

SMALL BUSINESS LAST MILE ACT

Problem: Despite significant private and public investments in broadband infrastructure, many small businesses in rural America remain unconnected to high-speed broadband. Rural businesses increasingly rely on internet-enabled services to reach wider markets and increase their operational efficiency, and those without access risk falling behind their urban and suburban peers.

Rural business owners recognize these facts but are oftentimes unable to afford the cost of connecting their business to nearby high-speed broadband infrastructure. Businesses like agricultural producers, which may be located thousands of feet from a major roadway, can face costs in the thousands of dollars to span the “last mile” between their place of business and existing “middle mile” infrastructure. As a result, many rural small businesses that could benefit greatly from high-speed broadband connectivity are struggling with low-speed or non-existent broadband access. This situation is holding the rural economy back.

Solution: The Small Business Last Mile Act would create a grant program for rural small businesses to help offset the cost of bringing high-speed broadband infrastructure the “last mile” to their location. Specifically, the bill would do the following:

- » Create a competitive grant program run by the Small Business Administration—acting through state broadband agencies—to facilitate the provision of high-speed broadband service to small businesses located in rural areas.
 - ISPs and other entities that state broadband agencies deem capable of provisioning high-speed broadband infrastructure would be eligible to receive subgrants from a state grantee.
 - Proposals to duplicate existing infrastructure would be ineligible.
 - Proposals to connect multiple small businesses would be prioritized.
 - Grants—designed to supplement non-federal contributions from the end-user business, subgrantee, locality, and/or state—would be capped at \$15,000 for projects to serve a single business, or \$35,000 to serve multiple businesses.
 - 25 percent non-federal matching funds would be required.
 - Eligible infrastructure would be capable of providing 50/50 Mbps, low-latency service.
 - Eligible rural areas would be those considered rural under the Rural Utilities Service Rural Access Broadband Grant, Loan, and Loan Guarantee Program.
 - Eligible small business end-users would meet the SBA size standard for their industry and be in a rural area.
 - SBA would submit a review of the program’s outcomes after three years.
 - \$25 million would be authorized for the grants annually for four years.
- » Require SBA to survey small businesses regarding the broadband speeds, prices, and technologies available



AND

