

The Virgin Islands Consortium

FCC Proposes \$954 Million To Restore Virgin Islands' And Puerto Rico's Telecom Networks

Technology / **Published On March 07, 2018 09:20 AM /**

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Ajit Pai, the chairman of the Federal Communications Commission, [on Tuesday proposed](#) spending \$954 million to both repair and expand telecom networks in the U.S. Virgin Islands and Puerto Rico, after the U.S. territories' telecoms were damaged or destroyed by Hurricanes Irma and Maria. The measure would offer an extra \$64 million in near-term recovery, but would also include \$631 million to repair and grow wired broadband as well as \$259 million to improve LTE data, the FCC said.

Mr. Pai proposed the creation of a \$750 million Uniendo a Puerto Rico Fund (Bringing Puerto Rico Together Fund), and a \$204 million Connect USVI Fund. The goal is that each of these funds would provide additional short-term assistance for restoring

communications networks in the aftermath of the 2017 storms, and longer-term support for expanding broadband access throughout the islands, the FCC said.

"The people of Puerto Rico and the U.S. Virgin Islands are still recovering from last year's devastating storms. That means the FCC's work is far from over," Mr. Pai said. "After my previous visit to Puerto Rico, I publicly committed to 'thinking creatively and doing proactively to help restore networks on the island.' The plan I've proposed today would deliver on that commitment and extend that vision even further.

"The plan calls for the FCC to devote almost \$1 billion in funding both to the short-term, efficient restoration of service and the long-term improvement and expansion of broadband throughout Puerto Rico and the U.S. Virgin Islands. With the 2018 hurricane season less than three months away, we need to take bold and decisive action. I hope that my fellow commissioners will join me in supporting the creation of the Uniendo a Puerto Rico Fund and Connect USVI Fund," Mr. Pai said.

The plan, which would see funding by providing approximately \$256 million in new funds as well as repurposing universal service support currently directed to Puerto Rico and the U.S. Virgin Islands, includes the following key initiatives:

- An immediate infusion of approximately \$64 million in additional funding for short-term restoration efforts.
- A proposal to allocate approximately \$631 million in long-term funding for the restoration and expansion of fixed broadband connectivity in Puerto Rico and the U.S. Virgin Islands.
- A proposal to allocate approximately \$259 million in medium-term funding for the restoration and expansion of 4G LTE mobile broadband connectivity in Puerto Rico and the U.S. Virgin Islands.
- The immediate conversion of the advanced funding the Commission provided last year to carriers in Puerto Rico and the U.S. Virgin Islands into new funding by declining to offset that advanced funding against future universal service support payments.

This announcement by the FCC would help companies in the territory whose telecom networks weren't on the cutting edge before Hurricanes Irma and Maria ravaged the islands. While Viya has been the leader in terms of offerings and speed, smaller firms such as Broadband VI, Surge Broadband and others, could see substantial improvements in their own offerings, which could foster competition.

The FCC says it has taken numerous actions to promote public safety and connectivity in the aftermath of last year's hurricanes. In addition to providing public information on network outage conditions and sending staff to monitor and aid recovery efforts, the FCC said it offered the territories nearly \$77 million in advanced universal service funding to help recovery. It also accelerated the post-incentive auction transition to support Puerto Rico and U.S. Virgin Islands broadcasters, and granted temporary waivers of Lifeline's recertification rules. Additionally, the FCC expedited approval of experimental licenses for Alphabet's Project Loon to provide Internet access to residents, approved targeted and flexible E-Rate support to help restore connectivity of schools and libraries, and granted more than 200 waivers and requests for Special Temporary Authority (STA) to help re-establish communications in hurricane-affected areas.

