

Just before the final votes were cast in the 2020 election, the FCC held its Open Meeting on October 27 with a full agenda, tackling some of Chairman Ajit Pai's priority items. Two such items will mean significant upgrades to connectivity in rural America as commissioners on both sides of the political aisle are committed to expanding funding and opportunities for greater access to broadband.

Actions at the October meeting included a slate of items, including the establishment of the 5G Fund for Rural America and increasing unlicensed wireless opportunities in TV white spaces.

### **5G Fund for Rural America**

At the meeting, the FCC approved a [Report and Order](#) to distribute up to \$9 billion over the next 10 years to bring 5G access to rural America. The 5G Fund will use a multi-round reverse auction, occurring in two phases.

Eligible areas will be determined by improved mobile broadband coverage data that will be gathered through the FCC's Digital Opportunity Data Collection proceeding – an effort that has yet to be funded by Congress. The FCC states that although the decision to wait and use new data will not be the fastest possible path to the Phase I auction, it will allow the Commission to identify areas of the country where support is most needed and where funds will be spent most efficiently. After much criticism of the prior Mobility Fund Phase II maps, many public commenters agreed that the FCC should wait on better data before moving forward with any more mobility-focused support.

Additionally, the 5G Fund imposes “public interest obligations” and performance requirements on carriers receiving 5G Fund support, as well as those continuing to receive legacy mobile high-cost support.

## **Phases I and II**

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 areas.

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.

Also, it should be noted that the Mobility Fund Phase II budget has been reallocated for the 5G Fund for Rural America.

## **Eligible Areas**

As indicated above, areas eligible for 5G Fund support will be based on new mobile coverage data submitted in the Digital Opportunity Data Collection, specifically in areas that lack unsubsidized 4G LTE and 5G broadband service by at least one service provider. The FCC states that they expect a new collection of mobile coverage data in 2021–2022 that will show significant 5G deployments. Because those areas will have already seen deployment of 5G without a government subsidy, they will be excluded from 5G Fund eligibility in an effort to avoid overbuilding. Also excluded are areas where new coverage data gathered in the Digital Opportunity Data Collection shows unsubsidized 4G LTE networks deployed.

The FCC also will exclude from eligibility areas in Alaska receiving high-cost support for mobile connectivity per the Alaska Plan, as well as areas in Puerto Rico and the U.S. Virgin Islands where the FCC has already provided financial support.

Eligible areas must be no larger than a census tract and no smaller than a census block group, though there will be some refinement on this definition later. The FCC will also use an adjustment factor that will weight areas based on the level of difficulty and costs required to build service.

## **Eligible Bidders**

Similar to previous auctions, the FCC adopted the following eligibility requirements:

- All qualified applicants may participate in the auction.

- ETC designation – While it is not required that an applicant have Eligible Telecommunications Carrier (ETC) status before applying, once selected as a winning bidder, the applicant must seek out ETC designation.
- Spectrum – The FCC requires that an applicant have “exclusive access to licensed spectrum with sufficient bandwidth in an area that enables it to satisfy the applicable performance requirements in order to receive 5G Fund support for that area.”
- Financial and Technical Capacity – applicants are required to certify they are financially and technically qualified to meet the 5G Fund public interest obligations and performance requirements within the 10-year support term.

### **Support Term**

The funding will be granted over a 10-year term for each phase of the 5G Fund, with monthly disbursements to winning bidders.

### **Obligations**

Both legacy high-cost support recipients and 5G Fund auction support recipients will be required to meet certain public interest obligations, including providing mobile, terrestrial voice and data services that comply, at a minimum, with 5G-NR (New Radio) technology as defined by 3GPP.

Additionally, winning bidders must meet buildout requirements of offering service to:

- 40% of the eligible area by the end of Year 3
- 60% of the eligible area by the end of Year 4
- 80% of the eligible area by the end of Year 5

By the end of Year 6, the winning bidder must offer service to at least 85% of the eligible area, while providing service to at least 75% of the eligible area.

Rates must be reasonably comparable to rates offered in urban areas, and providers should allow collocation and video and data roaming.

Lastly, the following minimum baseline performance requirements must be met:

1. Data speeds of at least 35/3 Mbps with minimum cell edge speeds of 7/1 Mbps
2. Latency of 100 milliseconds or less per round trip

3. Data allowances, offering at least one service plan that includes a minimum monthly data allowance equivalent to the average U.S. subscriber data usage.

### **Application Process**

The FCC will roll out a two-stage application process, consisting of a short-form and long-form. Each interested applicant will be required to file a pre-auction short-form application with basic information and certifications regarding qualifications. After selected as a winning bidder, the applicant will be required to then file a long-form application with more extensive information about qualifications, funding, and the network intended to be built to meet 5G Fund public interest obligations and performance requirements.

### **T-Mobile**

The Report and Order also explains that T-Mobile previously made commitments to the FCC as part of its acquisition of Sprint earlier in the year to deploy 5G service covering 85% of the population in rural areas and 97% of all Americans within three years. Coverage will rise to 90% of the population in rural areas and 99% nationwide within six years. T-Mobile also committed to deploy 5G service meeting minimum download speed performance benchmarks of at least 50 Mbps available to 90% of the rural population, with two-thirds of rural Americans able to receive download speeds of at least 100 Mbps.

### **TV White Space Technology**

Also at the October Open Meeting, the FCC voted to amend rules governing TV white spaces. TV white spaces are unused broadband frequencies where wireless signals can travel extensively and over various types of geographies and landscapes. As some proponents have argued, by eliminating the need for costly deployment of fixed broadband services, TV white spaces may provide a low-cost solution to increasing access in unserved areas.

The [Report and Order](#) adopted at the meeting specifically amends the FCC's Part 15 rules, which govern how unlicensed white space devices operate over spectrum not in use by licensed services or protected entities. The FCC's actions increase the maximum permissible power and antenna height for fixed white space devices operating in "less congested" areas (like rural and unserved areas) in the TV bands. New rules also aim to protect TV stations from interference by increasing the minimum required separation distances

between protected services and entities operating in the band and white space devices operating at the new higher power levels and higher heights above average terrain.

Also adopted was a Further Notice of Proposed Rulemaking, which aimed to explore whether the FCC should modify its rules to permit the use of terrain-based models to determine available TV channels for white space devices.

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