



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

January 29, 2015

The Honorable Thad Cochran  
United States Senate  
113 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Senator Cochran:

Thank you for your letter expressing interest in how best to update our Universal Service Fund (USF) policies to reflect current consumer mobility demand and need, especially in rural and high-cost areas. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have similar opportunities as their urban and suburban counterparts to be active participants in the United States of the 21<sup>st</sup> century. The Commission in the 2011 *USF/ICC Transformation Order* took significant strides to update the universal service program to reflect the realities of the 21<sup>st</sup> century. In particular, the Commission adopted specific performance goals to preserve and advance the universal availability of voice service and to ensure the universal availability of modern networks capable of providing advanced mobile voice and broadband services.

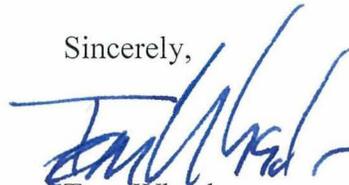
A core component of the Commission's 2011 USF reforms was the creation of the Connect America Fund to preserve and advance voice and robust broadband services, both fixed and mobile, in high-cost areas of the nation that the marketplace would otherwise not serve. The Commission's Wireless Telecommunications Bureau completed the auction for Mobility Fund Phase I on September 27, 2012. The auction had 33 winning bidders eligible to receive a total of up to \$299,998,632 in one-time support to provide 3G or better mobile voice and broadband services. Disbursements began in April 2013 and are anticipated to continue through 2016 as carriers complete their deployments.

Last year, the Commission adopted a *Further Notice of Proposed Rulemaking (FNPRM)* to seek comments on proposals to target funds to support mobile services in a Mobility Fund Phase II. In the *FNPRM*, we reaffirmed our commitment to preserving and advancing mobile voice and broadband services in high-cost areas. In light of marketplace developments in the years since we originally adopted the Mobility Fund regime, we sought comment on how to target funding to areas in which service only exists today due to support from the universal service fund. We also seek to extend service to areas that would not otherwise be covered by commercial 4G Long Term Evolution (LTE) deployments. Our goal is consistent with yours:

how best to use the limited funds available to us to ensure that rural Americans can take advantage of the opportunities presented by a “mobile society.”

I welcome a dialogue with stakeholders on how best to accomplish our shared objectives, and I look forward to working with you as we continue reforming and modernizing the USF high-cost program to ensure that all Americans have access to robust voice and broadband services. I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,



Tom Wheeler



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

January 29, 2015

The Honorable Debbie Stabenow  
United States Senate  
133 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Stabenow:

Thank you for your letter expressing interest in how best to update our Universal Service Fund (USF) policies to reflect current consumer mobility demand and need, especially in rural and high-cost areas. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have similar opportunities as their urban and suburban counterparts to be active participants in the United States of the 21<sup>st</sup> century. The Commission in the 2011 *USF/ICC Transformation Order* took significant strides to update the universal service program to reflect the realities of the 21<sup>st</sup> century. In particular, the Commission adopted specific performance goals to preserve and advance the universal availability of voice service and to ensure the universal availability of modern networks capable of providing advanced mobile voice and broadband services.

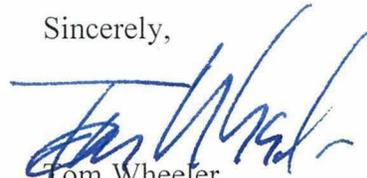
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Tom Wheeler