

United States Senate

WASHINGTON, DC 20510

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The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

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Dear Chairman Genachowski:

We write to you regarding the Commission's efforts to reform the Universal Service Fund. While we recognize and applaud the Commission for working to modernize and streamline this program, we are concerned that some of the reforms proposed in the Commission's Order and Further Notice of Proposed Rulemaking adopted on October 27, 2011, could potentially have a negative impact on the advancement of broadband access in Arkansas.

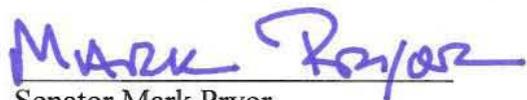
The Universal Service Fund has been critical to expanding broadband access to many parts of Arkansas and rural areas across the country that would otherwise be unserved. Today, farmers in the Mississippi Delta are able to check the weather and market reports on their smart phones; veterans in small towns have access to essential health care services through tele-health enabled clinics; and small businesses across the state have grown their businesses because they are connected to the global market.

For the Universal Service Fund to continue on this record of success, and for us to reach our mutual goal of universal broadband access, any changes to the Universal Service Fund must be balanced, ensure regulatory certainty, provide predictable support, and encourage further public and private investment in rural areas. Unfortunately, we have heard from many small service providers in our state that they lack the necessary information to determine the full impact of the reforms proposed by the Commission on their future business and investment plans. Moreover, they are concerned that given this lack of data, the Commission is moving too fast in its implementation. In addition, we have already heard from rural lenders and service providers that no meaningful broadband access will be deployed in 2012 due to the regulatory uncertainty caused by the Order and Further Notice of Proposed Rulemaking. Therefore, we respectfully request that the Commission delay implementation until this information is made available so that rural providers can fully understand the impact of the reform and plan accordingly.

Finally, we request and encourage you to send a representative from the Wireline Bureau to Arkansas before the proposed reforms are finalized. As you know from your visit to Arkansas in November 2009, it is important to see first-hand the unique needs and challenges that rural areas like Arkansas face and communicate with the people that will be directly impacted by the Commission's proposed reforms.

We look forward to your prompt response.

Sincerely,


Senator Mark Pryor


Senator John Boozman