

DAVID LOEBSACK

2ND DISTRICT, IOWA

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August 20, 2012

Julius Genachowski, Chairman  
Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554

Dear Chairman Genachowski,

I write to bring to your attention numerous concerns and questions that have been raised by Iowa telecommunications companies in the wake of the FCC's implementation of the Universal Service Fund (USF)/Intercarrier Compensation (ICC) Transformation Order. I share their serious concerns that this order will negatively affect the deployment of broadband and other telecommunications services in rural areas like many areas in my home state of Iowa.

Implementation of this order will have a depressing economic impact in rural Iowa as numerous companies that had planned broadband expansion projects under the previous system are now questioning the economics of providing such services. I respectfully urge you to temporarily suspend aspects of the order affecting rural telecom providers until the FCC can provide clarity that the order will not jeopardize the services provided by rural telecoms and hurt the consumers that rely on them for broadband and other services.

This order may make it nearly impossible for small businesses committed to serving rural areas to build and maintain the infrastructure needed, further depressing rural economic development and hurting our rural areas. Already numerous companies have filed for waivers under the new plan because of the inability to meet the needs of rural consumers through the new system.

Many small rural carriers have made investments in rural areas based on universal service funding that federal statute requires to be "predictable" and "specific," but unfortunately uncertainty has arisen over models for determining support levels, the waiver process and costs to apply, and the impact on carriers' ability to pay back government loans.

The FCC should not be moving forward with reforms we know will need to be modified in the future and currently are discouraging investment in rural broadband, may undermine rural loan programs, and jeopardize existing jobs created by the investments made by the rural telecommunications industry. I again respectfully urge you to clarify the order to ensure it will not jeopardize services provided by rural telecoms and hurt Iowa consumers.

Sincerely,



Dave Loeb sack  
Iowa's Second District

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