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For Immediate Release**STATEMENT OF FCC COMMISSIONER AJIT PAI**
On Expanding Rural Broadband Deployment

FARGO, NORTH DAKOTA, September 15, 2015.—Over the last few days, I've had the opportunity to meet with many entrepreneurs working hard to deploy broadband in rural areas of Colorado, Montana, Nevada, and North Dakota. I've also had the privilege of meeting many Americans from these four states and hearing why the Internet is so vital to them.

In Montana, for example, small telephone companies that serve areas with less than one person per square mile told me how they were supplying 100 Mbps connectivity to rural schools and homes. In Nevada, I visited a point of presence for a broadband provider that's delivering high-speed Internet access to the tiny desert community of Silver Springs. In North Dakota, I met with Mark Forseth of Halstad Telephone Company, a 110-year-old company that serves remote parts of the state. Halstad recently deployed fiber to Total AG Industries, a precision agriculture services company in Hillsboro, ND. With its broadband connection, Total AG is now able to market its services not only in Hillsboro but across the country. The common theme was that capital-hungry companies were nonetheless working hard to kickstart the broadband revolution in each state.

Their efforts are transforming the economy of the Mountain West and Midwest. In every state I visited, a new entrepreneurial culture is springing from the platform that broadband has made possible. Take Doug Warner, a startup founder who's building a company in Bozeman, Montana called DropTrip. DropTrip brings the concept of the sharing economy to shipping by matching people who need things delivered with those who can deliver them. Or take Gabe Hopper, who's working in Reno, Nevada to grow a startup called Ustyme. Ustyme enables users to pick an online book, video-call another user, and read the book interactively together (something that appealed to me as a father of two young children who was on the road). Each of these entrepreneurs told me they could've labored in more traditional technology hubs like Silicon Valley. But they chose to build their businesses and create jobs in Bozeman and Reno, respectively. Why? Because they had confidence in a strong technology infrastructure, which allowed them to work in communities with a lifestyle they loved.

Stories like these are increasingly common. And they highlight how critical it is for the FCC to ensure that high-speed broadband reaches *all* rural Americans.

That's where more is needed from the agency. For I also heard repeated concerns over the last few days that outdated Universal Service Fund (USF) rules are holding back investment in next-generation networks. Specifically, rate-of-return carriers are currently ineligible to receive support for providing stand-alone broadband service.

Dakota Central Telecom, for example, told me that it started offering stand-alone broadband, but had to stop providing it to new customers because it became prohibitively expensive to do so. However,

with USF support for stand-alone broadband, Dakota Central Telecom could start offering that service to consumers again.

Back in March, all Commissioners made a commitment to the Senate Commerce Committee that we would fix this problem by the end of the year. And in June, I put a specific and simple plan on the table for doing just that. This plan was consistent with the direction suggested by over 60 members of the U.S. Senate and over 110 members of the U.S. House of Representatives. I was pleased to hear strong support for my plan throughout my trip.

But as summer turns to fall, I am worried that the Commission might not be on track to solve the stand-alone broadband problem by 2016. Nor can we simply announce a solution on New Year's Eve; we need to give the public time to offer input, we need to deliberate, and then we need to deliver. This is especially important given the complexity and importance of this issue. And missing our year-end deadline should not be an option.

Building and expanding high-speed broadband networks in sparsely populated areas of Colorado, Montana, Nevada, and North Dakota isn't easy. But the companies I've heard from on this trip have the determination and ingenuity to get the job done. They just need the FCC to be a 21st century ally rather than a 20th century hindrance.

We shouldn't wait to assume that more modern role. For too many individuals in too many rural areas of our country have waited too long for high-speed broadband. They don't need more roundtables and rhetoric from Washington, DC. They need us to take action now so that they can have online opportunities comparable to those enjoyed by their urban counterparts.

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