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Joint Economic Committee

Issue brief
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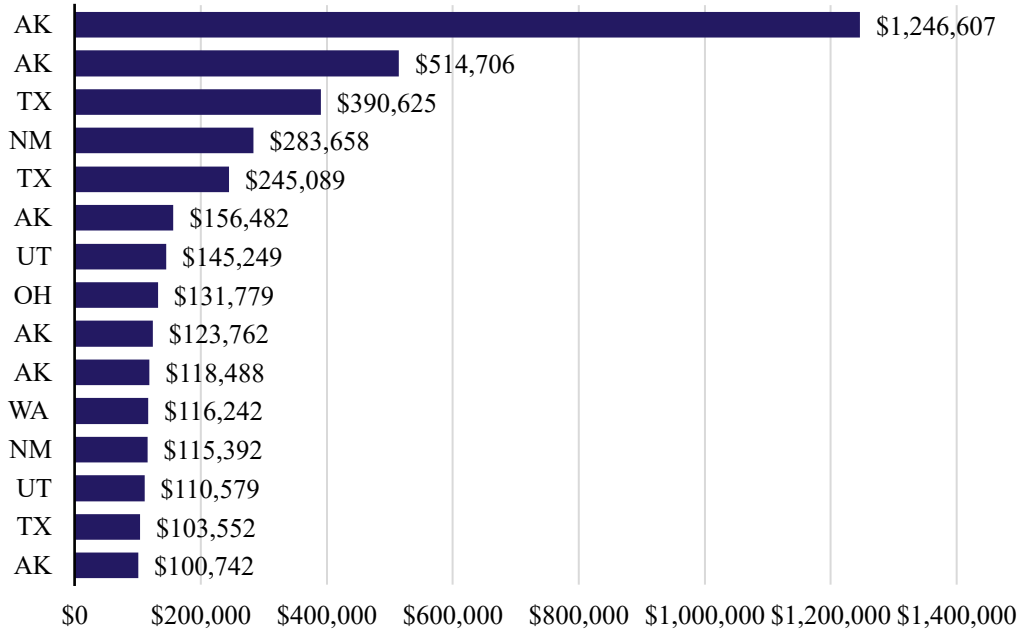
ReConnect: In Need of a Technologically Neutral Approach

The U.S. Department of Agriculture's ReConnect program, established under the *Consolidated Appropriations Act, 2018*, is a rural broadband pilot program created to "provide funds for the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas."[1] The fundamental purpose of ReConnect is to connect rural Americans to the internet. When Congress established statutory language governing the program, it gave USDA significant discretion to determine how the program would operate. Unfortunately, much like other federal broadband programs, the Biden administration established regulations that favored specific technologies over others, going so far as to exclude otherwise capable technologies, including Low Earth Orbit (LEOs) satellites, from ReConnect.[2] Instead of utilizing an array of technologies to fulfill the program's intended purpose, USDA explicitly prohibits satellite companies, such as Amazon LEO and Starlink, from competing for bids, and further, requires arbitrarily high-speed thresholds that, on their own, have the effect of precluding the use of LEOs.[3] These measures limited technological competition during funding rounds that inflated deployment costs and shifted ReConnect's purpose—connecting rural Americans to the internet—toward subsidizing terrestrial broadband infrastructure benefiting terrestrial providers at the expense of taxpayers.

Analyzing USDA's publicly available ReConnect award data, inefficiencies caused by these regulations are striking. In 2023, USDA obligated $1.2 million per person to provide fiber in Alaska. In fact, there were fifteen separate awards over the course of the program in which obligations per person exceeded $100,000.[4] Building the infrastructure necessary to provide fiber broadband increases costs substantially the more sparsely populated and geographically isolated a rural location.[5] Despite this reality, USDA's self-imposed restrictions forced them to pay extremely high premiums for fiber, even though more appropriate and cost-effective technologies were available.

