



NEWS

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See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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COMMISSIONER ADELSTEIN SUPPORTS ACTIVE FCC ROLE IN PROMOTING DEPLOYMENT OF BASIC AND ADVANCED TELECOMMUNICATIONS SERVICES TO RURAL AMERICA

ENCOURAGES IMPROVED SECTION 706 REPORTING REQUIREMENTS

At our open Commission meeting today, we shed an important light on the Commission's ongoing efforts to support the deployment of basic and advanced telecommunications services to those Americans living in our Nation's rural communities. I share a common goal with my colleagues: to provide and maintain a rural telecommunications system that is second to none.

In order to achieve this goal, we must unite together to deliver for Rural America solutions that work for consumers in the marketplace. Congress made it clear in the Telecommunications Act of 1996 that rural consumers are to receive affordable telecommunications services comparable in both quality and price to urban areas. Our decisions should reflect an understanding that the 1996 Act was enacted for the good of consumers. Congress intended all Americans to have access to telecommunications services, and eventually advanced services, at reasonable and affordable rates. It gave the Commission the tools to attain these critical, yet attainable, goals through universal service, competition and subsequent deregulation.

Accelerating the deployment of broadband services is one of the top priorities of the Act and, therefore, a central focus of mine as a Commissioner. Broadband services have the power to transform the lives of individuals and the future of communities, and the Act makes clear that we must extend the benefits of these latest technologies to all Americans – whether they live in the inner city, the suburbs, or rural areas.

That is why I am so supportive of the work of the Consumer and Governmental Affairs Bureau, with the support of the other Bureaus and Offices, in jumpstarting our outreach to Rural America. By reaching out to communities in Alaskan Native Villages, in the Appalachian region, and in the Central region of the United States, we show our commitment to building partnerships that can improve communications services for Rural America.

On the spectrum side, I am very pleased with the efforts of the Wireless Telecommunications Bureau and others to work with the USDA's Rural Utilities Service on the Federal Rural Wireless Outreach Initiative. I had the privilege of working on legislation authorizing and providing funds to the RUS for deployment of broadband services in rural areas when I was a

staffer in the Senate as part of last year's Farm Bill. It truly was a landmark piece of legislation as it was the largest rural broadband deployment initiation in U.S. history. It is so worthwhile to explore the wireless applications of this legislation, as I truly believe that spectrum-based services offer great potential to Rural America. I look forward to working with my colleagues to continue our effort to encourage new and innovative technologies, and a more intensive use of spectrum, in order to maximize that potential.

I have spoken in the past about Monet Mobile, the first wireless provider in the country to launch broadband Internet access using Qualcomm's high data rate technology. It is a great story, particularly when you consider that the company chose first to provide its high-speed wireless Internet services in seven Midwestern towns, including Fargo, North Dakota, and Sioux Falls, in my home state of South Dakota.

I also recently learned of another company, Clearwave, which is providing high-speed wireless services in a 100-mile radius around Jonesboro, Arkansas. Clearwave is using unlicensed spectrum to provide high-speed Internet right now to the residents and businesses of North East Arkansas, which is almost in the middle of our targeted Delta Region, a historically underserved area. And today, we are lifting our Alaskan Bush Policy to provide improved communications to Alaska Bush communities spurred in part by improved services in those areas served by both General Communications, Inc. and AT&T Alascom. This is a classic example of new services driving down prices, while at the same time improving service, in some of our country's smallest and most isolated communities.

These are exactly the type of success stories we want to encourage in the future. I look forward to working with the Office of Strategic Plans and Policy on its planned showcase to highlight those companies that already are using spectrum to extend broadband to rural areas.

I would also like to thank the Wireline Competition Bureau for its report on the availability of broadband services in rural areas. Having a baseline of data and analysis to assess the availability of broadband services is essential, particularly given the unique challenges in deploying broadband services in rural areas. The Commission has appropriately recognized that rural carriers often have higher operating and equipment costs attributable to lower population density, small exchanges, and lack of economies of scale. Consequently, we must be vigilant and expend extra effort to ensure that consumers in rural America have access to comparable services to those offered in urban areas.

Despite all of the obstacles facing rural areas, I am proud that in South Dakota, as in many other rural states, many of the smallest communities have broadband. Some even have competing providers. Small telephone companies, coops, wireless providers, and the people who run these companies have done an incredible job of delivering top quality service to their customers, even in the most rural areas. People like George Strandell of Golden West told me last summer about the thousands of dollars he spent to hook up a remote ranch to broadband – money he never hopes or plans to recover. People like George reinvest their money and lives in their own communities because they care about them. The high level of commitment and the technology deployed is truly amazing to me. These stories also underscore for me the inextricable link between promoting broadband deployment and universal service. Unless universal service

works the right way, much of Rural America will lack the foundation we need to speed broadband deployment.

The Wireline Competition Bureau's report is a good effort, but we must do more. Section 706 of the Act requires this Commission to conduct regular inquiries into whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion. It is our job, under the Act, to encourage deployment of advanced services to all Americans, even those in rural areas, on a reasonable and timely basis. It has been exactly two years since the Commission commenced its last Section 706 Inquiry, and over nineteen months since it issued its last Section 706 Report. I believe that it is time once again to initiate another inquiry into the availability of broadband and barriers to its deployment, and I hope that the useful reports, presented today, can spur us to open that inquiry.

Finally, the Commission today also launched a proceeding to establish policies for the transition to digital television for low-power TV, TV translators and TV booster stations. These stations are the primary source of over-the-air television for many viewers living in our nation's rural communities, and their transition to digital is vitally needed to keep pace with more urban areas. I thank the Media Bureau for drafting such a comprehensive item. I hope that the Commission can promptly put in place a process that spurs an orderly transition to digital television in rural areas.

I am confident that telecommunications in Rural America will thrive in the end. Congress has given us the right tools, and the people of Rural America have the right commitment to drive deployment to each and every community in this country. It is our job at the Commission to help providers get the support they need – and are entitled to by law – to accomplish that mission.

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