

the chief executive officer or governor of the telephone bank, who would perform all functions, powers, and duties of the telephone bank, except as otherwise provided.

Section 944a, Pub. L. 100-203, title I, §1414, Dec. 22, 1987, 101 Stat. 1330-27, provided for publication of rural telephone bank policies and regulations.

Section 945, act May 20, 1936, ch. 432, title IV, §405, as added Pub. L. 92-12, §2, May 7, 1971, 85 Stat. 32; amended Pub. L. 93-32, §4, May 11, 1973, 87 Stat. 70; Pub. L. 101-624, title XXIII, §2363(a), (b)(1), (c), Nov. 28, 1990, 104 Stat. 4042-4044; Pub. L. 103-354, title II, §235(a)(7), Oct. 13, 1994, 108 Stat. 3221, created a board of directors for the telephone bank and set out its membership requirements.

Section 946, act May 20, 1936, ch. 432, title IV, §406, as added Pub. L. 92-12, §2, May 7, 1971, 85 Stat. 33; amended Pub. L. 93-32, §5, May 11, 1973, 87 Stat. 70; Pub. L. 94-273, §2(2), Apr. 21, 1976, 90 Stat. 375; Pub. L. 97-98, title XVI, §1607, Dec. 22, 1981, 95 Stat. 1347; Pub. L. 100-203, title I, §1413(a), (c), Dec. 22, 1987, 101 Stat. 1330-26; Pub. L. 101-624, title XXIII, §§2364, 2367(a), Nov. 28, 1990, 104 Stat. 4044; Pub. L. 103-129, §2(c)(9), Nov. 1, 1993, 107 Stat. 1365; Pub. L. 103-354, title II, §235(a)(11), (13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 104-127, title VII, §772(b)(3), Apr. 4, 1996, 110 Stat. 1149, related to capitalization of the telephone bank.

Section 947, act May 20, 1936, ch. 432, title IV, §407, as added Pub. L. 92-12, §2, May 7, 1971, 85 Stat. 34; amended Pub. L. 92-324, §2, June 30, 1972, 86 Stat. 390; Pub. L. 93-32, §§6, 7, May 11, 1973, 87 Stat. 70, authorized the telephone bank to obtain funds through the public or private sale of its bonds, debentures, notes, and other evidences of indebtedness.

Section 948, act May 20, 1936, ch. 432, title IV, §408, as added Pub. L. 92-12, §2, May 7, 1971, 85 Stat. 35; amended Pub. L. 93-32, §§8, 9, May 11, 1973, 87 Stat. 70, 71; Pub. L. 100-203, title I, §§1411(b)(1), (c), 1412, Dec. 22, 1987, 101 Stat. 1330-22, 1330-23, 1330-26; Pub. L. 101-624, title XXIII, §§2365, 2366, 2367(b), Nov. 28, 1990, 104 Stat. 4044; Pub. L. 103-129, §2(a)(2), Nov. 1, 1993, 107 Stat. 1361; Pub. L. 103-354, title II, §235(a)(13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 104-66, title I, §1011(y), Dec. 21, 1995, 109 Stat. 711, granted the telephone bank lending power subject to certain terms and conditions.

Section 949, act May 20, 1936, ch. 432, title IV, §409, as added Pub. L. 92-12, §2, May 7, 1971, 85 Stat. 36, provided that receipts from telephone bank activities would be available for all obligations and expenditures of the telephone bank.

Section 950, act May 20, 1936, ch. 432, title IV, §410, as added Pub. L. 92-12, §2, May 7, 1971, 85 Stat. 36; amended Pub. L. 94-273, §2(2), Apr. 21, 1976, 90 Stat. 375; Pub. L. 101-624, title XXIII, §2363(b)(2), Nov. 28, 1990, 104 Stat. 4043; Pub. L. 103-354, title II, §235(a)(11), Oct. 13, 1994, 108 Stat. 3221, related to the transfer of ownership, control and power from the Secretary of Agriculture to the Telephone Bank Board.