[1] Consolidated Appropriations Act, 2018, Pub. L. No. 115-141, div. A, § 779, 132 Stat. 348, 399; Rural Electrification Act of 1936 § 601(a), 7 U.S.C. § 950bb(a).
[2] 7 C.F.R. pt. 1740 (2026).
[3] *Notice of Funding Opportunity for the Rural eConnectivity Program for Fiscal Year 2024*, 89 Fed. Reg. 13035, 13036 (Feb. 21, 2024).
[4] U.S. Department of Agriculture, Rural Dev., *Rural Investments – Data Tables*; JEC calculations.
[5] Lisa S. Benson, Cong. Rsch. Serv., R47017, *USDA's ReConnect Program: Expanding Rural Broadband* 2 (Jan. 26, 2022).

Figure 1: Top ReConnect Awards by Cost per Person



Source: USDA;[4] JEC calculations

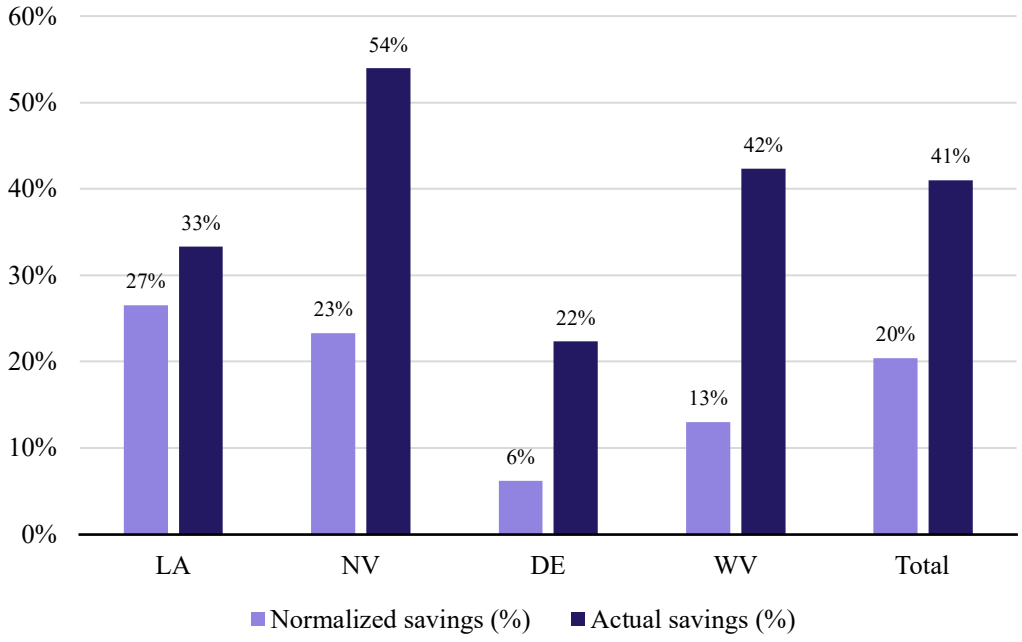
To evaluate potential savings if ReConnect reverts to its original purpose and establishes an inclusive tech neutral rule, the much larger Broadband Equity, Access, and Deployment (BEAD) Program provides valuable insights. Established by the *Infrastructure Investment and Jobs Act* (IIJA) in 2021,[6] BEAD, much like ReConnect, was subjected to Biden administration regulations that went beyond Congress's statutory requirements, prioritizing fiber over alternative technologies and imposing extraneous provisions unrelated to broadband deployment.[7] Although these regulations did not outright prohibit the use of LEOs, like in ReConnect, its preferential treatment toward fiber effectively precluded the use of satellites and other non-fiber technologies, with few exceptions.[8] Fast forward to 2025, the Trump Administration, recognizing the superfluous, inefficient, and costly Biden-era regulations, reformed the rules through the "Benefit of the Bargain" initiative, which instituted tech neutrality and eliminated unnecessary regulatory burdens.[9]

Using BEAD as a proxy, potential cost savings for ReConnect emerge. Four states had approved or nearly approved BEAD proposals under the Biden-era regulations: Louisiana, Nevada, Delaware, and West Virginia.[10] Comparing these states' original BEAD proposals with those

