ROY BLUNT, MISSOURI TED CRUZ, TEXAS DEB FISCHER, NEBRASKA JERRY MORAN, KANSAS DAN SULLIVAN, ALASKA DEAN HELLER, NEVADA RON JOHNSON, WISCONSIN SHELLEY MOORE CAPITO, WEST VIRGINIA MAGGIE HASSAN, NEW HAMPSHIRE CORY GARDNER, COLORADO TODO YOUNG, INDIANA

BILL NELSON, FLORIDA MARIA CANTWELL, WASHINGTON AMY KLOBUCHAR, MINNESOTA RICHARD BLUMENTHAL, CONNECTICUT TOM UDALL, NEW MEXICO TAMMY DUCKWORTH, ILLINOIS

NICK BOSSI, STAFF DIRECTOR KIM LIPSKY, DEMOCRATIC STAFF DIRECTOR

## United States Senate

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

WASHINGTON, DC 20510-6125

WEBSITE: http://commerce.senate.gov

August 22, 2018

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

## Dear Secretary Perdue:

The Consolidated Appropriations Act of 2018 (P.L 115-141) directed the Rural Utilities Service (RUS) to develop a pilot program to distribute \$600 million to advance broadband deployment in underserved areas of rural America. Based on public statements and comments you have made, we recognize that we share the goal of closing the digital divide by expanding broadband access to all Americans, while ensuring prudent use of taxpayer dollars.

As you develop the pilot program, we strongly encourage you to be mindful of the importance of RUS collaborating with the Federal Communications Commission (FCC) to ensure broadband is deployed on a reasonable and timely basis. The FCC has a well-established Connect America Fund (CAF) that is already providing funding to deliver broadband to millions of rural Americans over the next decade. One key component of the CAF program is the long-range planning required on behalf of the federal government and infrastructure provider, which is designed to prevent overbuilding. It is crucial that RUS plan projects and coordinate the distribution of funds under the pilot program with the FCC, to ensure that the pilot program does not result in overbuilding in areas covered by current and planned CAF deployments. Additionally, the National Telecommunications and Information Administration (NTIA) has been charged with updating the maps detailing our nation's current broadband service availability and will be another critical resource as the RUS pilot moves forward.

As we have discussed in the past, failure to seek guidance from other expert federal agencies could lead to the duplication of existing broadband services that occurred with the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). Under the previous Administration, the failure to connect Americans who otherwise remain underserved and the failure to prudently expend scarce taxpayer resources were well documented. As Politico reported, "[t]he checkered performance of RUS offers an all-too-familiar story of an obscure federal agency that has grown despite documented failures...The massive infusion of stimulus money, which required RUS to disperse record sums faster than it ever had before, further exposed its weaknesses—troubles that in many ways remain unaddressed, despite repeated warnings—even as RUS continues

The Honorable Sonny Perdue August 22, 2018 Page 2

lending."1

The Government Accountability Office also issued reports detailing the inability of RUS under prior leadership to properly staff, evaluate applications, and provide funding promptly, which ultimately limited the effectiveness of broadband being deployed to those who needed it most.<sup>2</sup>

While we know you are working to correct these past shortcomings, as Chairman of the Commerce Committee and as a member of the Agriculture Committee, and as Chairman of the Subcommittee on Communications, Technology, Innovation, and the Internet, we strongly urge you to take the necessary steps to avoid the failures of the past Administration. We are heartened by the participation of RUS, the FCC, and NTIA in the Broadband Interagency Working Group, and hope those efforts prove productive. With proper coordination, the RUS pilot program will be able to better target how to connect unserved Americans as quickly as possible without overbuilding. We both want to work on closing the digital divide while being responsible stewards of taxpayer dollars, and we look forward to continuing to work with you on this important initiative.

Sincerely,

JOHN THUNE

Chairman

U.S. Senate Committee on Commerce,

Science, and Transportation

ROGER F WICKER
Chailman
LLS Senate Subcommittee on

U.S. Senate Subcommittee on Communications, Technology, Innovation, and the Internet

Cc: The Honorable Bill Nelson

Ranking Member, Committee on Commerce, Science, and Transportation

The Honorable Pat Roberts

Chairman, Committee on Agriculture, Nutrition, and Forestry

The Honorable Debbie Stabenow

Ranking Member, Committee on Agriculture, Nutrition, and Forestry

<sup>&</sup>lt;sup>1</sup> Tony Romm, Wired to Fail, Politico, July 28, 2015.

<sup>&</sup>lt;sup>2</sup> GAO: Agencies Are Addressing Broadband Program Challenges, November 16, 2009. See also. GAO: Further Opportunities to Strengthen Oversight of Broadband Stimulus Programs, August 4, 2010.