Section 950a, act May 20, 1936, ch. 432, title IV, §411, as added Pub. L. 92-12, §2, May 7, 1971, 85 Stat. 37, related to the liquidation or dissolution of the telephone bank.

Section 950b, act May 20, 1936, ch. 432, title IV, §412, as added Pub. L. 92-12, §2, May 7, 1971, 85 Stat. 37; amended Pub. L. 103-354, title II, §235(a)(13), Oct. 13, 1994, 108 Stat. 3221, limited loans under section 922 of this title for any borrower with a net worth in excess of 20 percent of its assets.

#### CONGRESSIONAL FINDINGS COVERING INTEREST RATES AND LOAN PREPAYMENTS

Pub. L. 100-203, title I, §1411(a), Dec. 22, 1987, 101 Stat. 1330-22, which set out congressional findings related to interest rates and loan prepayments and was formerly set out as a note under section 948 of this title, was repealed by Pub. L. 115-334, title VI, §6602(b)(16), Dec. 20, 2018, 132 Stat. 4777.

#### PREPAYMENT REGULATIONS

Pub. L. 100-203, title I, §1411(b)(2), Dec. 22, 1987, 101 Stat. 1330-23, which directed the Governor of the Rural

Telephone Bank to issue regulations to carry out the amendment to this section by section 1411(b)(1) of Pub. L. 100-203 and was formerly set out as a note under section 948 of this title, was repealed by Pub. L. 115-334, title VI, §6602(b)(16), Dec. 20, 2018, 132 Stat. 4777.

#### SUBCHAPTER V—RURAL ECONOMIC DEVELOPMENT

#### § 950aa. Additional powers and duties

The Secretary shall—

(1) provide advice and guidance to electric borrowers under this chapter concerning the effective and prudent use by such borrowers of the investment authority under section 940b of this title to promote rural development;

(2) provide technical advice, troubleshooting, and guidance concerning the operation of programs or systems that receive assistance under this chapter;

(3) establish and administer various pilot projects through electric and telephone borrowers that the Secretary determines are useful or necessary, and recommend specific rural development projects for rural areas;

(4) act as an information clearinghouse and conduit to provide information to electric and telephone borrowers under this chapter concerning useful and effective rural development efforts that such borrowers may wish to apply in their areas of operation and concerning State, regional, or local plans for long-term rural economic development;

(5) provide information to electric and telephone borrowers under this chapter concerning the eligibility of such borrowers to apply for financial assistance, loans, or grants from other Federal agencies and non-Federal sources to enable such borrowers to expand their rural development efforts; and

(6) promote local partnerships and other coordination between borrowers under this chapter and community organizations, States, counties, or other entities, to improve rural development.

(May 20, 1936, ch. 432, title V, §501, as added Pub. L. 101-624, title XXIII, §2345, Nov. 28, 1990, 104 Stat. 4029; amended Pub. L. 102-237, title VII, §703(c), Dec. 13, 1991, 105 Stat. 1881; Pub. L. 103-354, title II, §235(a)(12), (13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 104-127, title VII, §781(b), Apr. 4, 1996, 110 Stat. 1151.)

#### AMENDMENTS

1996—Par. (7). Pub. L. 104-127 struck out par. (7) which read as follows: “administer a Rural Business Incubator Fund (as established under section 950aa-1 of this title) that shall provide technical assistance, advice, loans, or capital to business incubator programs or for the creation or operation of small business incubators in rural areas.”

1994—Pub. L. 103-354 struck out “of REA Administrator” at end of section catchline and substituted “Secretary” for “Administrator” in introductory provisions and par. (3).

1991—Pars. (6) to (8). Pub. L. 102-237 inserted “and” at end of par. (6), redesignated par. (8) as (7), and struck out former par. (7) which read as follows: “review the advice and recommendations of the Rural Educational Opportunities Board as established under section 601(f); and”.

#### EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective as if included in the provision of the Food, Agriculture, Conservation,

and Trade Act of 1990, Pub. L. 101-624, to which the amendment relates, see section 1101(b)(8) of Pub. L. 102-237, set out as a note under section 1421 of this title.

