

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: *Competitive Bidding Procedures and Certain Program Requirements for the Connect America Fund Phase II Auction* (Auction 903), AU Docket No. 17-182; WC Docket No. 10-90

I am excited to kick off Rural Broadband Month at the FCC with another step toward delivering high-speed Internet access in high-cost areas that don't yet have it. The lead items on our agenda today, starting with this Connect America Fund Phase II (CAF II) Comment *Public Notice*, demonstrate our commitment to closing the digital divide in a fiscally responsible way.

In February, the FCC outlined the rules for disbursing nearly \$2 billion using a "reverse auction." Today, we ask the public for input on the details of how to conduct the auction and who can participate as a bidder. Our goal will be to adopt final procedures and start the bidding in mid-2018.

I'll be honest: the details of this auction are weedier than some of the rural areas CAF II will serve. But along with designing the auction, we are working hard to build an auction interface that is easy for all bidders to use. We expect that this auction will attract companies that have never before received universal service funding. Among others, I'm thinking here about some small competitive providers and electrical co-operatives that want to bring fiber to neighbors currently on the wrong side of the divide. And fixed wireless providers that can efficiently serve remote areas. And satellite providers aiming to bring connectivity that's comparable to land-based networks. This is an exciting opportunity. Whether they have two hundred customers or two million, we want them to join in our mission to connect all Americans.

Thank you to the staff across the agency for your excellent work on this *Public Notice*: from the Wireline Competition Bureau: Lisa Hone, Katie King, Heidi Lankau, Sue McNeil, Alexander Minard, Kris Monteith, Steve Rosenberg, and Gilbert Smith; from the Wireless Telecommunications Bureau: Valerie Barrish, Craig Bomberger, Rita Cookmeyer, Bill Huber, Shabnam Javid, Angela Kung, Scott Mackoul, Eliot Maenner, Aalok Mehta, Gary Michaels, Mark Montano, Linda Sanderson, Debbie Smith, Martha Stancill, Don Stockdale, and Margie Wiener; from the Office of the Managing Director: Laura Dean; from the Office of Strategic Planning and Policy Analysis: Evan Kwerel and Paul Lafontaine; from the Office of General Counsel: Bill Dever, Doug Klein, and Rick Mallen; from the International Bureau: Kathryn O'Brien; from the Office of Legislative Affairs: Jim Balaguer; and from the Office of Media Relations: Mark Wigfield. And I want to call special attention to the work done by the leadership of the Rural Broadband Auctions Task Force: Kirk Burgee, Chelsea Fallon, Michael Janson, and Thom Parisi.