

## **FACT SHEET: Bringing Connectivity to Rural Communities**

### *Enhanced A-CAM to Bring 100/20 Mbps Speeds to All Eligible Locations*

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*“We’re on a mission to connect everyone, everywhere in this country to high-speed broadband. That includes access in rural areas where the cost to build networks can be steep, often leaving families in these areas on the wrong side of the digital divide. The Federal Communications Commission has long played a critical role delivering communications services to remote communities across the country through the agency’s universal service programs. To meet the needs of consumers today and into the future, we are optimizing the Commission’s programs to bring higher speeds and greater bandwidth to consumers, particularly those living in hard-to-reach areas.”*

*– FCC Chairwoman Jessica Rosenworcel.*

### **FACT SHEET**

#### **Overview**

The Federal Communications Commission adopted an order to establish the Enhanced Alternative Connect America Cost Model (A-CAM) program, as well as a rulemaking and inquiry seeking comment on further reforms to the legacy rate-of-return system and methods for modifying the Universal Service Fund’s high-cost program to support ongoing expenses for broadband networks in light of the Bipartisan Infrastructure Law and other recent federal and state efforts.

#### **What is ‘A-CAM’**

The Enhanced A-CAM program provides universal service high-cost support to participating carriers for deployment of 100/20 Mbps or faster broadband service to all locations served by the program, including some of the most difficult-to-reach areas of the country.

#### **Program Updates**

Here are some important things to know about the Enhanced A-CAM Program:

- Requires participating carriers to deploy voice and 100/20 Mbps or faster broadband service to 100% of eligible locations in their areas.
- Maintains the Commission’s long-standing technology-neutral approach for deploying services in rural areas of the country.
- The program makes \$13.5 billion in support available over a ten-year extension of the current A-CAM term.
- Utilizes the FCC’s National Broadband Map and Broadband Data Collection to determine locations to which participating carriers are obligated to deploy.
- Aligns deployment milestones with the Broadband Equity, Access, and Deployment (BEAD) Program, requiring participating carriers to deploy to all locations within four years.

- Complements existing federal, state, and local funding programs, including the BEAD Program, allowing carriers that elect to participate in the Enhanced A-CAM program the opportunity to establish an enforceable commitment to locations they serve.
- Requires participating carriers to participate in the Affordable Connectivity Program.
- Creates an opportunity for legacy rate-of-return carriers to bring 100/20 Mbps to their customers in exchange for a period of fixed support, followed by a transition to the Enhanced A-CAM model.

### **How It Helps Consumers**

This modernized program will provide additional universal service support to certain rural carriers in exchange for increasing deployment to more locations at higher speeds. There are 2,666,107 homes and businesses, including 257,866 Tribal homes and businesses, in areas served by 447 A-CAM companies in 45 states and territories.

### **Background**

In May 2022, the Federal Communications Commission sought comment on proposals, including those submitted by the ACAM Broadband Coalition, to create an Enhanced A-CAM program. Enhanced A-CAM will raise the broadband speeds required by the A-CAM programs to those generally required by the Infrastructure Investment and Jobs Act, while minimizing duplicative support across different federal broadband programs. The rules institute targeted modifications to the high-cost program rules to improve efficiency and efficacy in the program, including further streamlining of the annual reporting rules.

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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).*