**§ 950aa-1. Repealed. Pub. L. 104-127, title VII, § 781(a), Apr. 4, 1996, 110 Stat. 1151**

Section, act May 20, 1936, ch. 432, title V, § 502, as added Nov. 28, 1990, Pub. L. 101-624, title XXIII, § 2345, 104 Stat. 4030; amended Dec. 13, 1991, Pub. L. 102-237, title VII, § 703(d), 105 Stat. 1881; Oct. 13, 1994, Pub. L. 103-354, title II, § 235(a)(13), 108 Stat. 3221, provided for establishment of Rural Business Incubator Fund.

**SUBCHAPTER VI—RURAL BROADBAND ACCESS**

**§ 950bb. Access to broadband telecommunications services in rural areas**

**(a) Purpose**

The purpose of this section is to provide grants, provide loans, and provide loan guarantees to provide funds for the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas.

**(b) Definitions**

In this section:

**(1) Broadband service**

The term “broadband service” means any technology identified by the Secretary as having the capacity to transmit data to enable a subscriber to the service to originate and receive high-quality voice, data, graphics, and video.

**(2) Incumbent service provider**

The term “incumbent service provider”, with respect to an application submitted under this section, means an entity that, as of the date of submission of the application, is providing broadband service to not less than 5 percent of the households in the service territory proposed in the application.

**(3) Rural area**

**(A) In general**

The term “rural area” means any area other than—

- (i) an area described in clause (i) or (ii) of section 1991(a)(13)(A) of this title; and
- (ii) in the case of a grant or direct loan, a city, town, or incorporated area that has a population of greater than 20,000 inhabitants.

**(B) Urban area growth**

The Secretary may, by regulation only, consider an area described in section 1991(a)(13)(F)(i)(I) of this title to not be a rural area for purposes of this section.

**(C) Exclusion of certain populations**

Such term does not include any population described in subparagraph (H) or (I) of section 1991(a)(13) of this title.

**(c) Grants, loans, and loan guarantees**

**(1) In general**

The Secretary shall make grants, shall make loans, and shall guarantee loans to eligible entities described in subsection (d) to pro-

vide funds for the construction, improvement, or acquisition of facilities and equipment for the provision of broadband service in rural areas.

**(2) Priority**

**(A) In general**

In making grants, making loans, and guaranteeing loans under paragraph (1), the Secretary shall—

(i) give the highest priority to applications for projects to provide broadband service to unserved rural communities that do not have any residential broadband service of at least—

(I) a 10-Mbps downstream transmission capacity; and

(II) a 1-Mbps upstream transmission capacity;

(ii) give priority to applications for projects to provide the maximum level of broadband service to the greatest proportion of rural households in the proposed service area identified in the application;

(iii) provide equal consideration to all eligible entities, including those that have not previously received grants, loans, or loan guarantees under paragraph (1); and

(iv) with respect to 2 or more applications that are given the same priority under clause (i), give priority to an application that requests less grant funding than loan funding.

**(B) Other**

After giving priority to the applications described in clauses (i) and (ii) of subparagraph (A), the Secretary shall then give priority to applications—

(i) for projects to provide broadband service to rural communities—

(I) with a population of less than 10,000 permanent residents;

(II) that are experiencing outmigration and have adopted a strategic community investment plan under section 2008v(d) of this title that includes considerations for improving and expanding broadband service;

(III) with a high percentage of low income families or persons (as defined in section 1471(b) of title 42);

(IV) that are isolated from other significant population centers; or

(V) that provide rapid and expanded deployment of fixed and mobile broadband on cropland and rangeland within a service territory for use in various applications of precision agriculture; and

(ii) that were developed with the participation of, and will receive a substantial portion of the funding for the project from, 2 or more stakeholders, including—

(I) State, local, and tribal governments;

(II) nonprofit institutions;

(III) community anchor institutions, such as—

(aa) public libraries;

(bb) elementary schools and secondary schools (as defined in section 7801 of title 20);