Oct. 13, 1994, 108 Stat. 3221.)

AMENDMENTS

1994—Pub. L. 103-354 substituted “Secretary” for “Administrator” wherever appearing.

1971—Pub. L. 92-12 inserted “, to public bodies now providing telephone service in rural areas” after “areas” in first sentence and after “areas” in first proviso of second sentence.

EFFECTIVE DATE OF 1971 AMENDMENT

Amendment by Pub. L. 92-12 effective May 7, 1971, see section 7 of Pub. L. 92-12, set out as an Effective Date note under section 921a of this title.

§ 923. State regulation of telephone service

Nothing contained in this chapter shall be construed to deprive any State commission, board, or other agency of jurisdiction, under any State law, now or hereafter effective, to regulate telephone service which is not subject to regulation by the Federal Communications Commission, under the Communications Act of 1934 [47 U.S.C. 151 et seq.], including the rates for such service.

(May 20, 1936, ch. 432, title II, §202, as added Oct. 28, 1949, ch. 776, §5, 63 Stat. 948.)

REFERENCES IN TEXT

The Communications Act of 1934, referred to in text, is act June 19, 1934, ch. 652, 48 Stat. 1064, as amended, which is classified principally to chapter 5 (§151 et seq.) of Title 47, Telecommunications. For complete classification of this Act to the Code, see section 609 of Title 47 and Tables.

§ 924. Definition of telephone service and rural area

(a) As used in this subchapter, the term “telephone service” shall be deemed to mean any communication service for the transmission or reception of voice, data, sounds, signals, pictures, writing, or signs of all kinds by wire, fiber, radio, light, or other visual or electromagnetic means, and shall include all telephone lines, facilities, or systems used in the rendition of such service; but shall not be deemed to mean message telegram service or community antenna television system services or facilities other than those intended exclusively for educational purposes, or radio broadcasting services or facilities within the meaning of section 153(o)¹ of title 47.

(b) As used in this subchapter, the term “rural area” shall be deemed to mean any area of the United States not included within the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 5,000 inhabitants.

(May 20, 1936, ch. 432, title II, §203, as added Oct. 28, 1949, ch. 776, §5, 63 Stat. 948; amended Pub. L. 87-862, Oct. 23, 1962, 76 Stat. 1140; Pub. L. 101-624, title XXIII, §2354, Nov. 28, 1990, 104 Stat. 4039; Pub. L. 103-129, §2(c)(5), Nov. 1, 1993, 107 Stat. 1364.)

REFERENCES IN TEXT

Section 153 of title 47, referred to in subsec. (a), was subsequently amended and no longer contains a subsec. (o). However, the term “broadcasting” is defined elsewhere in that section.

AMENDMENTS

1993—Subsec. (b), Pub. L. 103-129 substituted “5,000” for “one thousand five hundred”.

1990—Subsec. (a), Pub. L. 101-624 inserted “or reception” after “transmission” and “data,” after “voice,” and substituted “by wire, fiber, radio, light, or other visual or electromagnetic means” for “through the use of electricity between the transmitting and receiving apparatus”.

1962—Subsec. (a), Pub. L. 87-862 included the transmission of sounds, signals, pictures, writing, or signs of all kinds within “telephone service”, and substituted “message telegram service or community antenna television system services or facilities other than those intended exclusively for educational purposes” for “telegaph services or facilities”.

§ 925. Loan feasibility

The Secretary and the Governor of the telephone bank may not, as a condition of making a telephone loan to an applicant therefor, require the applicant to—

- (1) increase the rates charged to the applicant’s customers or subscribers; or
- (2) increase the applicant’s ratio of—
 - (A) net income or margins before interest; to

¹ See References in Text note below.