



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

October 24, 2014

The Honorable Tom Udall
United States Senate
110 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Udall:

Thank you for your letter requesting that the Commission consider proposals from broadband providers to permit some flexibility in the implementation of Phase II of the Connect America Fund (CAF II). Your views 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. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural areas of states such as New Mexico, within the confines of our Connect America budget, all while providing increased certainty and predictability for all carriers, and a climate for increased broadband expansion.

In April of this year, the Commission adopted a *Connect America Fund Phase II Report and Order* to move forward with Phase II of the Connect America Fund for price-cap carriers. In addition, in an associated *Further Notice of Proposed Rulemaking (FNPRM)*, the Commission sought comment on a number of the issues you raise, including revising the current broadband performance obligations to require minimum speeds of 10 Mbps downstream and applying the same performance obligations to all recipients of Phase II support and rate-of-return carriers. The *FNPRM* also seeks comment on proposals to allow CAF II recipients more flexibility in meeting their performance obligations, including whether to extend the term of support for CAF II recipients, and permit recipients to substitute locations in partially served census blocks for locations in the unserved census block for which they receive support. We have received a robust record on these issues, and they are under consideration by Commission staff.

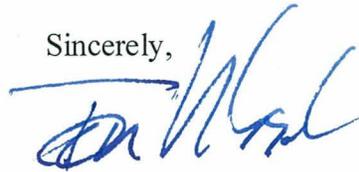
You have also expressed your concern that the Commission ensure that eligible households not be excluded from CAF II funding. We take this concern very seriously. We are currently finalizing the list of census blocks that are eligible for support. To ensure that this list is as accurate as possible, we have a challenge process in place where parties can identify alleged problems with the broadband map. As part of that process, the Commission has received a total of 178,335 challenges from parties on the served/unserved status of census blocks. Commission staff is currently reviewing these challenges and seeking public comment on the challenges. We

intend to make sure that a fair challenge process is conducted so that all eligible unserved areas qualify for funding.

I welcome a dialogue with stakeholders as to how best to accomplish our shared objectives. I look forward to working with you as we continue reforming and modernizing the Universal Service Fund high-cost program – as well as other components of the Universal Service 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



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WASHINGTON

October 24, 2014

The Honorable Martin Heinrich
United States Senate
702 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Heinrich:

Thank you for your letter requesting that the Commission consider proposals from broadband providers to permit some flexibility in the implementation of Phase II of the Connect America Fund (CAF II). Your views 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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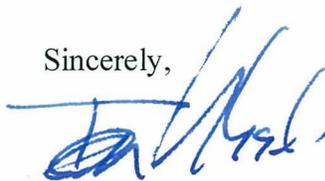
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Tom Wheeler



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WASHINGTON

October 24, 2014

The Honorable Michelle Lujan Grisham
U.S. House of Representatives
214 Cannon House Office Building
Washington, D.C. 20515

Dear Representative Lujan Grisham:

Thank you for your letter requesting that the Commission consider proposals from broadband providers to permit some flexibility in the implementation of Phase II of the Connect America Fund (CAF II). Your views 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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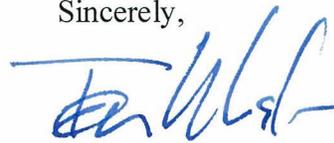
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Tom Wheeler



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WASHINGTON

October 24, 2014

The Honorable Ben Ray Luján
U.S. House of Representatives
2446 Rayburn House Office Building
Washington, D.C. 20515

Dear Representative Luján:

Thank you for your letter requesting that the Commission consider proposals from broadband providers to permit some flexibility in the implementation of Phase II of the Connect America Fund (CAF II). Your views 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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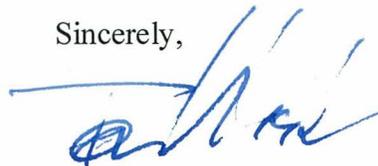
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Tom Wheeler



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October 24, 2014

The Honorable Steve Pearce
U.S. House of Representatives
2432 Rayburn House Office Building
Washington, D.C. 20515

Dear Representative Pearce:

Thank you for your letter requesting that the Commission consider proposals from broadband providers to permit some flexibility in the implementation of Phase II of the Connect America Fund (CAF II). Your views 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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