



FEDERAL COMMUNICATIONS COMMISSION

September 20, 2011

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Mark Udall
United States Senate
317 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Udall:

Thank you for your letter regarding the Commission's efforts to reform and modernize the Universal Service Fund (USF) and the Intercarrier Compensation (ICC) system. Specifically, you are requesting that the Commission consider proposals that do not limit the ability of satellite providers to participate in Phase I of the Connect America Fund.

I am pleased to report that Commission staff has had several positive discussions with satellite providers during the course of this proceeding. Be assured that the Commission is not seeking to exclude or minimize the role of satellite broadband in the Connect America Fund. I am committed to policies that maximize the availability of broadband affordable and attainable to all Americans across broadband technologies. Through savings realized from reforms, we can begin transitioning funding to the Connect America Fund, which will directly support broadband for Americans in unserved communities, as well as sustain broadband in areas that are served today only with the assistance of universal service support.

On August 3, 2011, the Commission released a Public Notice requesting comment on specific proposals submitted by a variety of parties in response to the *Notice*. These include proposals from the Joint Rural Associations, state members of the Federal-State Joint Board on Universal Service, and a consortium of six price cap carriers. The Public Notice also requests further comment on issues not fully developed in the record.

I look forward to working with you and other Members of Congress as the Commission transforms its universal service policies to help close the digital divide in our nation. Please do not hesitate to contact me if I can be of further assistance. Your letter will be included in the record of the USF reform proceeding.

Sincerely,



Julius Genachowski



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JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Michael Bennet
United States Senate
702 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Bennet:

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Julius Genachowski