The Honorable Anna G. Eshoo  
U.S. House of Representatives  
202 Cannon House Office Building  
Washington, DC 20515

Dear Congresswoman Eshoo:

Thank you for your letter regarding the Commission’s Rural Digital Opportunity Fund. Closing the digital divide is my top priority. I have seen for myself what affordable high-speed Internet access can do for a community—for its families, its schools, its hospitals, its farms, its businesses—as well as the impact of its absence.

It is imperative that the Universal Service Fund support sustainable, future-proofed networks that will support tomorrow’s broadband applications, as well as today’s, and that we stretch our limited Universal Service Fund dollars as far as we can. That’s why, when the Commission adopted final rules for the $20.4 billion Rural Digital Opportunity Fund last January, we established a two-phase reverse auction that will connect millions of unserved homes and businesses Americans. Phase I will target wholly unserved census blocks—those areas where no one disputes that there is no fixed 25/3 Mbps or better broadband service—in order to make sure that those areas get service as quickly as possible.

Commission staff estimate that as many as 10.4 million Americans live in areas that will be eligible for support in Phase I. Those are 10.4 million Americans—including more than an estimated 900,000 Californians—who are missing out on digital opportunity and the economic, educational, healthcare, civic, and social benefits it brings. The current pandemic has highlighted the impact of the digital divide more starkly than ever, and that is why it is unjust to willfully leave those 10.4 million rural Americans who we know are unserved on the wrong side of the digital divide while we try to locate every single American that lacks broadband. Waiting is simply not an option for the unserved. Then, Phase II will make available at least $4.4 billion to fill in the remaining coverage gaps by supporting networks that will serve partially unserved census blocks that will be identified in the Commission’s ongoing Digital Opportunity Data Collection proceeding, along with areas that did not have a winning bidder in Phase I.

As you note in your letter, leading up to the Commission’s adoption of the Rural Digital Opportunity Fund, Commission staff met with California Public Utilities Commission staff to discuss their views on multiple occasions. Far from “ignore[ing]” their “request [for] federal-state partnerships as part of RDOF,” the FCC took into consideration the CPUC’s views, as well as comments filed by other state commissions. The problem was a practical one: The CPUC made a generalized request to delay the auction until some unspecified future time in order to develop some new state-specific grant programs for the Rural Digital Opportunity Fund, but it presented no concrete plan on the way forward. They offered no budget, no methodology for determining where subsidies would be directed, no criteria for provider eligibility, no timeline for distribution...
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Notably, the Commission has long supported other state and federal efforts to close the digital divide, and our staff continue to engage with states whenever possible to coordinate federal and state broadband deployment funding. Indeed, the very first item I circulated as Chairman was an order to partner with the state of New York to facilitate the Empire State’s efforts to get more Americans connected—a partnership that worked because the New York program was already funded and had a concrete plan of action.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai
Dear Congressman McNerney:

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Ajit V. Pai
The Honorable Doris Matsui  
U.S. House of Representatives  
2311 Rayburn House Office Building  
Washington, DC 20515

Dear Congresswoman Matsui:

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