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§ 1101. Purpose

The purpose of this chapter is to facilitate access, on a technologically neutral basis and by December 31, 2006, to signals of local television stations for households located in nonserved areas and underserved areas.

(Pub. L. 106-553, §1(a)(2) [title X, §1002], Dec. 21, 2000, 114 Stat. 2762, 2762A-128.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, and was translated as reading “this title” meaning title X of H.R. 5548, as enacted by Pub. L. 106-553, §1(a)(2), Dec. 21, 2000, 114 Stat. 2762, 2762A-128, to reflect the probable intent of Congress. Title X enacted this chapter and amended section 339 of this title. For complete classification of title X to the Code, see Short Title note set out below and Tables.

SHORT TITLE

Pub. L. 106-553, §1(a)(2) [title X, §1001], Dec. 21, 2000, 114 Stat. 2762, 2762A-128, provided that: “This title [title X of H.R. 5548, as enacted by section 1(a)(2) of Pub. L. 106-553, enacting this chapter and amending section 339 of this title] may be cited as the ‘Launching Our Communities’ Access to Local Television Act of 2000’.”

§ 1102. LOCAL Television Loan Guarantee Board**(a) Establishment**

There is established the LOCAL Television Loan Guarantee Board (in this chapter referred to as the “Board”).

(b) Members**(1) In general**

Subject to paragraph (2), the Board shall consist of the following members:

- (A) The Secretary of the Treasury, or the designee of the Secretary.
- (B) The Chairman of the Board of Governors of the Federal Reserve System, or the designee of the Chairman.

(C) The Secretary of Agriculture, or the designee of the Secretary.

(D) The Secretary of Commerce, or the designee of the Secretary.

(2) Requirement as to designees

An individual may not be designated a member of the Board under paragraph (1) unless the individual is an officer of the United States pursuant to an appointment by the President, by and with the advice and consent of the Senate.

(c) Functions of the Board**(1) In general**

The Board shall determine whether or not to approve loan guarantees under this chapter. The Board shall make such determinations consistent with the purpose of this chapter and in accordance with this subsection and section 1103¹ of this title.

(2) Consultation authorized**(A) In general**

In carrying out its functions under this chapter, the Board shall consult with such departments and agencies of the Federal Government as the Board considers appropriate, including the Department of Commerce, the Department of Agriculture, the Department of the Treasury, the Department of Justice, the Department of the Interior, the Board of Governors of the Federal Reserve System, the Federal Communications Commission, the Federal Trade Commission, and the National Aeronautics and Space Administration.

(B) Response

A department or agency consulted by the Board under subparagraph (A) shall provide the Board such expertise and assistance as the Board requires to carry out its functions under this chapter.

(3) Approval by majority vote

The determination of the Board to approve a loan guarantee under this chapter shall be by an affirmative vote of not less than 3 members of the Board.

(Pub. L. 106-553, §1(a)(2) [title X, §1003], Dec. 21, 2000, 114 Stat. 2762, 2762A-128.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original “this Act”, and was translated as reading “this title”. See References in Text note set out under section 1101 of this title.

Section 1103 of this title, referred to in subsec. (c)(1), was in the original “section 4”, and was translated as reading “section 1004”, meaning section 1004 of title X of H.R. 5548, as enacted by Pub. L. 106-553, §1(a)(2), to reflect the probable intent of Congress. Pub. L. 106-553 does not contain a section 4 and section 1004 relates to approval of loan guarantees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1103, 1104 of this title.

¹ See References in Text note below.

§ 1103. Approval of loan guarantees**(a) Authority to approve loan guarantees**

Subject to the provisions of this section and consistent with the purpose of this chapter, the Board may approve loan guarantees under this chapter.

(b) Regulations**(1) Requirements**

The Administrator (as defined in section 1104¹ of this title), under the direction of and for approval by the Board, shall prescribe regulations to implement the provisions of this chapter and shall do so not later than 120 days after funds authorized to be appropriated under section 1109¹ of this title have been appropriated in a bill signed into law.

(2) Elements

The regulations prescribed under paragraph (1) shall—

(A) set forth the form of any application to be submitted to the Board under this chapter;

(B) set forth time periods for the review and consideration by the Board of applications to be submitted to the Board under this chapter, and for any other action to be taken by the Board with respect to such applications;

(C) provide appropriate safeguards against the evasion of the provisions of this chapter;

(D) set forth the circumstances in which an applicant, together with any affiliate of an applicant, shall be treated as an applicant for a loan guarantee under this chapter;

(E) include requirements that appropriate parties submit to the Board any documents and assurances that are required for the administration of the provisions of this chapter; and

(F) include such other provisions consistent with the purpose of this chapter as the Board considers appropriate.

(3) Construction

(A) Nothing in this chapter shall be construed to prohibit the Board from requiring, to the extent and under circumstances considered appropriate by the Board, that affiliates of an applicant be subject to certain obligations of the applicant as a condition to the approval or maintenance of a loan guarantee under this chapter.

(B) If any provision of this chapter or the application of such provision to any person or entity or circumstance is held to be invalid by a court of competent jurisdiction, the remainder of this chapter, or the application of such provision to such person or entity or circumstance other than those as to which it is held invalid, shall not be affected thereby.

(c) Authority limited by appropriations Acts

The Board may approve loan guarantees under this chapter only to the extent provided for in advance in appropriations Acts, and the Board may accept credit risk premiums from a non-Federal source in order to cover the cost of a

loan guarantee under this chapter, to the extent that appropriations of budget authority are insufficient to cover such costs.

(d) Requirements and criteria applicable to approval**(1) In general**

The Board shall utilize the underwriting criteria developed under subsection (g) of this section, and any relevant information provided by the departments and agencies with which the Board consults under section 1102¹ of this title, to determine which loans may be eligible for a loan guarantee under this chapter.

(2) Prerequisites

In addition to meeting the underwriting criteria under paragraph (1), a loan may not be guaranteed under this chapter unless—

(A) the loan is made to finance the acquisition, improvement, enhancement, construction, deployment, launch, or rehabilitation of the means by which local television broadcast signals will be delivered to a non-served area or underserved area;

(B) the proceeds of the loan will not be used for operating, advertising, or promotion expenses, or for the acquisition of licenses for the use of spectrum in any competitive bidding under section 309(j) of this title;

(C) the proposed project, as determined by the Board in consultation with the National Telecommunications and Information Administration, is not likely to have a substantial adverse impact on competition that outweighs the benefits of improving access to the signals of a local television station in a non-served area or underserved area and is commercially viable;

(D)(i) the loan—

(I) is provided by any entity engaged in the business of commercial lending—

(aa) if the loan is made in accordance with loan-to-one-borrower and affiliate transaction restrictions to which the entity is subject under applicable law; or

(bb) if item (aa) does not apply, the loan is made only to a borrower that is not an affiliate of the entity and only if the amount of the loan and all outstanding loans by that entity to that borrower and any of its affiliates does not exceed 10 percent of the net equity of the entity; or

(II) is provided by a nonprofit corporation, including the National Rural Utilities Cooperative Finance Corporation, engaged primarily in commercial lending, if the Board determines that such nonprofit corporation has one or more issues of outstanding long-term debt that is rated within the highest 3 rating categories of a nationally recognized statistical rating organization;

(ii) if the loan is provided by a lender described in clause (i)(II) and the Board determines that the making of the loan by such lender will cause a decline in such lender's

¹ See References in Text note below.