[6] Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, div. F, tit. I, § 60102(b)(1), 135 Stat. 429, 1184 (2021).
[7] Nat'l Telecomms. & Info. Admin., U.S. Dep't of Com., *Broadband Equity, Access, and Deployment Program Notice of Funding Opportunity* (May 12, 2022).
[8] Nat'l Telecomms. & Info. Admin., U.S. Dep't of Com., *Understanding the Policy Notice: Selecting Technology* 1 (July 2024).
[9] Nat'l Telecomms. & Info. Admin., U.S. Dep't of Com., *BEAD Restructuring Policy Notice* (June 2025).
[10] Source data: Nat'l Telecomms. & Info. Admin., U.S. Dep't of Com., *Biden-Harris Administration Approves Louisiana's "Internet for All" Final Proposal* (Jan. 13, 2025), *Biden-Harris Administration Approves Nevada's "Internet for All" Final Proposal* (Jan. 16, 2025), and *BEAD Final Proposal* overviews for Louisiana, Nevada, Delaware, and West Virginia (2025–

following the Benefit of the Bargain reforms provides valuable insights into how similar technology-neutral provisions could improve cost efficiency in ReConnect. Among these four states, the Joint Economic Committee found a normalized savings rate of 20.4 percent, representing nearly $315,000,000 in savings when adjusting for variations in the number of locations served. Unadjusted savings were even more staggering, with close to a 41 percent reduction, and more than $853,000,000 in actual savings.[11] By implementing these regulatory changes, BEAD was able to fulfill its statutory purpose, while saving nearly a billion dollars in these four states alone.

Figure 2(a): Benefit of the Bargain Proxy Savings (%)

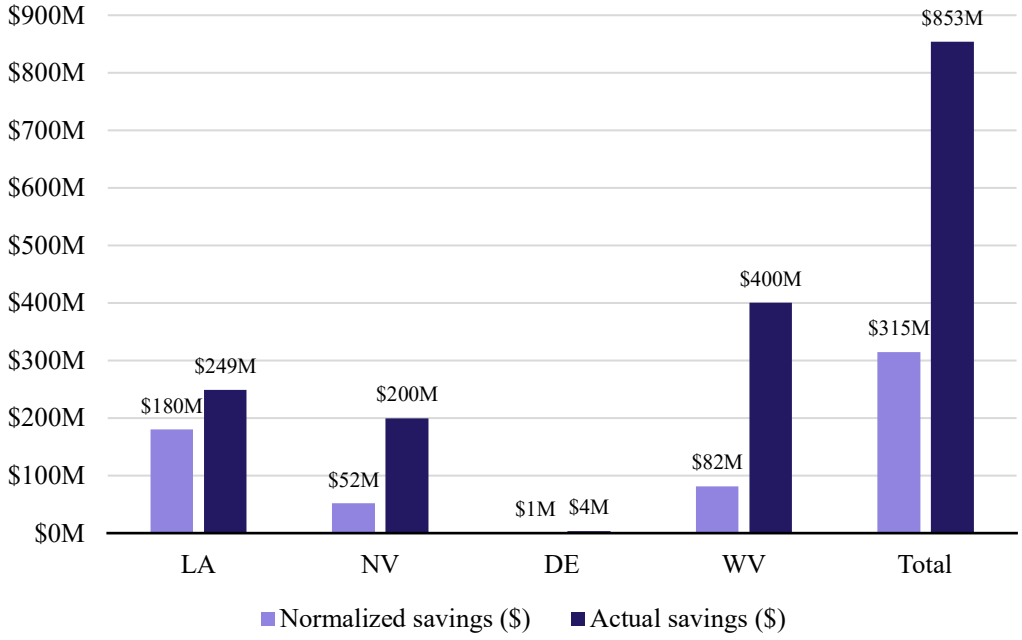


Source: State BEAD data;[10] JEC calculations

2026); La. Off. of Broadband Dev. & Connectivity, *BEAD Final Proposal* (Jan. 9, 2025) and *Approved Final Proposal*, version 7.0 (Nov. 18, 2025); Del. Dep't of Tech. & Info., *Delaware Approved to Begin Fiber Broadband Connections to 5,700 Homes and Businesses* (Jan. 14, 2025); Nev. Governor's Off. of Sci., Innovation & Tech., *Nevada BEAD Final Proposal: Draft for Public Comment* (2025); Reid Sharkey & Drew Garner, *How Did the "Benefit of the Bargain" Change West Virginia's BEAD Plan?*, Benton Inst. for Broadband & Soc'y (Aug. 22, 2025).

