



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

July 9, 2014

The Honorable Ron Kind
U.S. House of Representatives
1502 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Kind:

Thank you for your letter supporting the creation of a Connect America mechanism for areas served by rural rate-of-return carriers, and a method to provide support for broadband-only lines. This is one of the key issues that the Commission raised in the *Connect America Fund Further Notice of Proposed Rulemaking* that we adopted in April. Your views on this matter are very important, and will be included in the record of the proceeding and considered as part of the Commission's review.

The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21st century. As you point out, the existing rate-of-return support mechanisms are tied to access lines at a time when we want to create incentives for broadband deployment, adoption, innovation, and investment. Your thoughts on how to address this issue are always welcome.

Presently, we are focused on updating the universal service program to ensure that we are delivering the best possible voice and broadband experiences to rural America within the confines of our Connect America budget, while providing increased certainty and predictability for all carriers and a climate for increased broadband expansion. To that end, in April the Commission voted to move forward with Phase II of the Connect America Fund for price-cap carriers, and took several steps to improve the climate for broadband investment in areas served by incumbent rate-of-return carriers. As you note, we eliminated the Quantile Regression Analysis benchmarks rule because it was not serving its intended purpose. In addition, in the above-mentioned *Further Notice*, the Commission proposed to adopt a stand-alone broadband funding mechanism for rate-of-return carriers and sought comment on how to support the deployment of broadband-capable networks by rate-of-return carriers within the current budget for the program. We expect a robust record on how a standalone broadband mechanism could be structured to provide support consistent with the \$2 billion budget for rate-of-return territories.

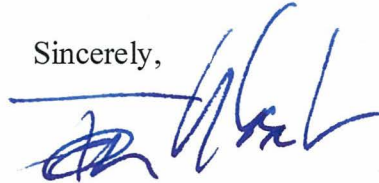
I appreciate your interest in this matter, and I look forward to working with you as we continue the work of reforming and modernizing the universal service fund high-cost program –

Page 2—The Honorable Ron Kind

as well as other components of the Fund – to ensure that all Americans have access to robust voice and broadband services.

Please let me know if I can be of any further assistance.

Sincerely,

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Tom Wheeler



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

July 9, 2014

The Honorable Gwen Moore
U.S. House of Representatives
2245 Rayburn House Office Building
Washington, D.C. 20515

Dear Congresswoman Moore:

Thank you for your letter supporting the creation of a Connect America mechanism for areas served by rural rate-of-return carriers, and a method to provide support for broadband-only lines. This is one of the key issues that the Commission raised in the *Connect America Fund Further Notice of Proposed Rulemaking* that we adopted in April. Your views on this matter are very important, and will be included in the record of the proceeding and considered as part of the Commission's review.

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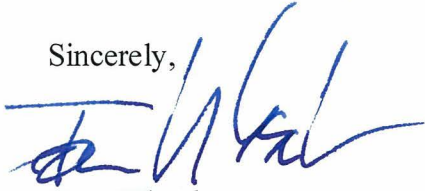
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Tom Wheeler



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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

July 9, 2014

The Honorable Tom Petri
U.S. House of Representatives
2462 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Petri:

Thank you for your letter supporting the creation of a Connect America mechanism for areas served by rural rate-of-return carriers, and a method to provide support for broadband-only lines. This is one of the key issues that the Commission raised in the *Connect America Fund Further Notice of Proposed Rulemaking* that we adopted in April. Your views on this matter are very important, and will be included in the record of the proceeding and considered as part of the Commission's review.

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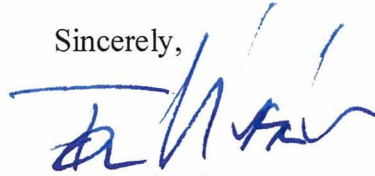
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Page 2—The Honorable Tom Petri

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Tom Wheeler



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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

July 9, 2014

The Honorable Mark Pocan
U.S. House of Representatives
313 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Pocan:

Thank you for your letter supporting the creation of a Connect America mechanism for areas served by rural rate-of-return carriers, and a method to provide support for broadband-only lines. This is one of the key issues that the Commission raised in the *Connect America Fund Further Notice of Proposed Rulemaking* that we adopted in April. Your views on this matter are very important, and will be included in the record of the proceeding and considered as part of the Commission's review.

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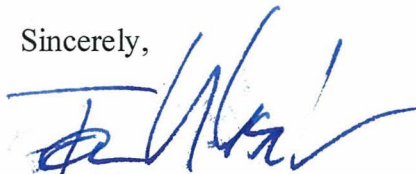
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Page 2—The Honorable Mark Pocan

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Tom Wheeler



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WASHINGTON

OFFICE OF
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July 9, 2014

The Honorable Reid Ribble
U.S. House of Representatives
1513 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Ribble:

Thank you for your letter supporting the creation of a Connect America mechanism for areas served by rural rate-of-return carriers, and a method to provide support for broadband-only lines. This is one of the key issues that the Commission raised in the *Connect America Fund Further Notice of Proposed Rulemaking* that we adopted in April. Your views on this matter are very important, and will be included in the record of the proceeding and considered as part of the Commission's review.

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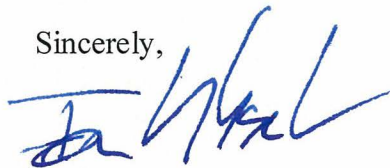
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Tom Wheeler