

United States Senate

WASHINGTON, DC 20510

January 28, 2022

The Honorable Janet L. Yellen
Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Yellen,

We write to express our deep concern with the Treasury's recently-announced final rule for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) as it relates to funding made available for broadband infrastructure. As you know, the authority provided by Congress to Treasury to make investments in broadband infrastructure was born out of the challenges posed by the pandemic, when much of daily life was forced online and when consumers lacking internet access faced even greater economic and personal hardship. Because of the importance of addressing these needs, we are profoundly disappointed that Treasury's final rule lacks the proper guidance and constraints needed to ensure that federal funds are used efficiently and for their intended purpose. As history has demonstrated, absent such constraint, there remains a significant risk that taxpayer money will be wasted in areas where broadband infrastructure already exists and those without access to quality broadband service will not receive the full measure of needed assistance.

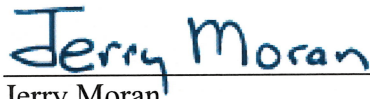
The final SLFRF rule increases the risk of overbuilding existing broadband investments. First, the final rule eliminates a key requirement that eligible broadband projects provide service to unserved or underserved households or businesses that lack access to minimum speeds of 25 Mbps download/3 Mbps upload. Instead, recipients can invest in projects designed to serve locations with "an identified need for additional broadband infrastructure investment"—a vague and subjective standard. The rule also permits recipients to invest in projects regardless of whether there is an existing federal or state funding commitment. As a result, the final rule will allow SLFRF recipients to fund projects in areas where broadband service is already or will be available – while continuing to leave truly unserved areas in our states without access to broadband.

The final rule also moves away from a purely quantitative approach to assessing existing broadband service. In addition to federal and state broadband data, funding recipients are permitted to consider user speed tests, interviews, and "any other information they deem relevant" when determining whether to fund a broadband project in a given area. Although input from stakeholders is important to ensuring Americans have access to quality broadband service, this information should be considered against quantitative data about an area's access to, and quality of, broadband. Additionally, the broad nature of this guidance allows states to choose whatever information they wish to determine the availability of broadband in a given area.

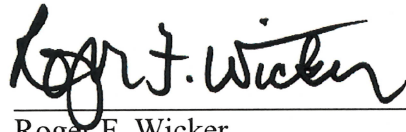
Together, these changes will hinder the identification of unserved areas that need broadband service the most. Instead, the final SLFRF rule has the potential to waste taxpayer dollars funding duplicative service in areas with existing access to broadband, leaving a significant portion of the country unable to realize the benefits of quality broadband service and participate in the digital economy.

We urge you to ensure that SLFRF funds are focused on truly unserved areas to maximize the benefit to those Americans currently without broadband service.

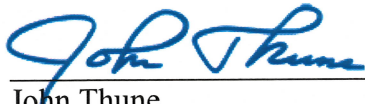
Sincerely,



Jerry Moran
United States Senator



Roger F. Wicker
United States Senator




John Thune
United States Senator



Thom Tillis
United States Senator



Shelley Moore Capito
United States Senator



Marsha Blackburn
United States Senator



Richard Burr
United States Senator



Roy Blunt
United States Senator



Ted Cruz
United States Senator



Deb Fischer
United States Senator



Susan M. Collins
United States Senator