## Congress of the United States Washington, DC 20510

October 15, 2018

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The Honorable Ajit Pai Chairman Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Dear Chairman Pai:

We write to urge immediate action by the Federal Communications Commission (FCC) to restore sufficiency and predictability to the Universal Service Fund (USF) High Cost program's budget. Full funding of the program, as designed, helps ensure that rural Kansans have access to high-quality, affordable broadband and voice services comparable to those available in urban areas as mandated by the Telecommunications Act of 1996. These services are necessary if rural communities are to compete in a global economy.

The insufficient and uncertain USF budget continues to hamper rural providers' efforts to strategically invest in rural broadband at a time when the federal government has made rural broadband a national priority. Therefore, we appreciated your commitment at the FCC oversight hearing held by the Senate Commerce, Science, and Transportation Committee on August 16, 2018, to take action by the end of the year.

As you are aware, the USF High Cost program remains a critical tool for millions of rural Americans along with the economic competitiveness of rural businesses that the program aims to serve. Additionally, all four of the universal service initiatives rely on the health of this program's budget. However, the High Cost program's budget has remained at stagnant levels since 2011. It remains critical that all components of the USF evolve with innovations in technology while also accounting for inflationary adjustments in future budgets. Accordingly, the FCC's recent USF High Cost order and responses to its Further Notice of Proposed Rulemaking reinforce the need for sufficient and predictable support for the long-term health of the program.

In Kansas, the budget control mechanism resulting from insufficient funding is estimated to eliminate support that carriers would otherwise have received for deployment of broadband by nearly \$13,000,000 over the 2018-2019 twelve-month period. As a result, providers need to postpone or even cancel broadband investments, which reduce the availability of rural broadband and increase consumer broadband rates in rural areas. These reductions also put at risk the ability of providers to pay back loans for investments already made. Nearly 50 percent of Kansas land mass is served by rural carriers, and their services remain invaluable to the rural communities they serve.

As mentioned in prior letters and in-person discussions emphasizing the importance of the USF High Cost program's budget, we urge the FCC to establish a sufficient and predictable budget that will eliminate the digital divide of broadband availability and affordability while recognizing the long-term benefits that these assets provide. We appreciate the Commission's thoughtful actions and acknowledgement of this vital program that assures affordable broadband for rural American consumers and businesses.

Sincerely,

Jerry Moran United States Senator

Roger Marshall, M.D. Member of Congress

Kevin Yoder Member of Congress

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Juited States Senator

Lypn Jenkins/CPA Member of Congress

Ron Estes Member of Congress