



KEVIN BRADY
MEMBER OF CONGRESS
8TH DISTRICT OF TEXAS
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CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

RANKING MEMBER
COMMITTEE ON
WAYS AND MEANS
JOINT COMMITTEE ON TAXATION

June 7, 2021

The Honorable Janet Yellen
Secretary
Department of Treasury
1500 Pennsylvania Avenue, N.W.
Washington, DC 20220

Dear Secretary Yellen:

Thank you for your continued leadership in distributing pandemic relief to vulnerable American families and workers. Upon review of the Treasury Department's Interim Final Rule (IFR) published May 17, 2021 that provides guidance for Coronavirus State and Local Fiscal Recovery Funds,¹ I am pleased that potential funding for critical broadband infrastructure is included. As you finalize final guidance for these funds and the allocation of \$10 billion in Coronavirus Capital Projects Fund (CCPF) established through the American Rescue Plan Act of 2021, I request your consideration of the following recommendations that will strengthen safeguards and coordination of these funds to connect rural communities to high-speed internet, result in sustainable projects, and close the digital divide.

Give equal consideration to public-private partnerships and municipally-owned networks when directing funding for broadband infrastructure. Public-private partnerships have proven to be a successful method of efficiently delivering broadband to rural communities. For example, during a time of emergency, the CARES Act required public-private partnerships which resulted in successfully connecting communities to the internet for the first time.² Public-private partnerships provide the expertise and financial capital of private companies with the knowledge and resources of local entities. Giving state and local governments the option to establish public-private partnerships – over the sole option of government-owned networks – will avoid unfair competition in areas where networks already exist. Encouraging public-private partnerships is also consistent with bipartisan Congressional efforts to improve coordination of Federal broadband programs to prevent duplicative spending and overbuilding.³

Prioritize unserved areas with the greatest need before upgrading existing networks. A report conducted last year revealed over 300,000 locations in Texas are unserved while 926,859 Texans do not even have access to the internet.⁴ I am encouraged that language in the IFR focuses on areas that are “unserved and underserved,” which is defined as an area that lacks access to a wirelines connection capable of delivering at least 25 Mbps download and 3 Mbps upload speed.⁵ It is my hope the primary

¹ See, Coronavirus State and Local Fiscal Recovery Funds, at 31 CFR Part 35. Available online at: <https://home.treasury.gov/system/files/136/FRF-Interim-Final-Rule.pdf>

² Consolidated Communications. (August 7, 2020). *Consolidated Communications Partnering with New Hampshire Towns and the State to Fund \$18 Million Broadband Expansion* [Press Release]. Retrieved from, <https://www.consolidated.com/about-us/news/article-detail/id/751/consolidated-communications-partnering-with-new-hampshire-towns-and-the-state-to-fund-18-million-broadband-expansion>

³ Pub. L. 116-260, Division FF, Title IX, Sec. 904

⁴ Governor's Broadband Development Council. (2020). 2020 Texas Report.” https://gov.texas.gov/uploads/files/press/2020_Texas_Report_-_Governors_Broadband_Development_Council.pdf

⁵ 31 CFR Part 35

goal of distributing CCPF for broadband infrastructure is to connect rural households like many in Texas where service is unavailable. Without access to broadband, Americans do not have access to telehealth, remote learning, or innovative solutions for businesses during emergency situations.

Coordinate between all relevant agencies to avoid duplicative spending and ensure areas in need are not overlooked. Funding for broadband infrastructure does not traditionally fall under jurisdiction of the Treasury Department. To avoid government waste, I encourage interagency communication between the Federal Communications Commission, the Department of Commerce's National Telecommunications and Information Administration (NTIA), and Agriculture Department (USDA)'s Reconnect Program – all of which offer federal funding programs for broadband infrastructure. Congress recently enacted the Broadband DATA Act which will establish at the FCC a comprehensive tool for determining locations that are unserved.⁶ In order to stretch these Federal dollars as far as possible, we encourage Treasury to base funding decisions on these maps to prevent duplicative overbuilding by other Federal agencies.

The COVID-19 pandemic amplified the need for broadband to access education, healthcare, and employment in addition to many aspects of daily life. As our nation recovers from the pandemic, it is critical that our rural communities and other vulnerable areas do not get left behind. I respectfully request your consideration of the recommendations above as you implement final guidance for broadband infrastructure funds.

Sincerely,

A handwritten signature in black ink, appearing to read "KEVIN BRADY", with a stylized flourish at the end.

Kevin Brady
U.S. Representative
Eighth District of Texas

⁶ 47 U.S.C. 642