

April 6, 2011

0462

The Honorable Julius Genachowski  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

Dear Chairman Genachowski:

We write to you regarding the FCC's current efforts to reform the Universal Service Fund and intercarrier compensation system. We support modernizing these programs, including making them more accountable and broadband-focused to meet the goal of providing affordable and comparable communications service to all Americans. However, we also encourage the development of a support mechanism framework that does not jeopardize current or hamper future private sector and federal lending program investment.

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 loan programs. As part of the ongoing reform effort, the FCC now proposes a number of new program restraints, benchmarks and formulas intended to make universal service more efficient and implement a new intercarrier compensation system. Telecommunication providers will be expected to adapt and manage their investments and businesses to those new standards and rules. Consequently, we believe these reform proposals must strike a balance to protect the investments that have already occurred and the need to overhaul the programs.

We believe strongly robust broadband networks will lead to increased adoption, job creation and economic opportunity. However, as the regulatory reform effort moves forward, we must also ensure new rules and regulations do not have unintended consequences and hamper our investment in our rural communities. Thus, we request that you seriously consider these concerns.

We look forward to working with you to address these matters.

Sincerely,

Mark Begich

Senator Mark Begich

John Thune

Senator John Thune

Jim Johnson

Chris L. Hatch

Daniel K. Flanagan

Amy Klobuchar

Al Franken

Jeffrey A. Merkley

Mark Udall

Kent Conrad

Max Baucus

Cornelius

Liz Murkowski

to Benjamin Nelson

Tom Harkin

Jim Tette

Mike Croso

Mike Croso

John Hovorn

Sally Chaubkin

John Bozman

Jan E. Rind

Mike Johnson

John Barrasso

Mark Taylor

Ray Hunt

Carl Lewis

Jerry Moran

Mike Enji

Chuck Grassley