

Connect America Fund Phase II Auction

Shape the rules for rural broadband subsidies

The FCC is finalizing the rules for new rural broadband subsidies. Large companies already turned down subsidies for these high-cost areas during the first phases of the Connect America Fund. You have the opportunity to make sure that these subsidies go to projects that will really make a difference in rural America.

Reply Comments Due October 18th, 2017
Rules Likely Finalized in 2018

September 2017

The Connect America Fund Phase II Auction will distribute **\$198 million each year for 10 years** to support high-speed Internet service in rural communities.

The FCC first offered subsidies for these areas to large companies like CenturyLink and Verizon, but they turned them down. Now, the FCC is auctioning off these subsidies to other Internet Service Providers.

Providers can submit bids for different service tiers, and the FCC will rank the offers by taking a holistic look at the cost and the speed tier.

Tier	Download/Upload
Minimum	≥ 10/1 Mbps
Baseline	≥ 25/3 Mbps
Better Baseline	≥ 100/20 Mbps
Gigabit	≥ 1 Gbps/500Mbps

Concerns of Potential Fraud

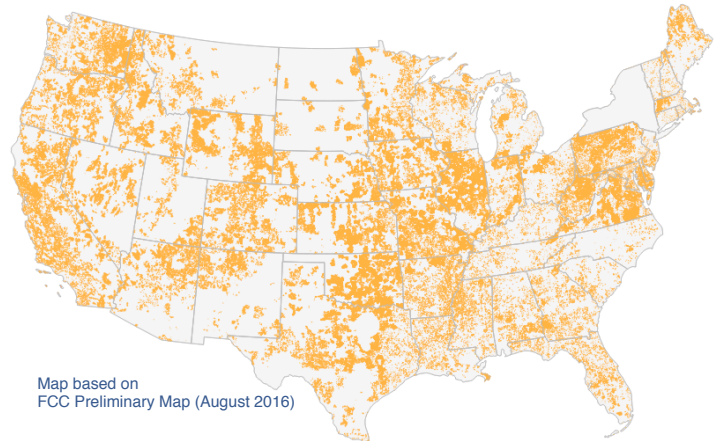
Jon Chambers, former head of the FCC Office of Strategic Planning, highlighted how to improve the current proposed rules:

- Providers must use technologies that can serve all premises in their specific area. Many providers use **satellite technology that varies widely based on terrain and weather**. Satellite Internet service has high latency and is a poor substitute for a high-quality fixed connection.
- Some providers may want to use wireless solutions, but **current wireless technologies may not be able to serve everyone reliably**. Wireless has many similar limitations to satellite service.
- Listen to his analysis at: MuniNetworks.org/content/jon-chambers-rethinking-rules-connect-america-fund-community-broadband-bits-podcast-268

Definitions

Broadband 25 Mbps (download) / 3 Mbps (upload)
Latency or “Lag” The time it takes for a packet to be sent to a server and returned to the user. Low latency is especially important for voice service
Universal Service Providing affordable, reliable Internet access and voice service throughout the U.S.

CAF II Auction Areas in the Lower 48 States



Proposed Deployment Timeline

End of 3rd year: 40% of locations in awarded bid area
End of 6th year: 100% of locations in awarded bid area

Learn More and Take Action

Read the FCC’s proposed rules here:

[Apps.FCC.Gov/edocs_public/attachmatch/FCC-17-101A1_Rcd.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-17-101A1_Rcd.pdf)

Read ILSR Community Networks Initiative’s comments at:

[Ecfsapi.FCC.Gov/file/1091896027020/2017-09-18-ILSR-Comments-AU17-182.pdf](https://ecfsapi.fcc.gov/file/1091896027020/2017-09-18-ILSR-Comments-AU17-182.pdf)

Submit your own comments by October 18th at:

FCC.Gov/ecfs/filings

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