United States Senate

WASHINGTON, DC 20510

December 9, 2021

The Honorable Tom Vilsack Secretary U.S. Department of Agriculture 1400 Independence Avenue, SW Washington, DC 20250

Dear Secretary Vilsack,

It is vital for Iowans to have access to quality and reliable broadband services. The pandemic has highlighted the many gaps that still exist in serving all of Iowa, especially in the rural areas of the state. Broadband deployment in rural areas is far more expensive than to more urban areas, which is why we have been supportive of federal government programs to help bridge that gap. However, we have concerns with some of the scoring criteria of the Rural Connectivity Pilot Program's (ReConnect) Round 3 that adversely affect many of Iowa's broadband providers.

First, we are concerned with the scoring mechanism that gives an advantage to applications by local governments, non-profits, and cooperatives. While we welcome these entities competing for these funds, community-based providers that operate as commercial entities should not have their applications discriminated against or penalized due to how they are organized.

Iowa has the largest amount of community-based providers. Many of these entities are "mutual companies," commercially owned or even municipally owned telecom utilities. All are locally owned and operated, and have a proven record of accomplishment in delivering outstanding, future-proof services. These providers also have a strong track record in participating in the many federal and state broadband expansion programs.

We definitely agree that the emphasis should be on local and community-based decision-making and action in deploying broadband. However, we do not see any rational basis for the ReConnect scoring mechanism to discriminate, in favor or against, community-based providers based on their corporate organization.

Second, we are concerned that the scoring criteria includes so-called "net-neutrality" commitments. Investment in broadband infrastructure by both small and large providers remains at an all-time high and this must continue for Iowa to close the broadband gap. However, these unprecedented investments are due to the light-touch regulatory approach from the federal government. Any effort to impose unnecessary restrictions is dangerous and threatens future investments.

There has been robust debate about "net neutrality" restrictions both in Congress and at the Federal Communications Commission, the agency that oversees our nation's telecommunications

policy. It is concerning that the U.S. Department of Agriculture (USDA) suggests that it has the authority, let alone the qualified staff, to make determinations about "lawful Internet traffic." Without the authority from Congress to regulate the internet, USDA would be contributing to legal and marketplace uncertainty, hindering the investments we need to provide broadband in rural America.

We strongly urge USDA to reverse the scoring mechanisms of the ReConnect Program Round 3 that, as currently posted, provide additional scoring points based on applications by local governments, non-profits, and cooperatives as well as USDA's determination of what constitutes "net neutrality." We look forward to working with you to help meet the broadband needs in rural Iowa.

Sincerely,

Charles E. Grassley

United States Senator

Joni K. Ernst