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For Immediate Release

CHAIRMAN PAI ANNOUNCES PLAN TO LAUNCH \$9 BILLION 5G FUND FOR RURAL AMERICA

5G Fund Would Replace Mobility Fund Phase II and Focus on Bringing the Most Advanced Wireless Services to Rural Areas

WASHINGTON, December 4, 2019—Federal Communications Commission Chairman Ajit Pai announced today that he intends to establish the 5G Fund, which would make up to \$9 billion in Universal Service Fund support available to carriers to deploy advanced 5G mobile wireless services in rural America. This major investment in rural America would be allocated through a reverse auction and would target hard-to-serve areas with sparse populations and/or rugged terrain. The \$9 billion Fund also would set aside at least \$1 billion specifically for deployments facilitating precision agriculture needs.

"5G has the potential to bring many benefits to American consumers and businesses, including wireless networks that are more responsive, more secure, and up to 100 times faster than today's 4G LTE networks," said Chairman Pai. "We want to make sure that rural Americans enjoy these benefits, just as residents of large urban areas will. In order to do that, the Universal Service Fund must be forward-looking and support the networks of tomorrow. Moreover, America's farms and ranches have unique wireless connectivity needs, as I've seen across the country. That's why I will move forward as quickly as possible to establish a 5G Fund that would bring next-generation 5G services to rural areas and would reserve some of that funding for 5G networks that promote precision agriculture. We must ensure that 5G narrows rather than widens the digital divide and that rural Americans receive the benefits that come from wireless innovation."

The 5G Fund would replace the planned Mobility Fund Phase II, which would have provided federal support for 4G LTE service in unserved areas. Pursuant to the Mobility Fund Phase II rules, wireless providers were required to submit 4G LTE coverage data in order to help the Commission target federal subsidies to unserved parts of the country. The Mobility Fund Phase II challenge process gave stakeholders an opportunity to dispute these coverage maps by submitting speed tests to the Commission. But in a report released today, Commission staff finds that the 4G LTE coverage data submitted by providers is not sufficiently reliable for the purpose of moving forward with Mobility Fund Phase II.

Specifically, FCC staff conducted thousands of speed tests to measure network performance and concluded that the MF-II coverage maps submitted by certain carriers likely overstated each provider's actual coverage and did not reflect on-the-ground experience in many instances.

The staff report recommends that the Commission terminate the challenge process, audit the coverage filings of carriers in other proceedings before the Commission, and take additional steps to make sure that coverage data the Commission and the public rely on is accurate. The report, which includes additional staff recommendations regarding future collections of mobile coverage maps, is available here: DOC-361165A1.pdf.

Data files containing the approximately 25,000 speed tests taken by FCC staff and approximately 20 million speed tests taken by challengers are available for download here: https://www.fcc.gov/mobility-fund-phase-2#data

Chairman Pai praised the work of the agency staff on this investigation and report. "I thank the FCC's dedicated staff for their diligence in conducting the investigation that led to this report. This investigation highlights the importance of drive testing to verify mobile coverage claims. Staff drove nearly 10,000 miles in the course of conducting speed tests of carrier networks, an unprecedented effort that provided vital information about the extent of actual coverage on the ground. Mobile carriers must submit accurate broadband coverage data to the Commission. Simply put, we need to make sure that federal funding goes to areas that need it the most," said Chairman Pai.

The Commission recently created the Digital Opportunity Data Collection and has also sought comment on how to improve the reliability and accuracy of the data submitted by mobile broadband providers.

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