**STATEMENT OF
CHAIRMAN BRENDAN CARR**

Re: *Maximizing Efficiencies in the Universal Service Administration*, WC Docket No. 26-173, Notice of Proposed Rulemaking (August 6, 2026).

It has been nearly three decades since the FCC designated USAC—the Universal Service Administrative Company—as the administrator for the agency's roughly $9 billion a year Universal Service Fund. The Fund's administrator carries out important functions, including billing, collection, and disbursement of those dollars. In all of that time, there has never been a comprehensive review of USAC's functions or organization. Today, we are taking the next step in our top-to-bottom review of all aspects of the USF by looking at how these programs are being administered.

USAC exists solely as an administrative facilitator and is required to carry out the USF programs in an efficient, effective, and competitively neutral manner. However, based on input in response to the FCC's inquiry earlier this year, and in other proceedings including the *Delete, Delete, Delete* proceeding, there are areas where improvement could be made. Today's item focuses on improvements in four main areas.

First, the item aims to reform USF administration processes and the Commission's oversight of those processes. Second, we are re-examining USAC's role and responsibilities as administrator. Third, we are taking a closer look at the operating costs of USAC, to ensure limited funding is efficiently used. And fourth, we are evaluating changes to the size, composition, and election of the Board of Directors to address conflicts of interest and their impact on administration. We also propose improvements to other USAC functions, including the audit process.

The main goals of this proceeding are to bring more accountability and transparency to the administration of USF and to make sure our programs are being carried out in an effective manner. This will ensure Americans receive the best bang for their buck on universal service spending—a commonsense win for government efficiency and accountability. Thanks to staff for their hard work on the item, including Joseph Calascione, Sonam James, Divya Shenoy, Stephanie Minnock, Matthew Baker, Bryan Boyle, Jodie Griffin, Andrea Kelly, Steven Fecarotta, D'wana Terry, and Joanna Fister.