

support amounts for areas that are eligible for Mobility Fund Phase II support, as determined by the Wireless Telecommunications and Wireline Competition Bureaus:

(A) For 12 months starting the first day of the month following the close of the Mobility Fund Phase II auction, each mobile competitive eligible telecommunications carrier shall receive two-thirds ($\frac{2}{3}$) of the carrier's support pursuant to paragraph (e)(2)(iii) of this section for the eligible area.

(B) For 12 months starting the month following the period described in paragraph (e)(5)(iv)(A) of this section, each mobile competitive eligible telecommunications carrier shall receive one-third ($\frac{1}{3}$) of the carrier's support pursuant to paragraph (e)(2)(iii) of this section for the eligible area.

(C) Following the period described in paragraph (e)(5)(iv)(B) of this section, no mobile competitive eligible telecommunications carrier shall receive monthly baseline support for the eligible area pursuant to this section.

(v) Notwithstanding the foregoing schedule, the phase-down of identical support below the level described in paragraph (e)(2)(iii) of this section shall be subject to the restrictions in Consolidated Appropriations Act, 2016, Public Law 114–113, Div. E, Title VI, section 631, 129 Stat. 2242, 2470 (2015), unless and until such restrictions are no longer in effect.

(6) [Reserved]

(7) *Line Count Filings.* Competitive eligible telecommunications carriers, except those subject to the delayed phase down described in paragraph (e)(3) of this section, shall no longer be required to file line counts beginning January 1, 2012. Competitive eligible telecommunications carriers subject to the delayed phase down described in paragraph (e)(3) of this section shall no longer be required to file line counts beginning July 1, 2014, or the date after the first line count filing following the implementation of Mobility Fund Phase II, whichever is later.

(8) *Eligibility for support after Connect America Phase II auction.* Starting the first day of the month following the first authorization of Connect America Phase II auction support nationwide, fixed competitive eligible tele-

communications carriers shall have the option of receiving support pursuant to paragraph (e)(2)(iii) of this section as described in the following paragraphs (e)(8)(i) through (iv):

(i) For 12 months following the first authorization of Connect America Phase II auction support nationwide, each fixed competitive eligible telecommunications carrier shall receive two-thirds ($\frac{2}{3}$) of the carrier's total support pursuant to paragraph (e)(2)(iii) of this section.

(ii) For 12 months starting the month following the period described in paragraph (e)(8)(i) of this section, each fixed competitive eligible telecommunications carrier shall receive one-third ($\frac{1}{3}$) of the carrier's total support pursuant to paragraph (e)(2)(iii) of this section.

(iii) Following the period described in paragraph (e)(8)(ii) of this section, no fixed competitive eligible telecommunications carrier shall receive any support pursuant to paragraph (e)(2)(iii) of this section.

(iv) Notwithstanding the foregoing schedule, the phase-down of support below the level described in paragraph (e)(2)(iii) of this section shall be subject to the restrictions in Consolidated Appropriations Act, 2016, Public Law 114–113, Div. E, Title VI, section 631, 129 Stat. 2242, 2470 (2015), unless and until such restrictions are no longer in effect.

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§ 54.308 Broadband public interest obligations for recipients of high-cost support.

(a) Rate-of-return carrier recipients of high-cost support are required to offer broadband service, at speeds described below, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas,

at rates that are reasonably comparable to rates for comparable offerings in urban areas. For purposes of determining reasonable comparability of rates, recipients are presumed to meet this requirement if they offer rates at or below the applicable benchmark to be announced annually by public notice issued by the Wireline Competition Bureau.

(1) Carriers that elect to receive Connect America Fund-Alternative Connect America Cost Model (CAF-ACAM) support pursuant to § 54.311 are required to offer broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream to a defined number of locations as specified by public notice, with a minimum usage allowance of 150 GB per month, subject to the requirement that usage allowances remain consistent with median usage in the United States over the course of the term. In addition, such carriers must offer other speeds to subsets of locations, as specified below:

(i) *Fully funded locations.* Fully funded locations are those locations identified by the Alternative-Connect America Cost Model (A-CAM) where the average cost is above the funding benchmark and at or below the funding cap. Carriers are required to offer broadband speeds to locations that are fully funded, as specified by public notice at the time of authorization, as follows:

(A) Carriers with a state-level density of more than 10 housing units per square mile, as specified by public notice at the time of election, are required to offer broadband speeds of at least 25 Mbps downstream/3 Mbps upstream to 75 percent of all fully funded locations in the state by the end of the ten-year period.

