



# NEWS

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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. Circ 1974).

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FOR IMMEDIATE RELEASE:  
May 1, 2007

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## JOINT BOARD RECOMMENDS CAP ON HIGH-COST FUND

### *Board Also Seeks Comment on Comprehensive Reform*

Washington, D.C. – The Federal-State Joint Board on Universal Service today recommended that the Federal Communications Commission take immediate action to rein in explosive growth in high-cost universal service support disbursements. The Joint Board is also seeking comment on proposals for long-term, comprehensive reform of the high-cost program.

The Joint Board recommended that the Commission immediately impose an interim, emergency cap on the amount of high-cost support that competitive eligible telecommunications carriers (ETCs) may receive for each state, based on the average level of competitive ETC support distributed in that state in 2006.

In a separate Public Notice, the Joint Board is seeking comment on the following issues and proposals for comprehensive reform:

- The use of reverse auctions to determine high-cost universal service support
- The use of geographic information systems technology and network cost modeling to better calculate and target support at more granular levels
- Disaggregation of support below the study area or wire center level
- The methodology for calculating support for competitive ETCs
- Whether universal service funding should be used to promote broadband deployment directly

The Joint Board plans to make recommendations for comprehensive high-cost universal service reform within six months. It recommends that the Commission act on these further recommendations within one year from the date of the Joint Board's further recommended decision.

The Joint Board was established by the Telecommunications Act of 1996 to make recommendations to implement the universal service provisions of the Act. The Joint Board is comprised of FCC commissioners, state utility commissioners, and a consumer advocate

representative. The Joint Board's web site address is [http://www.fcc.gov/wcb/tapd/universal\\_service/JointBoard/welcome.html](http://www.fcc.gov/wcb/tapd/universal_service/JointBoard/welcome.html).

Action by the Federal-State Joint Board on Universal Service, May 1, 2007, by Recommended Decision (FCC 07J-1). Chairman Martin, Commissioner Tate, Chairman Edgar, Commissioner Landis, and Commissioner Burke issuing separate statements; Director Gregg concurring; Commissioner Baum concurring and issuing a statement; Commissioner Copps dissenting and issuing a statement.

Action by the Federal-State Joint Board on Universal Service, May 1, 2007, by Public Notice (FCC 07J-2).

Docket Nos.: 05-337, 96-45

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