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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 omnibus farm bills. The provisions amend and reauthorize many of the rural broadband programs administered by the U.S. Department of Agriculture (USDA). This In Focus provides background information on USDA rural broadband programs, an overview of selected provisions in the Agriculture Improvement Act of 2018 (2018 farm bill, P.L. 115-334), and issues for Congress as it considers the next farm bill.

Background

According to the Federal Communications Commission (FCC), approximately 14.5 million Americans lack access to broadband at speeds of at least 25 megabits per second download and 3 megabits per second upload (i.e., 25/3 Mbps). Of these Americans, 11 million live in rural areas. The lack of broadband is concentrated in certain rural regions in the United States. The USDA Economic Research Service found that broadband is less available in rural counties in the lower Great Plains and Western Mountain states and in rural *persistent poverty counties* in the Deep South and Southwest. Persistent poverty counties are counties where 20% or more of the population have lived at or below the federal poverty line during four consecutive U.S. measurements dating back to 1980.

Federal rural broadband programs help to deploy broadband in rural areas and aim to increase the use of broadband by rural residents. USDA, the FCC, and the National Telecommunications and Information Administration (NTIA) administer these programs—only USDA administers broadband programs focused exclusively on rural areas. Most USDA broadband programs define a *rural area* as any area that is not located within (1) a city, town, or incorporated area that has a population of greater than 20,000 inhabitants or (2) an urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants (7 C.F.R. §1738.2).

USDA administers five rural broadband programs: the ReConnect Program, Rural Broadband Program, Community Connect Grant Program, Telecommunications Infrastructure Program, and Distance Learning and Telemedicine Program. All of the USDA rural broadband programs rely on discretionary funding. See CRS Report R46912, *USDA Rural Broadband, Electric, and Water Programs: FY2022 Appropriations* to learn more about these programs.

2018 Farm Bill Provisions

The rural development title (Title VI) of the 2018 farm bill includes provisions that affect the Rural Broadband Program, Community Connect Grant Program, and

Distance Learning and Telemedicine Program.

Authorizations of appropriations for these programs expire on September 30, 2023.

Selected Rural Broadband Provisions in the 2018 Farm Bill (P.L. 115-334, Title VI)

Rural Broadband Program

- added a grant component to the program;
- for grants, required at least 90% of households in the service area be without sufficient broadband access;
- for loans, required at least 50% of households in the service area be without sufficient broadband access; and
- increased the minimum acceptable level of broadband service from 4/1 Mbps to 25/3 Mbps.

Community Connect Grant Program

- permanently authorized the program.

Distance Learning and Telemedicine Program

- set aside not less than 20% of program funding for telemedicine projects that provide treatment services for substance use disorder.

Rural Broadband Program

The Rural Broadband Program provides funds for the cost of construction, improvement, and acquisition of facilities and equipment needed to provide broadband service to rural areas. The 2018 farm bill added a grant component to the Rural Broadband Program, which previously was authorized to offer direct loans and loan guarantees only. To date, Congress has appropriated funding for direct loans and loan guarantees but not for grants. In the 2018 farm bill, Congress raised the authorization of annual appropriations for the program to \$350 million for FY2019-FY2023.

For grants, the 2018 farm bill required that at least 90% of households within the proposed service area lack broadband access at the *minimum acceptable level of broadband service* for a rural area. The law increased the minimum acceptable level of broadband service from 4/1 Mbps to 25/3 Mbps. For direct loans, the law required that at least 50% of households in the proposed service area lack broadband access at the minimum acceptable level of broadband service.

In addition, the law directed USDA to prioritize Rural Broadband Program applications providing broadband service to rural communities that do not have residential broadband service of at least 10/1 Mbps. The law also prioritized applications for projects providing the maximum

level of broadband service to the greatest proportion of rural households in the proposed service area.

