

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: *The Uniendo a Puerto Rico Fund and the Connect USVI Fund, et al.*, WC Docket No. 18-143; *Connect America Fund*, WC Docket No. 10-90; *ETC Annual Reports and Certifications*, WC Docket No. 14-58.

Hurricanes Irma and Maria wrought unprecedented devastation on Puerto Rico and the U.S. Virgin Islands. The FCC's response to help the territories recover and rebuild was unprecedented as well. Among other steps, we provided carriers approximately \$130 million in extra subsidies from the Universal Service Fund (USF) to assist with the restoration of communications networks.

The road to recovery in Puerto Rico and the U.S. Virgin Islands has been long. I saw that in Utuado, Puerto Rico, where utility poles were broken like matchsticks and fiber lines severed as easily as spider webs. I saw it in St. Thomas in the U.S. Virgin Islands, where I saw the utterly destroyed radio and television station WTJX. But since then, the good news with respect to communications is that service has been largely restored.

However, the FCC's work isn't done. Now we need to and will execute a long-term strategy to improve, expand, and harden broadband networks on the islands, for at least two reasons. First, hurricanes are an annual misfortune, and we know that Puerto Rico and the U.S. Virgin Islands will be hit again by severe storms. So we need hardened communications networks that can withstand hurricanes and will continue serving Americans living in the territories when they need them the most.

Second, we need to close the digital divide in the territories. Simply put, everyone in Puerto Rico and the U.S. Virgin Islands who wants it should have high-speed Internet access and the economic, health care, educational, and civic services it enables. Digital opportunity is not a value limited to the mainland.

To execute this long-term strategy, today we allocate almost a billion dollars in funding from the USF to deploy improved, expanded, and hardened fixed and mobile broadband networks in Puerto Rico and the U.S. Virgin Islands. On the fixed side, we implement a balanced approach for awarding support that will reward carriers that will provide high-quality service in a cost-efficient manner and help build resilient networks. On the mobile side, for the first time ever, we specifically set aside USF funding to support 5G deployment. This was important to me because I don't want Puerto Ricans and U.S. Virgin Islanders to be left behind when it comes to the next generation of wireless connectivity and the enormous potential it holds.

I'm pleased with the broad support that our approach has received from those who live in and serve Puerto Rico and the U.S. Virgin Islands. For example, U.S. Representative Jennifer González-Colón of Puerto Rico wrote this week:

Resilient telecommunications, improved connectivity, increased bandwidth and easier access are essential for the education of our future generations, the safety of our communities, and reestablishing economic and workforce growth in Puerto Rico[,] helping us to face future challenges. I strongly support this initiative and urge the Commissioners to make the proposed resources available to the people of the U.S. Caribbean.

As Puerto Rico continues to work to resolve its crisis, telecommunications will be a key sector in our economic recovery. Chairman Pai's proposal will be an invaluable tool in this task.

I would like to thank Representative González-Colón for all that she has done to help the people of Puerto Rico in the two years following Irma and Maria. In 2018, she organized and kindly invited me to join her at a communications roundtable in Puerto Rico, and the feedback that we received at that event helped to shape my thinking on the Order that we are adopting today.

I also would like to thank other officials in the government of Puerto Rico and the U.S. Virgin Islands who have supported our efforts from the earliest days. In particular, I am grateful to Sandra

Torres López, President of the Negociado de Telecomunicaciones de Puerto Rico, the territory's FCC counterpart, and Alexandra Fernández Navarro, Associate Member of the Junta Reglamentadora de Servicio Público and also a member of the FCC's Intergovernmental Advisory Committee. I appreciate as well the work of the Public Service Commission of the U.S. Virgin Islands, including Chairman Emeritus and Commissioner John Clendenin, who also serves on the IAC. The dedication these and other officials have shown to their territories and the assistance they've given us in our deliberations have been incredibly helpful.

Last but not least, I would also like to thank the incredible efforts of Commission staff that are working to secure a connected future for Puerto Rico and the U.S. Virgin Islands, including Talmage Cox, Rebekah Douglas, Jesse Jachman, Daniel Kahn, Sue McNeil, Alexander Minard, Kris Monteith, Dangkhua Nguyen, and Ryan Palmer of the Wireline Competition Bureau; Octavian Carare, Patrick DeGraba, Chelsea Fallon, Evan Kwerel, Kenneth Lynch, Eliot Maenner, Catherine Mataves, Giulia McHenry, Eric Ralph, Steve Rosenberg, Emily Talaga, and Margaret Wiener of the Office of Economics and Analytics; Chris Anderson, Justin Cain, Lisa Fowlkes, Jeffrey Goldthorp, John Healy, Jennifer Holtz, Lauren Kravetz, Ahmed Lahjouji, Nicole McGinnis, Roberto Mussenden, Renee Roland, and Brenda Villanueva of the Public Safety and Homeland Security Bureau; Erin Boone, Ben Freeman, Garnet Hanly, Pramesh Jobanputra, Ziad Sleem, and Matthew Warner of the Wireless Telecommunications Bureau; Martin Doczkat, Barbara Pavon, and Ron Repasi of the Office of Engineering and Technology; Denise Coca and Kerry Murray of the International Bureau; and Malena Barzilai, Deborah Broderson, Michael J. Carlson, Neil Dellar, Thomas Driscoll, David Horowitz, Richard Mallen, Keith McCrickard, Linda Oliver, and William Richardson of the Office of General Counsel.