

United States Senate

WASHINGTON, DC 20510-1804

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February 25, 2014

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
Room 8-C445
Washington, DC 20554

Dear Chairman Wheeler:

I am writing regarding an issue that I first raised with Chairman Julius Genachowski in 2011, namely, the efforts of the Federal Communications Commission (FCC) to reform the Universal Service Fund (USF) and Inter-carrier compensation (ICC) system. Like you, I support modernizing these programs, including making them more accountable and more focused on high-speed Internet to meet the goal of providing affordable and comparable communications service to all Americans. However, I am still concerned that reform rules outlined in the Transformation Order may hamper investment in unserved rural communities in Louisiana. Many lingering questions remain, including issues related to the waiver process and the elimination of the Safety Net Additive.

With this in mind, I was pleased to learn of your remarks on December 12, 2013 before the House Subcommittee on Communications and Technology. At that time, you indicated you were instructing the FCC's Wireline Competition Bureau to discontinue using the quantile regression analysis (QRA) as a tool in distributing USF support to communications carriers in rural areas. These remarks track with comments submitted to the FCC over the years on this issue and with S. 1858, legislation introduced in the Senate in mid-December. I look forward to working with the FCC to expeditiously find more reasonable solutions that instead of discouraging investment will provide appropriate incentives for providers to invest in new broadband networks.

As you well know, there continues to be a need for advanced communications services in unserved rural areas of our country. I realize that this is due in part to many factors, including the increased cost of deploying technology to these areas, but would like, where possible, to assist companies looking to build out services in rural areas. Over the last three decades, communications carriers in rural areas have invested millions of dollars in communications networks supported not only by universal service, but also by private investment and Federal telecommunications and broadband incentive programs. In making these reforms, the FCC must protect existing investments, provide predictable support systems for small rural carriers and other providers, and promote broadband adoption in unserved rural areas.

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In closing, I note that the Telecommunications Act of 1996 mandates that Federal and State governments must work to advance the availability of advanced telecommunications services to all consumers, including those in rural areas, at rates which are comparable to rates charged in urban areas. The USF was established by the FCC to attain these goals promised by the Act. While I strongly support your effort to achieve broadband availability nationwide, USF and ICC reform must not jeopardize current investments or discourage future investments from the private sector or Federal incentive programs.

Thank you for your consideration of this request. I look forward to working with you to provide opportunities for providers, including small rural carriers, to continue service to rural areas throughout our country.

Sincerely,



Mary L. Landrieu
United States Senator

Cc: The Honorable Mignon Clyburn, Commissioner
The Honorable Jessica Rosenworcel, Commissioner
The Honorable Ajit Pai, Commissioner
The Honorable Michael O'Rielly, Commissioner