(B) Carriers with a state-level density of 10 or fewer, but more than five, housing units per square mile, as specified by public notice at the time of election, are required to offer broadband speeds of at least 25 Mbps downstream/3 Mbps upstream to 50 percent of fully funded locations in the state by the end of the ten-year period.

(C) Carriers with a state-level density of five or fewer housing units per square mile, as specified by public notice at the time of election, are re-

quired to offer broadband speeds of at least 25 Mbps downstream/3 Mbps upstream to 25 percent of fully funded locations in the state by the end of the ten-year period.

(ii) *Capped locations.* Capped locations are those locations in census blocks for which A-CAM calculates an average cost per location above the funding cap. Carriers are required to offer broadband speeds to locations that are receiving capped support, as specified by public notice at the time of authorization, as follows:

(A) Carriers with a state-level density of more than 10 housing units per square mile, as specified by public notice at the time of election, are required to offer broadband speeds of at least 4 Mbps downstream/1 Mbps upstream to 50 percent of all capped locations in the state by the end of the ten-year period.

(B) Carriers with a state-level density of 10 or fewer housing units per square mile, as specified by public notice at the time of election, are required to offer broadband speeds of at least 4 Mbps downstream/1 Mbps upstream to 25 percent of capped locations in the state by the end of the ten-year period.

(C) Carriers shall provide to all other capped locations, upon reasonable request, broadband at actual speeds of at least 4 Mbps downstream/1 Mbps upstream.

(iii) Revised A-CAM I carriers, as defined by § 54.311(a)(2), must offer the following broadband speeds to locations that are fully funded, as specified by public notice at the time of the authorizations, as follows:

(A) Revised A-CAM I carriers with a state-level density of more than 10 housing units per square mile, as specified by public notice at the time of election, are required to offer broadband speeds of at least 25 Mbps downstream/3 Mbps upstream to 85 percent of all fully funded locations in the state by the end of the term.

(B) Revised A-CAM I carriers with a state-level density of 10 or fewer, but more than five, housing units per square mile, as specified by public notice at the time of election, are required to offer broadband speeds of at

least 25 Mbps downstream/3 Mbps upstream to 65 percent of fully funded locations in the state by the end of the term.

(C) Revised A–CAM I carriers with a state-level density of five or fewer housing units per square mile, as specified by public notice at the time of election, are required to offer broadband speeds of at least 25 Mbps downstream/3 Mbps upstream to 50 percent of fully funded locations in the state by the end of the term.

(iv) A–CAM II carriers, as defined by § 54.311(a)(3), must offer broadband speeds of at least 25 Mbps downstream/3 Mbps upstream to 100 percent of fully funded locations in the state by the end of the term, and therefore have no additional 10/1 Mbps obligation.

(2) Rate-of-return recipients of Connect America Fund Broadband Loop Support (CAF BLS) shall be required to offer broadband service at actual speeds of at least 25 Mbps downstream/3 Mbps upstream, over a five-year period, to a defined number of unserved locations as specified by public notice, as determined by the following methodology:

(i) *Percentage of CAF BLS.* Each rate-of-return carrier is required to target a defined percentage of its five-year forecasted CAF BLS support to the deployment of broadband service to locations that are unserved with 25 Mbps downstream/3 Mbps upstream broadband service as follows:

(A) Rate-of-return carriers with less than 20 percent deployment of 25/3 Mbps broadband service in their study areas, as determined by the Bureau, will be required to use 35 percent of their five-year forecasted CAF BLS support to extend broadband service where it is currently lacking.

(B) Rate-of-return carriers with more than 20 percent but less than 40 percent deployment of 25/3 Mbps broadband service in their study areas, as determined by the Bureau, will be required to use 25 percent of their five-year forecasted CAF BLS support to extend broadband service where it is currently lacking.

(C) Rate-of-return carriers with more than 40 percent deployment of 25/3 Mbps broadband service in their study areas, as determined by the Bureau,

will be required to use 20 percent of their five-year forecasted CAF BLS support to extend broadband service where it is currently lacking.

