

# United States Senate

WASHINGTON, DC 20510

February 26, 2020

The Honorable Sonny Perdue  
Secretary of Agriculture  
U.S. Department of Agriculture  
1400 Independence Avenue, S.W.  
Washington, D.C., 20250

Dear Secretary Perdue:

We write to urge you to allow rural communities that lack high-speed broadband — but have received Federal Communications Commission (FCC) funding for satellite service — to remain eligible for funding from the U.S. Department of Agriculture (USDA).

Congress established the USDA ReConnect Program in 2018 to provide “loans, grants, and loan/grant combinations to facilitate broadband deployment in rural areas.” However, USDA’s current policies deny funding to service providers that wish to serve geographic areas that have previously received FCC funding for satellite service, even though USDA does not consider satellite service to be sufficient. This USDA-imposed restriction — which is not required by law — prevents rural communities across the country from receiving their share of over \$500 million in federal funding for high-speed broadband, which is vital to reducing the digital divide and harnessing important opportunities in telemedicine and online education, and the high-paying jobs that come with them.

The law that created ReConnect makes its loans and grants available to all applicants that build out broadband of at least 25 Mbps download speed to areas with insufficient broadband. While Congress further stipulated that geographic areas that had previously received USDA broadband loans would not be eligible for additional USDA ReConnect funding, it otherwise left the Secretary of Agriculture with extensive flexibility to determine eligibility criteria. USDA has moved forward accordingly with two Funding Opportunity Announcements (FOAs) to implement the program. For its second round of ReConnect funding, for which applications are due March 16, 2020, USDA set aside \$512 million and specified that it would be available to applicants that could serve areas with insufficient broadband — defined as having service other than mobile or satellite below 10 Mbps download speed. Clearly, USDA does not consider satellite service as sufficient broadband service.

Meanwhile, in August 2018, the FCC awarded a total of \$1.49 billion to a variety of fiber, fixed wireless and satellite broadband providers. Satellite providers received funding for 200,000 rural locations across the United States, despite the fact that satellite service is ill-suited for many key broadband applications. In fact, in 16 states, more than half of funding recipients will only receive satellite service. For example, more than 90% of locations funded by the 2018 auction in Alabama, Florida, Georgia, Kentucky, Maine, Mississippi and Oregon will only receive satellite service. Local communities, who were not consulted on whether or not they considered satellite service their best option, can neither reject the FCC funding awarded to their areas nor can they,

under current rules, avail themselves of future opportunities to obtain FCC or USDA support for better-quality broadband.

USDA has already correctly recognized the deficiencies of satellite services. USDA's December 2019 ReConnect Program FOA explicitly states that "[m]obile and satellite services will not be considered in making the determination of sufficient access to broadband." Current satellite service offers much lower bandwidth caps, suffers from lower reliability and incurs higher latency than fiber and fixed wireless services. These drawbacks make satellite service ill-suited for the telemedicine, mental health services and interactive distance learning broadband applications that are critical for rural Americans. Even local phone calls made from landlines are noticeably impaired by the use of satellite service.

USDA can, and should, fix this. USDA is neither statutorily required to eliminate FCC grant recipients from ReConnect eligibility, nor does it consider satellite service as sufficient broadband service for the purposes of awarding ReConnect funding. To rectify this inequity and further USDA's stated goal of expanding broadband access for all Americans, we urge you to act to allow service providers to submit applications for ReConnect funds if the area has only received FCC auction funding for satellite service, but would otherwise be eligible. Given the rapidly closing application window, we further request that you extend the application deadline to allow affected applicants to submit applications or amend their application.

Thank you for your prompt attention to this critical matter. Please provide us with an update on your progress by March 4, 2020, at the latest.

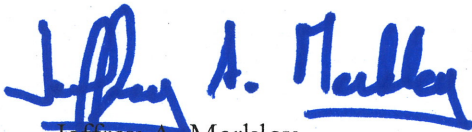
Sincerely,



Ron Wyden  
United States Senator



John Barrasso, M.D.  
United States Senator



Jeffrey A. Merkley  
United States Senator



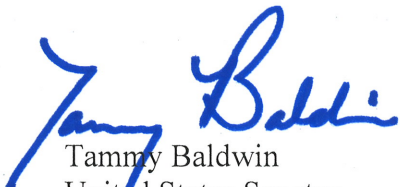
Michael B. Enzi  
United States Senator

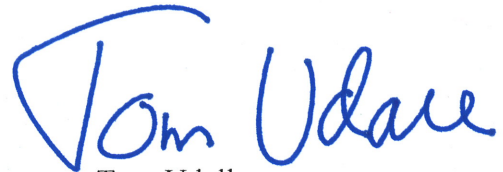


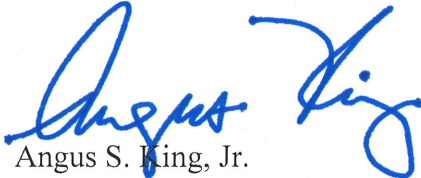
Patty Murray  
United States Senator



Doug Jones  
United States Senator

  
Tammy Baldwin  
United States Senator

  
Tom Udall  
United States Senator

  
Angus S. King, Jr.  
United States Senator

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