

**STATEMENT OF  
CHAIRMAN AJIT PAI**

Re: *Connect America Fund*, WC Docket No. 10-90

One of the most exciting Olympic track and field events is the 4x100 meters relay. That's because the difference between gold and silver—or no medal at all—isn't as simple as which country has the fastest set of runners. To win, teams must also execute flawless handoffs of the baton from one runner to the next, an exercise requiring practice and coordination. One botched transfer of the baton, and a team's race is effectively over.

Since January 2017, the FCC has been racing to close the digital divide and expand broadband access in rural America. One important step toward accomplishing that goal was the Connect America Fund (CAF) II Auction, which will result in the award of about \$1.49 billion to provide fixed broadband access in rural areas currently on the wrong side of the digital divide. Moreover, because support has been allocated through a competitive bidding process, American taxpayers will be getting more bang for the buck. This is a concrete example of how the FCC is working to increase rural connectivity through market-based principles and public-private partnerships.

Today's item is important because it is about the transfer of the baton from legacy CAF I support to the CAF II support that was won during the auction. In this *Order*, we establish a seamless transition that will benefit rural Americans. We've also decided to maintain legacy CAF I support in those areas that did not receive any funding from the CAF II auction. In other words, if there is nobody there yet to take the baton, then the runner holding the baton needs to continue the race.

In short, this *Order* provides for a smooth handoff from yesterday's subsidies to a new, more efficient system that will help build tomorrow's rural broadband networks, while minimizing any potential loss of service and disruption to consumers. And it is a key step in the process of beginning to disburse CAF II auction funds to winning bidders so that more Americans can participate in the digital economy wherever they live and work.

We were able to get one leg closer to the finish line thanks to the hard work of Talmage Cox, Christian Hoefly, Sue McNeil, Alexander Minard, Kris Monteith, Ryan Palmer, and Stephen Wang of the Wireline Competition Bureau; Ashley Boizelle, Valerie Hill, Tom Johnson, Billy Layton, Rick Mallen, and Linda Oliver of the Office of General Counsel; and Tavi Carere and Eric Ralph of the Office of Economics and Analytics. Just like the winning runners in an Olympic relay race, their teamwork was critical to achieving today's successful result.