

**STATEMENT OF  
COMMISSIONER JESSICA ROSENWORCEL**

Re: *Connect America Fund*, WC Docket No. 10-90, *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, *Universal Service Reform — Mobility Fund*, WT Docket No. 10-208, *ETC Annual Reports and Certifications*, WC Docket No. 14-58.

Universal service is a cherished principle in communications. After all, it was back in 1934 when Congress first directed the Commission to make “communication by wire and radio” available “so far as possible, to all the people of the United States.” And it was Congress who expanded on this notion by adding new principles to guide universal service policy in 1996. As a result, the duty to preserve and advance universal service is the law of the land.

Technology changes, but this basic legal principle does not. So I appreciate the work of my predecessors here at the Commission who more than two years ago sought to update our universal service policies from top to bottom. They refocused the fund from last century’s technology on the broadband and wireless challenges today. They put it on a budget. And they increased accountability throughout. This was not easy—and I applaud their efforts.

But as I have said before, I am concerned that when you add the piece parts of our reform together—and they are manifold—what we have is extremely complex. I fear that this complexity can deny carriers dependent on this system the certainty they need to confidently invest in their network infrastructure. So when opportunities arise to simplify our rules in a manner that is fiscally sound, good for rural consumers, and bound to inspire investment—we need to seize them.

In many ways, we do that today. Over the last year, many rural carriers have argued that the uncertainty created by our regression model has hindered their ability to invest in their networks. Today we answer their pleas because we have determined they were right. So we eliminate it. This is good. In addition, we have made adjustments to allow those who relied on receiving safety net additive support under our prior rules and made significant network investments in 2010 and 2011 to receive that support. This is also good.

At the same time, we adopt an extensive Further Notice of Proposed Rulemaking that delves into the details of how we will implement the Connect America Fund, the Mobility Fund, and the transition of rural carriers to a broadband support mechanism. Back in 1996 Congress directed us to ensure that universal service evolves over time. In many ways, that is what our rulemaking does today. But I am sensitive that as we seek to evolve universal service policy we also can create more complexity and more uncertainty for broadband and wireless providers. Building networks takes time—and is not easy in our least populated communities. So as we move forward, I hope we can craft rules in a way that ultimately reduces complexity and uncertainty. Because if we do this right, we will connect America by providing better broadband and wireless service in rural America.