Community Connect Grant Program

The Community Connect Grant Program offers funding to provide broadband service in rural communities where service does not exist. Eligible applicants include incorporated organizations, federally recognized Tribes, state and local units of government, and for-profit limited liability companies. The 2018 law provided permanent authority for the program. Congress authorized annual appropriations of \$50 million for the program for FY2019-FY2023. Previously, the Community Connect Grant Program was a pilot program that Congress reauthorized through annual appropriations laws.

Distance Learning and Telemedicine Program

The Distance Learning and Telemedicine Program provides grants to help rural communities gain the technology and training necessary to connect educational and medical professionals with students, teachers, and patients in rural areas. The 2018 farm bill authorized increases in appropriations for the program from \$75 million to \$82 million annually for FY2019-FY2023. The law also set aside not less than 20% of the program's funding for telemedicine projects that provide treatment services for substance use disorder.

Other Rural Broadband Provisions

The 2018 farm bill also included the following broadband provisions.

- **Innovative Broadband Advancement Program.** Reauthorized the Rural Gigabit Network Pilot and renamed it the Innovative Broadband Advancement Program. The program is authorized to provide loans and grants to decrease the cost of broadband deployment. To date, Congress has not appropriated funding for this program.
- **Middle Mile Infrastructure.** Established a new rural broadband deployment program to fund *middle mile infrastructure*. Middle mile infrastructure refers to infrastructure that does not connect directly to an end user, such as a business or household; instead, it connects a local network to the larger *internet backbone*. The internet backbone consists of the interconnected core networks of the internet, which support data communications and internet traffic across countries, continents, and oceans. To date, Congress has not appropriated funding for this program.
- **USDA, NTIA, and FCC.** Directed USDA to consult with NTIA to verify applicant eligibility for USDA broadband programs, using the broadband assessment and mapping data provided by NTIA. Also, directed USDA to coordinate with the FCC to ensure there was no duplication across USDA and FCC programs.
- **Public Notice.** Directed USDA to post information on the applications and funding awards for rural broadband programs in a searchable database on the USDA Rural

Utilities Service website and required that the database be available to the public.

- **Working Group.** Established a rural broadband integration working group, including representatives from numerous federal agencies, to identify and assess regulatory barriers to broadband deployment and opportunities to promote broadband adoption and competition.

Considerations for Congress

ReConnect Program

Congress established the pilot program that became known as the ReConnect Program through the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2018 (P.L. 115-141, Division A). The ReConnect Program provides loans, grants, and loan/grant combinations to help fund the costs of construction, improvement, or acquisition of facilities and equipment needed to provide broadband service in rural areas.

Congress has reauthorized the pilot program annually through appropriations acts. Given that expanding broadband to all rural areas is likely to be a multiyear effort, Congress could consider whether providing annual, multiyear, or permanent authority for the ReConnect Program in the next farm bill would be preferred. To learn more about the program, see CRS Report R47017, *USDA's ReConnect Program: Expanding Rural Broadband*.

Rural Health Challenges

The USDA Economic Research Service found that from September 2020 to October 2021, rural persistent poverty counties experienced higher numbers of Coronavirus Disease 2019 (COVID-19) cases compared with other rural counties and urban counties, including urban persistent poverty counties. As Congress contemplates the next farm bill, it could consider what role USDA rural broadband programs might play in providing health services through telemedicine. If Congress chooses to reauthorize these programs, it may consider whether funds for these programs could be targeted to address COVID-19 and/or other health issues that disproportionately affect rural residents or prioritized for other purposes.

Increased Telework

The Pew Research Center found that before the COVID-19 pandemic about 20% of U.S. adults worked remotely from home (at least part-time). In October 2020, roughly 71% of U.S. adults were teleworking (at least part-time). Some researchers contend that expanding broadband in rural areas at speeds that can support teleworking would broaden rural residents' range of employment opportunities. Others assert that doing so would encourage an influx of urban and suburban workers to move to rural areas, potentially leading to higher housing costs for rural residents. As Congress contemplates the next farm bill, it may consider the potential benefits, along with any potential downsides, to prioritizing USDA rural broadband program funding for projects that provide broadband service sufficient to accommodate teleworking.

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