[11] JEC calculations based on publicly available BEAD funding data. Normalized savings adjust for changes in the number of locations served within each state. Nevada's original funding amount was estimated by adding $200 million in reported savings to its revised funding amount; West Virginia's original proposal had not received final NTIA approval.

Figure 2(b): Benefit of the Bargain Proxy Savings ($)



Source: State BEAD data;[10] JEC calculations

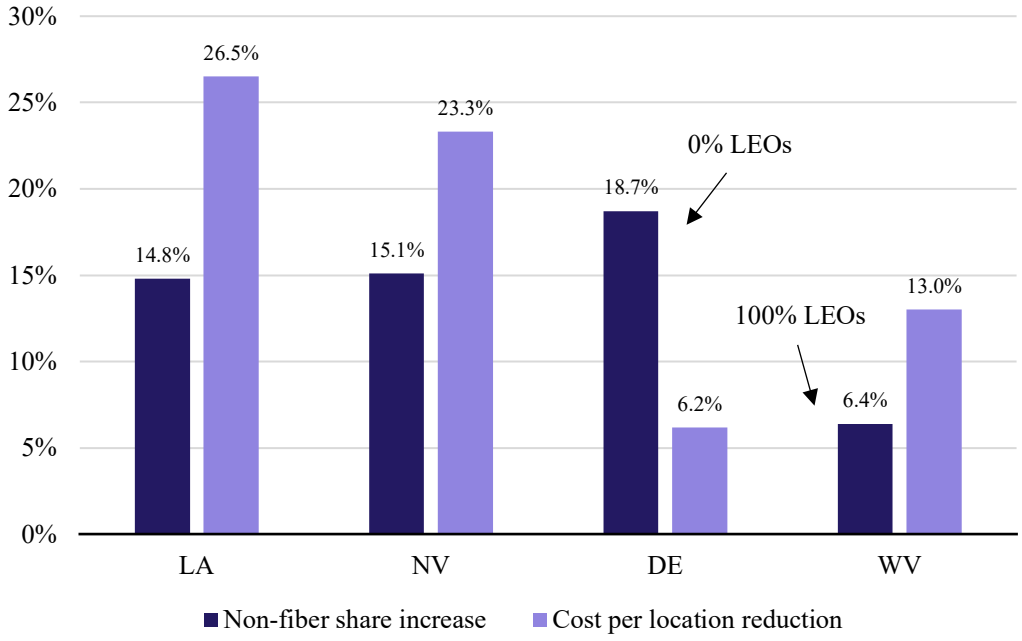
For the purposes of ReConnect, isolating the effect of tech neutrality on the cost savings following the Benefit of the Bargain is difficult to establish. Increased bidding competition, changes in serviceable locations, and the elimination of superfluous regulations—just to name a few—can all contribute to the lower deployment costs observed in BEAD. However, by analyzing the pre- and post-non-fiber technology share in each state with reductions in the average cost per location, the role of tech neutrality in reducing deployment costs can be better understood.

When comparing the states' approved proposals, the non-fiber share in Louisiana, Nevada, Delaware, and West Virginia rose by 14.8, 15.1, 18.7, and 6.4 percent respectively.[12] This corresponded with a normalized cost per location reduction of 26.5, 23.3, 6.2, and 13.0 percent.[11] In Delaware, where the technology shift was highest (18.7 percent), yet had the lowest cost reduction (6.2 percent), the discrepancy may be attributed to an already lower prior cost per location ($3,041)[13] due to denser geography making fiber deployment cheaper. Furthermore, none of Delaware's non-fiber awards went to LEO providers, potentially limiting additional cost saving; a point illustrated by West Virginia's 13 percent savings with every non-fiber award going to LEOs, despite non-fiber representing only 6.4 percent of the technology used in the state.[14] Although a causal relationship between inclusive tech neutrality and deployment costs is not clearly

[12] JEC calculations based on original and revised BEAD proposal and award data published by NTIA and the state broadband offices of Louisiana, Nevada, Delaware, and West Virginia.
[13] Delaware original BEAD approval data[10]; JEC calculations.
[14] Nat'l Telecomms. & Info. Admin., U.S. Dep't of Com., *BEAD Final Proposal: Delaware Overview* (2025); Nat'l Telecomms. & Info. Admin., U.S. Dep't of Com., *BEAD Final Proposal: West Virginia Overview* (2025); JEC calculations.

established by this analysis, the data suggests tech neutrality is a key variable driving overall savings.

