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For Immediate Release**CHAIRMAN PAI MOVES FORWARD TO ESTABLISH
5G FUND FOR RURAL AMERICA*****Proposal Would Distribute Up to \$9 Billion to Bring 5G to Rural Communities and
Support Connectivity Needs of American Farms and Ranches***

WASHINGTON, April 1, 2020—Federal Communications Commission Chairman Ajit Pai today has circulated a draft Notice of Proposed Rulemaking aiming to establish a 5G Fund for Rural America, which would distribute up to \$9 billion across the country for 5G connectivity. The 5G Fund would specifically target rural areas that would not see timely deployment of 5G service absent support and are not likely to be covered by the T-Mobile transaction commitments. The FCC will vote on the Notice of Proposed Rulemaking at its April 23 Open Meeting.

“5G promises to be the next leap in broadband technology, offering significantly increased speeds and reduced latency,” said Chairman Pai. “The 5G Fund for Rural America focuses on building out 5G networks in areas that likely would otherwise go unserved. It’s critical that Americans living in rural communities have the same opportunities as everybody else.”

As part of its recently approved transaction, T-Mobile has committed to deploying 5G service to 99% of Americans within six years, including covering 90% of those living in rural America. Some rural areas, however, will not see the technological and economic benefits of 5G if there are insufficient financial incentives for mobile wireless carriers to invest in 5G-capable networks throughout rural America. The FCC is proposing to use Universal Service Fund support to make sure that rural Americans are not left behind. Building on the success of the Connect America Fund Phase II auction and the upcoming Rural Digital Opportunity Fund Phase I auction, the FCC is proposing to award funding for 5G services through a reverse auction.

The FCC is seeking comment on two options for identifying areas that would be eligible for 5G Fund support:

- Under one approach for Phase I, the Commission would hold an auction in 2021 by defining eligible areas based on current data sources that identify areas as particularly rural and thus in the greatest need of universal service support. In recognition of the challenges of ensuring that 5G service is deployed to areas that lack any mobile broadband service, the proposal would prioritize areas that have historically lacked 4G LTE or 3G service.
- The second approach would delay the 5G Fund Phase I auction until at least 2023, after collecting and processing improved mobile broadband coverage data through the

Commission's new Digital Opportunity Data Collection.

Phase II of the 5G Fund would target support to bring wireless connectivity to harder to serve and higher cost areas, such as farms and ranches, and make at least \$1 billion available for deployments that would facilitate precision agriculture.

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