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For Immediate Release

FCC ESTABLISHES 5G FUND FOR RURAL AMERICA

***Will Distribute Up to \$9 Billion for Next-Generation Wireless Broadband
Connectivity in Rural America to Close the Digital Divide***

WASHINGTON, October 27, 2020—The Federal Communications Commission today adopted rules creating the 5G Fund for Rural America, which will distribute up to \$9 billion over the next decade to bring 5G wireless broadband connectivity to rural America. 5G represents the latest advance in mobile wireless technology, promising increased speeds, reduced latency, and better security than 4G LTE networks. The 5G Fund will use multi-round reverse auctions in two phases to target support from the Commission’s Universal Service Fund to eligible areas based upon the improved mobile broadband coverage data gathered in the Commission’s Digital Opportunity Data Collection proceeding. Establishing the 5G Fund further secures United States leadership in 5G and will close the digital divide and bring economic opportunities to rural America.

Phase I of the 5G Fund will target up to \$8 billion of support nationwide to areas lacking unsubsidized 4G LTE or 5G mobile broadband, with \$680 million specifically set aside for bidders offering to serve Tribal lands. To determine eligible areas, the auction will use granular, precise mobile broadband coverage data developed in the Digital Opportunity Data Collection proceeding, allowing the Commission to more efficiently target funding to areas of the country where support is most needed, while ensuring support is spent as efficiently as possible. Phase II will provide at least an additional \$1 billion, along with any unawarded funds from Phase I, to specifically target the deployment of technologically innovative 5G networks that facilitate precision agriculture.

The auction will account for T-Mobile’s enforceable commitment to the Commission to cover 90% of rural Americans with its 5G network within six years in order to avoid spending limited federal resources on wasteful overbuilding. It will also employ an adjustment factor to ensure that the hardest-to-serve areas, such as those with rugged terrain or sparse populations, can compete in the auction. The Order also requires 5G Fund winning bidders to deploy networks providing 5G mobile broadband at speeds of at least 35/3 Mbps and meet interim deployment milestones beginning at the three-year mark and a final deployment milestone at the end of the sixth year. Moreover, starting next year, carriers receiving legacy mobile high cost support must begin spending an increasing portion of their \$382 million in support to bring 5G to rural, high cost areas.

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).