(ii) *Cost per location.* The deployment obligation shall be determined by dividing the amount of support set forth in paragraph (a)(2)(i) of this section by a cost per location figure based on one of two methodologies, at the carrier's election:

(A) The higher of:

(1) The weighted average unseparated cost per loop for carriers of similar density that offer 25/3 Mbps or better broadband service to at least 95 percent of locations, based on the most current FCC Form 477 data as determined by the Bureau, but excluding carriers subject to the current per-line per-month cap set forth in § 54.302 and carriers subject to limitations on operating expenses set forth in § 54.303; or

(2) 150% of the weighted average of the cost per loop for carriers of similar density, but excluding carriers subject to the per line per month cap set forth in § 54.302 and carriers subject to limitations on operating expenses set forth in § 54.303, with a similar level of deployment of 25/3 Mbps or better broadband based on the most current FCC Form 477 data, as determined by Bureau; or

(B) The average cost per location for census blocks lacking 25/3 Mbps broadband service in the carrier's study area as determined by the A–CAM.

(iii) *Restrictions on deployment obligations.* No rate-of-return carrier shall deploy terrestrial wireline technology in any census block if doing so would result in total support per line in the study area to exceed the per-line per-month cap in § 54.302.

(iv) *Future deployment obligations.* Prior to publishing the deployment obligations for subsequent five-year periods, the Administrator shall update the unseparated average cost per loop amounts for carriers with 95 percent or greater deployment of the then-current standard, based on the then-current NECA cost data, and the Wireline Competition Bureau shall examine the density groupings and make any necessary adjustments based on then-current U.S. Census data.

(b) Rate-of-return carrier recipients of high-cost support are required upon reasonable request to bid on category one telecommunications and Internet access services in response to a posted FCC Form 470 seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries (as described in §54.501) within that carrier's service area. Such bids must be at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings.

(c) Alaskan rate-of-return carriers receiving support from the Alaska Plan pursuant to §54.306 are exempt from paragraph (a) of this section and are instead required to offer voice and broadband service with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, at rates that are reasonably comparable to rates for comparable offerings in urban areas, subject to any limitations in access to backhaul as described in §54.313(g). Alaska Plan recipients' specific broadband deployment and speed obligations shall be governed by the terms of their approved performance plans as described in §54.306(b). Alaska Plan recipients must also comply with paragraph (b) of this section.

(d) Mobile carriers that are receiving support from the Alaska Plan pursuant to §54.317(e) shall certify in their annual compliance filings that their rates are reasonably comparable to rates for comparable offerings in urban areas. The mobile carrier must also demonstrate compliance at the end of the five-year milestone and 10-year milestone and may do this by showing that its required stand-alone voice plan, and one service plan that offers broadband data services, if it offers such plans, are:

(1) Substantially similar to a service plan offered by at least one mobile wireless service provider in the cellular market area (CMA) for Anchorage, Alaska, and

(2) Offered for the same or a lower rate than the matching plan in the CMA for Anchorage.

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§ 54.309 Connect America Fund Phase II Public Interest Obligations.

(a) Recipients of Connect America Phase II support are required to offer broadband service with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, at rates that are reasonably comparable to rates for comparable offerings in urban areas. For purposes of determining reasonable comparable usage capacity, recipients are presumed to meet this requirement if they meet or exceed the usage level announced by public notice issued by the Wireline Competition Bureau. For purposes of determining reasonable comparability of rates, recipients are presumed to meet this requirement if they offer rates at or below the applicable benchmark to be announced annually by public notice issued by the Wireline Competition Bureau, or no more than the non-promotional prices charged for a comparable fixed wireline service in urban areas in the state or U.S. Territory where the eligible telecommunications carrier receives support.

(1) Recipients of Connect America Phase II model-based support are required to offer broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream.

(2) Recipients of Connect America Phase II support awarded through a competitive bidding process are required to offer broadband service meeting the performance standards required in bid tiers based on performance standards.

(i) Winning bidders meeting the minimum performance tier standards are required to offer broadband service at actual speeds of 10 Mbps downstream and 1 Mbps upstream and to offer at least 150 gigabytes of monthly usage.

(ii) Winning bidders meeting the baseline performance tier standards are