



# NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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## **UP TO 600,000 RURAL HOMES AND BUSINESSES IN 44 STATES AND PUERTO RICO WILL GAIN ACCESS TO BROADBAND FOR FIRST TIME**

### ***Over \$385 Million From FCC's Connect America Fund To Leverage Private Investment For Expanding Broadband In Unserved Areas***

**Washington, D.C.** – Up to 600,000 homes and small businesses that lack broadband will get access to this basic necessity as a result of additional support from the FCC's Connect America Fund. Providers in 44 states and Puerto Rico requested over \$385 million from the Fund – which will be matched with hundreds of millions of their own dollars in many areas – to quickly expand broadband infrastructure to rural communities in every region of the nation. Deployment must be completed within three years.

Currently, about 15 million U.S. residents, mostly rural, lack access to broadband and the opportunities it provides. This second round of funding from Phase I of the Connect America Fund marks the continuation of the most significant public-private effort in history to ensure that every American home and business has access to broadband by the end of the decade, which will spur economic growth and boost the nation's global competitiveness.

“Broadband is no longer a luxury but is essential in today's society to finding a job, getting an education, receiving quality health care, and staying connected with family and community,” said Acting FCC Chairwoman Mignon Clyburn. “This second round of support from the Connect America Fund will leverage private investment and connect hundreds of thousands of rural consumers and businesses to the robust broadband that other communities have long taken for granted. I'm delighted that requests for support in this round have exceeded our expectations, putting us that much closer to the day when all Americans have access to broadband.”

The FCC launched this unprecedented broadband expansion in 2011 when it reformed and modernized the Universal Service Fund, which helped expand the telephone network to rural America in the 20<sup>th</sup> century. The Commission created the [Connect America Fund](#) to unleash the benefits of 21<sup>st</sup> century broadband communications in communities where there are insufficient market incentives to expand broadband service absent a joint public-private effort. Key reforms allowed Connect America to expand support to both broadband and voice without increasing universal service fees on consumers and businesses.

Phase I of the Connect America Fund is designed to quickly expand broadband to unserved areas while broader structural reforms are being implemented. In 2012, providers accepted nearly \$115 million in Phase I funding to expand rural broadband in 37 states. In May of this year, the FCC allocated \$300 million for the current round of Phase I, with additional funding to be made available if demand exceeded that amount. With total requests exceeding \$385 million, this second round builds on lessons learned

from the first, and includes changes to incentivize private investment, improve program clarity, and maximize deployment where consumers lack broadband.

The attached table below provides an analysis by state and carrier of 2013 Connect America Fund Phase I funding. The requests are subject to FCC review and possible challenges from other providers, which could lead to lower levels of funding in some areas.

[http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/DOC-322939A1.xlsx](http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-322939A1.xlsx)

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