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Congress of the United States
House of Representatives
Washington, DC 20515-1701
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COMMITTEE ON
ENERGY AND COMMERCE
SUBCOMMITTEES:
CHAIRMAN
ENERGY AND POWER
HEALTH
ENVIRONMENT AND ECONOMY

Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

WCB
USF/ICC
1753

Dear Chairman Genachowski:

The Federal Communications Commission deserves credit for tackling many difficult reform issues and for seeking to put the Universal Service Fund (USF) and intercarrier compensation (ICC) programs on a more sustainable path. Reform was needed, and some of the steps taken by the FCC can help. However, the job of building robust, sustainable broadband networks in rural areas is not finished. I am concerned that the agency is considering a number of additional ideas in a rulemaking that will only perpetuate regulatory uncertainty and, if pursued further, will lead to an operating environment in which providers will be unable to sustain operations and rural consumers and communities will ultimately lose out. For instance, in addition to significant cuts in access revenues already approved, the FCC is now considering whether to expand the cuts further – before Round 1 has even been launched, let alone evaluated for its ramifications on rural consumers.

The hundreds of communications providers that are offering state-of-the-art services throughout significant portions of our congressional districts are a major source of jobs. They are also oftentimes the driving force behind the economic benefits that individuals and businesses in rural areas enjoy today. These companies evolved to provide communications services in areas where others viewed it as uneconomical to do so. The USF and ICC cost recovery mechanisms, along with Rural Utilities Service (RUS) financing, have been instrumental in their ability to achieve this success, and these cost recovery mechanisms will be critical in fulfilling the opportunities of the future as well.

I am concerned that the FCC has set a stage of limited vision that has all but drawn out of the picture communications providers serving rural consumers. I believe these providers' continued efforts to invest in infrastructure are crucial to small businesses in creating jobs in rural America. Moreover, I view their work as critical in ensuring that rural Americans are not left off the broadband super highway. As you know, studies suggest that broadband allows businesses and individuals in rural America to live locally, while competing globally in an online environment. That's why it is so important to preserve the benefits of reform while ensuring that additional regulatory reforms do not perpetuate uncertainty, create unacceptable "regulatory overhang" or otherwise undermine the efforts of rural carriers to invest in their networks and provide sustainable broadband services in wide swaths of rural America. Therefore, I request that the FCC, at a minimum, allow the rural telecommunications industry sufficient time to adapt to the recent reforms before undertaking further substantial changes in the near future.

Sincerely,



Ed Whitfield
Member of Congress

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