Figure 3: Non-Fiber Share Increase & Cost per Person Reduction



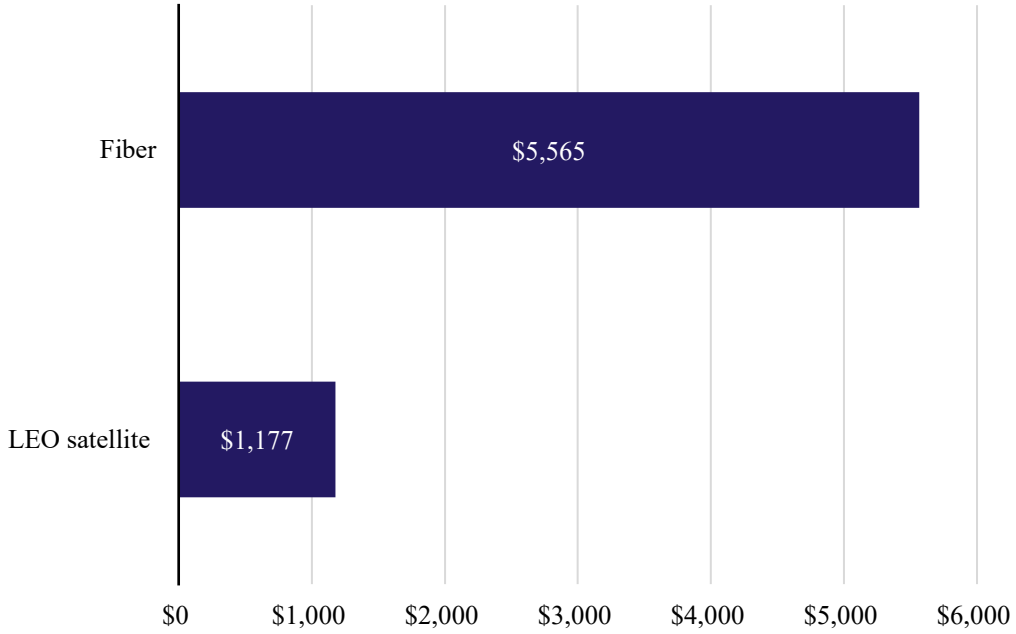
Source: State data;[12] JEC calculations

A national cost per location average for fiber and satellite from states' final Benefit of the Bargain proposals further illustrates significant potential savings if ReConnect established similar LEO-inclusive tech-neutral provisions. On average, fiber costs $5,565 per location, and it receives 85 percent of total BEAD funding despite accounting for 65 percent of locations served. In comparison, LEO satellite deployment averaged $1,177 per location, accounting for 5 percent of total funding and 23 percent of served locations—representing a nearly fivefold cost differential between fiber and satellite.[15] This gap could potentially be even larger in ReConnect because of its singular function as a *rural* broadband program. Unlike BEAD, which provides broadband to all unserved or underserved areas, ReConnect focuses specifically on rural geographic locations. As previously mentioned, the cost of fiber increases materially the more rural a location is. In contrast, the cost of serving individual locations with LEO satellites is considerably less sensitive to these geographic constraints.[16] Given BEAD's fiber cost average includes locations that are less rural and, therefore, less expensive to service with fiber, the overall cost average is lower than it otherwise would have been if it only serviced rural locations, like ReConnect. Extrapolating this point, one could expect providing fiber in the rural locations ReConnect serves will, on average,

[15] Connected Nation, "Connected Nation's BEAD Tracker," accessed November 2026, https://connectednation.org/bead-tracker; JEC calculations.
[16] Stela Bokun et al., *LEO Satellite Broadband: A Cost-Effective Option for Rural Areas of Europe* (Analysys Mason, February 24, 2025), 14–15.

