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**For Immediate Release**

**STATEMENT OF CHAIRMAN AJIT PAI  
ON PROJECTED USF BUDGET CUTS  
FOR SMALL, RURAL CARRIERS**

WASHINGTON, April 27, 2018—Federal Communications Commission Chairman Ajit Pai issued the following statement today after the Universal Service Administrative Company’s announcement that the budget control mechanism adopted in 2016 will cut universal service support for small, rural carriers by 15.52% over the course of the next year:

“The prior Administration’s budget control mechanism has created constant uncertainty for small, rural carriers, endangering their ability to make long-term investment decisions to bring high-speed broadband to the millions of Americans who still lack it. That’s why earlier this year we allocated \$180 million to such carriers as a stop-gap measure to avert budget cuts for the current funding year.

“But now small carriers are facing even more severe cuts in the coming year, which will only exacerbate the digital divide in rural America. That highlights the importance of the Notice of Proposed Rulemaking we advanced earlier this year. In the Notice we take a hard look at the budget control mechanism and potential reforms to our rules to give small carriers greater investment certainty and to create incentives for more efficient operations. We’re still accepting public input on the Notice, but once that period has ended, I hope my colleagues will support my efforts to take action in the coming months.”

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*This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).*