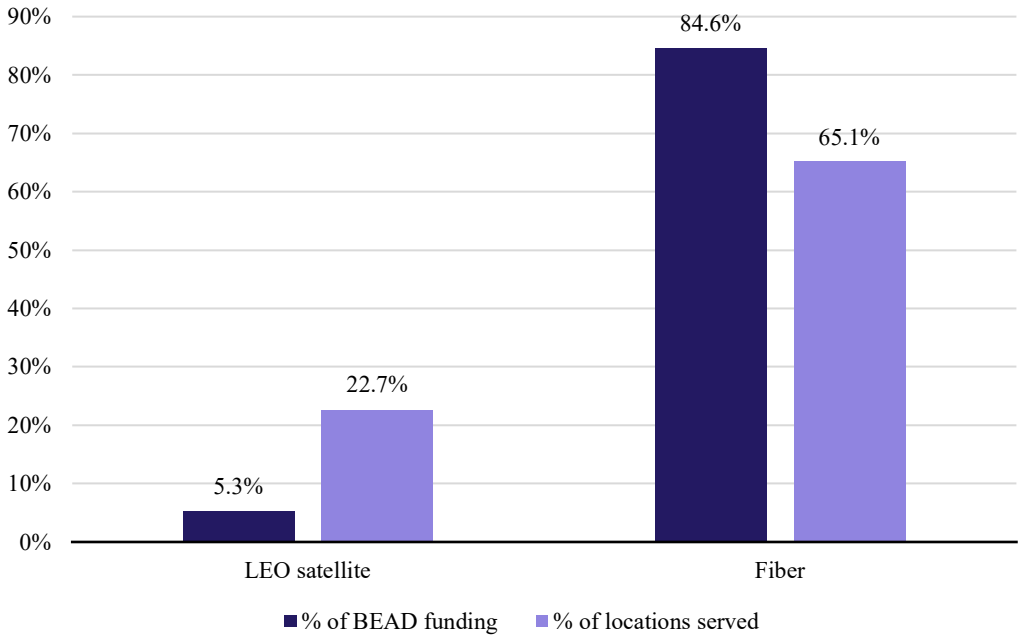
be more expensive, and therefore benefit from an even greater cost savings percentage from tech neutrality and the inclusions of LEOs.

Figure 4(a): Benefit of the Bargain Cost per Location by Technology (avg)



Source: Connected Nation;[15] JEC calculations

Figure 4(b): Funding & Locations Served: LEO vs Fiber



Source: Connected Nation;[15] JEC calculations

The substantial savings observed in the BEAD proxy, coupled with wide average cost differences between fiber and satellite, and the greater share of sparsely populated rural locations ReConnect serves, strongly suggests that the inclusion of LEO providers and technologically neutral requirements in ReConnect will reduce costs. To achieve this aim, Chairman David Schweikert introduced H.R. 10288, the *Rural Broadband Modernization Act*. The bill establishes a minimum speed requirement of 100/20 megabits per second (Mbps) to ensure strong connectivity and create consistency across federal broadband programs. It institutes a tech neutral playing field, prevents unreasonably high speed requirements in funding rounds that could circumvent technological competition, and requires USDA to publicly release more comprehensive data for better oversight.[17] Unlike comparable legislation, such as the Senate Farm Bill, H.R. 10288 maintains ReConnect's status as a pilot program, leaving permanent codification and funding amounts up to the committees of jurisdiction.[18] Furthermore, it institutes these provisions in statute, instead of relying on regulatory changes, thereby preventing future administrations from politicizing rules that exclude capable technologies. By codifying these commonsense provisions, USDA can utilize a larger toolkit, deploying the appropriate technology to the array of diverse rural locations it serves, without paying fiscally irresponsible premiums.

Providing rural Americans access to the internet in a fiscally responsible way is an achievable goal, and by codifying these provisions, ReConnect can successfully accomplish this objective, while simultaneously realigning the program away from special interests and back to its original purpose—connecting rural Americans to the internet.

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[17] *Rural Broadband Modernization Act*, H.R. 10288, 119th Cong. § 2 (2026).
[18] *Agricultural Act of 2026*, S. 5526, 119th Cong. § 6101(a) (2026).